

COVER SHEET

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S.E.C. Registration Number

V A L L E Y G O L F & C O U N T R Y

C L U B , I N C .

(Company's Full Name)

D O N C E L S O S . T U A S O N A V E .

B A R A N G A Y M U N T I N G D I L A W

A N T I P O L O C I T Y

(Business Address: No. Street/City/Province)

ROSANNA R. ARGUELLES

Contact Person

8658-4901

Company Telephone Number

0 6 3 0

Month Day

Fiscal Year

SEC FORM 17-A

FORM TYPE

09 4th Sunday

Month Day

Annual Meeting

Secondary License Type, If Applicable

C G F D

Dept. Requiring this Doc.

Amended Articles Number/Section

1,594

Total No. of Stockholders
Owning at Least One Board Lot

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

Certification

I, **DAN L. SALVADOR III**, the General Manager/Compliance Officer of **VALLEY GOLF & COUNTRY CLUB, INC.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number **13951** and with principal office at **Don Celso S. Tuason Victoria Valley Antipolo City**, on oath state:

- 1) That I have caused this **Annual Report (SEC Form 17-A) for the year ended June 30, 2023** to be prepared on behalf of **VALLEY GOLF & COUNTRY CLUB, INC.**
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company **VALLEY GOLF & COUNTRY CLUB, INC.** will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this SEP 26 2023 day of ANTIPOLO CITY 2023.



DAN L. SALVADOR III
Affiant



ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC

For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2024

Roll of Attorneys No. 27541

MCLE Compliance No. VII-0023686

IBP No. 256227; Dec. 30, 2022, RSM

PTR No. 8675432; Jan. 03, 2023 Antipolo City

Doc No. 340
Page No. 70
Book No. 66
Series of 2023

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17 - A

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the Fiscal Year Ended June 30, 2023
2. SEC Identification No. 13951
3. BIR Tax Identification No. 000-649-197
4. Exact name of issuer as specified in its charter - VALLEY GOLF & COUNTRY CLUB, INC.
5. Province, Country or other jurisdiction of incorporation or organization - Antipolo, City, Philippines.
6. (SEC Use only) Industry Classification Code
7. Address of principal office - Don Celso S. Tuason Ave. Victoria Valley, Antipolo, City
8. Issuer's telephone number - 658-4901 to 03, 658-4920, 658-0079 to 89
9. Former name, former address, and former fiscal year, if changed since last report -Not Applicable.
10. Securities registered pursuant to Sections 8 & 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of each class	Number of Shares of Ordinary Shares Outstanding and Subscribed
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Common Shares	1,594 shares outstanding
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11. Are any or all these securities listed on the Philippine Stock Exchange.

Yes _____ No X

12. Check whether the issuer:

(a) has filed all reports to be filed by Section 17 of the SRC and SRC Rule 17.1 there under or Section 11 of the RSA and RSA Rule 11(a)-1 there under and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

Yes No

(b) has been subject to such filing requirements for the past 90 days.

Yes No

13. The market value of each share of stock of Valley Golf as of June 30, 2023 is P5,500,000.00 plus P200,000 transfer fee, for June 30, 2022 is P2,500,000.00 plus P200,000 transfer fee, for June 30, 2021 it was P1,600,000.00 plus P200,000 transfer fee, for June 30, 2020 it was P1,300,000.00 plus P112,000.00 transfer fee; for June 30, 2019 it was P800,000 plus P112,000 transfer fee; for June 30, 2018 it was P400,000.00 plus P112,000.00 transfer fee; for June 30, 2017 it was P312,000.00 plus transfer fee of P67,200 (promo period for transfer fee) or P112,000.00 (regular transfer fee rate), and; for June 30, 2016 and 2015 it was at P250,000.00 plus transfer fee of P56,000 (promo period for transfer fee) or P112,000.00 (regular transfer fee rate). For the years 2003 to 2014 market price is at P 400,000.00 to P 500,000.00 for Club subscription and P332,000 to P292,000 for third party market. Market prices were based on subscription rates and transactions processed in the club.

The aggregate market value therefore of the 1,594 issued and outstanding shares of Valley Golf at P5,500,000.00 is P8,767,000,000.00

14. Valley Golf is not involved in insolvency/suspension of payments proceeding during the preceding five years; this is not applicable to us.

DOCUMENTS INCORPORATED BY REFERENCE

A. Annual report to security holders

The Annual Report to stockholders contains the President's and Treasurer's Report, the Financial Report of the Independent Auditors, the accomplishments of the present Board of Directors, the pictures of the present Board of Directors, the roster of Committee members and various pictures of the events of the preceding year. The financial report and its discussion are incorporated in Part II – Operational and Financial Information, whereas the information on the Directors is included in Part III – Control and Compensation Information.

B. Proxy Form

The proxy form attached is the form sent to all stockholders in connection with the stockholders' meeting and included therein are the matters to be voted upon by the stockholders. This is incorporated in Part I – Business and General Information.

VALLEY GOLF & COUNTRY CLUB, INC.
ANNUAL GENERAL MEETING
September 24, 2023 at 4:00 P.M.
Via Live Streaming, VGCCI

PROXY

No. 2023 - 0000 (incremental number to start with 0001)

I, _____, the undersigned member of **Valley Golf & Country Club, Inc.**, hereby name and appoint the following person to vote on the specified matters:

Name	Agenda Item
	1. To approve the minutes of the 2022 Annual stockholders' meeting.
	2. To approve the Company's 2023 Annual Report and Audited Financial Statements.
	3. To confirm and ratify all acts and resolutions of the Board of Directors & Management (July 1, 2022 to June 30, 2023 inclusive).
	4. To appoint External Auditors.
	5. To cast votes for person/s to the 2023-2024 Board of Directors.
_____ or in the absence and/or non-attendance of my PROXY the Chairman of the Meeting.	<p>Regular Directors</p> <ol style="list-style-type: none"> 1. Jose Arsenio Isidro D. Borromeo III 2. Marvin A. Caparros 3. Jose Ferdinand R. Guiang 4. Eric R. Illescas 5. Constantine L. Kohchet-Chua 6. Edward P. Lim 7. Luis G. Quiogue 8. Rafael S. Raymundo 9. Jose G. Razon 10. Albert San Gabriel 11. Rio Sesinando E. Venturanza <p>Independent Directors:</p> <ol style="list-style-type: none"> 1. Robert John C. Baretto 2. Michael T. Echavez 3. Ricky Libago

as my proxy at the **ANNUAL GENERAL MEETING** of Valley Golf & Country Club, Inc., to be held on 24 September 2023 at 4:00pm¹, and/or any postponements or adjournment(s) thereof, as fully and to all intents and purposes as I lawfully might or could do if present and voting in person.

Place/Date : _____

¹Stockholders may vote online from September 20, 2023 (starting at 8:00 a.m.) up to September 21-, 2023 (5:00 p.m.). Voting by Proxyholders shall be on September 22, 2023 from 8:00 a.m. to 5:00 p.m.

Name and Account Number of Shareholder : _____

Signature : _____

Number of Shares : _____

Witness : _____

Instruction: The member executing this proxy may withhold the authority to vote for any nominee by lining through or striking out the name of the nominee.

VALIDATION OF PROXIES

Proxy form shall be validated as these are received by the Club, provided that the proxy forms are submitted to the Club on or before **5:00 p.m. of September 14, 2023** which is consistent with the deadline provided under the Club's By-Laws. Validation of proxy forms is on September 19, 2023 at 5:00 P.M. **For partnerships, corporations, and associations, the proxies should be accompanied by a Secretary's Certificate on the appointment or designation of a proxy/representative and/or authorized signatories.**

LETTER OF INTENT AND DATA PRIVACY CONSENT

I _____, hereby declare and signify my intent to participate by remote communication and **exercise the right to vote in absentia** in the September 24, 2023, Annual Stockholders' Meeting of Valley Golf & Country Club, Inc.

By participating in the September 24, 2023, Annual Stockholders' Meeting of Valley Golf & Country Club, Inc. and in compliance with Republic Act No. 10173 (or the Data Privacy Act of 2012) and its Implementing Rules and Regulations (IRR) effective since September 8, 2016, I freely and voluntarily authorize Valley Golf & Country Club, Inc. to collect, record, organize, use, disclose and/or otherwise process any personal information submitted in connection with this declaration only for the purpose of allowing me to participate in the stockholders' meeting by remote communication and **vote in absentia**. I understand that by giving this consent, I am not waiving any of my rights other than as authorized herein under the Data Privacy Act of 2012 and other applicable laws.

Signature of Stockholders

Account No.

**VALLEY GOLF & COUNTRY CLUB, INC.
ANNUAL GENERAL MEETING
September 24, 2023 at 4:00 P.M.
Via Live Streaming, VGCCI**

PROXY

No. 2023 - _____ (where _____ is equal to account number of members in the system)

I, _____, the undersigned member of **Valley Golf & Country Club, Inc.**, hereby name and appoint the following persons to vote on the specified matters:

Name	Agenda Item
The General Manager of VGCCI.	<p>I. To approve or disapprove all the proposed Amendments to the Articles of Incorporation according to his sound discretions; and</p> <p>II. To approve or disapprove all the proposed Amendments to the Amended By-Laws according to his sound discretions.</p>

as my proxy at the **ANNUAL GENERAL MEETING** of Valley Golf & Country Club, Inc., to be held on 24 September 2023 at 4:00pm¹, and/or any postponements or adjournment(s) thereof, as fully and to all intents and purposes as I lawfully might or could do if present and voting in person.

Place/Date : _____

Name and Account Number of Shareholder : _____

Signature : _____

Number of Shares : _____

Witness : _____

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Signature of Stockholders

Account No.

PART I - BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

A.) DESCRIPTION OF BUSINESS.

1.) Business Development

Valley Golf & Country Club, Inc. is situated at the rolling hills of Antipolo, City, a private and non-profit club organized in 1958 by a group of golfers, well-known and influential businessmen headed by the late Don Celso S. Tuason. The property is about nine kilometers from EDSA and about seven kilometers from Antipolo. The site formerly owned by Hacienda Benito measures almost 210 hectares when it was originally purchased. On May 14, 1958, the original Articles of Incorporation was approved by SEC. At present the Club has an authorized capital stock of 1,800 shares at P 9,000 par value and 1,594 shares are issued and outstanding.

The building of this dream course has taken all of three years from the planning of the lay-out, the grading and the sculpturing of its contoured fairways and formidable greens, to the final touches on the tee-shaped clubhouse Architect Gabriel Formoso designed in the Malayan motif. To get the best playing possibilities from the saucer-shaped course, the Valley authorities brought in not one but two reputable golf course architects, an Englishman named Fred Smith and an Australian named Jas H. Scott. It is a tribute to their artistry, skill, and thoroughness that, except for two holes, their plans coincided almost exactly. It was Scott's lay-out which was finally accepted.

The original seven (7) Board of Directors were Celso S. Tuason, Aurelio Montinola, Sr., Ernest Kahn, Henry Belden, J. Antonio Araneta, Francisco Ortigas, Jr., and Jaime Velasquez. The course was opened for play on November 1961 and attracted a great traffic of players and aficionados. With this encouraging trend, the Club was expanded to accommodate another par-69, 18-hole course on the north in addition to its original south course in 1994.

The South Course is a par-72 championship layout, sits on 90 hectares of rolling hills and meandering brooks. It played host to the famed Philippine Open in 1975, 1983, 1991 and 2011. It was during the 1983 Philippine Open that American Jeff Lewis established the course record of 65.

On November 1991, Valley Golf for the first time, became the venue of XVI Southeast Asian Games Golf Championship.

Valley's greens are meticulously designed so that the golfer is challenged to use most, if not all, of his clubs in the bag. The terrain provides the contour which assures that no two shots will ever be alike. Some notable holes: the tight first, the picturesque Nos 4 and 10, the intriguing No. 16 and the short but tricky No. 18.

When play traffic increased at Valley, a nine-hole all-weather course with a par 36 layout spread over 50 hectares was added. Valley acquired from the adjoining property owners through barter arrangements several parcels of land, enabling it to expand the nine holes into an 18-hole complex now known as the North Course (formerly Executive Course). It exemplifies the finest the Philippines have to offer in international championship golf courses. Some notable holes: Hole No. 15 with its tee overlooking the entire golf course and a man-made terrace; and Hole No. 6 best known for its island green.

The North Clubhouse has been completed and was inaugurated last Nov. 1999. It is now fast becoming the favorite venue for tournaments and parties. We have a new Food & Beverage concessionaire in the North Clubhouse offering a variety of new menus and accepts catering for special events. The Men's Locker was recently renovated, and the Registration and Cashiering services was provided in the North Clubhouse. The tournament participants in the North Course are required to register and avail of locker services in the North Clubhouse. A Sports Clubhouse equipped with modern sports facilities and other amenities that will suit every man's needs are still in the planning stages. The Main Clubhouse was renovated while preserving the original aesthetic design and concept of the architect as a reminder of the historical past of one of the oldest golf club in the country. The Men's Locker Rooms was renovated last April 10, 2013. The new locker room is spacious and accommodating to the needs of the golfing public. The amenities include the air-conditioned locker rooms, newly rehabilitated wood lockers, sauna bath, clean bathrooms and a scenic pocket garden. The Ladies Locker Room, part of the Men's Locker Room, the Hallway leading to both locker rooms and the Proshop was renovated in 2021 and inaugurated last Feb. 21, 2022.

The South Course was rehabilitated into a world class golf course. The plans for the course upgrading and engineering studies were prepared by Planning Resources and Operations Systems, Inc. The Club hired the services of Eco-Turf and Turf Care Systems, Inc. as the Construction Manager and Golforce, Incorporated as the Contractor. Works started on the back 9 holes in August 2002 and was completed last October 2003 and it was playable in November 2003. As per approved plans the layout will not be changed only the drainage system will be improved and the course will be all weather. Funding came from the shares sold on installment basis and loan from members.

Rehabilitation works of the front nine South Course started in November 2003 and after completion was inaugurated on Nov. 20, 2004. Contract for labor for the rehabilitation was awarded to bidder Philgolf Development & Equip, Inc. in the amount of P 20,000,000.00. Materials were purchased in-house with an initial budget of P 31,500,000 and additional budget of P 4,000,000.00 for the bunker sand and P 1,552,000.00 for herring bone installation. As of June 30, 2005, total cost of the renovation stood at P 130,000,000 (gross of vat) or P 125,000,000.00 (net of vat)

During the fiscal year 2009 the Board approved the renovation plans of the Main Clubhouse. Phase 1 included the Executive Offices, Board room, function rooms, upper and lower veranda, and main lobby. With a total estimated cost of P 9 Million, the Board awarded the contract to Reyes Interiors

for the amount of P 4.5 Million excluding the cost of plumbing fixtures, electrical fixtures, grillwork on veranda, gutter works, glass and aluminum panels, floor and wall tiles and ceramic tiles on base columns. Works started on July 15, 2008 and were finished sometime in September 2009.

For the fiscal year 2010, restoration works were done to repair the damage caused by the typhoon Ondoy on the Club's properties. Total cost amounted to P 4,504,509.00, which was taken from the special assessment to members with a total billing of P 4,886,000.00. The balance of the funds was used to continue the riprap works in the South Course. Capital expenditures during the year included extension of Hole # 14 of the North Course, riprap of waterways in the South and North courses, concreting of the DCTA, purchase of varifold for the Founders' Hall and purchase of ground equipment.

For the fiscal year ending June 2011, the projects undertaken included the concreting of the Don Celso Tuason Avenue from the bridge gate up to Sumulong gate which was completed at the cost of P 5 Million. Other projects during the year include riprapping of slope protection at the South and North courses, repair of the Caddie House and construction of new gasoline station. We also purchased 3 units Flymowers, 3 units Backpack blowers and 3 units Rotary mowers. By July, Renovation of the Main Clubhouse resumed which included Phase 2 – Construction of Office Basement and the Coffee Bar with a budget of P 3.7 Million and P 450,000, respectively. Another project undertaken was the construction of the golf car parking shed amounting to P 1.5 Million

For the fiscal year ending June 2012, the projects undertaken included Phase 2 of the Renovation of the Main Clubhouse – Construction/Renovation of the Office Basement – P 4.31 Million, golf cart parking shed – P 1.08 Million, Air conditioning units for basement office – P1.21 Million, Coffee bar – P 512k and Valley Golf cart shed – P 478,000. Ongoing projects at the time included the improvement of motorpool area and Riprap/slope protection at Hole # 17 of the South Course. The equipment purchased during the year included the following: Fairway aerator, Flymowers, Rotary mowers, bush cutters, walk behind fertilizer spreader, backpack blowers, sound system, ID card maker and PABX telephone system.

For the fiscal year ending June 2013, the projects undertaken included Phase 3 of the Renovation of the Main clubhouse – which consisted of the Renovation of the Men's locker room with a total contract price of P5,000,000.00, (materials supplied by the Club amounted to P1,000,000.00), construction of the pocket garden for P 600,000, purchase of air con units for P430,000 and installation of double panel solar water heater for P675,000 (paid for with golf shares). The men's locker room in the North Clubhouse was likewise renovated at a cost of P535,000 and was used by members and guests from Jan. to Apr. 2013 during the renovation period of the locker room in the Main Clubhouse. Other projects undertaken were the: construction of the Wall of Honor – P88,000, satellite kitchen – P184,000, and guard house at Hole # 12 South Course – P201,000; Rehabilitation of the Koi Pond – P435,000; reblocking and asphalt overlay of DCTA – P 4 Million, and; riprap works in the South Course – P191,000. Meanwhile, construction of the members' gym and lounge, renovation of the clinic and tee house in the North course were still on-

going at the time. Equipment purchased included the greens mower with groomer – P615,000 and Danfoss variable speed pump control – P250,000.

For the fiscal year ending June 30, 2014 the on-going projects from the previous year that were completed included – the Men’s Lounge and Gym – P419,000, tee house in the North Course Hole # 4 – P467,000 and renovation of the clinic – P247,000. Other projects completed during the year were – Phase 2 of the reblocking and asphalt overlay of DCTA – P3.88 Million, installation of roofing for the golf cart area – P773,000, Kitchen exhaust system – P217,000 and kitchen hood fire suppression system – P150,000. On-going projects at the time were the sanding of fairways and improvement of bridges in the North Course. Various equipment were purchased during the year which included – 10 units Golf carts – P 2.65 Million, 1 unit greens mower with groomer – P640,000, 2 units walk behind rotary mower – P150,000, 2 units flymower – P110,000, 1 unit Truck mounted man lifter – P690,000 and 1 server and computers.

Other projects of the Club included the streamlining of operations and the outsourcing of the grounds maintenance for both the South and North Courses. The Board of Directors approved on Aug. 8, 2014 the engagement of the services of MJ Carr Golf Management, Inc. for the maintenance of both courses for a monthly service fee of P 2.7 Million inclusive of VAT for a period of three years. Likewise, a voluntary early retirement program for the employees was approved with payment of 125% and 150% of the basic pay for every year of service.

For the fiscal year ending June 30, 2015, the following projects were completed:

1. Purchase of one (1) unit backhoe	P	3,303,571.43
2. Purchase of ten (10) units golf carts		2,800,000.00
3. Purchase of 4 units desk top computers		160,000.00
4. Purchase of 2 units 2 way radio		23,000.00
5. Repair of controller pump of the South course		150,714.29
6. Renovation of satellite kitchen		45,471.00
7. Driving range shot area		81,194.10
8. Additional golf cart storage		70,058.94
9. Purchase of copying machine		243,000.00
10. Purchase of 17 units Samsung Galaxy tablets		407,830.00
11. Purchase of 7 units transformer book		156,100.00
12. Purchase of 3 units brush cutters		37,500.00
13. Purchase of projector		33,900.00
14. Purchase of 2 units tru cut edger		40,850.00
15. Purchase of steel lockers		62,400.00
16. Improvement of bridges		226,555.98
17. Improvement of drainage in Hole # 5 South course		535,714.28
18. Improvement of driving range facilities		48,901.79
19. Renovation of Bag drop area		938,178.97
		<u>9,364,940.78</u>

The following were the projects for Fiscal year 2016

PARTICULARS	AMOUNT DISBURSED
1. Controller for vertical turbine pump	P 621,012.58
2. Rehabilitation of bunker sand	P 2,817,418.14
3. Repair of pump in the North Course	P 186,000.00
4. Sound system for the Founders' Hall	P 363,248.45
5. Purchase of tablets, Laptop and printers	P 144,830.00
6. Purchase of Riso digital duplicator	P 125,000.00
7. Rehabilitation of the South course	P 5,454,400.38

The following were the projects for Fiscal year 2017

PARTICULARS	AMOUNT DISBURSED
1. Repair of South Course pump (total project cost is P3.25 Million)	P 1,346,277.66 1,395,843.28
2. Irrigation system	
3. Construction of Expansion of Men's Locker room	225,000.00
4. Renovation of Secondary & Sumulong gates	199,988.00
5. Purchase of 20 units golf carts	5,880,000.00
6. Purchase of 8 units desktop computers	187,500.00
7. Rehabilitation of bunker sand	3,035,840.85
8. Repair of Bag drop area Phase 2	600,317.38
9. Repair of Pump North Course	245,000.00
10. Rehabilitation of South Course	5,379,464.16
11. Purchase of Suzuki carry for water delivery	160,000.00
12. Purchase of 2 units projectors	64,000.00
	P 18,719,231.33

The following were the projects for Fiscal Year 2018

1. Repair of the Main Clubhouse roofing (on-going)	P 1,654,387.30
2. Rehabilitation of the North Course bunkers (on-going)	2,321,428.57
3. Purchase of Service Vehicle	1,241,800.00
4. Purchase of 15 units electric golf carts	4,410,000.00
5. Purchase of Emergency vehicle	743,107.40
6. Purchase of Tables, Chairs and Sofa	250,000.00
7. Purchase of 11 units desk top computers	311,000.00
8. Purchase of 1 unit welding generator	235,200.00
9. Purchase of 10 units Air coolers	159,950.00
10. Purchase of Sophos firewall	<u>150,000.00</u>
	P 11,476,873.27

The following are the projects for Fiscal Year 2019

1. Dredging works at South Course Hole # 12, 16 And 17 and North Course Hole # 15 (on-going)	P	1,749,438.54
2. Filter for pumps		959,576.00
3. Zoysia Matrella Turf Nursery		1,021,645.93
4. Reblocking and Drainage Improvement of DCT Avenue (on-going)		6,759,003.65
5. Men's Locker Roofing		2,052,998.41
6. Purchase of Forward Truck		1,450,000.00
7. Purchase of Manlift Truck		840,000.00
8. Purchase of 10 units Electric Golf Carts		2,940,000.00
9. Purchase of 20 units Electric Golf Carts		<u>6,500,000.00</u>
		24,272,662.53

The following are the projects for the fiscal Year 2020:

1. Dredging works at South Course Hole # 12, 16 And 17 and North Course Hole # 15 (completed)	P	4,221,428.56
2. Reblocking and Drainage Improvement of DCT Avenue (completed)		7,945,491.82
3. Purchase of 10 units Electric Golf Carts		2,767,857.14
4. Rehab of greens at South Course		1,964,285.72
5. Repair of Bunker at South Course		1,848,701.10
6. Purchase of 2 units Pumps and Accessories		1,067,857.14
7. Improvement of Motor pool Area roofing		559,933.60

The following are the projects for Fiscal Year 2021:

1. On-going renovation of swimming pool	P	5,027,436.32
2. On-going construction of 2-level golf cart garage		4,298,285.58
3. On-going construction of Cabana		501,678.11
4. On-going renovation of Locker hallway		400,529.96
5. On-going landscaping at swimming pool area		945,263.50
6. Renovation of Tee box South Course		816,316.30
7. Construction of Starter House – North Course		263,507.58
8. Purchase of photocopier		253,526.79
9. Construction of Gabion Filters		312,350.83

The following are the projects for Fiscal Year 2022:

1. On-going construction of 2-level golf cart garage	P	24,684,557.19
2. Purchase of Backhoe Loader		3,750,000.00
3. Construction of Gazebo at swimmingpool complex		3,311,441.45
4. On-going Zoysia Grass Infusion		3,295,476.27
5. Renovation of Ladies Locker room. hallway and Proshop		3,023,842.28
6. Hardscape at swimming pool complex		2,116,940.87

7. Nursery at the South Course	1,030,418.52
8. Purchase of L-300 Vehicle	868,000.00
9. On-going Accounts Receivable System	545,000.00
10. On-going construction of Cabana	501,678.11
11. Landscaping at swimmingpool complex	429,600.00
12. Online Voting System Program	377,551.02
13. Toilet at the Lower Veranda	328,800.00
14. Renovation of Kitchen	277,717.44
15. On-going renovation of swimming pool	221,748.93
16. Tee Time System Program	200,000.00

The following are the projects for Fiscal Year 2023:

1. On-going construction of 2-level golf cart garage	P	5,851,708.28
2. Zoysia Grass Infusion – Phase 1		1,511,530.00
3. On-going Zoysia Grass Infusion – Phase 2A		2,758,843.71
4. On-going Sewerage Treatment Plant		7,191,250.00
5. On-going Tee Renovation – North Course		1,255,005.63
6. Toilet at the Mezzanine		384,892.50
7. On-going Automatic Fire Sprinkler		1,273,092.67
8. On-going design preparation for the Roofdeck Function room		545,315.00
9. Purchase of Backhoe		5,700,000.00
10. Purchase of 20 units Golf Carts		6,720,000.00
11. Perimeter Fence Hole # 3 at the South Course		338,645.92
12. Fire Suppression and FDAS		704,330.60
13. Centrifugal Pump		305,200.00
14. Cyclone Fence in the North Course		492,790.91
15. On-going Automatic Fire Sprinkler System		3,037,142.92
16. On-going Golf Cart Path Repair		1,171,729.53
17. On-going Re-blocking of Don Celso Tuason Ave.		973,671.70

For the Fiscal year 2016, the Club engaged the services of Cafirma, Ong & Co., CPAs, represented by Mr. James A. Cafirma as the Internal Auditor of Valley Golf & Country Club, Inc. effective Jan. 12, 2016. This is the first time that the Club outsourced the Internal Audit services of the Club. The Club also entered into a Build Operate and Transfer Arrangement with Freeport Elite Resort Inc. for the construction and operation of the Driving Range for a period of 15 years. Another food and beverage concessionaire, Jay-J's Food Management, Inc. was engaged by Valley Golf for the North Clubhouse for a period of 3 years. On January 20, 2017, the Club entered into a three-year contract with Anix's House of Kare as the F & B Concessionaire for the Main Clubhouse.

For the Fiscal year 2018 the following are the significant contracts of Valley Golf. On October 2017, the Club engaged the services of Cubacub Law and Accounting Office as the Internal Auditor of Valley Golf & Country Club, Inc. Mr. Rizaldy Legaspi was hired as Golf Director effective Sept. 16, 2017. The contract with Smart Communications was renewed last Oct. 1, 2017 for another 10 years. Golf Course Maintenance Service Agreement was entered into between Valley Golf and VMJ

Evergreen Golf Maintenance and Construction Corporation effective Jan. 1, 2018 up to Dec. 31, 2020.

For the Fiscal year 2019, the significant contracts are as follows: Mr. Dan L. Salvador III was hired as General Manager effective July 14, 2018, Mr. Eugene Bunyi was hired as Golf Director effective Dec. 1, 2018 and upon expiration of the contract of Cubacub Law and Accounting Office as Internal Auditors, the Board of Directors in their Regular Meeting last Oct. 20, 2018 approved the hiring of Miss Maria Cristina T. Odon as Internal Audit Head and Miss Rachel Ann F. Magsakay as Internal Audit Assistant effective Dec. 1, 2018. The Club entered into a Memorandum of Agreement with Mulawin Homes Neighborhood Association Inc. on donation of a portion of a lot with an area of 1,362 sq. meters last Oct. 4, 2018. The Club hired a new security agency, Gold Cross Security and Investigation Agency Inc. last Dec. 1, 2018. On Jan. 17, 2019, the contract for the Reblocking and Improvement of Drainage of Don Celso Tuason Ave. with Verlin Konstrukt was approved by the Club. The dredging contract for the South and North courses was entered into with Z & S Diving and Marine Services Corp. last Jan. 21, 2019

For Fiscal Year 2020, the significant contracts are as follows: Abejo Rosario Tayag Santos Retainer Agreement, Dismantling and Installation of Motorpool Roofing, Rehabilitation of the Greens of the South Course and Rehabilitation of the Swimming pool.

For the Fiscal Year 2021, the significant contracts are as follows: SMC Transfer Agency Agreement, Robin Pest Control and Maintenance Services and Jet Pools Swimming Pool Services.

For the Fiscal Year 2022, the significant contracts are as follows:

1. Sagada Construction Development Corp,
2. Doturak International Group Inc.
3. Pacsports Philippines Inc.
4. SMC Transfer Agency Agreement
5. Annapolis Security Agency, Inc.
6. Golf Kitchen OPC
7. General Manager Dan Salvador
8. Golf Director Gino Bunyi
9. Corporate Secretary Allan Jocson
10. VMJ Evergreen Golf Maintenance and Construction Corp.
11. Jet Pools Swimmingpool Services

For the Fiscal Year 2023, the significant contracts are as follows:

1. Meralco Right of Way Agreement
2. Four M's Spa
3. AJSV Construction Services for Concrete Re-blocking of DCTA
4. AJSV Construction Services for Repair of Golf Cart Path
5. Jupiter Systems Inc.
6. Madrid Danao & Associates
7. Ecology Energy Corporation

- 8. Satori Land One, Inc.
- 9. GFP Architects
- 10. New Mandarin Sky Food Group, Inc.

The projects for implementation for Fiscal Year 2024 are as follows:

			PROJECT COST	PRIORITY LEVEL	REMARKS/JUSTIFICATIONS
1		GOLF COURSES			
		South and North Courses			
	1	Enhancement of fairway lights using LED Flood light	1,000,000.00	1	Several Flood Lights in the fairway are due for replacement with LED, Less frequent replacement means lower maintenance cost. This make them suitable for use in outdoor lighting applications with golf courses where the level of the property is in a hilly terrain. Includes Hole # 17 SC Tee mound to Green
	2	Golf Cart Path Repair	4,000,000.00	3	
	3	Rehabilitation of Turbine Pumps and/or purchase of new pumps for North and South	3,500,000.00	3	To help improve the efficiency of irrigation system and reduce electric consumption costs, as well as pump maintenance costs. It is critical that water filtration systems be installed before purchasing any new pumps.
	4	Perimeter Fence	3,000,000.00	2 years	It helps to guard our course, maintaining safety and inhibiting access of would be intruders into our golf facilities. (when needed only)
	5	Lagoon Riprap Repair/Construction	2,250,000.00	3	This is a permanent erosion resistant ground cover of large, loose, angular stone. It is also helps to stabilize slopes that are unstable due to seepage.
	6	Desilting/Dredging Works	6,000,000.00	Level 1 3 YRS.	To remove sediments and debris from the bottom of lagoon, rivers. It is a routine necessity in waterways. Golf Course waterways must dredge due to natural buildup of sand and silt that occurs from currents and

					streams moving around sand and particles.
		South Course			
	1	Zoysia Infusion Project Phase 2	21,700,000.00	Leve 1 2 YRS.	Area is 53,859 sq. meters
	2	Riprap lagoon #17 South Starter House/Dam	4,000,000.00	2	Lagoon #17 south starter house is recommended for slope protection to stabilize slopes, shorelines area that may include inlets and outlets of storm pipes, culvert, bridges, slope drains, storm drains.
	3	Satellite Controller South Course	3,500,000.00	1	Satellite controllers typically have a user interface which allows the user to modify the irrigation schedule for the sprinklers connected to that specific satellite controller and possibly the schedules of other controllers as well. Thus, if the user observes a problem, such as a dry area that requires more water, the irrigation schedule for the problem area can be conveniently modified at the nearby satellite controller, instead of the distant central controller.
	4	Improvement of Sluice Gates and Additional Garbage Traps	1,000,000.00	3	As part of waterways management plans, Improving our sluice gates from manually operated to mechanically/electrically operated will ease the opening and closing of sluice gates as it is critical during rainy season.
		North Course			

	1	Improvement/Automation of North Course sprinkler and control system.	3,800,000.00	3	This plan would convert North Course Irrigation to Semi-automatic system. It would rehabilitate the controller boxes previously purchased but not yet in use, at a cost of about P900k. The estimated cost of the installation and commissioning of the system has not yet been determined. It will be required to have an accurate set of as-built drawings (cost of 100K) in order to determine the installation costs. We should NOT move forward with the rehabilitation of the controller boxes as a separate project, until we know and approve the cost of the installation. To do one without the other, would be a waste of resources. NOT AT THIS TIME.
2		CLUBHOUSES, FACILITIES & OTHERS			
	1	Road Reblocking and Repair along Ortigas and Sumulong Gate (including drainage)	12,000,000.00	2	Repair of damaged section of the road to prevent cracks and prolong the concrete pavement. (Remaining Works)
	2	Drivers' Waiting Lounge	1,200,000.00	1	The purpose of the driver's lounge is for the drivers who are waiting for their employers. Designated areas for the drivers to make them comfortable.
	3	Improvement of Don Celso Tuason Ave. Main Gate to Sumulong streetlights	750,000.00	3	It can be used to promote security on some areas and to increase the quality of life by artificially extending the hours in which it is lighted so that activity can take place. Street lighting also improves safety for drivers, riders, and pedestrians.
	4	Concrete epoxy sealing Main Gate to Ortigas gate	800,000.00	1	Sealing of minor cracks to prevent major cracks and re-blocking works
	5	Replace the railings in the veranda to wood.	750,000.00	3	

		6	Renovation/Repair of Men's Locker Shower Room	1,500,000.00	1	
		7	Swimming Pool Cabana Toilet Renovation	2,200,000.00	3	The existing Cabana Toilet is outdated and not appropriate for our newly renovated swimming pool.
		8	Various Renovation of Clubhouses including Airconditioned dining at Second Floor	50,000,000.00	1	
		9	Main Panel (Main and North Clubhouse)	1,500,000.00	2	Replacement of outdated Main Panel.
		10	Additional Aircon and Maintenance	400,000.00	2	Additional AC unit can help regulate the temperature on warmer areas of the club as well as boosts efficiency in other units.
		11	Surveying Works (Property Development)	1,400,000.00	2	To update and confirms boundary lines and legal description. It also determines other restrictions or easements included in the property. Confirming the boundaries before commencing the fence is an important part.
		12	Improvements at Motorpool Area	400,000.00	1	Requirements include standing operating procedures, safety precautions and responsibilities.
		13	Main and North Clubhouse Toilets	1,500,000.00	3	
		14	Traffic Engineering and Control Management	150,000.00	1	Providing high efficient traffic flow through ample research and innovative design efforts. Use research to design roadways and highways that increase traffic safety (stop signs, traffics signs, traffic lights etc.)
		15	Caddle Area Facilities (Repair Works)	500,000.00	1	
		16	Valley Golf Signage	1,500,000.00	1	Signage that is thoughtfully and purposefully designed for an interior or exterior space creates a pleasant experience for visitors while keeping them informed.

	17	Yearly Fire and Safety Maintenance	500,000.00	1	Fire safety and maintenance reduces the risk of injury and building damage that fires can cause. Developing and implementing fire safety protocols in the workplace is not only required by law but it is crucial to everyone's safety that may be in the building during a fire emergency.
	18	Furnitures and Fixtures Ladies Locker	1,000,000.00	3	Ladies Locker Furniture were outdated and old.
	19	Building and Occupancy Permits for Additional Facilities.	1,000,000.00	1	It is required to comply with the necessary permits mandated by the Building Official. The permitting process' objective is to protect public safety.
	20	Storage Area for Material Recovery Facility	400,000.00	1	This storage unit will provide a space to store that still can be used or valuable assets while keeping them safe from damage or theft.
		Multi-Sports Complex building master planning			
	21	- Topographical survey and soil testing	150,000.00	3	From House
	22	- Initial concept drawing printing costs	20,000.00	3	From House
	23	- Architectural, Structural, Electrical, Mechanical, Fire Protection Plans	2,000,000.00	3	From House
	24	Phase 2 Main Clubhouse major renovation - Founders' Hall Extension	22,000,000.00	3	From House
3		PURCHASE OF MAINTENANCE EQUIPMENT, VEHICLES & OTHER EQUIPMENT			
	1	Electric Golf Carts - 20 units @ P365,000 each	7,300,000.00	1	Purchase of additional golf carts for rental.
	2	Service Vehicle (Forward Truck)	2,400,000.00	1	To purchase a new vehicle or service truck for maintenance and construction purposes. The existing truck is outdated and unreliable.

	3	Centralized Grease Trap	467,500.00	1	Installation of grease trap is necessity to collect and reduce the amount of fats, oils and greases that enter the main sewers. Grease entering the main sewer system will over time create blockages, foul odors and pest infestation.
	4	Water Truck (Multicab)	500,000.00	1	This multicab or water trucks are specialized vehicles to haul water in large quantities safely and efficiently.
	5	1 unit telescopic boom truck (5 tons)	1,800,000.00	3	Boom Trucks are very useful especially in golf course to transport goods to a site and then to lift them with the crane. These boom trucks are designed for strength and stability and are typically used to lift heavy loads vertically.
	6	Skid Loader	2,000,000.00	3	
	7	1 unit back pack blower	150,000.00	1	Backpack blowers has been proven for effectively and efficiently clearing fallen leaves, grass or waste inside the club or DCT area.
	8	1 unit chipping hammer	120,000.00	1	This tool has been common and often used for maintenance and construction purposes.
	9	Accounting System - ERIC	1,612,440.00	1	P1.27 M program plus P28,370/mo. Subscription
	10	Ipads - 9 Pcs	270,000.00	1	for newly elected directors and Corp Sec
	11	Laptop (2 units X P60k)	120,000.00	1	for MIS and Engineering Head to include MS office License
	12	PC Upgrade	150,000.00	1	Computer parts & accessories for upgrading
	13	Computers - 5 Units	250,000.00	1	For Registration and Bookkeeper
	14	Online Voting	100,000.00	1	Upgrade And Maintenance Cost
	15	Printer	15,000.00	1	For Registration
	16	Network Printer	25,000.00	1	For MIS
	17	Web Hosting Subscription And Domain Renewal / Registration	30,000.00	1	Hosting Of All Applications
	18	TV - 2 Units	100,000.00	1	Replace Defective Old Unit For Tv Ads

19	Firewall Sophos	150,000.00	1	Replacement Of Hardware/ Software Renewal
20	Wifi Zone	1,000,000.00	3	Wifi Zone Within Valley Premises
21	Networking Peripherals	100,000.00	1	To Upgrade Existing It Network
22	MS Office Renewal	230,020.00	1	Office 365 Renewal
23	Archiving	600,000.00	1	Digitization Of Files
24	Internet Upgrade	300,000.00	1	Leased @ 25K Per Month
25	HRIS	500,000.00	1	To Upgrade Existing payroll
26	Steel Cabinets - 11 units @ 15,000 each	165,000.00	1	Membership - 5, Accounting - 5, Golf Ops – 1
27	Cooling Fans - 5 units @ P40,000 each	200,000.00	1	For Main and North Clubhouses
28	3 Phase Diesel Generator (250Kva-300Kva)	3,000,000.00	1	To provide power and backup electricity especially for big events.
29	Projector	150,000.00	3	For Venue Rentals
30	Motorcycle	70,000.00	1	For messenger
31	Two way radio (Motorola) - 6 units @ P15,000 each	90,000.00	1	For Golf Cart Attendants, Caddiemaster and Golf Director
32	Desk Top computer	45,000.00	1	For Golf Operations
33	Printer/Scanner	18,000.00	1	For Golf Operations Clerk
34	RFID for all gates	8,000,000.00	2	From Security
35	Tow Truck	1,500,000.00	1	From Security
36	Upgrade of CCTV Cameras	3,000,000.00	1	From Security
37	CCTV Monitors - 2 units @ 50,000 each	100,000.00	1	From Security
38	Cabinets for CCTV Monitors	200,000.00	1	From Security
39	Swimming pool furniture seats replacement	150,000.00	1	
40	Safety Vault for Stock Certificates	200,000.00	1	From Membership
		194,547,960.00		

Valley Golf does not have any bankruptcy, receivership, or similar proceedings.

Valley Golf does not have any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

2.) Business of Issuer

The main business of Valley Golf is golf and country club operations. Our main sources of income are monthly dues from the members and green fees from guests; they comprise 34% and 15% respectively of the gross income. Other revenue sources from processing of membership such as Transfer Fee and Service Charge comprises 15% of our revenue for the fiscal year 2023.

Valley Golf does not have foreign sales, distribution methods of products nor publicly announced new product.

International Opportunities - Being a member of Valley Golf & Country Club, Inc. allows the members the privilege of playing in foreign golf clubs like the Kelab Golf Negara Subang in Selangor, Malaysia; Singapore Island Golf and Country Club; and Royal Selangor Golf and Country Club in Kuala Lumpur, Malaysia. In the year 2002 we were able to establish reciprocal rights with Klub Golf Bogor Raya of Indonesia and Royal Palm Springs Golf Club of Malaysia. In 2017 the Club established reciprocity rights with the largest golf course operator in the world, Mission Hills Golf Club in China. Last June 18, 2019 another reciprocal agreement was signed between Valley Golf and Kelab Golf Sarawak.

The principal competitors near our area of operations are two privately owned golf courses, Forest Hills Golf and Country Club located in Cogeno, Antipolo City and Eastridge Golf & Country Club in Binangonan and one public course, Sun Valley Golf Course. These golf courses are relatively new and are still building up their membership base; whereas, Valley Golf having been in the business for 65 years old is already a proud Golf Club with its roster of respectable membership. Valley Golf's luscious greens and fairways are still the best in the area and very well maintained. The rainforest trees in our courses that have matured through the years have provided a canopy on the fairways and its majestic beauty is something that other golf courses cannot duplicate. The friendly atmosphere and the camaraderie of the entire membership and employees are what make our golf course unique. Eastridge has an 18-hole golf course and Forest Hills has a 36-hole golf course but Valley Golf's greens, fairways, trees, sand traps and meandering rivers will always make the difference. Each golf course may have its own unique characteristics, but Valley Golf's design and intriguing South Course is something that has always attracted the enthusiasm of golfers. The challenging contour of the courses will always make one's round of golf an enjoyable and unforgettable experience. Valley Golf's all weather South Course has already made its impact on the members and their guests.

Our competitors are marketing their new facilities and in anticipation of this, Valley Golf rehabilitated the South Course into an all-weather golf course.

We have completed phases 1 and 2 of the renovation of our Main Clubhouse including the Men's locker room, the restaurant/veranda area, and the offices to keep up with the modern trends in interior design while still maintaining the unique architecture of our clubhouse. Valley Golf is now in the planning stages for the various renovation of the Main Clubhouse including the Airconditioned dining area at the second floor. Financially, Valley Golf is more stable than our competitors because our focus now is maintenance and constant improvement. Moreover, our Stockholders' Equity has long been built up unlike our competitors who are still selling shares of stock to augment their capital.

Valley Golf has no branch or subsidiaries, so we do not have transactions with related parties. The other parties we usually transact with are the suppliers of office, grounds and motorpool supplies. In Dec. 2015, the Club entered into a 3-year golf course maintenance agreement with MJ Carr Golf Management. Upon the expiration of the contract of MJ Carr, a Golf Course Maintenance Service Agreement was entered into between Valley Golf and VMJ Evergreen Golf Maintenance and Construction Corporation effective Jan. 1, 2018 up to Dec. 31, 2020. The golf course maintenance agreement with VMJ Evergreen Golf Maintenance and Construction Corporation was extended up to December 31, 2021 pending the bidding process for the services. On January 1, 2022 Valley Golf and VMJ Evergreen Golf Maintenance and Construction Corporation entered into another three (3) year golf course maintenance agreement. We have concessionaires for golf supplies, restaurants and driving range but these are not part of the Club's major sources of income. We do not have patents, trademarks, copyrights etc.

Valley Golf has an approved registration from BIR of its VAT and NON VAT activities. The Club keeps up to date its annual Municipal Business, Sanitary Permits and Real Property Taxes from the City Government of Antipolo and Cainta.

A governmental regulation which affected the Club was the implementation of the CTRP. Before the CTRP, the Club was exempted from the payment of income tax as per Sec. 27 of the NIRC. By reason of the CTRP, the Club is now subject to 32 % income tax effective Jan. 1998 and upon recent amendments from the BIR our tax rate is now 30%.

The 26 International Financial Reporting Standards and revised International Accounting Standards by the Accounting Standards Council which took effect in January 2005 started affecting the financial reports of the Club for the fiscal year ending June 30, 2006. The significant effects are on the recognition of income tax expense and derecognition of deferred tax assets in the absence of definite plans that operations for the coming years shall result to net income after depreciation. Other minor effects were in the recording of interest income, capital gains, property plant and equipment and depreciation and lease-finance expenses.

In August 2012, the BIR issued Revenue Memorandum Circular No. 35-2012 – Clarifying the Taxability of Clubs Organized and Operated Exclusively for Pleasure, Recreation and Other Non-profit purposes. Under Revenue Memorandum Circular No. 35-2012, membership dues which were previously

exempted from VAT and income tax by virtue of BIR Rulings issued by the then Commissioner Chato and Asst. Commissioner Roldan in 1996 and 2006, respectively, are now subject to VAT and income tax. Said Revenue Memo caused a significant impact in our finances and adversely affected our cash flow forcing the Board of Directors on Sept. 15, 2012 to increase membership dues effective Oct. 2012. The Club complied under protest with the mandate of Revenue Memorandum Circular No. 35-2012.

For Fiscal Year 2014, the Club applied certain accounting standards that require restatement of previous year's financial statements, particularly Revised PAS 19, Employees Benefits. This required all actuarial gains and losses to be recognized in the Other Comprehensive Income. Also, unvested past service costs previously recognized over the average vesting period, were recognized immediately, whether in income or loss, when incurred.

The Supreme Court issued a decision last August 13, 2019 that declared that Membership Dues, Assessments and fees of similar nature collected by Clubs which are organized and operated exclusively for pleasure, recreation, and other nonprofit purposes do not constitute as: a) "the income of recreational clubs from whatever source" that are subject to income tax; and b) part of the "gross receipts of recreational clubs" that are subject to VAT. The decision became final and executory last February 18, 2020. Valley Golf duly complied with the Supreme Court decision. As such, the related Input Vat on expenses, inventories, completed projects and additions to property and equipment that is use for maintenance, preservation and upkeep of the Club's general operations and facilities related to members are to form part of the recorded amount of expenses, inventory and Property and Equipment.

The implementation of the Corporate Recovery and Tax Incentives for Enterprises Act "CREATE" Law effective July 1, 2020 reduced the income tax of Valley Golf under the Regular Corporate Income Tax to 25% and the Minimum Corporate Income Tax to 1% for the Fiscal year ending June 30, 2021.

Being a golf course, we do not spend much for research and development since our major concern is the maintenance of the golf course. We sometimes test new products for our insecticides, fertilizers, sands and grounds equipment but these are either samples given for free or the amount involved is very minimal.

The Club strictly adheres to all environmental laws. Sources of water are from the running creeks along the fairways and fertilizers used are all environmentally friendly and not hazardous to health. The Board signed a mutual environmental protection project and tree planting and seedling propagation with the DENR. Organic materials are being used for the maintenance of the greens and fairways. During the year 2001 the Club had undertaken the planting of around 300 golden coconut seedlings near the perimeter fence and within the golf course. Animals such as ducks and wild birds are allowed to roam within the creeks and fairways. In 2010, we constructed a greenhouse for seedlings of various trees and several tree saplings were planted in the courses or given to members. In our locker rooms, we had eliminated the use of plastics and styrofoam. Instead, we made use of

cloth bags and paper cups. We also eliminated the use of plastic cups in the fairways and clubhouse; instead, we are using paper cups. For the year 2022 we are in the planning stages in the construction of the Sewerage Treatment Plant and the contract will be awarded to an entity in the coming months. The initial plans in the STP to be located in the North Course is above ground and automatic. The construction of the Sewerage Treatment Plant is completed in Fiscal Year 2023

Total number of employees is 81, all full time. We have 18 General Manager, Department Managers and Supervisors and 63 rank and file employees. The 63 rank and file are covered by a CBA which will expire on Oct. 2025. The breakdown of the employees are as follows; Office of the GM – 1, Golf Affairs – 26, Clubhouse – 17, Controllers - 17, Engineering –14, Administration/HR – 5 and Internal Auditor – 1. When we started engaging MJ Carr Golf Management for the maintenance of the golf courses, the Grounds Department was abolished. Our employees have never been on strike for the past three years neither are they threatening to strike. Supplemental benefits include free meals during overtime and holidays and special events in the Club, free coffee during break time and various gift items during Christmas seasons.

There is no major risk involved in the business of Valley Golf & Country Club.

The Club members' equity as of June 30, 2023 is P 289.68 Million. We do not issue unsecured bonds. Valley Golf has been in business for 65 years.

ITEM 2. DESCRIPTION OF PROPERTY

Seen from the air, the Main Clubhouse, which was designed by noted Filipino Architect Gabriel Formoso, takes on the unmistakable shape of a golf ball perched on a tee. The "golf ball " houses the Men's Locker Room. The " tee " houses the upper veranda, the golfers' lounge and a viewing deck where one can enjoy the action on the 9th or 18th green.

Adjacent to the Main Clubhouse are two swimming pools with cabanas for men and women. The swimming pools, gazebos and cabanas were recently renovated to be at par with modern designs. The Club now has a state-of-the-art fully lighted for night use driving range with amenities such as coffee shop and restaurant, sports bar, members' lounge, pro-shop and shower rooms. The driving range has two-level driving bays, all equipped with convex mirrors while the upper-level bays feature the revolutionary TMAX-GOLF motor less dispensers. Adequate parking near the Main Clubhouse is assured for as many as 200 cars.

The North Clubhouse is furnished with modern facilities, complete with restaurant, function rooms, locker rooms and offices. The restaurant is now being managed by a concessionaire as part of innovations being introduced to the membership.

a.) Location and area of the properties.

Valley Golf & Country Club, Inc. is located along Don Celso S. Tuason Ave., with entry and exit on Ortigas Ave., Extn. and Sumulong Highway. Total land area is 1,222,971 sq. meters, part of which is in Antipolo City and another part in Cainta, Rizal.

b.) Description and condition of the properties.

All properties are registered in the name of Valley Golf Club, Inc. and none of the properties are mortgaged nor encumbered. The Club does not lease any of its land.

Valley Golf does not intend to acquire any properties in the next twelve (12) months.

ITEM 3. LEGAL PROCEEDINGS

1. **Heirs of Victor Reyes vs. Valley Golf and Country Club, Inc.**
(SC GR No. 190641; CA-G.R Civil Case No. 80378; RTC-Makati City, Branch 138: Civil Case No. 01-528; SEC Case No. 01-97-5522

This is a complaint by a former stockholder of VGCCI for reinstatement of playing rights and/or issuance of new shares of stocks. The complainant claims the auction sale in 1986 of his share for delinquency of his accounts was void for lack of notice to him. He is also claiming the amount of PhP20,000.00 as attorney's fees as well as costs of suit against the Club. In its Answer, the Club claims that the complainant's action is already barred by the statute of limitation and there was proper notice to him of his delinquency and the auction sale. As counterclaim, the Club is claiming PhP50,000.00 as moral damages, PhP50,000.00 as exemplary damages and PhP25,000.00 as attorney's fees. The Regional Trial Court has rendered judgment dismissing the complaint as there was no infirmity in the auction sale of complainant's share. Mr. Reyes has filed an Appeal with the Court of Appeals where the case is now pending. During the pendency of this appeal, the plaintiff passed away and the court, upon motion of his heirs, ordered their substitution as the plaintiffs.

On August 5, 2008, the Court of Appeals rendered a Decision reversing the decision of the Regional Trial Court and **declared the plaintiff (as substituted by his heirs) to be entitled to the reinstatement of his playing rights and/or the re-issuance of a new share of stock from Valley.** The Court of Appeals said that the notice issued to the plaintiff as to the auction sale was defective as the registry receipt was not sufficiently authenticated and that even assuming there was notice of delinquency sent to the plaintiff, the payment of dues was the responsibility at the time of the playing guest to whom the playing rights of the share was assigned. The Club filed a Motion for Reconsideration on August 26, 2008 which was denied by the Court of Appeals in its Resolution dated November 25, 2009. On December 18, 2009, the Club filed a Petition for Review with the Supreme Court. The heirs of Victor Reyes already filed their Comment to which Valley Golf filed its Reply on 03 January 2011.

On 10 November 2015, the Supreme Court rendered its decision denying the Club's petition for review and affirming the Court of Appeals decision. On 16 February 2016, Valley Golf filed its Motion for Reconsideration. However, this was denied by the

Supreme Court in its Notice dated 16 March 2016 which we received on 25 May 2016. An Entry of Judgment has been issued and hence, the decision has become final and executory. On 30 April 2018, undersigned counsel received a Motion for Issuance of Writ of Execution filed by the plaintiffs' counsel. We then filed on 11 May 2018 a Comment/Manifestation to the motion stating that while Valley Golf intends to comply with the Decision dated 05 August 2008 of the Court of Appeals which has already become final and executory, its compliance should be in accordance with law and consistent also with Valley Golf's own rules and procedures regarding stock ownership, transfer of shares and approval of membership and playing rights. The court in its Order dated 21 May 2018 has already granted the plaintiffs' Motion for Issuance of Writ of Execution. To forestall any inconvenience to Valley Golf and ensure orderly compliance with the Court of Appeals' decision, we met with plaintiffs' counsel on 30 May 2018 to explain to them the rules and procedures regarding stock ownership, transfer of shares and approval of membership and playing rights and inquired if plaintiffs are willing to accept a playing right instead of a golf share.

In 2022, Plaintiffs' counsel informed Valley's counsel that his clients are following him up for the implementation of the decision since they want to include their father's share in his estate. Considering that the wording of the Decision gave the option of either reinstating the playing right and/or re-issuance of a new share of stock, Valley Golf management opted to comply with the same by giving a playing right of Dr. Reyes' heirs as may be designated by the latter among themselves. Upon receipt of Valley Golf's letter, plaintiffs through counsel filed a Motion for Clarificatory Judgment praying that the judgment be clarified by declaring that Plaintiff-Appellant is hereby declared entitled to the reinstatement of his playing right AND the re-issuance of a new share of stock from Valley Golf Club, Inc. We then filed our Comment/Opposition to the said Motion the following grounds: 1) the motion filed by plaintiffs is clearly filed beyond the period provided to appeal the Court of Appeals' decision rendered on 05 August 2008; 2) the motion, even if filed on time, seeks to violate the doctrine of immutability of judgment as it has long acquired finality; 3) even assuming the decision may be amended, the Regional Trial Court cannot amend or modify or even clarify the judgment of the Court of Appeals.

On 18 August 2022, the Regional Trial Court partially granted the Plaintiffs' Motion for Clarificatory Judgment and directed them to signify their option of whether to choose a playing right membership or the re-issuance of a share of stock from Valley Golf. Valley Golf filed a Motion for Reconsideration to which Plaintiffs filed their Comment. In its Order dated 24 November 2022, the Regional Trial Court denied Valley Golf's Motion for Reconsideration. On 24 January 2023, Valley Golf filed its Petition for Certiorari under Rule 65 (With an Application For Issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction). In its Order dated 29 May 2023, the Court of Appeals ordered the Plaintiffs (Private Respondents) to file their Comment within ten (10) days from receipt of the Notice.

While the case was pending with the Court of Appeals, Valley Golf authorized its counsel to negotiate with the Plaintiffs' counsel for a settlement where a monetary amount will be paid to the Heirs of Dr. Reyes in lieu of a share of stock. After some discussions, the Plaintiffs' counsel informed Valley Golf's counsel that the former are willing to accept a payment of Php1.6 million pesos as full and final settlement of the case. Valley Golf will no longer issue to them a share of stock. A Compromise Agreement has been signed and the amount of Php1.6 million pesos paid to the heirs

of Dr. Reyes. The Compromise Agreement was already filed with the Regional Trial Court of Makati (the court of origin) for its approval. Once the same is approved, a Manifestation shall also be filed with the Court of Appeals.

2. Valley Golf and Country Club, Inc. vs. Gabina Maestre, et al.
(Civil Case No. 09-8769, Branch 71 of the Regional Trial Court of Antipolo City)

This is a complaint for accion publiciana to recover possession of real property belonging to the Club under TCT No. 518354 currently being occupied by several squatters. The Club is seeking a decision from the Regional Trial Court ordering the defendants (about 37 in number), together with their families/households, and any and all persons claiming rights from them, at present and in the future, to vacate the subject properties in question and to restore the possession of the same to the Club. The Club is also seeking the payment of the attorney's fees in the amount of PHP50,000.00 acceptance fee and the amount of appearance fees, as and by way of attorney's fees, as well as for defendants to pay the costs of suit and litigation expenses.

Some of the defendants have filed an Answer claiming that they and their predecessors-in-interest have been in possession of the Club's property for more than thirty (30) years which will entitle them to the ownership and possession of the property. They also claim that the Club's title is not valid since the property was acquired from the Manila Railway Company and that under a 1900s law, the railway company was bound to give the property back to the public once it is no longer used for railway operation. As counterclaim, defendants are claiming PHP500,000.00 as moral damages and PHP20,000.00 attorney's fees for each of them.

Valley Golf has previously filed a motion to declare in default some of the defendants who failed to file their Answer and this motion was already granted by the court. On 04 September 2013, in view of the failure of the defendants represented by counsel to file their Pre-Trial Brief, the court allowed Valley Golf to present its evidence *ex-parte*. These defendants filed a Motion for Reconsideration which Valley opposed and the court denied this motion. Valley Golf presented its evidence *ex-parte* and filed its Formal Offer of Evidence. The other defendants filed another Manifestation with Motion, seeking that they be allowed to present their own evidence which was denied by the court after Valley Golf filed its opposition.

On 02 September 2015, Valley Golf through its counsels received the Decision of the Regional Trial Court which declared Valley Golf as the lawful owner of the property and ordered it to be placed in possession of it and the defendants were ordered to vacate the same to surrender it peacefully to Valley Golf. Some of the defendants filed a Motion for Reconsideration to which Valley Golf filed its Comment/Opposition on 27 October 2015.

In the interval, Valley Golf signed in 2015 a Memorandum of Agreement with Malaya Valley Homeowners' Association, Inc., which, though not a party, claims to represent all the informal settlers on the subject property, some of which are already defendants in this case. Upon the instructions of the Board and management, Valley Golf's counsels filed a Motion for Approval of Compromise Agreement or the terms of the MOA. However, some of the individual defendants filed a Manifestation claiming

that they did not sign and are vehemently opposing the Compromise Agreement (MOA).

On 24 October 2016, the RTC of Antipolo rendered an Order denying the Motion for Reconsideration of some of the defendants and approving the Compromise Agreement insofar as the defendants who were not opposing it. The defendants who filed the Motion for Reconsideration then filed a Notice of Appeal. On the other hand, upon the instructions of the Board of Directors, Valley Golf's counsels filed on 21 December 2016 a Motion for Partial Reconsideration of the Order insofar as it approved the Compromise Agreement considering that a great number of defendants who are supposedly beneficiaries of the MOA are objecting to it thereby putting to naught the objective of the MOA to end the litigation, and that it will now be virtually impossible to implement the MOA based on its original terms and premises. The Motion for Partial Reconsideration was approved and defendants' Motion for Reconsideration was denied.

Some of the plaintiffs thereafter filed a Notice of Appeal from the Regional Trial Court's decision. On 19 June 2018, we received an Order from the Court of Appeals directing the defendants-appellants to file their Brief within forty five (45) days from their receipt of the Order. Valley Golf's counsel received a copy of the Brief of defendants-appellants on 06 August 2018. Valley Golf filed its Appellee's Brief on 30 October 2018. Defendants-appellants did not file any Reply Brief to Valley Golf's Brief. On 26 March 2019, we received a Resolution from the Court of Appeals stating that in the interest of justice, appellants are given twenty (20) days from notice within which to file reply brief, with warning that in case of non-compliance within the stated twenty (20) day period, the appeal will be deemed submitted for decision without reply brief.

On 10 September 2019, Valley Golf's counsel received the Decision of the Court of Appeals which affirmed the Decision dated 16 July 2015 and Order dated 24 October 2016 of Branch 71 of the Regional Trial Court of Antipolo. Defendants filed a Motion for Reconsideration to which Valley Golf filed a Comment/Opposition on 04 November 2019. On 10 January 2020, we received the Resolution from the Court of Appeals which denied the defendants' Motion for Reconsideration. On 29 January 2020, defendants through their counsel filed a Manifestation stating that they "discovered" that the property subject of the case was registered in the name of another party, Harmony Homes, Inc. and not Valley Golf. They then said that they will forego further appeal to the Supreme Court but will resist execution of the judgment on the ground that an alleged indispensable party, Harmony Homes, Inc. was not impleaded as a party and the judgment is null and void. Valley Golf's counsel has verified this claim of the defendants with the engineer of Valley Golf and the latter has confirmed that the claims of defendants are false as subject property is indeed under the title of Valley Golf.

With the foregoing of appeal by defendants, the decision of the Court of Appeals has become final and executory. An Entry of Judgment stating that the judgment has become final and executory as of 18 January 2020 was issued on 28 July 2020.

As the records of the case were already remanded back to the Regional Trial Court, on 19 January 2021, we filed a motion for issuance of writ of execution of the judgment. On 18 February 2021, some of the defendants filed an Opposition claiming that the mandatory requirements of Republic Act No. 7279, such as adequate relocation, should be complied with as they claimed to be underprivileged and homeless citizens. On 24

May 2021, we filed a Reply *Ad Cautelam* with Motion to Admit opposing the arguments of the defendants as they never raised before in their Answer that they are underprivileged and homeless citizens as defined by Republic Act No. 7279.

On 09 February 2022, the Regional Trial Court issued its Order granting our Motion for Issuance of Writ of Execution.

Beginning March 2023, Valley Golf commenced discussions with the Local Government of Cainta through its Mayor, the Hon. Maria Elenita Nieto, to seek assistance from the Local Government Unit to implement the decision of the Regional Trial Court. Thereafter, Valley Golf was informed by the Cainta LGU that resettlement lots will be provided for the settlers on the property and that the Urban Poor Administration Office (UPAO) will take the lead in relocating the settlers. A General Assembly was held with the settlers along with LGU officers last 14 June 2023 and it was agreed that the settlers will start vacating the property within 15 days from 19 June 2023. Complete vacation of the property should be accomplished within 60 days from 19 June 2023. Valley Golf will assist in providing some carpentry materials for some of the settlers to rebuild their houses on the relocation site. As of to date, most of the settlers except for 7 households have already voluntarily vacated the property and dismantled their homes. The Sheriff of RTC Antipolo will be enforcing the Writ of Execution to implement the Decision of the RTC Antipolo against the remaining settlers who refused to voluntarily vacate the property.

3. *Jose B. Tayawa vs. Valley Golf & Country Club, Inc. , Jalme Victor Santos, Wilfredo G. Manahan, Albert G. Que, Leopoldo M. Garcia, and Albert D.G. San Gabriel*

(SCC Case No. 19-003, Regional Trial Court, Branch 70, Binangonan, Rizal)

The case filed by plaintiff, a member and stockholder of VGCCI as well as a Past President, is an Intra-Corporate Controversy insofar as the matter of his suspension of his membership by the Board of Directors for a period of one (1) year starting on 17 June 2019. As stated in his Complaint, he prayed that after due notice and hearing for the: 1) issuance of a Temporary Order valid for twenty (20) days for the immediate restoration of his full rights and privileges as member of VGCCI, 2) thereafter, but before the Temporary Order expires, 2) issuance of a Writ of Preliminary Mandatory Injunction for all defendants to immediately restore his full rights and privileges as member of Valley Golf, and that after trial, judgment be rendered: 3) dissolving the Writ of Preliminary Mandatory Injunction and replacing it with a Permanent Mandatory Injunction, 4) as First Cause of Action, declaring the 17 June 2019 Suspension Order as Null and Void, 5) as Second Cause of Action, ordering Defendant Board Members to pay him One Million and Five Hundred Thousand Pesos (Php1,500,000.00) as Moral Damages; 6) as Third Cause of Action, ordering Defendant Board Members to pay him Three Million Pesos (Php3,000,000.00) as Exemplary Damages, and 7) on the Fourth Cause of Action, ordering Defendant Board Members to pay him the amount of Five Hundred Thousand Pesos (Php500,000.00) as Attorney's Fees and Costs of Litigation.

The dispute arose when the Board of Directors imposed upon plaintiff the penalty of suspension for one (1) year. As stated in the Notice of Suspension, the grounds for suspension was for acts of cheating, in particular, for knowingly, deliberately and with intent to make a mockery of the election of the directors submitting to Valley Golf and

using without the authority of the authorized signatory of Solid State Multi Product Corporation the Request for Duplicate/New Proxy Form (RFD) as well as replacement proxies of Solid State for one candidate, as the authorized signatory of Solid State himself certified that he only signed one set of proxies in favour of another candidate.

In his Complaint, plaintiff alleges that he did not commit any forgery or cheating or submission of an unauthorized proxy and hence, he should not have been suspended. He argues that even assuming that there was sufficient evidence of wrong doing on his part, the penalty of one (1) year suspension against him is harsh, oppressive and confiscatory since the Board of Directors has no authority to increase the penalty recommended by the Membership Committee. He also claims that there was no complaint against him to begin with and assuming there was, the complainant was not called upon to confirm the truthfulness and veracity of his complaint. He added that the defendant board members merely assumed the same and on the basis of their faulty reasoning and assumption, held that plaintiff cheated or has submitted an unauthorized proxy. Plaintiff claims that on procedural and substantive grounds, the Suspension Order should be declared null and void.

Plaintiff likewise claims that as a result of defendants' acts, he suffered serious anxiety, sleepless nights, besmirched reputation and social humiliation which is why he is claiming for moral damages. Plaintiff likewise accuses defendants of acting in wanton, fraudulent, reckless, malevolent and oppressive manner for which he is claiming exemplary damages. He is likewise claiming for attorney's fees and costs of suit.

On the other hand, defendant VGCCI and board members argue in their Answer with Compulsory Counterclaim claim that there is sufficient evidence or substantial evidence as required in administrative proceedings for defendants to conclude that plaintiff submitted and used proxies for the five (5) shares of Solid State without the authority of the latter. The authorized signatory of Solid State, sent a letter addressed to the directors certifying that he signed only one set of proxy forms in favour of another candidate, and not the candidate appearing in the proxy forms submitted by plaintiff, thereby disowning the proxy forms submitted by the plaintiff. Defendants allege that the plaintiff readily admitted that he does not know the president or any of the officers and directors of Solid State Multi-Products corporation. Hence, it would not be possible for plaintiff to be able to secure proxies duly signed by its authorized representatives. Thus, defendants argue that they were justified in concluding that without a doubt, plaintiff wilfully and maliciously submitted and used the proxies of Solid State without being authorized to do so.

Defendants further argue that plaintiff was fully accorded procedural due process as he was allowed to give letters in response to the accusations against him and was even allowed to appear before the Board of Directors to air his side. They likewise state that the penalty of one (1) year suspension is not harsh, oppressive and confiscatory considering the gravity and seriousness of the offense committed by plaintiff. Defendants also argue that the penalty of one (1) year suspension is also within the power of the Board of Directors pursuant to the Revised Corporation Code, the Amended By-Laws of VGCCI and the Member's Handbook as well.

Defendants also denied the claims for moral damages, exemplary damages as well as attorney's fees for lack of any factual or legal bases. Defendants also claim that there is no basis for the court to grant plaintiff's prayer for a Writ of Preliminary Mandatory

Injunction as he has not demonstrated any injury that is incapable of pecuniary estimation and no clear and unmistakable right on his part that was violated when he was suspended by defendant Board members.

As counterclaim, individual defendants claim that by reason of the filing of this baseless, unwarranted complaint against them, considering that they were only performing their duties as directors to defend the interest, honor and integrity of the corporation's election process, they have suffered serious anxiety, sleepless nights, besmirched reputation thereby entitling each of them to claim the amount of Five Hundred Thousand Pesos (Php500,000.00) as and by way of moral damages. And because of the malicious filing of the case which is devoid of any merit, defendant VGCCI was compelled to engage the service of counsel for which plaintiff should be held liable to pay Php175,000.00 acceptance fee, appearance fees of Php10,000.00 (partner) and Php7,500.00 (associate) for every appearance, pleading fees from Php10,000.00 to Php50,000.00, milestone fees and other litigation costs and costs of suit.

Proceedings were held before the Regional Trial Court of Binangonan, Antipolo to hear the plaintiff's prayer for a Writ of Preliminary Mandatory Injunction. Plaintiff completed his presentation of evidence and filed his Formal Offer of Exhibits to which defendants filed their Comment/Objections. Thereafter, Defendants presented their witnesses to oppose plaintiff's prayer for a Writ of Preliminary Mandatory Injunction.

After presentation of three (3) witnesses, the last hearing was scheduled for 25 March 2020 for the purpose of presenting defendants' last witness. However, this hearing was cancelled in view of the Enhanced Community Quarantine (ECQ) imposed by the Philippine government and no further hearings were set in view of the lockdown due to the COVID-19 pandemic. On 15 June 2020, defendants through counsel filed a Manifestation in Premises with the court manifesting that while defendants are willing to procure the attendance of the last witness, doing so may now be futile and inappropriate as the one year suspension of the plaintiff's membership already lapsed on 15 June 2020. Hence, the prayer for Writ of Preliminary Mandatory Injunction has become moot and academic. We have yet to receive any order or resolution from the court as to the Manifestation in Premises filed.

On 26 October 2020, Plaintiff filed a Motion to Drop Valley Golf as a party defendant on the ground that since he has fully served his one year suspension, the issue on the propriety of the issuance of a Writ of Preliminary Mandatory Injunction is now moot and academic; hence, there is no more reason for Valley Golf to remain impleaded as a party defendant in this case. Valley Golf and the individual Defendants filed a Comment/Opposition to the motion, arguing that: 1) the individual Defendants' act of suspending the Plaintiff was a valid corporate act which was already ratified by the stockholders, and hence, they are the acts of Valley Golf as well which it has a right to vindicate, 2) Valley Golf itself is an indispensable party as it was injured by the acts for which the Board suspended Plaintiff; and 3) Valley Golf has a counterclaim against Plaintiff particularly for attorney's fees and it will be deprived of its right to pursue such claim should it be dropped as a party defendant. In its Order dated 17 February 2021, the Regional Trial Court resolved to deny the Motion to Drop Valley Golf as party defendant as granting the motion would bring about multiplicity of suits.

The agreed settings for preliminary conference and pre-trial conference were cancelled in view of the declaration of the Enhanced Community Quarantine and Modified Enhanced Community Quarantine from late March 2021 to mid-May 2021.

Pre-trial conference was already held and trial dates were scheduled for the parties' presentation of their evidence. Plaintiff manifested later through his counsel that he will just adopt his previous testimony during the injunction proceedings and will no longer present any other witnesses. Plaintiff filed his Formal Offer of Evidence on 05 May 2022 and rested his case. We then filed our Comment/Objections to the same on 23 May 2022. On 07 September 2022, the Regional Trial Court issued its Order admitting the documentary exhibits filed by the plaintiff for the purposes stated and that the objections of the defendants to the purposes for which the documents are offered are noted by the court and will be considered when the case is resolved.

Thereafter, Valley Golf presented four (4) witnesses to testify on defenses and counterclaim of defendants and adopted testimonies of its witnesses during the preliminary injunction proceedings. Valley Golf intends to present 2 or 3 more witnesses. The next settings for this case are on 08 November 2023 and 24 January 2024 for continuation of presentation of evidence by the defendants.

4. *Valley Golf and Country Club, Inc. (represented by Rosanna Arguelles) vs. Jetrick Nelson Tamayo*

(For Other Deceits, pending before Office of the Provincial Prosecutor of Rizal)

This is a criminal complaint for Other Deceits filed against Jetrick Nelson Tamayo, a person who was apprehended for having used fake Valley Golf car sticker in entering Don Celso Tuason Avenue on 16 October 2018. Upon his apprehension by Valley Golf's security guards, Tamayo admitted to using the fake Valley Golf car sticker and promised to pay the Php5,000.00 fine imposed by Valley Golf for the use of fake car stickers. However, he failed to do so. Demand letters were sent to him to pay the fine of Php5,000.00 but to no avail. Hence, Valley Golf authorized the filing of a criminal complaint for Other Deceits against him with the Office of the Provincial Prosecutor.

After the filing of the criminal complaint, we were informed that the Asst. Provincial Prosecutor decided not to hold preliminary investigations anymore and instead submitted the case for resolution. To date, Valley Golf has yet to receive the prosecutor's Resolution.

5. *In Re: Petition for Issuance of New Owner's Duplicate Copy of Original Transfer Certificate of Title No. 140578 in lieu of the Lost One*

(LRC Case No. 21-7784, Regional Trial Court of Antipolo)

This is a petition for the issuance of a new owner's duplicate copy of original Transfer Certificate of Title No. 140578.

On 6 April 2019, RealtyPro & Diligence, Inc. (hereinafter referred to as "RealtyPro") was hired by Valley Golf to survey lots in the VGCCI Complex. After the conduct of the survey, Realtypro reported to the Real Estate Committee of Valley Golf that during the course of its investigation of Lot 16 Block 1 (a parcel of land covered by Transfer Certificate of Title No. 140582), they identified that one of the boundary lots is Lot 12 Block 1 and the same is registered in the name of Valley Golf.

Immediately thereafter, RealtyPro submitted a Lot Plan and identified TCT No. 140578 as Lot 12, Block 1. Immediately thereafter, Valley Golf made an initial verification of its records as to whether or not TCT No. 140578 was in its files. The initial search verified that TCT No. 140578 was not in the records and files of Valley Golf.

Upon realizing that the Owner's Duplicate Copy of TCT No. 140578 was nowhere to be found, diligent efforts were immediately exerted to locate the Owner's Duplicate Copy in records of Petitioner VGCCI. The officers concerned of Petitioner spent several days searching the official repositories in their respective offices. However, despite diligent search and effort to locate the same, it was to no avail as they failed to locate the Owner's Duplicate Copy of TCT No. 140578. Thus, Valley Golf genuinely believed that the said title is now lost and beyond recovery. Accordingly, the Board of Directors authorized the filing of the petition for the issuance of a new owner's duplicate copy of TCT No. 140578 with the Regional Trial Court of Antipolo.

On 06 July 2021, the petition was filed with the Regional Trial Court of Antipolo, Office of the Clerk of Court. Thereafter, the case was raffled to Branch 139 of the Regional Trial Court of Antipolo and summons were served upon the Registry of Deeds of Antipolo City as a necessary party.

A hearing was held for presentation of jurisdictional facts last 05 January 2022. On 28 September 2022, Valley Golf presented its lone witness to prove the allegations of its Petition and counsel made an oral offer of the documentary exhibits for the purposes for which they are intended.

On 30 September 2022, the Regional Trial Court granted the petition and rendered judgment: "1) Declaring the lost owner's duplicate copy of TCT No. 140578 be null and void and of no further force and effect; and 2) Directing the Office of the Registry of Deeds for Antipolo City to issue new duplicate owner's copy of TCT No. 140578 in lieu and as replacement of that which was lost giving it the same faith and credit and with the same terms and conditions appearing on the original, upon payment of the required fees at the expense of the petitioner."

After the Decision has become final and executory and the Certificate of Finality issued, we presented the same to the Registry of Deeds of Antipolo for the Issuance of the new owner's duplicate title. The new owner's duplicate copy of the title was already issued by the Registry of Deeds of Antipolo and turned over to Valley Golf.

6. *Valley Golf and Country Club, Inc. (formerly, Valley Golf Club, Inc.) versus Hon. Margarette A.B. Daus-Aspacio, in her capacity as Acting Presiding Judge of the Municipal Trial Court in Cities, Branch 4, Sheriff Ma. Wilma A. Coronado, and Ramoncito G. Tagle*

(SCA Case No. 22-1806, Regional Trial Court of Antipolo)

This is a Petition filed by Valley Golf and Country Club, Inc. against Ramoncito Tagle and public respondents MTCC Judge Margarette A.B. Daus-Aspacio and Sheriff Ma. Wilma A. Coronado.

Valley Golf and Country Club, Inc. is the absolute and registered owner of parcels of land covered by Transfer Certificate of Title ("TCT") Nos. 143135, 224882, and 224883, as well as Street Lot Nos. 2, 3, 5, and 6, respectively covered by TCT Nos. 224983, 224984, 224986, and 224987. It has been in open, continuous, and peaceful ownership, possession, and occupation of the said parcels of land since the 1960s.

On 14 March 2022, to the utter surprise of Valley Golf, a group of around fifty (50) persons, representing Ramoncito Tagle, appeared near the Sumulong Gate of Valley Golf. The said group was comprised of (a) Ramoncito Tagle; (b) P.Col. Dominic Baccay, PNP Rizal Provincial Director; (c) around twenty (20) PNP officers, which were either uniformed or in plain clothes; (d) around twenty (20) workers; and (e) a dozen private security guards.

The group began forcibly taking down fences previously erected by Valley Golf and replaced them with their own.

When asked about their authority for fence off the premises, Tagle's group said that they are implementing a Writ of Demolition issued by the MTCC Branch 4 of Antipolo City. Apparently, Ramoncito Tagle filed an ejectment case against Domingo Tuazon and Roberto Santiago, and the Writ of Demolition was issued as a consequence of the said ejectment proceedings. Valley Golf was not a party to the said case nor did it have notice of the same.

Despite not being privy to the case, the Sheriff still implemented the Writ of Demolition against Valley Golf, an innocent third party. Other lot owners in the area were also affected.

Upon further verification, it was discovered that Ramoncito Tagle is claiming a large tract of land which overlaps with several titled properties, including that of Valley Golf.

It was also revealed that Tagle's Original Certificate of Title No. P-1085 was previously declared by the Land Registration Authority ("LRA") Task Force Titulong Malinis ("TFTM") as unlawfully and erroneously issued. The LRA TFTM directed the Register of Deeds of Antipolo City to annul OCT No. P-1085.

Valley Golf considered availing of legal remedies with the Municipal Trial Court that issued the Writ of Demolition but was informed that this court denied all the motions and pleadings filed by other adversely affected parties who were not parties to the case.

Valley Golf could no longer intervene or pray for any other reliefs in SCA Case No. 008-16 on account of the Order dated 04 April 2022, stating that third parties adversely affected by the Decision and the Writ of Demolition can no longer intervene or filed any motion contesting the Decision. In order to protect its property rights and having no other plain, speedy, or adequate remedy under the particular circumstances, Valley Golf filed the Petition under Rule 65 of the Rules of Court with the Regional Trial Court of Antipolo.

In the Petition, Valley Golf prayed that:

- 1) A writ of preliminary injunction and a writ of preliminary injunction be issued (i) restraining Respondents from enforcing the Writ of Execution dated 12 April 2019 and the Writ of Demolition dated 04 October 2019; (ii) directing Respondents to restore the subject properties to its original state (and to the possession of Petitioner prior) to the enforcement of the Writ of Execution and Writ of Demolition; and (iii) directing Respondents to maintain the status quo until the Petition is resolved by the Honorable Court.
- 2) The Writ of Execution dated 12 April 2019 and the Writ of Demolition dated 04 October 2019 issued by public respondent Trial Court in SCA Case No. 008-16, entitled "*Ramoncito G. Tagle, represented by his Attorney-in-fact, Meldred C. Bendanillo, versus Domingo G. Tuazon and Roberto Santiago, doing business under the name and style of Charlestone Trading and General Merchandise and all other persons claiming rights from them*", be quashed, annulled, and set aside insofar as Valley Golf's properties are concerned; and
- 3) A Decision be rendered in Valley Golf's favor, and an Order be issued declaring the execution of the Writ of Execution dated 12 April 2019 and the Writ of Demolition dated 04 October 2019 null and void and cannot be enforced against Petitioner.

The RTC Antipolo Branch 140 has issued an Order to Comment to respondent Tagle. On 05 July 2022, we received a copy of Tagle's Answer/Comment to the Petition.

On 27 July 2022, we filed on behalf of Valley Golf an Urgent Ex-Parte Motion for Issuance of a Temporary Restraining Order and To Set Case for Hearing on the Issuance of the Writ of Preliminary Injunction praying that a Temporary Restraining Order (TRO) be issued enjoining respondent Ramoncito Tagle from closing, obstructing or fencing off Valley Golf's Sumulong Highway Gate at Don Celso Tuason Avenue; from selling the subject property during the pendency of this case, as well as demolishing, damaging or defacing Valley Golf's concrete and ball signages at Sumulong Highway near Don Celso Tuason Avenue. The motion also prayed that the case be set for hearing on Valley Golf's prayer for issuance of the Writ of Preliminary Injunction.

On 02 August 2022, a hearing was held before the Regional Trial Court on the motion for the issuance of TRO against respondent Tagle. Oral arguments were given by both parties and the incident was considered submitted for resolution.

On 06 October 2022, we received by electronic mail the Order dated 05 October 2022 of the Regional Trial Court dismissing the Petition *motu proprio* for being an improper remedy to directly assail via certiorari the questioned writ of execution dated 12 April 2019 and the writ of demolition dated 04 October 2019, both issued by the Municipal Trial Court in Cities, without first filing a motion to quash *a quo*.

On 21 October 2022, Valley Golf through counsel filed a Motion for Reconsideration arguing that it had no plain, speedy and adequate remedy in the ordinary course of law since the MTCC Antipolo Court already prohibited interventions and the filing of additional third party pleadings and motions. Valley Golf also argued

that there is still an imminent threat to sell and/or close parts of the property of Valley Golf which necessitated the urgent Petition for Certiorari and Prohibition.

In its Order dated 06 December 2022 (received on 03 January 2023), the Regional Trial Court denied Valley Golf's Motion for Reconsideration prompting it to file a Notice of Appeal to the Court of Appeals on 17 January 2023. Thereafter, Valley Golf through counsel received the Order of the Court of Appeals for both parties to file their respective Memoranda within thirty (30) days from receipt of said Order.

On 22 September 2023, Valley Golf filed its Motion for Temporary Restraining Order/Writ of Preliminary Injunction to enjoin Tagle from closing off the Don Celso Tuason Avenue, demolishing the Golf Ball and Valley Golf signages on Sumulong Highway and from preventing Valley Golf from conducting maintenance activities on the road, the signages as well as electricity lamp posts on Don Celso Tuason Avenue. This was due to a recent event when Tagle's security guards prevented Valley Golf's engineering contractor from re-painting the Golf Ball signage and mentioned that their principal has plans to demolish the signage. On the same day, Valley Golf also filed its Memorandum in compliance with the Order of the Court of Appeals. We have yet to receive the Memorandum of private respondent Tagle.

7. ***Albert Que vs. Valley Golf and Country Club, Inc.***
(Comm. Case No. 23-1875, Regional Trial Court, Branch 99 , Antipolo City)

This is an injunction suit filed by Stockholder/Member Albert G. Que against Valley Golf seeking to reverse his one (1) year suspension from 16 September 2022 to 15 September 2023 with prayer for Temporary Restraining Order and Writ of Preliminary Mandatory Injunction against the enforcement of the suspension order. According to the Letter of Suspension, Mr. Que was suspended for negligence and lack of transparency in his conduct of overseeing the construction of the Two Storey Golf Cart Parking Building Project which led to wasteful and ill planned use of membership funds.

In his Complaint, Mr. Que alleged that there is no basis to hold him liable for the allegations against him concerning the Building Project, that he was singled out when there were other people more involved in the project and that he was deprived of due process when he was suspended. Plaintiff did not claim any monetary damage in this suit.

The case is still in the pre-trial stage with hearings held on Plaintiff's prayer for TRO and Writ of Preliminary Injunction. Valley Golf has opposed the prayer for TRO and Writ of Preliminary Injunction arguing that: 1) Plaintiff failed to allege, much less prove, the extreme urgency of his prayer for TRO; 2) Plaintiff failed to show that he would suffer grave and irreparable injury should the TRO sought be denied; and 3) Plaintiff's suspension which was already in effect for 9 months has become a *fait accompli* and injunction will not issue to restrain the performance of an act already done.

Valley Golf already filed its Answer in this case. A hearing was scheduled last 01 September 2023 but the same was cancelled and reset to 10 November 2023 at

8:30 AM due to the Executive Judge's declaration of suspension of court hearings on that day due to inclement weather.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

For the fiscal year ended June 30, 2023, the Annual Stockholders' Meeting was held on Sept. 25, 2022. Out of the 1,594 issued and subscribed shares, 928 shares were represented by proxy or present in person, and majority being in attendance, the President, as Presiding Chairman, declared a quorum.

At the ensuing election, the following were elected as Directors:

- | | | |
|---------------------------------|---|-----------|
| 1. Mr. Nicanor S. Jorge | - | 747 votes |
| 2. Mr. Jose Ferdinand R. Guiang | - | 675 votes |
| 3. Mr. Marvin A. Caparros | - | 653 votes |

The other directors whose term of office continued are Messrs. Rafael S. Raymundo, Renato C. Balibag, Jose Arsenio Isidro D. Borromeo III, Atty. Rio Sesinando Venturanza, Constantine L. Kohchet-Chua and Jose G. Razon.

Matters discussed during the Annual Stockholders' Meeting include the ratification of the acts of the Board of Directors from July 1, 2021 to June 30, 2022, approval of the minutes of the annual meeting held on September 26, 2021, Financial Report of the Treasurer, President's Report, Amendments of the Articles of Incorporation and By-laws and the election of the external auditor. On the election of the External Auditor, the stockholders resolved to elect Sycip Gorres Velayo & Co. as the Club's External Auditor for the fiscal year ending June 30, 2023.

The details of the discussion are as follows:

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF

VALLEY GOLF & COUNTRY CLUB, INC.

Held at the Board Room, Main Clubhouse
Valley Golf & Country Club, Inc.,
Don Celso Tuason Avenue, Antipolo City
September 25, 2022 at 4:00 p.m.

TOTAL NUMBER OF SHARES OUTSTANDING	1,594
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED AND ENTITLED TO VOTE	(928) (58%)

I. CALL TO ORDER

After the National Anthem, the President and Chairman of the Board of Directors, Mr. Carlo J. Carpio, called the meeting to order and presided over the same.

The Corporate Secretary, Atty. Allan Jocson, recorded the minutes of the proceedings.

Before the meeting proper started, the Secretary stated for the record the names of Directors of Valley Golf & Country Club, Inc. who were present during the meeting. The following Directors were present:

Pres. Carlo J. Carpio
Dir. Reginald Benjamin V. San Pedro
Dir. Rio Sesinando E. Venturanza
Dir. Rafael S. Raymundo
Dir. Renato C. Balibag
Dir. Jose Arsenio Isidro D. Borromeo III
Dir. Pablito M. Gregore
Dir. Constantine L. Kohchet-Chua
Dir. Jose G. Razon

Also present were the members of the COMELEC namely:

Atty. Joseph Joel Castillo
Atty. Wendell Dimaculangan
Atty. Mark Boncris Santos

The Secretary also informed everyone that the meeting was convened via zoom live streaming as approved by the Board of Directors and as authorized by SEC Memorandum Circular No. 6, Series of 2020. He reiterated that the meeting was being recorded in video and audio in accordance with the requirements of the Securities and Exchange Commission. Audio and video recordings of the 2022 ASM livestream broadcast will be adequately maintained by the Club and will be made available in the Club's website after the event.

II. CERTIFICATION OF NOTICE AND QUORUM

The Secretary confirmed that notices of the meeting were duly sent to all members of the Board of Directors together with a copy of the materials for the meeting.

The Secretary also confirmed that notices of the meeting were duly sent to all the Stockholders on records through electronic mail to the members' email addresses officially registered with Valley Golf on 04 September 2022 which was at least 21 days prior to this scheduled Annual Stockholders' Meeting in accordance with the Revised Corporation Code and at least ten (10) days under the By-Laws of Valley Golf & Country Club, Inc.

The Secretary also confirmed that Notice of the meeting was also posted on the front page of the Club website beginning on 04 September 2022.

The Secretary therefore certified that the Stockholders were duly notified of the Annual Stockholders' Meeting.

As to the existence of quorum, the Secretary announced that based on the tally of the number of stockholders who have successfully registered on line and have submitted verified and validated SPAs and Proxies on hand, the total number of voting on-line in person and represented by proxy was 928 shares or representing at least 58% out of the 1,594 total outstanding capital stock of the Club. The number of shares voting on-line in Person was 175 shares and by Proxy, 743 shares.

The Secretary therefore certified the existence of a quorum for the valid transaction of business at the meeting.

Before proceeding with the meeting proper, the Secretary briefly explained the rules in the conduct of today's meeting and the voting procedures for the virtual meeting pursuant to the Guidelines for the September 25, 2022 Stockholders' meeting as approved by the Board of Directors which was included in the Club's Definitive Information Statement that was submitted to the Securities and Exchange Commission.

The Secretary laid down the 7 (seven) items for voting, they are:

1. Approval of the Minutes of the 2021 Annual Stockholders' Meeting held on 26 September 2021;
2. Approval of the President's Report containing the Company's 2022 Annual Report and Financial Report of the Treasurer containing the Audited Financial Statements;
3. Approval, confirmation and ratification of all Acts and resolutions of the Board of Directors and the Management from July1, 2021 to June 30, 2022;
4. Appointment of External Auditor;
5. Amendment of the Articles of Incorporation;
6. Amendment of the By-Laws;
7. Election of Directors;

The Secretary confirmed that the Administrative support was recording the numbers of stockholders who were connected to the Website and that they maintain a record of the same. Thus, the total numbers of stockholders who connected with the Website during the Annual Stockholders' meeting was 47 or 2.94% of the total numbers of stockholders.

III. APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS' MEETING

Upon motion duly made and seconded, the reading of the minutes of the last stockholders' meeting held on 26 September 2021 was dispensed with as the same had been previously circulated/distributed to the stockholders.

Accordingly, the following resolution was thereafter passed:

"RESOLVED, that the reading of the minutes of the Annual Meeting of the Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. (the 'Corporation') held on 26 September 2021 is hereby dispensed."

The Secretary confirmed that no inquiries of objections submitted on-line, the Minutes of the last Stockholders' meeting was thereafter approved.

The votes for the Resolution on the approval of the Minutes of 2021 Annual Stockholders' Meeting are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of Minutes of the Previous Meeting of Stockholders	882 (55%)	2 (0.001%)	34 (0.02%)

Accordingly, the following resolution was thereafter passed:

"RESOLVED, that the Minutes of the Annual Meeting of the Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. (the 'Corporation') held on 26 September 2021 is hereby approved."

IV. MATTERS ARISING FROM THE MINUTES OF THE LAST STOCKHOLDERS' MEETING

The Chairman, Mr. Carlo J. Carpio inquired if there are questions submitted on-line regarding the previous year's minutes.

The Secretary certified that there was no question submitted on-line regarding the matter.

V. APPROVAL OF THE PRESIDENT'S REPORT CONTAINING THE COMPANY'S 2022 ANNUAL REPORT AND FINANCIAL REPORT OF THE TREASURER CONTAINING THE AUDITED FINANCIAL STATEMENTS.

a. FINANCIAL REPORT OF THE TREASURER

The Chairman announced that the Financial Report of the Treasurer contains the Audited Financial Statements for Fiscal Year 2022 and that a copy of the Audited Financial Statements for the fiscal year 2022 was made available to the stockholders in the website of the club and was sent to the members via email.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

b. PRESIDENT'S REPORT

The Chairman announced that the President's Report is the Company's 2022 Annual Report and that a copy of the President's Report was made available to the stockholders on the website of the club and was sent to the members via email.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the approval of the Financial Report of the Treasurer containing the Audited Financial Statements for Fiscal Year 2022 and the President's Report containing the Company's 2022 Annual Report were as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of 2021-2022 Annual Report and Financial Statements	879 (55%)	4 (0.002%)	35 (0.02%)

The herein below resolution was likewise approved:

“RESOLVED, the Audited Financial Statements for Fiscal Year 2022 as reflected in the Treasurer's Financial Report together with the Company's 2022 Annual Report as reflected in the President's Report, be noted and approved.”

VII. APPROVAL, CONFIRMATION AND RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT FROM JULY 01, 2021 TO JUNE 30, 2022.

The Chairman announced that a copy of the list of Acts of the Board and Management from July 1, 2021 to June 30, 2022 was made available to the stockholders in the website of the club and the same was sent thru email to the registered email addresses of all the stockholders.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the approval, confirmation and ratification of all acts and resolutions of the Board of Directors and the Management from July 01, 2021 to June 30, 2022 were as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
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Ratification of all acts of the Board of Directors and Management from the date of the last stockholders' meeting up to the date of the present meeting.	863 (54%)	11 (0.007%)	44 (0.03%)
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The herein below resolution was likewise approved:

"RESOLVED, that all acts of the Board of Directors and Management for the period July 1, 2021 to June 30, 2022 are hereby confirmed, approved and ratified."

VIII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman announced that the present External Auditor is the Sycip, Gorres and Velayo & Co. So far, the Club is satisfied with their services, fees and reputation. The Audit Committee recommended to the Board the re-appointment of SGV as External Auditor and the recommendation was approved by the Board.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the approval of the re-appointment of Sycip, Gorres and Velayo & Co. as External Auditor were as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Re-appointment of Sycip Gorres Velayo & Company as External Auditor for 2021-2022	876 (55%)	15 (0.009%)	27 (0.02%)

The herein below resolution was likewise approved:

"RESOLVED, that the re-appointment of Sycip Gorres Velayo & cO. (SGV & Co) is hereby noted and approved."

IX. AMENDMENT OF THE ARTICLES OF INCORPORATION

The Corporate Secretary announced that the Board of Directors has approved amendments to our Articles of Incorporation and to submit the same to the stockholders for approval during the Annual Stockholders' Meeting scheduled on 25 September 2022.

The amendments to the Articles of Incorporation include among others: 1) the rewording of its secondary purposes so as to specifically authorize the Club to offer and sell its proprietary shares to the public; 2) stating with particularity its principal office address; 3) increasing the number of directors to eleven (11); 3) amending the Club's term of existence to perpetual existence; and 4) specifically stating that shareholders shall have the right to share in the assets of the Club in the event of its dissolution or liquidation.

These proposed amendments to the Articles of Incorporation were adopted to fully comply with the provisions of the Revised Corporation Code, the Securities Regulations Code, issuances and memorandum circulars of the Securities and Exchange Commission (SEC) and the Amended Manual Corporate Governance of the Club. In fact, the SEC's Corporate Governance and Finance Department has directed the Club to adopt these amendments in its Articles of Incorporation.

Copies of the Amendments were posted on the Club website.

Ratification of amendments to the Articles of Incorporation requires the affirmative vote of two-thirds (2/3) of the outstanding capital stock.

The Board of Directors appealed to the stockholders to carefully study these amendments and consider voting for their ratification so that the Club fully complies with existing laws and SEC rules and regulations. This is to ensure that the Club remains in good standing with its regulatory agency, the SEC, and avoid any issues, problems or difficulties with the latter, including possible penalties and sanctions.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the Approval of the Amendment of the Articles of Incorporation are as follows:

	In Favor	Against	Abstain	Total
Article II	708	28	182	918
Article III	706	30	182	918
Article IV	706	30	182	918
Article VI	707	153	58	918
Article VII	826	33	59	918

The Secretary certified that the tally of votes received shows failure to reach the required votes or assent of at least 2/3 of the members or at least 1063 number of shares.

There is no approval from the members regarding this item on the agenda.

X. AMENDMENT OF THE BY-LAWS

The Corporate Secretary announced that the Board of Directors has approved amendments to our By-Laws and to submit the same to the stockholders for approval during the Annual Stockholders' Meeting scheduled on 25 September 2022.

There are significant amendments to the By-Laws, the most noteworthy are as follows: 1) shortening the term of directors to one (1) year (from three [3]); 2) institutionalizing the nomination and election of independent directors who should compose at least twenty percent (20%) of the number of directors; 3) providing for additional qualifications for regular directors and qualifications for independent directors; 4) inclusion of special committees among the standing committees as required by the Corporation's Amended Manual of Corporate Governance; 5) amendments to the composition of the Committee on Election, and; 6) authorization of stockholders' meetings by remote conference. Please refer to the Club website for the proposed amendments.

These proposed amendments to the By-Laws were adopted to fully comply with the provisions of the Revised Corporation Code (Republic Act No. 11232), the Securities Regulations Code (Republic Act No. 8799), issuances and memorandum circulars of the Securities and Exchange Commission (SEC) and the Amended Manual of Corporate Governance of the Club. In fact, the SEC's Corporate Governance and Finance Department has directed the Club to adopt these amendments in its By-Laws.

Amendments to the By-Laws require the affirmative vote of a majority of the outstanding capital stock.

Copies of the Amendments were posted on the Club website.

The Board of Directors appealed to the stockholders to carefully study these amendments and consider voting for their ratification so that the Club fully complies with existing laws and SEC rules and regulations. This is to ensure that the Club remains in good standing with its regulatory agency, the SEC, and avoid any issues, problems, or difficulties with the latter, including possible penalties and sanctions.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the Approval of the Amendment of the By-Laws are as follows:

	In Favor	Against	Abstain	Total
Article I – Office	839	25	54	918
Article III – Meeting				
Section 1. Annual Meetings	842	23	53	918
Section 2. Special Meetings	840	23	55	918
Section 3. Notice Of Meetings	842	24	52	918
Section 4. Quorum	857	11	50	918
Section 5. Proxies	848	17	53	918
Section 6. Election Of Directors	844	28	46	918

Section 8. Eligibility To Vote and Be Voted	843	29	46	918
Section 9. Stockholder's Consent	845	28	45	918
Section 10. Committee On Election	841	29	48	918
Article IV – Directors				
Section 1. Board Of Directors	652	215	51	918
Section 3. Board Meeting	677	192	49	918
Article V – Officers				
Section 1. Designation	676	192	50	918
Section 2. Qualification	675	192	51	918
Section 4. Compensation	666	192	60	918
Section 5. Duties And Responsibilities	676	190	52	918
Article VI – Committees				
Section 3	675	192	51	918
Article VII – Membership				
Section 1. Classification	673	191	54	918
Section 3	676	191	51	918

The Corporate Secretary certified that the tally of votes received shows we were able to reach the required affirmative vote of the majority of the outstanding capital stock or at least 798 number of shares for the following amendments:

Article I – Office

Article III – Meeting

Section 1. Annual Meetings

Section 2. Special Meetings

Section 3. Notice Of Meetings

Section 4. Quorum

Section 5. Proxies

Section 6. Election Of Directors

Section 8. Eligibility To Vote And Be Voted

Section 9. Stockholder's Consent

Section 10. Committee On Election

The Corporate Secretary also certified that the tally of votes received for the following amendments shows failure to reach the required affirmative vote of the majority of the outstanding capital stock or at least 798 number of shares:

Article IV Section 1. Board Of Directors

Article IV Section 3. Board Meeting

Article V Section 1. Designation

Article V Section 2. Qualification

Article V Section 4. Compensation

Article V Section 5. Duties And Responsibilities

Article VI Section 3

Article VII Section 1. Classification

Article VII Section 3

XI. ELECTION OF DIRECTORS

The Chairman announced that the members will elect 3 Directors for this Annual Stockholders' Meeting for the ensuing year. The individual profiles were sent thru email to the email addresses of the members officially registered with the Valley Golf, posted in the Club's bulletin board, website and appeared in the Definitive Information Statement.

The following were the official nominees:

- a. Marvin A. Caparros
- b. Maria Cecilia Ng-Esguerra
- c. Raymundo G. Estrada
- d. Jose Ferdinand R. Guiang
- e. Nicanor S. Jorge

The Chairman of the COMELEC, Atty. Joseph Joel Castillo briefly explained the on-line voting process in accordance with the Rules and Procedures regarding on-line voting. The other members of the Comelec were Atty. Wendell Dimaculangan and Atty. Mark Boncris Santos.

Thereafter, the Chairman turned-over the tallying of votes to the representatives of SGV.

After all votes cast were counted, the following candidates were declared elected as new members of the Board of Directors of the Club for the year 2022-2023 after receiving the votes indicated opposite their names:

	Nominee	No. of Votes Received		
		In Person	By Proxy	Total
1.	Marvin A. Caparros	528	125	653
2.	Maria Cecilia Ng-Esguerra	520	92	612
3.	Raymundo G. Estrada	0	57	57
4.	Jose Ferdinand R. Guiang	644	31	675
5	Nicanor S. Jorge	537	210	747

The herein below resolution was likewise approved:

"RESOLVED, to elect the following as Directors of Valley Golf & Country Club, Inc., to serve as such until the election and qualification of their successors:

- 1. Nicanor S. Jorge**
- 2. Jose Ferdinand R. Guiang**
- 3. Marvin A. Caparros**

Consequently, the Chairman declared that the 3 winning candidates duly elected to serve as Directors until the election and qualification of their successors.

The newly elected Directors gave their short personal messages.

IX. OTHER MATTERS

The Chairman inquired from the Corporate Secretary if there were other inquiries submitted on-line regarding other matters.

The Corporate Secretary certified that there are no other questions submitted regarding other matters.

X. ADJOURNMENT

There being no other matters to be discussed, the meeting was thereupon adjourned.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR REGISTRANTS COMMON EQUITY AND RELATED STOCKHOLDERS' MATTERS

1.) Market Information

Valley Golf & Country Club, Inc. does not market its shares in the stock exchange and all stockholders have pre-emptive rights on the sale of club shares. Total number of authorized capital stock is 1,800 at P 9,000.00 par value. Valley Golf is a non-profit club and does not issue any stock or cash dividends.

The Board of Directors on their Special Meeting last June 22, 2009 approved the sale of 26 shares of stock with the following conditions:

1. The conditions of the sale are as follows:
 - 1.1 Cash basis
 - 1.1.1. Outright sale of shares at Php380,000.00 each (minimum price for the first batch). Transfer Fee shall not be applicable.
 - 1.1.2. For non-members, membership is subject to compliance to the Membership processing requirements and approval of the Membership Committee.
 - 1.1.3. All shares must be activated within 30 days pursuant to Article VII, Section 3, of the By-Laws and Section 7 of the Articles of Incorporation.
 - 1.2. Shares of stock will be sold in batches and prices as follows:

				Date of Sale
1.2.1.	First batch	- 3 shares of stock	P 380,000.00	June 26 – 30
1.2.2.	Second batch	- 3 shares of stock	P 400,000.00	Jul. 1 – Jul. 7 or after 1 st batch is sold whichever is earlier
1.2.3.	Third batch	- 3 shares of stock	P 425,000.00	Jul. 8 – Jul.14 or after 2 nd batch is sold whichever is earlier
1.2.4.	Fourth batch	- 3 shares of stock	P 450,000.00	Jul. 15- Jul. 22 or after 3 rd batch is sold whichever is earlier
1.2.5.	Fifth batch	- 3 shares of stock	P 475,000.00	Jul. 23 -Jul.31 or after 4 th batch is sold whichever is earlier

Note: Prices are subject to change without prior notice.

2. Sale will be as follows:
 - 2.1 From June 26 – July 7, 2009, only to proprietary members on record as of May 31, 2009. Proprietary members who are interested to buy shares after July 7, 2009 will be given priority.
 - 2.2 Assuming that shares are still available, Playing guests, Corporate Representatives, children and spouses of proprietary members will be allowed to buy shares beginning July 8, 2009.
 - 2.3 Assuming that shares are still available, Non-members will be allowed to buy beginning July 15, 2009.

3. The mechanics of the sale were as follows:
 - 3.1 Sales inquiry must be coursed through the Office of the President beginning June 26, 2009.
 - 3.2 Sale will be on a first come, first serve basis.
 - 3.3 If there are more than three (3) interested buyers at the same time, the winner will be selected by raffle.
 - 3.4 No reservations will be entertained.

4. Utilization of the proceeds of the sale:
 - 4.1. Payment of outstanding loans.
 - 4.2. To fund the 3-year development program

As of June 30, 2013, there were fifteen (15) shares sold from this issuance.

The Board of Directors in their regular meeting last Nov. 15, 2014 approved the following:

1. INSTALLMENT SALE OF SHARES OF STOCK
 - a.) Deferred payment of the share of stock and transfer fee.
 - b.) "All in selling price" of P 350k.
 - c.) Payable in 12 monthly installments.
 - d.) Membership of the buyers is subject to compliance with the Membership processing requirements and approval of the Membership Committee.

As of June 30, 2015, there were five (5) shares sold from this issuance.

For the fiscal years 2000 and 2001, the market price ranged from the club subscription rate of P 625,000.00 to P 500,000.00. For the year 2002 market price was

between P 500,000.00 to P 450,000.00. For the years 2003 to 2014 market price ranged from P 400,000.00 to P 500,000.00 for Club subscription to P332,000 to P292,000 for third party market. Market prices included the transfer fee of P 112,000.00. For the fiscal year 2015 and 2016 the market price was P250,000.00 plus P56,000 transfer fee during the promo period or P112,000 after the promo. For the fiscal year 2017 the market price was P312,000.00 plus P67,2000 transfer fee during the promo period or P112,000 after the promo. The market value of the shares of stock of Valley Golf as of June 30, 2018 is P400,000.00 plus P112,000.00 transfer fee. For the Fiscal Year 2019, the market price is P800,000.00 plus P112,000.00 transfer fee. For the Fiscal Year 2020, the market price is P1,300,000.00 plus P112,000.00 transfer fee. For the Fiscal Year June 30, 2021 the market price is P1,600,000.00 plus P200,000 transfer fee. The market value of each share of stock of Valley Golf as of June 30, 2022 is P2,500,000.00 plus P200,000 transfer fee. The market value of each share of stock of Valley Golf as of June 30, 2023 is P5,500,000.00 plus P200,000 transfer fee. Market prices were based on subscription rates and transactions processed in the Club.

2.) Holders

Total number of shares issued and outstanding as of June 30, 2023 is 1,594 shares. There is no individual or corporate stockholder who is the beneficial owner of at least five percent (5 %) of the total shares outstanding. The top twenty (20) shareholders are as follows:

Stockholder	No. of Shares Owned	Amount subscribed	% Ownership	Citizenship
1 Fenestram Corporation	16	135,000.00	1.00%	FILIPINO
2 G7 Philippine Printing Corp.	15	99,000.00	0.94%	FILIPINO
3 Pae Ventures, Inc	6	54,000.00	0.38%	FILIPINO
4 Manila Electric Co.	5	45,000.00	0.31%	FILIPINO
5 Solid State Multi-Prod. Corp.	5	45,000.00	0.31%	FILIPINO
6 Squires Bingham Co., Inc.	5	45,000.00	0.31%	FILIPINO
7 Madrigal, Vicente/Gerardo A.S.	4	36,000.00	0.25%	FILIPINO
8 Metropolitan Bank & Trust Co.	4	36,000.00	0.25%	FILIPINO
9 Philippine National Bank	4	36,000.00	0.25%	FILIPINO
10 Reliable Electric Co., Inc.	4	36,000.00	0.25%	FILIPINO
11 Tres Primos Development Corp.	4	36,000.00	0.25%	FILIPINO
12 Cheok, Edward N.	3	27,000.00	0.19%	FILIPINO
13 Co, Val Constantine L.	3	27,000.00	0.19%	FILIPINO
14 Dee C. Chuan & Sons, Inc.	3	27,000.00	0.19%	FILIPINO
15 First Phil. Holding Corp.	3	27,000.00	0.19%	FILIPINO
16 Severo A. Tuason & Co.Inc.	3	27,000.00	0.19%	FILIPINO
17 Tuason, Severo J.	3	27,000.00	0.19%	FILIPINO
18 Carmona, Manuel Y.	2	18,000.00	0.13%	FILIPINO
19 Metropolitan Insurance Co.	2	18,000.00	0.13%	FILIPINO
20 Phil. Long Distance Tel Co.	2	18,000.00	0.13%	FILIPINO

There is no acquisition, business combination or other reorganization that may affect the amount and percentage of the present equity holdings of each director and nominee and of all directors and officers as a group nor are there any present commitments to such persons with respect to the issuance of shares.

3.) Dividends

Valley Golf is a non-profit club and does not declare any form of dividends. Income earnings are being used for maintenance of the golf courses and to improve services to the members.

4.) Recent sales of unregistered or exempt securities.

Valley Golf has not sold any unregistered or exempt securities during the present and previous fiscal years.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

1. PLAN OF OPERATION

OBJECTIVES:

- a. To have a well-planned improvement of Club facilities and services.
- b. Profitability and financial liquidity for operations and availability of funds for various projects.
- c. To ascertain that the ongoing processes for controlling operations throughout the organization are adequately designed and functioning in an effective manner.

ACTION PLAN:

Implementation of the priority capital expenditures for the year:

- a. To start the Renovation of the Main Clubhouse including Airconditioned Dining Restaurant with a budget of P50 Million
- b. To start Phase 2 of the Zoysia infusion project by July 2023 with a budget of P 21.7 Million.
- c. To implement the new Accounting System by Dec. 2023.

2. MANAGEMENT DISCUSSION AND ANALYSIS

The results of operations for the Fiscal Year ending June 30, 2023 is reflected in the Audited Financial Reports. Gross Revenue from Operations amount to Php231.25 Million or an increase of Php68.81 Million from last year's figure of Php162.44 Million. Operating Expenses however increased from Php151.51 Million in 2022 to Php202.85 Million in 2023 or a increase of Php51.34 Million or 33.88%. Excess of revenue over expenses for the year amount to Php28.40 Million or an increase of Php17.47 Million from last year's figure of Php10.93 Million.

Gross Revenues for the Fiscal Year 2023 amounted to P231.25 Million or an increase of P68.81 Million which is up by 42% from last year's figure of P162.44 Million. The increase in our membership dues effective April 1, 2022 resulted in a positive increment of P13.37. Likewise, revenues from Green Fees (P31.45 Million), Road Users' Fees (P17.99 Million), Membership Fee/Transfer Fee (15.92 Million) and Service Charge (P15 Million) have contributed significantly to the uptick in our revenues.

However, with more members and guests playing, the 100% opening of our facilities, rising cost of supplies, utilities, manpower and maintenance costs and the resumption of Club tournaments our Expenses likewise increased by P51.34 Million for a total of P202.85 Million for Fiscal Year 2023. This is 33.88% up from last Fiscal Year's figure of P151.51 Million. Nevertheless, the substantial increase in the Club's operating cost can still be considered manageable considering the better than expected improvement in our revenues. The Board and Management will simply continue their policy and practice to prioritize expenses and defer expenditures on items that lack urgency and importance.

During the year the Treasury was able to finance our major projects for the year including the Zoysia Infusion Project Phase 2A, Construction of the Sewerage Treatment Plant, North Course Tee Renovation, Automatic Fire Sprinkler System, Reblocking of the Don Celso Tuason Ave., Repair of the Golf Cart Path, Computerization Project Phase 2 and Purchase of Long Arm Backhoe and 40 units of brand new Golf Carts.

In the Audited Financial Reports our Current Ratio for Fiscal Year 2023 (this ratio represents the liquidity of the Club or the available current assets to settle the current liabilities) is 1.42% which is the same as the ratio rate last year. The investment of funds in capex for the year is P38.12 Million and transfer from Construction in Progress to capex of P53.25 Million.

Cash flow wise our cash & cash equivalents and short-term investment as of June 30, 2023 is P82.41 Million and UITF Investment is P10.39 Million. Our receivables from Members' Accounts increased by Php7.33 Million which is the result of increase in number of members being billed from 4,532 to 4,671 and increase in monthly dues and charges to account. Our total assets as of June 30, 2023 is Php392.08 Million.

The market value of our shares of stock as of June 30, 2023 has reached Php5.5 Million plus transfer fee of P200,000. Our keen business decisions, the continuing development of our golf courses and the upward trend of the golf clubs' market are contributing factors for our achievement. The Board is committed in its effort to maintain the steady increase in the market value of our shares of stock. The scheme to return the exclusivity of the Club but at the same time introducing alternative revenue sources to cushion the financial impact is another factor that contributed to the increase in market value of the shares. Starting last fiscal year the Club no longer accepts walk-in guests as part of the plan to retain the exclusivity of the Club and for safety protocol.

Valley Golf has no liquidity problems on its operations and projects and does not anticipate any liquidity problems in the future. All interest payments are being paid on

due date and funds are available for the termination of loans when the need arises. All trade payables are paid based on the credit terms.

There are no seasonal aspects that had a material effect on the financial condition or results of operation.

There are no events that will trigger direct or contingent financial obligation that is material to Valley Golf. There is no anticipated default or acceleration of obligation.

There are no off-balance sheet transactions, arrangements, obligations or other relationships of the Club with unconsolidated entities or other persons created during the fiscal year.

There are no material commitments for capital expenditures.

There are no other trends, events or uncertainties that would have a material favorable or unfavorable impact on net sales or revenues.

There are no significant elements of income or loss that did not arise from Valley Golf's continuing operations.

The **FINANCIAL SOUNDNESS INDICATORS** are as follows:

1. **CURRENT RATIO** - represents the ratio of current assets against current liabilities. This ratio represents the liquidity of the Club or the available current assets to settle the current liabilities.

Current Ratio	=	Current Assets	
		Current Liabilities	
		As of June 30, 2023	As of June 30, 2022
Current Assets		125,329,307.00	84,254,043.00
Current Liabilities		88,215,670.00	59,342,364.00
Current Ratio		1.42	1.42

This above ratio indicates that the Club's liquidity is the same as last year. The significant items that affected the liquidity ratio are the increase in Cash and Cash Equivalent by P31.26 Million, Trade and Other Receivables increased by P9.49 Million, increase in Trade and Other Payables by P27.97 Million and increase in Members' deposits and others by P1.24 Million.

2. **ACID TEST RATIO** – the ratio is an indicator of whether the Club has sufficient short-term assets to cover its short-term liabilities. This ratio is more useful in certain situations than the Current Ratio, also known as the working capital ratio,

since it ignores assets such as inventory, which may be difficult to quickly liquidate.

$$\text{Acid Test Ratio} = \frac{\text{Current Assets Less Inventory}}{\text{Current Liabilities}}$$

	As of June 30, 2023	As of June 30, 2022
Current Assets less Inventory	122,653,468.00	80,465,937.00
Current Liabilities	88,215,670.00	59,342,364.00
Acid Test Ratio	1.39	1.35

The amount of Current Assets less Inventory for Fiscal year 2023 increased to P122.65 Million from P80.46 Million in 2022 or an increase of P42.19 Million, whereas the Current Liabilities increased by P28.87 Million. The increase in the ratio indicates that the Club is more liquid in FY 2023 than in FY 2022.

3. **SOLVENCY RATIOS** – are ratios that are calculated to judge the financial position of the Club from a long-term solvency point of view. These ratios measure the club’s ability to satisfy its long-term obligations and are closely tracked by stockholders and investors to understand and appreciate the ability of the business to meet its long-term liabilities and help them to assess the long-term investment of their funds in the business.

a. **LONG-TERM DEBT TO EQUITY RATIO** – aims to determine the amount of long-term debt the Club has undertaken vis-à-vis the Equity and helps in finding leverage of the business. The ratio also helps in identifying how much long-term debt the Club has to raise compared to its equity contribution.

$$\text{Long-Term Debt to Equity Ratio} = \frac{\text{Long-Term Debt}}{\text{Total Equity}}$$

	As of June 30, 2023	As of June 30, 2022
Long-Term Liabilities	13,814,223.00	8,655,057.00
Total Members’ Equity	290,056,751.00	261,566,665.00
Long Term Debt to Equity Ratio	.05	.03

The increase in the Long-Term Debt Ratio from .03 in FY 2022 to .05 in FY 2023 indicates the increase in the long-term debt by P5.16 Million in relation to the equity of the Club.

- b. **DEBT TO TOTAL ASSETS RATIO**- this represents the ratio of total liabilities to total assets or the assets available to settle outstanding liabilities of the Club. This is used to assess the total leverage of the business. The higher the ratio, the higher the leverage and higher the financial risk on account of a heavy debt obligation on the part of the business.

$$\text{Debt to Total Assets Ratio} = \frac{\text{Total Liabilities}}{\text{Total Assets}}$$

	As of June 30, 2023	As of June 30, 2022
Total Liabilities	102,029,893.00	67,997,421.00
Total Assets	392,086,644.00	329,564,086.00
Debt to Total Assets Ratio	0.26	0.21

Liabilities for the year increased by P34.03 Million, while assets increased by P62.52 Million thereby increasing the ratio. The increase in assets is greater than the increase in liabilities, therefore there are more assets to settle the outstanding liabilities of the Club.

- c. **PROPRIETARY RATIO** – this ratio establishes between Stockholders' funds and total assets of the business. It indicates the extent to which stockholders' funds have been invested in the assets of the business.

$$\text{Proprietary Ratio} = \frac{\text{Total Members' Equity}}{\text{Total Assets}}$$

	As of June 30, 2023	As of June 30, 2022
Total Members' Equity	290,056,751.00	261,566,665.00
Total Assets	392,086,644.00	329,564,086.00
Asset to Equity Ratio	0.74	0.79

The ratio decreased from 0.79 in FY 2022 to 0.74 in FY 2023, the lower the ratio the higher the leverage and comparatively more financial risk on the part of the Club. For the Fiscal year 2023, there were less the stockholders' funds that were invested in the assets of the Club.

4. **DEBT TO EQUITY RATIO** - the ratio is used to evaluate a company's financial leverage. It is a measure of the degree to which a company is financing its operation through debt versus wholly-owned funds. More

specifically, it reflects the ability of shareholders equity to cover all outstanding debts in the event of a business downturn.

$$\text{Debt to Equity Ratio} = \frac{\text{Total Liabilities}}{\text{Total Members' Equity}}$$

	As of June 30, 2023	As of June 30, 2022
Total Liabilities	102,029,893.00	67,997,421.00
Total Members' Equity	290,056,751.00	261,566,665.00
Debt to Equity Ratio	0.35	0.26

This shows that in Fiscal Year 2023 the ratio increased and thus the total liabilities comprise a higher percentage of the total stockholders' equity. This resulted from the increase in Trade and other payables by P27.97 Million, Members Deposits by P1.24 Million and Provision for probable claims by P1.60 Million. On the other hand the Retained Earnings increased due to Excess of Revenue over Expenses of P29.28 Million for Fiscal Year 2023.

5. **ASSET TO EQUITY RATIO** – measures the proportion of the Club's assets that has been funded by the Stockholders

$$\text{Asset to Equity Ratio} = \frac{\text{Total Assets}}{\text{Total Members' Equity}}$$

	As of June 30, 2023	As of June 30, 2022
Total Assets	392,086,644.00	329,564,086.00
Total Members' Equity	290,056,751.00	261,566,665.00
Asset to Equity Ratio	1.35	1.26

The Total Assets increased by P62.52 Million in Fiscal Year 2023 while the Stockholders' Equity increased by P28.49 Million thus the ratio increased, therefore more of the assets were funded by shareholders than funded by debt.

6. **INTEREST RATE COVERAGE RATIO** – measures the number of times a company can make interest payments on its debt with its earnings before interest and taxes. It is a debt ratio and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.

$$\text{Interest rate coverage ratio} = \frac{\text{Earnings Before Interest and Taxes}}{\text{Interest Expense}}$$

	As of June 30, 2023	As of June 30, 2022
EBIT	28,403,761.00	10,928,878.00
Interest Expense	15,853.00	35,549.00
Interest Rate Coverage Ratio	1,791.70	307.43

The ratio indicates that the Club can easily pay the interest in its outstanding debt with a very high ratio of 1,791.70.

7. **RETURN ON EQUITY** – is calculated by dividing net income by shareholders' equity. This is a profitability ratio that measures the ability of a firm to generate profits from its shareholders investments in the company. The Return on Equity ratio shows how much profit each Peso of stockholders' equity generates.

$$\text{Return on Equity} = \frac{\text{Net Income (Loss)}}{\text{Total Members' Equity}}$$

	As of June 30, 2023	As of June 30, 2022
Net Income (Loss)	29,286,901.00	10,354,885.00
Total Members' Equity	290,056,751.00	261,566,665.00
Return on Equity	0.10	0.04

The operations for Fiscal Year 2022 resulted to a net income of P29,286,901.00 thus the Return on Equity Ratio is 0.10 which is higher than the previous fiscal year. Each peso of Members' Equity generated an income of 0.10 in FY 2023.

8. **RETURN ON ASSETS (ROA)** - measures the amount of profit the company generates as a percentage of the value of its total assets.

$$\text{Return on Assets} = \frac{\text{Net Income/(Loss)}}{\text{Average Total Assets}}$$

	As of June 30, 2023	As of June 30, 2022
Net Income/ (Loss)	29,286,901.00	10,354,885.00
Average Total Assets	392,086,644.00	329,564,086.00
Return on Assets	0.07	0.03

Operations for Fiscal Year 2023 resulted to a net income of P29,286,901.00 as compared to net income of P10,354,885.00 in Fiscal year 2022 or an increase of P18,932,016. The Total Assets however increased by P62,522,558. The ratio increase from 0.03 to 0.07

9. **NET PROFIT MARGIN** – is a financial ratio used to calculate the percentage of profit a company produces from its total revenue. It measures the amount of net profit a company obtains per Peso of revenue gained.

$$\text{Net Profit Margin} = \frac{\text{Net Income/(Loss)}}{\text{Total Revenue}}$$

	As of June 30, 2023	As of June 30, 2022
Net Income/ (Loss)	29,286,901.00	10,354,885.00
Total Revenue	231,256,952.00	162,442,487.00
Net Profit Margin	12.66%	6.37%

Net income for the Fiscal Year 2023 is P29,286,901.00 with a Net profit Margin of 12.66% as compared to Fiscal Year 2022 Net profit margin of 6.37%, this year's profit margin is higher by 6.29%

10. OTHER RATIOS

EARNING PER SHARE (EPS) - this represents the net income per share of stock issued and outstanding and subscribed. The resulting number serves as an indicator of a company's profitability.

$$\text{Earnings Per Share} = \frac{\text{Net Income/(Loss)}}{\text{Common Shares Outstanding}}$$

	As of June 30, 2023	As of June 30, 2022
Net Income/ (Loss)	29,286,901.00	10,354,885.00
Common Shares Outstanding	1,594	1,594
Debt to Total Assets Ratio	18,373.21	6,496.16

For the Fiscal Year ended June 30, 2023 the Net Income per share is P18,373.21 as compared to Fiscal Year ended June 30, 2022 figure of P6,496.16 or higher by P11,877.05. Net income for the year is P 29,286,901.00 or an increase of P18,932,016.00 from the net income of P10,354,885.00 for the fiscal year ended June 30, 2022.

The following are the details of the operations of the Club for the Fiscal Year 2023

A. OPERATING RESULTS

1. Revenues – revenues increased from P162,442,487 in 2022 to P231,256.952 in 2023 or an increase of P68,814,465 or 42.36%.

Significant sources of the increase in revenue are Green Fee by P12,962,554, Monthly Dues by P13,367,857, Transfer Fee by P3,688,000, Service Charge by P4,669,717, Road Users Fee by P2,739,350, Concessionaires Fee and Proshop rental by P3,899,337, Tournament Fee, Self Insurance Fee and Service Fee by P2,588,887, Miscellaneous Income by P1,264,053, Golf cart storage by P2,171,358, Assessment for Road Maintenance by 1,735,142 and Swimming pool Fee by P92,679. Revenue sources that decreased are Golf Cart rental by P1,866,023 and Patronage Fee by P411,980.

Monthly Dues increased due to increase in the monthly dues rate by P800.00 per month for all Proprietary shareholders, Corporate Representatives, Associate dependents, Playing Rights and Playing Representatives effective April 1, 2022 and increase in playing rights and corporate representatives from 162 to 183 in 2023. Green Fees increased due to increase in number of accompanied guests from 11,340 in FY 2022 to 18,056 in FY 2023 or an increase of 6,716 or 59%. The increase resulted from the opening of the Club for private tournaments effective Jan. 2022 with a total guests of 5,284 and the acceptance of 3 guests per member. Service Charge increased due to increase in rate of Initial Service Charge from P75,000 to P150,000 and Renewal Fee from P50,000 to P80,000. Transfer Fee increased mainly due to increase in number of transfers to third party from 51 in FY 2022 to 67 in FY 2023 and 1st degree transfers from 11 in FY 2022 to 17 in FY 2023. Road Users Fee increased due to increase in the passing thru rate from P50.00 to P100.00 and increase in number of deliveries and passing thru vehicles. Assessment for Road Maintenance increased due to increase in the number of car stickers sold to residents and member upon stricter implementation of the no sticker no entry policy. Concessionaires Fees from the F & B Concessionaires and rental of Proshop increased because of the increase in sales of the restaurants that resulted from the increase in guests and easing up of restrictions in the dining activities. Another factor is the engagement of a new F & B Concessionaire in the North Clubhouse effective Oct. 16, 2022 that offered Chinese menus for members and guests. Our Tee houses is now being operated by the Driving Range Concessionaire and resulted in the increase in sales due to variety of items being sold. The Tournament Fees, Self Insurance Fee and Service Fee from Guests increased due to the acceptance of more accompanied guests and private tournaments. Golf Storage Fee increased due to increase in number of golf carts in the storage from 495 units in 2022 to 634 units in 2023. The Swimming pool was recently inaugurated and opened for use of the members and their guests that resulted in the increase in the Swimming pool Fee. Miscellaneous Income increased due to increase in Venue Fee, Rental of Globe Tower, sales of gasoline and charged utilities to concessionaires, sale of scrap, illegally parked golf carts and surcharge.

Golf cart rental decreased from 21,432 in 2022 to 20,183 in 2023 or a decrease of 1,249 rentals, this is due to the increase in number of private golf carts in our storage area and allowing more than one player per golf cart.

2. **Cost and Expenses -** For the fiscal year 2023 the total cost of services and general and administrative expenses amount to P202,853,191 or an increase of P51,339,582 or 33.88 from previous year's figure of P151,513,609

Personnel Expenses increased from P30,027,451 in 2022 to P34,186,232.75 in 2023 or an increase of P4,158,781.51 or 13.85%. Salaries and Wages increased by P2,545,436 because of the salary increases for the rank & file employees as per CBA Agreement and Wage Order and the annual salary increases for the Dept. Managers and Supervisors. Overtime increased by P829,278, Allowance of the Committee Secretaries increased by P64,550, Pag-Ibig Contribution increased by P2,450, SSS, PHIC & ECC increased by P332,264 and Retirement Benefit Expense increased by P380,350. The following personnel expenses decreased for the year, Hazard Pay by P117,340, Meal Allowance by P44,960, Covid 19 Supplementary Allowance by P24,000, Vacation and Sick leave by P16,934.22, Bonus and Gratuity Pay by P186,861 and Training and Seminar by P55,529.35.

Supplies decreased from P24,372,694 in 2022 to 21,976,048 in 2023 or a decrease of P2,396,645 or 9.83%. Repairs & Maintenance decreased by P2,401,648, Gasoline and Oil Supplies decreased by P2,164,152, Janitorial supplies decreased by P204,350, Uniforms decreased by P70,983, Motorpool and Ground supplies decreased by P55,605 and Miscellaneous supplies decreased by P486,195. Stationeries and office supplies increased by P722,931, Swimming pool supplies increased by P115,942, Toilet and cleaning supplies increased by P247,041, Service supplies increased by P1,414,019, Medical and Dental supplies increased by P50,557 and Linen supplies increased by P435,798,

Utilities increased from P13,331,238 in 2022 to P18,233,765 in 2023 or an increase of P4,902,527 or 36.77%. Electricity increased by P4,662,159, and Water by P437,145. Communication decreased by P196,776.

Outside Services increased from P45,460,303 in 2022 to P60,644,642 in 2023 or an increase of P15,184,340 or 30.40%. Legal Fees increased by P625,585, Audit Fees increased by P70,574, Security Services by P4,886,804, Laundry Services by P945,745.25, Maintenance Crew by P3,644,350 and Golf Course Maintenance by P5,141,120. Retainers Fee decreased by P129,839.58.

Sundries increased from P12,859,067 in 2022 to P24,600,160 in 2023 or an increase of P11,741,093 or 91.31%. Taxes and Licenses increased by P1,930,949, Board, Committee and Stockholders Meeting increased by P802,589, Marketing Expenses increased by P188,417, Promotional and Industrial increased by P614,963, Bank Charges increased by P757,445, Self-insurance expense increased by P172,112, Tournament Expenses increased by P5,045,766, Insurance increased by P2,464, Ads & Publication increased by P9,485 and Miscellaneous increased by P2,159,734. Transportation and Travel decreased by P2,208 and Dues and Registration Fees decreased by P1,151.

3. BALANCE SHEET ACCOUNTS

- 1. Cash and cash equivalents – increased from P51,147,281 in 2022 to P82,410,206 in 2023 or an increase of P31,262,925 or 61.12%. Increase resulted from Net cash generated from operating activities amounting to P72.22 Million which is higher by P26.88 Million from last year's P45.34 Million. Net cash flow used in investing activities amount to P40.72 Million due to investment in property and equipment of P38.12 Million and other noncurrent assets of P3.17 Million. Cash and Cash Equivalents and the beginning of the year is P51.15 Million add the Net increase in cash is P31.26 Million, Cash at the end of the year is P82.41 Million.**
- 2. Trade and other receivables – increased from P13,861,275 in 2022 to P23,356,548 in 2023 or an increase of P9,495,273 or 68.50%. Increase was due to increase in Members account by P7.33 Million and increase in Other Receivables by P2.17 Million.**
- 3. Debt instruments at fair value – represents the short term investment of the funds from operations in UITF in the amount of P10.39 Million.**
- 4. Other current assets – increased from P9,124,722 in 2022 to P9,175,335 in 2023 or an increase of P50,613 or 0.55%. Increase resulted from increase in Others referring to Advances on Purchases and deferred input vat by P1,334,867 and Prepayments by P316, whereas Supplies inventory decreased by P1,112,267 and Creditable Withholding Tax by P172,303.**
- 5. Property and equipment – increased from P238,125,202 in 2022 to P255,476,745 in 2023 or an increase of P17,351,543 or 7.29%. Additions for the Year 2023 includes on-going construction of 2-level golf cart garage P5,851,708, On-going Zoysia Grass Infusion P1,511,530, Sewerage Treatment Plant P7.191,250, Zoysia Infusion Project Phase 2 P2,758,843, Tee Renovation North Course P1,255,005, Toilet at the Mezzanine P384,892, Design for the Lower Veranda Roofdeck Function Room P545,315, Automatic Sprinkler System P1,273,092, purchase of Long Arm Backhoe P5,700,000 (gross of vat) and 20 units Golf Carts P6,720,000 (gross of vat). However, the Accumulated Depreciation increased by P16,907,219 thus the Property and Equipment increased.**
- 6. Investment properties – went down from P123,880 in 2022 to P85,616 in 2023 or a decrease of P38,264 or 30.88%. Depreciation for the fiscal year 2023 for the North clubhouse is P38,264.**
- 7. Deferred tax asset – deferred tax asset for June 30, 2022 is P1,126,720, there was none last 2022 . The deferred tax assets recognized from the advance collection of fee and other dues P1,331,795, Allowance for Expected Credit Losses P153,623 and Allowance for inventory obsolescence P13,142, and deducted therein are the deferred tax**

liabilities from Rent Receivable P367,552 and Interest Income from accretion P4,288.

8. Other non-current assets – increased from P2,204,716 in 2022 to P5,084,160 in 2023 or an increase of P2,879,444 or 130.60%. Increase is due to Computerization Project in the amount of P57,823, Refundable Deposit of P676,219 and Advances to suppliers and contractors of P2,145,402.
9. Trade and other payables – increased from P23,792,555 in 2022 to P51,760,709 in 2023 or an increase of P27,968,154 or 117.55%. Increase was due to increase in Trade Payable by P7.72 Million, Accounts Payable Others by P 0.23 Million, Accrued and other expenses by P4.30 Million, Due to organizations, lessors and cooperative by 9.83 Million, Due to Concessionaires by P1.99 Million, Vat Payable by P3.90 Million.
10. Members' Deposits and Credit Balances went up from P18,237,703 in 2022 to P19,477,090 in 2023 or an increase of P1,239,387 or 6.79%. Increase resulted from refundable cash deposits from members and Credit balances of former members.
11. Contract Liabilities decreased from P11,406,585 in 2022 to P9,709,296 in 2023 or a decrease of P1,697,289 or 14.88%. Decrease was due to advance payments made by the members to avail of the 1 month discount promo of the Club upon payment of 1 year monthly dues with a decrease in 2023 in the amount of P1.49 Million and decrease in green fee coupons by P0.85 Million.
12. Retirement benefit obligation –increased from P7,614,418 in 2022 to P8,266,671 in 2023 or an increase of P652,253 or 8.57% due to remeasurement gains of the retirement plan as per actuarial valuation.
13. Other Noncurrent liabilities – increased from P863,528 in 2022 to P5,547,552 in 2023 or an increase of P4,684,024 in 2023 or 542.43% due to Right of way paid in advance in the amount of P4,697,749.
14. Members' Equity –increased from P261,566,665 in 2022 to P290,056,751 in 2023 or an increase of P28,490,086 or 10.89% due to the increase in the accumulated excess of revenues over expenses by P P28,490,086.

Fiscal Year 2022

A. OPERATING RESULTS

1. Revenues – revenues increased from P140,976,489 in 2021 to P162,442,487 in 2022 or an increase of P21,465,998 or 15.23%.

Significant sources of the increase in revenue are Green Fee by P7,553,081, Golf Cart rental by P1,180,595, Monthly Dues by P3,489,059, Transfer Fee by P892,400, Service Charge by P1,901,182, Road Users Fee by P357,221, Concessionaires Fee and Proshop rental by P1,081,536, Golf cart storage by P575,133, Tournament Fee, Self Insurance Fee and Service Fee by P950,873, Swimming pool Fee by P124,287 and Miscellaneous Income by P2,706,305. There is no revenue source that decreased during the fiscal year 2022 as compared to 2021.

Monthly Dues increased due to increase in the monthly dues rate by P800.00 per month for all Proprietary shareholders, Corporate Representatives, Associate dependents, Playing Rights and Playing Representatives effective April 1, 2022. Green Fees increased due to increase in number of guests from 5,897 in 2021 to 11,340 or an increase of 5,443 or 92%. The increase resulted from the opening of the Club for private tournaments effective Jan. 2022 with a total guests of 1,597 and the acceptance of 3 guests per member. Golf cart rental increased from 19,842 rentals in 2021 to 21,432 in 2022 or an increase of 1,590 rentals, this is due to the implementation of mandatory golf cart for guests and acceptance of tournaments. Transfer Fee increased mainly due to increase in rate from P112,000 to P200,000 for third party market and from P11,200 to P20,000 for first degree effective Jan. 1, 2021. Service Charge increased due to increase in rate of Initial Service Charge from P75,000 to P150,000 and Renewal Fee from P30,000 to P80,000 (new member) or P50,000 (previous member) effective Jan. 1, 2021. Road Users Fee increased due to increase in the passing thru rate from P50.00 to P100.00 effective Feb. 1, 2021 and increase in number of deliveries. Concessionaires Fees from the F & B Concessionaires and rental of Proshop increased because of the increase in sales of the restaurants that resulted from the increase in guests and easing up of restrictions in the dining activities. Another factor is the engagement of a new F & B Concessionaire in the Main Clubhouse effective Oct. 19, 2021 that offered new menus for members and guests. Our Tee houses is now being operated by the Driving Range Concessionaire and resulted in the increase in sales due to variety of items being sold. The Tournament Fees, Self Insurance Fee and Service Fee from Guests increased due to the acceptance of more accompanied guests and private tournaments. Golf Storage Fee increased due to increase in number of golf carts in the storage from 467 units in 2021 to 495 units in 2022. The Swimming pool was recently inaugurated and opened for use of the members and their guests that resulted in the increase in the Swimming pool Fee. Miscellaneous Income increased due to increase in Venue Fee, Rental of Globe Tower, sales of gasoline and charged utilities to concessionaires, sale of scrap, illegally parked golf carts and surcharge.

2. Cost and Expenses - For the fiscal year 2022 the total cost of services and general and administrative expenses amount to P151,513,609 or an increase of P20,287,965 or 15.46% from previous year's figure of P131,225,644

Personnel Expenses increased from P27,677,244 in 2021 to P30,027,451 in 2022 or an increase of P2,350,207 or 8.49%. Salaries and Wages

increased by P1,623,170 because of the salary increases for the rank & file employees as per CBA Agreement and Wage Order, salary increases for the Dept. Managers and Supervisors and hiring of the General Manager and Golf Director. Overtime increased by P460,603, Meal Allowance decreased by P100,870, Vacation and Sick leave increased by P64,257, Bonus & Gratuity increased by P114,081 and Training and Seminar increased by P102,955. Hazard Pay for the Club Nurse increased by P104,540, Allowance of the Committee Secretaries decreased by P28,000, Covid 19 Supplementary Allowance increased by P3,000, Pag-Ibig Contribution decreased by P7,250, SSS, PHIC & ECC increased by P92,592 and Retirement Benefit Expense decreased by P82,101.

Supplies increased from P18,810,748 in 2021 to P24,372,694 in 2022 or an increase of P5,561,947 or 30%. Stationeries and office supplies increased by P376,064, Repairs & Maintenance increased by P3,750,188, Janitorial supplies increased by P191,925, Medical and Dental supplies decreased by P340,687, Motorpool and Ground supplies increased by P59,750 and Miscellaneous supplies decreased by P719,333. Gasoline and Oil Supplies increased by P1,1169,914, Toilet and cleaning supplies increased by P547,262, Service supplies increased by P181,176. Swimming pool supplies increased by P71,050, Linen supplies increased by P208,778 and Uniforms increased by P65,861.

Utilities increased from P8,682,534 in 2021 to P13,331,238 in 2022 or an increase of P4,648,704 or 54%. Electricity increased by P3,817,545, Communication by P130,877 and Water by P700,282.

Outside Services increased from P40,065,870 in 2021 to P45,460,303 in 2022 or a increase of P5,394,432 or 13%. Retainers Fee decreased by P1,361,859. Legal Fees increased by P401,444, Laundry Services by 172,682, Maintenance Crew by P1,597,385, Audit Fees increased by P75,554, Security Services by P1,440,427 and Golf Course Maintenance by P3,068,800.

Sundries increased from P10,720,108 in 2021 to P12,859,067 in 2022 or an increase of P2,138,959 or 20%. Taxes and Licenses decreased by P374,003 and Insurance by P28,242. Board, Committee and Stockholders Meeting increased by P100,258, Ads & Publication by P18,954, Marketing Expenses by P89,286, Promotional and Industrial by P72,889, Bank Charges by P344,256, Self-insurance expense by P88,157 and Miscellaneous by P1,811,545.

B. BALANCE SHEET ACCOUNTS

1. Cash and cash equivalents – decreased from P51,715,093 in 2021 to P51,147,281 in 2022 or a decrease of P567,812 or 1.10%. Decrease resulted from Net cash generated from operating activities amounting to P45.34 Million which is higher by P7.30 Million from last year's P38.04 Million. Net cash flow used in investing activities amount to P46.14 Million due to increase in additions to property and equipment of P35.89 Million and other noncurrent assets of

P0.19 Million. Cash and Cash Equivalents and the beginning of the year is P51.72 Million less the Net decrease in cash is P0.57 Million, Cash at the end of the year is P51.15 Million.

2. Trade and other receivables – increased from P13,731,908 in 2021 to P113,861,275 in 2022 or an increase of P129,367 or 0.94%. Increase was due to decrease in Members account by P1.73 Million and increase in Other Receivables by P1.56 Million.
3. Debt instruments at fair value – represents the short term investment of the funds from operations in UITF in the amount of P10.12 Million.
4. Other current assets – increased from P7,994,765 in 2021 to P9,124,722 in 2022 or an increase of P1,129,957 or 14.13%. Increase resulted from increase in supplies inventory by P190,843, prepayments by P83,494 and others by P811,076.
5. Property and equipment – increased from P215,385,047 in 2021 to P238,125,202 in 2022 or a increase of P22,740,155 or 10.56%. Additions for the Year 2022 includes on-going construction of 2-level golf cart garage P24,684,557.19, Purchase of Backhoe Loader P3,750,000.00, Construction of Gazebo at swimmingpool complex P3,311,441.45, On-going Zoysia Grass Infusion P3,295,476.27, Renovation of Ladies Locker room. Hallway and Proshop P3,023,842.28, Hardscape at swimming pool complex P2,116,940.87, Nursery at the South Course P1,030,418.52, Purchase of L-300 Vehicle P868,000.00, On-going Accounts Receivable System P545,000.00, On-going construction of Cabana P501,678.11, Landscaping at swimming pool complex P429,600.00, Online Voting System Program P377,551.02 and Toilet at the Lower Veranda P328,800.00. However, the Accumulated Depreciation increased by P15,562,930 thus the Property and Equipment increased.
6. Investment properties – went down from P214,565 in 2021 to P123,880 in 2022 or a decrease of P90,685 or 42.26%. Depreciation for the fiscal year 2022 for the North clubhouse is P90,685.
7. Deferred tax asset – there is no deferred tax asset for June 30, 2022 as compared to the amount for year ended June 30, 2021 of P226,570. There is no deferred tax assets recognized from the deductible temporary difference as it is not probable that sufficient taxable profit will be available to allow the benefit of the deferred tax asset to be utilized.
8. Other non-current assets – increased from P1,758,125 in 2021 to P2,204,716 in 2022 or an increase of P446,591 or 25.40%. Increase is due to Computerization Project in the amount of P447,591.
9. Trade and other payables – increased from P16,006,859 in 2021 to P23,792,555 in 2022 or an increase of P7,785,696 or 48.64%. Increase was due to increase in Accounts Payable by P0.20 Million, Accounts Payable Others by P 0.88 Million, Retention Payable by P2.09 Million, Due to Concessionaires by P1.09 Million, Vat Payable by P0.43 Million, Accrued and other expenses by

P0.24 Million, Due to organizations, lessors and cooperative by P2.37 Million and Other Payables by P 0.48 Million.

10. Members' Deposits and Credit Balances went up from P16,888,951 in 2021 to P18,237,703 in 2022 or an increase of P1,348,752 or 7.99%. Increase resulted from refundable cash deposits from members and Credit balances of former members.
11. Contract Liabilities increased from P7,809,771 in 2021 to P11,406,585 in 2022 or an increase of P3,596,814 or 46.06%. Increase was due to advance payments made by the members to avail of the 1 month discount promo of the Club upon payment of 1 year monthly dues with an increase in 2022 in the amount of P3.62 Million.
12. Retirement benefit obligation –increased from P5,446,848 in 2021 to P7,614,418 in 2022 or an increase of P2,167,570 or 39.79% due to remeasurement gains of the retirement plan as per actuarial valuation.
13. Other Noncurrent liabilities – increased from P137,253 in 2021 to P863,528 in 2022 or an increase of P726,275 or 529.15% due to Refundable Security deposit of P0.74 Million from the concessionaire.
14. Members' Equity –increased from P253,904,262 in 2021 to P261,566,665 in 2022 or an increase of P7,662,403 or 3.02% due to the increase in the accumulated excess of revenues over expenses by P7.66 Million.

ITEM 7. FINANCIAL STATEMENTS

Attached Reports :

1. Statement of Management Responsibility
2. Audited Financial Statements for 2023 and 2022
3. Schedules A – G under RSA Rule 68



STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of *Valley Golf & Country Club, Inc.* is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the fiscal years ended *June 30, 2023 and 2022* in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 liquidate the *Club* or to cease operations, or has no realistic alternative to do so.

The Board of Directors *is* responsible for overseeing the *Club's* financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

Sycip, Gorres, Velayo & Co., the independent auditors appointed by the stockholders, has audited the financial statements of *Valley Golf & Country Club, Inc.* in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

RAFAEL S. RAYMUNDO
Chairman of the Board/President
TIN 107-444-146

Atty. RIO SESINANDO E. VENTURANZA
Chief Financial Officer/Treasurer
TIN 100-699-738

Signed this OCT 03 2023 day of _____

ANTIPOLO CITY SUBSCRIBED AND SWORN TO before me this OCT 03 2023 at _____
Affiant exhibiting to me his/her Tax Identification Number as indicated above.

Doc. No. 419
Page No. 81
Book No. 44
Series of 2023

ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2024
Roll of Attorneys No. 27541
MCLE Compliance No. VII-0023686
IBP No. 256227; Dec. 30, 2022, RSM
PTR No. 8675432; Jan. 03, 2023 Antipolo City

VALLEY GOLF AND COUNTRY CLUB, INC.
Don Celso S. Tuason Avenue, Antipolo City 1870 Philippines
Telephone: 86584901 to 03

www.valleygolf.com.ph
E-mail: info@valleygolf.com.ph

Elda Jugo

From: eafs@bir.gov.ph
Sent: October 10, 2023 07:53 PM
To: INFO@VALLEYGOLF.COM.PH
Cc: ELDAJUGO@VALLEYGOLF.COM.PH
Subject: Your BIR AFS eSubmission uploads were received

HI VALLEY GOLF AND COUNTRY CLUB, INC.,

Valid files

- EAFS000649197TCRTY062023-01.pdf
- EAFS000649197ITRTY062023.pdf
- EAFS000649197AFSTY062023.pdf
- EAFS000649197TCRTY062023-02.pdf
- EAFS000649197OTHTY062023.pdf
- EAFS000649197TCRTY062023-03.pdf

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- <None>

Transaction Code: AFS-0-MM3XN1YT03M42VTVRNYWWQXR10S3WN1MW
Submission Date/Time: Oct 10, 2023 07:52 PM
Company TIN: 000-649-197

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	3	9	5	1					
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COMPANY NAME

V	A	L	L	E	Y		G	O	L	F		&		C	O	U	N	T	R	Y		C	L	U	B	,		I	N	
C	.		(A		N	O	N	P	R	O	F	I	T		O	R	G	A	N	I	Z	A	T	I	O	N)		

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

D	O	N	C	E	L	S	O		S	.		T	U	A	S	O	N		A	V	E	.	,		A	N	T	I		
P	O	L	O		C	I	T	Y																						

Form Type

A	A	F	S
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address

info@valleygolf.com.ph

Company's Telephone Number

8658-4901 to 03

Mobile Number

0929-8930-398

No. of Stockholders

1,594

Annual Meeting (Month / Day)

4th Sunday of September

Fiscal Year (Month / Day)

June 30

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Rosanna R. Arguelles

Email Address

rosannaarguelles@valleygolf.com.ph

Telephone Number/s

8658-4901

Mobile Number

0920-9762-483

CONTACT PERSON'S ADDRESS

Block 4A Lot 21, Modena St., Trails of Mala Alta, Brgy. Dalia, Antipolo City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.





STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN

The Management of Valley Golf & Country Club, Inc. is responsible for all information and representations contained in the Annual Income Tax Return for the fiscal year ended June 30, 2023. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the fiscal year ended June 30, 2023 and the accompanying Annual Income Tax Return are in accordance with the books and records of Valley Golf & Country Club, Inc., complete and correct in all material respects. Management likewise affirms that:

- a. the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b. any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- c. the Valley Golf & Country Club, Inc. has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

RAFAEL S. RAYMUNDO
Chairman of the Board/President
TIN 107-444-146

Atty. RIO SESINANDO E. VENTURANZA
Chief Financial Officer/Treasurer
TIN 100-699-738

Signed this OCT 03 2023 day of _____

SUBSCRIBED AND SWORN TO before me this OCT 03 2023 at ANTIPOLO CITY
Affiant exhibiting to me his/her Tax Identification Number as indicated above.

Doc. No. 418
Page No. 88
Book No. 44
Series of 2023

ATTY. HONORATO J. DE LEON JR.
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VALLEY GOLF AND COUNTRY CLUB, INC.
Don Celso S. Tucson Avenue, Antipolo City 1870 Philippines
Telephone: 86584901 to 03

www.valleygolf.com.ph
E-mail: info@valleygolf.com.ph



SyCip Gorres Velayo & Co.
8780 Ayala Avenue
1228 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0672
ey.com/ph

INDEPENDENT AUDITOR'S REPORT

The Members and the Board of Directors
Valley Golf & Country Club, Inc.
Don Celso S. Tuason Ave.
Antipolo City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Valley Golf & Country Club, Inc. (a nonprofit organization) (the Club), which comprise the statements of financial position as at June 30, 2023 and 2022, and the statements of income, statements of comprehensive income, statements of changes in members' equity and statements of cash flows for each of the three years in the period ended June 30, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at June 30, 2023 and 2022, and its financial performance and its cash flows for each of the three years in the period ended June 30, 2023 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Club in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.



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 PSAs 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 PSAs, we exercise professional judgment and maintain professional skepticism 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.
- Conclude on the appropriateness of management'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 those charged with governance 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.



Report on the Supplementary Information Required Under Revenue Regulations 34-2020 and 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 34-2020 and 15-2010 in Note 26 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Valley Golf & Country Club, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Peter John R. Ventura

Partner

CPA Certificate No. 0113172

Tax Identification No. 301-106-741

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 113172-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-140-2021, November 10, 2021, valid until November 9, 2024

PTR No. 9566012, January 3, 2023, Makati City

September 11, 2023



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF FINANCIAL POSITION

	June 30	
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	P82,410,206	P51,147,281
Trade and other receivables (Note 5)	23,356,548	13,861,275
Debt instruments at fair value through profit or loss (Note 9)	10,387,218	10,120,765
Other current assets (Note 6)	9,175,335	9,124,722
Total Current Assets	125,329,307	84,254,043
Noncurrent Assets		
Property and equipment (Note 7)	255,476,745	238,125,202
Investment properties (Note 8)	85,616	123,880
Trust fund (Note 9)	4,984,096	4,856,245
Deferred tax assets - net (Note 22)	1,126,720	-
Other noncurrent assets (Note 10)	5,084,160	2,204,716
Total Noncurrent Assets	266,757,337	245,310,043
TOTAL ASSETS	P392,086,644	P329,564,086
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Trade and other payables (Note 11)	P51,760,709	P23,792,555
Members' deposits and others (Note 12)	19,477,090	18,237,703
Contract liabilities (Note 13)	9,709,296	11,406,585
Provision for probable claims (Note 14)	7,268,575	5,668,575
Short-term borrowing (Note 25)	-	236,946
Total Current Liabilities	88,215,670	59,342,364
Noncurrent Liabilities		
Retirement benefit obligation (Note 24)	8,266,671	7,614,418
Deferred tax liabilities - net (Note 22)	-	177,111
Other noncurrent liabilities (Notes 13, 17 and 18)	5,547,552	863,528
Total Noncurrent Liabilities	13,814,223	8,655,057
Total Liabilities	102,029,893	67,997,421
Members' Equity		
Capital stock (Note 15)	14,346,000	14,346,000
Contributions in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over expenses (Note 15)	74,082,979	45,592,893
Total Members' Equity	290,056,751	261,566,665
TOTAL LIABILITIES AND MEMBERS' EQUITY	P392,086,644	P329,564,086

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.**(A Nonprofit Organization)****STATEMENTS OF INCOME**

	Years Ended June 30		
	2023	2022	2021
REVENUES			
Revenue from contracts with customers (Note 16)	₱207,549,237	₱141,185,352	₱122,163,041
Rentals (Note 18)	22,701,459	20,986,983	18,645,114
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	394,304	140,564	36,877
Interest income (Notes 4, 9 and 18)	611,952	129,588	131,457
	231,256,952	162,442,487	140,976,489
COST AND EXPENSES			
Cost of services (Note 19)	174,805,343	129,583,939	111,594,261
General and administrative expenses (Note 20)	28,031,995	21,894,121	19,620,289
Interest expense	15,853	35,549	11,094
	202,853,191	151,513,609	131,225,644
EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAXES			
	28,403,761	10,928,878	9,750,845
PROVISION (BENEFIT) FOR INCOME TAXES (Note 22)			
	(883,140)	573,993	328,652
EXCESS OF REVENUES OVER EXPENSES			
	₱29,286,901	₱10,354,885	₱9,422,193

See accompanying Notes to Financial Statements.

VALLEY GOLF & COUNTRY CLUB, INC.**(A Nonprofit Organization)****STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended June 30		
	2023	2022	2021
EXCESS OF REVENUES OVER EXPENSES	₱29,286,901	₱10,354,885	₱9,422,193
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Item not to be reclassified to profit or loss in subsequent periods:</i>			
Re-measurement gains (losses) on defined benefit obligation (Note 24)	(796,815)	(2,692,482)	2,087,149
Income tax effect	—	—	(317,900)
	(796,815)	(2,692,482)	1,769,249
TOTAL COMPREHENSIVE INCOME	₱28,490,086	₱7,662,403	₱11,191,442

See accompanying Notes to Financial Statements.

VALLEY GOLF & COUNTRY CLUB, INC.**(A Nonprofit Organization)****STATEMENTS OF CHANGES IN MEMBERS' EQUITY**

	Years Ended June 30		
	2023	2022	2021
CAPITAL STOCK (Note 15)	₱14,346,000	₱14,346,000	₱14,346,000
CONTRIBUTIONS IN EXCESS OF PAR VALUE	201,627,772	201,627,772	201,627,772
ACCUMULATED EXCESS OF REVENUES OVER EXPENSES (Note 15)			
Balances at beginning of year	45,592,893	37,930,490	26,739,048
Excess of revenues over expenses	29,286,901	10,354,885	9,422,193
Other comprehensive income (loss)	(796,815)	(2,692,482)	1,769,249
Total comprehensive income	28,490,086	7,662,403	11,191,442
Balance at end of year	74,082,979	45,592,893	37,930,490
TOTAL MEMBERS' EQUITY	₱290,056,751	₱261,566,665	₱253,904,262

See accompanying Notes to Financial Statements.

VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)

STATEMENTS OF CASH FLOWS

	Years Ended June 30		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over expenses before income taxes	P28,403,761	P10,928,878	P9,750,845
Adjustments for:			
Depreciation and amortization (Notes 7, 8 and 10)	20,967,046	23,417,865	23,455,146
Interest expense	15,853	35,549	11,094
Movements in:			
Provision for probable claims (Note 14)	1,600,000	—	(142,094)
Retirement benefit obligation	(144,562)	(524,912)	(442,811)
Interest income (Notes 4, 9 and 18)	(611,952)	(129,588)	(131,457)
Gain on sale of property and equipment (Notes 7 and 16)	(573,214)	(371,572)	(2,250)
Loss on derecognition of property and equipment (Note 7)	131,371	—	—
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	(394,304)	(140,564)	(36,877)
Operating income before working capital changes	49,393,999	33,215,656	32,461,596
Decrease (increase) in:			
Trade and other receivables	(9,411,993)	(128,414)	3,295,247
Other current assets	(471,304)	(1,300,269)	435,250
Increase (decrease) in:			
Trade and other payables	27,968,154	7,785,696	(269,391)
Members' deposits and others	1,239,387	2,088,752	1,404,431
Contract liabilities	(1,697,289)	3,596,814	645,256
Noncurrent liabilities (Note 13)	4,697,749	—	—
Net cash generated from operations	71,718,703	45,258,235	37,972,389
Interest received	514,947	114,910	78,371
Interest paid	(15,853)	(35,549)	(11,094)
Net cash flows generated from operating activities	72,217,797	45,337,596	38,039,666
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment (Note 7)	(38,119,519)	(45,872,069)	(9,983,686)
Decrease (increase) in:			
Other noncurrent assets	(3,171,621)	(641,857)	(449,294)
Debt instruments at fair value through profit or loss (Note 9)	—	—	(10,000,000)
Trust fund	—	—	19,046
Proceeds from sale of property and equipment (Note 7)	573,214	371,572	2,250
Net cash flows used in investing activities	(40,717,926)	(46,142,354)	(20,411,684)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of short-term borrowing (Note 25)	(236,946)	(457,454)	—
Proceeds from availment of short-term borrowing (Note 25)	—	694,400	—
Net cash flows generated from financing activities	(236,946)	236,946	—
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,262,925	(567,812)	17,627,982
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	51,147,281	51,715,093	34,087,111
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P82,410,206	P51,147,281	P51,715,093

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.

(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Valley Golf & Country Club, Inc. (the Club) was organized in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on May 14, 1958 as a nonprofit organization for a term of 50 years up to 2008. The Club's corporate life was extended for another 50 years from May 15, 2008 as confirmed and ratified by the members on November 18, 2007 and was subsequently approved by the SEC on April 29, 2008. On July 17, 1963, the SEC granted the Club a secondary license to sell its securities to the public.

The primary purpose of the Club is to foster and promote the game of golf and operate and maintain a golf course and country club and, generally, to do and perform all such acts and things, and exercise such powers as are ordinarily done, performed and exercised by social and athletic clubs and associations.

Prior to 2012, the Club is exempt from payment of income tax on income received from social, recreational, and athletic activities on a nonprofit basis provided that no part of the Club's income shall inure to the benefit of any of its members, trustees and officers. Under Section 30 (E) of the Tax Reform Act of 1997, an organization organized for recreational, sports and athletic activities shall be exempt from payment of income tax on income received from aforementioned activities.

On August 3, 2012, the Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular (RMC) No. 35-2012 clarifying that clubs organized and operated exclusively for pleasure, recreation and other non-profit purposes are subject to income tax and value-added tax (VAT) on their income from whatever source, including but not limited to membership fees, assessment dues, rental income, and service fees.

On August 13, 2019, the Supreme Court declared that membership fees, assessment dues, and fees of similar nature collected by Clubs which are organized and operated exclusively for pleasure, recreation, and other nonprofit purposes do not constitute as: (a) "the income of recreational clubs from whatever source" that are "subject to income tax"; and (b) part of the "gross receipts of recreational clubs" that are "subject to VAT". Accordingly, the Club did not collect the related output VAT for membership fees, assessment dues, and fees of similar nature.

The registered office of the Club, which is also its principal place of business, is located at Don Celso S. Tuason Ave., Antipolo City.

The Club's Board of Directors (BOD) approved the issuance of the financial statements as at June 30, 2023 and 2022 and for each of the three years in the period ended June 30, 2023 on September 11, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements of the Club have been prepared on a historical cost basis, except for the debt instruments at fair value through profit or loss (FVTPL) and trust fund which are measured at fair value. The financial statements are presented in Philippine peso (₱), which is the Club's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.



Statement of Compliance

The financial statements of the Club have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except that the Club has adopted the following amendments to existing standards starting July 1, 2022. Adoption of these pronouncements did not have any impact on the Club's financial position or performance.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*
- *Annual Improvements to PFRSs 2018-2020 Cycle*
 - Amendments to PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards, Subsidiary as a first-time adopter*
 - Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
 - Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

Standards Issued but Not yet Effective

Pronouncements issued but not yet effective are listed below. The Club does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Club intends to adopt the following pronouncements when they become effective.

Effective beginning on or after July 1, 2023

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

Effective beginning on or after July 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

Effective beginning on or after July 1, 2025

- PFRS 17, *Insurance Contracts*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Current versus Non-current Classification

The Club presents assets and liabilities in the statement of financial position based on current and noncurrent classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as noncurrent.



A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

The Club classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to insignificant risk of changes in value.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement of Financial Assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing the financial assets. With the exception of trade receivables that do not contain a significant financing component the Club initially measures a financial asset at its fair value plus, in the case of financial assets not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Club has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Club's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Club commits to purchase or sell the asset.

The Club's financial assets are in the nature of financial assets at amortized cost and financial assets at FVTPL. The Club has no financial assets at FVOCI as at June 30, 2023 and 2022.



Subsequent Measurement of Financial Assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the statement of income when the asset is derecognized, modified or impaired.

The Club's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables and trust fund (see Notes 4, 5 and 9).

Financial assets at FVTPL

This include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of income.

The Club's financial assets at FVTPL includes its investments in unit investment trust fund (UITF) (see Note 9).

Impairment of Financial Assets

The Club recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).



For cash in bank and cash equivalents, debt instrument at FVTPL, and trust fund, the Club applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Club's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Club considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

For trade and other receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established 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.

Definition of default

The Club considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Club, in full (without taking into account any collaterals held by the Club).

Irrespective of the above analysis, the Club considers that default has occurred when a financial asset is more than 120 days past due unless the Club has reasonable and supportable information to demonstrate that a more conservative default criterion is more appropriate.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Club compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Club considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Club's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Club's core operations.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- e) the disappearance of an active market for that financial asset because of financial difficulties.



The Club implements a policy on its receivables, wherein members in the delinquent list or those with accounts that are past due for a certain period are reported to the BOD. The respective shares of the members or of the juridical entities they represent shall be ordered sold by the BOD, through an auction, to satisfy the claims of the Club.

Write-off policy

The Club writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Club's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized the statement of income.

Derecognition of Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Club's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Club has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Club continues to recognize the transferred asset to the extent of its continuing involvement in the asset. In that case, the Club also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Club has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Club could be required to repay.

Financial Liabilities

Initial Recognition and Measurement of Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivative designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in case of loans borrowings and payables, net of directly attributable transaction costs.

The Club has no financial liabilities at FVTPL and derivative instruments as at June 30, 2023 and 2022.

Subsequent Measurement of Financial Liabilities

Loans and borrowings and Payables

This is the category most relevant to the Club. After initial recognition, loans and borrowings and payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of income when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on



acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of income.

This category applies to trade and other payables, members' deposit and others and short-term borrowing (see Notes 11, 12 and 25).

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Club assesses that it has currently enforceable right of offset if the right is not contingent on a future event and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Club and all of the counterparties.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Club.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Club uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable



- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Club determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Club has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Inventories

Inventories consist of gasoline, maintenance supplies, spare parts, office supplies and others. Inventories are valued at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and condition are accounted for using the first-in, first-out method.

NRV of the saleable merchandise is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. NRV of gasoline, maintenance supplies, spare parts and others is the estimated replacement costs. In determining NRV, the Club considers any adjustment necessary for spoilage, breakage and obsolescence. An allowance for inventory obsolescence is determined based on a regular review and management evaluation of movement and condition of supplies.

Property and Equipment

Property and equipment, except for land, are stated at cost less accumulated depreciation and any impairment losses, if any. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, non-refundable taxes, and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when the recognition criteria are met. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to the statement of income in the period when the costs are incurred.

Depreciation is computed on a straight-line basis over the following estimated useful lives of the assets:

<u>Category</u>	<u>Number of Years</u>
Land improvements	3-50
Building and structures	5-50
Ground tools and services machinery and equipment	3-10
Furniture, fixtures and equipment	3-10
Transportation equipment	5

Construction in progress is stated at cost. Depreciation is computed when the construction is completed.

The useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the year the asset is derecognized.

Investment Properties

Investment properties consist of land and building held for rentals or capital appreciation or both. Except for land, investment property is stated at cost less accumulated depreciation and impairment in value for building. The cost of the investment property comprises its purchase price and other direct costs. Depreciation on the building is computed on a straight-line basis over the estimated useful life of 20 years. Land is stated at cost less any impairment in value.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction of development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. These transfers are recorded using the carrying amount of the investment property at the date of the change in use.

Gains or losses resulting from the sale of an investment property are recognized in the statement of income.

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the statement of income in the year of retirement or disposal.

Computer Software

Computer software included as part of "Other noncurrent assets" is initially recognized at cost. Following initial recognition, computer software is carried at cost, less accumulated amortization and any accumulated impairment in value.

Computer software is amortized on a straight-line basis over its estimated useful economic life of three (3) years to five (5) years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization commences when the computer software is available for use. The period and method of amortization for the computer software are reviewed at each end of the reporting period. Changes in the estimated useful life is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense is recognized in the statement of income in the expense category consistent with the function of the computer software.

Impairment of Property and Equipment, Investment Properties and Computer Software

The Club assesses at each reporting date whether there is an indication that a nonfinancial asset may be impaired. If any such indication exists, the Club makes a formal estimate of recoverable amount. The nonfinancial asset's estimated recoverable amount is the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other nonfinancial assets or group of nonfinancial assets, in which case the recoverable amount is assessed as part of the cash generating unit to which it belongs. Where the carrying amount of the nonfinancial asset exceeds its estimated recoverable amount, the nonfinancial asset is considered impaired and is written down to its estimated recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the nonfinancial asset. Fair value less costs to sell is the amount



obtainable from the sale of the nonfinancial asset or cash-generating unit in an arm's-length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the nonfinancial asset.

Impairment losses are recognized in the statement of income in those expense categories consistent with the function of the impaired nonfinancial asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the nonfinancial asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its estimated recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income.

Capital Stock

Capital stock is measured at par value for all shares issued. Amount of contribution in excess of par value is accounted for as "Contributions in excess of par value". Contribution in excess of par value also arises from additional capital contribution from the members.

Accumulated Excess of Revenue Over Expenses

Accumulated excess of revenue over expenses represents accumulated net profits (losses).

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods or services. The Club has generally concluded that it is the principal in its revenue arrangements, except for the concessionaire services, because it typically controls the goods or services before transferring them to the customer.

The following are the Club's performance obligations:

Membership Dues

Membership dues pertains to monthly member's dues and administration fee charged to the Club's members and past Club presidents, respectively. Revenues are recognized over time when membership dues are due and demandable, net of any discount. Any advance payments are recorded under "Contract liabilities" account in the statement of financial position.

(i) Variable Consideration

- a. Discount on annual dues are provided to the members when they pay the annual dues in advance. The discount is equivalent to one-month membership dues and is presented as a reduction to the revenue recognized.
- b. Discount on prompt payments are provided to members when they pay their account balance in full within one month after billing. To estimate the variable consideration for the expected discount on prompt payments, the Club applies the most likely amount.

Sports and Recreation

Sports and recreation pertain to fees charged for use of the Club's golf and swimming pool facilities. This also includes the service fee charged for every play of golf. Revenues are recognized overtime when the related services have been rendered.



Assessment for Road Maintenance

Assessment for road maintenance is income generated from the use of the Club's main road, Don Celso S. Tuason Avenue. Revenues are recognized overtime when the related services have been rendered.

Corporate Services

Corporate services pertain to fees charged by the Club for processing members transactions. This includes transfer fees and service charge on playing guests. Transfer fees are transaction fees for transfers of members shares of stocks. Service charges on playing guests are transaction fees or cash requirements in order to process the Club's playing rights to outside individuals. Revenues are recognized overtime when the related services have been rendered.

Concession Fees

Concession fees pertains to a fee charged by the Club to its concessionaires in exchange for the right granted to the later to render food and beverage services and sale of goods to its members and guests. The amount of the commission income is based on the terms of the concessionaires' agreements. The Club acts as an agent on its concession agreements since it does not have control over the specified goods or services that will be delivered by the concessionaires to the Club's members and guests. Revenues are recognized at a point in time when the concessionaire has delivered the goods to the members and guests and the related services have been rendered.

Revenue from Special Events

Revenue from special events pertains to fees charged for golf tournaments and Club's social events. Revenue is recognized overtime upon occurrence of the event.

Patronage Fees

Patronage fees are consumables that members are entitled to for the consumption of food provided by the Club's concessionaire. Revenue are recognized at a point in time upon determination of the expired and unconsumed portion of the minimum required purchase of food and beverage, subject to the Club's policy. Any advance payments are recorded under "Contract liabilities" account in the statement of financial position.

Sale of Properties

Revenue from sale of properties are recognized at the point in time when control of the asset is transferred to the customer. The Club considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of properties, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Surcharge on Past Due Accounts

Surcharge on past due accounts are penalties charged to members with delinquent accounts for over 45 days from the cut-off date of the statement of account until the account is paid in full. Revenues are recognized at a point in time upon collection of the amount charged to the member for delayed payment.

Contract Balances

Receivables

A receivable represents the Club's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Club performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.



Contract liabilities

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

Interest Income

Interest is recognized as income when it accrues, taking into account the effective yield on the asset.

Cost and Expenses

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Cost and expenses are recognized when incurred.

Leases

Determination of Whether an Arrangement Contains a Lease

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.

Club as a Lessor

Leases in which the Club does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease terms and is included in the statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Retirement Benefit Obligation

Defined Benefit Plan

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the financial reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Re-measurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.



Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in statement of income.

Re-measurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Re-measurements are not reclassified to statement of income in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Club, nor can they be paid directly to the Club. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Club's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Taxes

Current Income Tax

Current income tax assets and liabilities for the current and the prior period are measured at the amount expected to be recovered from or paid to the taxation authority. The income tax rates and income tax laws used to compute the amount are those that are enacted or substantively enacted at the end of each financial reporting period.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or loss.

Deferred tax assets are recognized for all deductible temporary differences, and the carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences and the carryforward benefits of unused tax credits and unused tax losses can be utilized except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or loss.



The carrying amount of deferred tax assets is reviewed at each end of reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each end of reporting period and are recognized to the extent that it has become probable that sufficient future taxable income will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the income tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on income tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period. Deferred tax relating to items recognized directly in equity is recognized in equity and not in the statement of income.

The Club offsets deferred tax assets and deferred tax liabilities if and only if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

For the non-VAT registered activities, the amount of VAT passed on from its purchase of goods or service is recognized as part of the cost of goods/asset acquired or as part of expense item, as applicable.

Provisions

Provisions are recognized when the Club has a present obligation (legal and constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are made by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Where the Club expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the receipt of the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.



Events After the Reporting Date

Post year-end events that provide additional information about the Club's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

3. Significant Accounting Judgments, Estimates, and Assumptions

The preparation and fair presentation of the accompanying financial statements in compliance with PFRSs requires management to make judgments and estimates that affect the amounts reported in the financial statements and the accompanying notes. The judgments and estimates used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Future event may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimate are reflected in the financial statements as they become reasonably determinable. Actual results could differ from such estimates.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

Judgments

In the process of applying the Club's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the financial statements:

Revenue from contracts with customers

The Club applied the following judgement that significantly affect the determination of the amount of revenue from contracts with customers:

- *Principal versus agent considerations*

The Club enters into contracts with its concessionaires to perform, on their behalf, sale of goods and services to its members. The Club determined that it does not control the goods before they are transferred to customers. The following factors indicate that the Club does not control the goods before they are being transferred to customers. Therefore, the Club determined that it is an agent in these contracts.

- The Club is not primarily responsible for fulfilling the promise to provide the goods or services.
- The Club's revenue is in the form of a fixed commission income as established in the concession contract with the concessionaires.
- The Club does not have inventory risk before or after the goods has been transferred to the customer.
- The Club has no discretion in establishing the price for the goods and services.

Operating Lease - Club as Lessor

The Club has entered into commercial property leases. The Club has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.



Rental income pertaining to these leases for the years ended June 30, 2023, 2022 and 2021 amounted to ₱22,701,459, ₱20,986,983, and ₱18,645,114 respectively (see Note 18).

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 discussed below.

Estimation of Provision for ECLs of Trade and Other Receivables

The Club uses a provision matrix to calculate ECLs for its trade and other receivables. The provision rates are based on days past due of each member that have similar loss pattern. The provision matrix is initially based on the Club's historical observed default rates. The Club calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions expected to deteriorate over the next year which can lead to an increased number of defaults in its members, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Club's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Receivables from members that are considered as delinquent for a certain period and the amount due the Club has exceeded the credit limit of members as maybe fixed by the BOD from time to time shall be reported to the BOD and their shares of the juridical entities they represent shall thereafter be ordered sold by the BOD at auction to satisfy the claims of the Club as stated in the By-laws. It shall be absolutely prohibited to auction the share of a member whose overdue/delinquent account does not exceed such member's credit limit. As approved by the BOD, the members' credit limit shall be fixed at ₱50,000. A member may pay the overdue account at any time before the auction sale.

The carrying value of trade and other receivables amounted to ₱23,356,548 and ₱13,861,275 as at June 30, 2023 and 2022, respectively. Allowance for ECL amounted to ₱1,725,845 as at June 30, 2023 and 2022 (see Note 5).

Estimation of Useful Lives of Property and Equipment and Investment Properties

The Club estimates the useful lives of property and equipment and investment properties based on the period over which the Club's property and equipment and investment properties are expected to be available for use. The estimated useful lives of property and equipment and investment properties are reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, the Club's estimation of the useful lives of property and equipment and investment properties are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible that the future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above.

As at June 30, 2023 and 2022, there were no changes made in the estimated useful lives of the Club's property and equipment and investment properties. The carrying amount of property and equipment as at June 30, 2023 and 2022 amounted to ₱255,476,745 and ₱238,125,202, respectively (see Note 7). The carrying amount of investment properties as at June 30, 2023 and 2022 amounted to ₱85,616 and ₱123,880, respectively (see Note 8).



Determining Retirement Benefit Costs

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuation. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, turnover rate and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as at end of the reporting periods.

The mortality rate is based on publicly available mortality tables and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the Philippines.

Retirement benefit obligation amounted to ₱8,266,671 and ₱7,614,418 as at June 30, 2023 and 2022, respectively (see Note 24).

Assessing Recoverability of Deferred Tax Assets

The Club reviews the carrying amounts of deferred tax assets at each reporting date and reduced the amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Club can generate sufficient taxable profit to allow all or part of its deferred taxable assets to be utilized.

The Club's deferred tax assets amounted to ₱1,498,560 and ₱165,976 as at June 30, 2023 and 2022, respectively (see Note 22).

Temporary deductible differences for which no deferred tax asset was recognized amounted to ₱10,459,972 and ₱11,326,079 as at June 30, 2023 and 2022, respectively (see Note 22).

Provisions and Contingencies

The Club is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with its counsel handling the defense in these matters and is based upon an analysis of potential results. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Club's financial position and results of operations. It is possible, however, that the future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

The Club has provision for probable claims amounting to ₱7,268,575 and ₱5,668,575 as at June 30, 2023 and 2022, respectively (see Note 14).

4. Cash and Cash Equivalents

	2023	2022
Cash on hand	₱185,000	₱120,000
Cash in banks	70,081,957	28,534,761
Cash equivalents	12,143,249	22,492,520
	₱82,410,206	₱51,147,281



Cash on hand consists of fund for daily operating expenses and undeposited collections. Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are short term deposits made for varying periods of up to three (3) months and earns interest at the respective short-term deposit rates.

Interest income earned amounted to ₱598,227, ₱115,863 and ₱111,387 for the years ended June 30, 2023, 2022 and 2021, respectively.

5. Trade and Other Receivables

	2023	2022
Members	₱17,134,348	₱9,806,531
Others	7,948,045	5,780,589
	25,082,393	15,587,120
Less allowance for ECL	1,725,845	1,725,845
	₱23,356,548	₱13,861,275

Receivables from members, which are due 30 days after billing date, are noninterest-bearing and constitute a lien on the members' shares.

Other receivables consist mainly of the share of the concessionaires and maintenance provider for the security services and electricity of the access roads around the Club, advances made to officers and employees and receivables from concessionaires and various organizations which are settled within 30-90 days' term.

As at June 30, 2023, and 2022, the aging analysis of trade and other receivables are as follows:

	2023	2022
Not more than 30 days outstanding	₱15,987,821	₱6,389,614
Beyond 30 days outstanding:		
31-60 days	4,904,098	488,819
61-90 days	771,335	509,386
Over 90 days	3,419,139	8,199,301
	₱25,082,393	₱15,587,120

The movements in allowance for ECLs are as follows:

	2023	2022
Balances at beginning of year	₱1,725,845	₱2,030,111
Provision (Note 20)	-	614,492
Reversal	-	(918,758)
Balances at end of year	₱1,725,845	₱1,725,845



6. Other Current Assets

	2023	2022
Supplies inventory at NRV	₱2,675,839	₱3,788,106
Prepayments	2,586,037	2,585,721
Creditable withholding tax (CWT)	710,716	883,019
Others	3,202,743	1,867,876
	₱9,175,335	₱9,124,722

Supplies inventory include gasoline and oil stocks, grounds materials, office, shop and maintenance supplies and construction materials.

Prepayments pertain to prepaid taxes and licenses, prepaid medical expenses and prepaid insurance premiums.

CWTs are amounts withheld from income subject to expanded withholding taxes. CWTs can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWTs which are claimed against the income tax due, represents excess of the tax payable and carried over in the succeeding period for the same purpose.

Others pertain to advances on purchases and deferred input VAT.

The Club's allowance for inventory obsolescence amounted to ₱52,271 and nil as at June 30, 2023 and 2022.



7. Property and Equipment

	2023							Total
	Land	Land Improvements	Building and Structures	Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost:								
Balances at beginning of year	P9,400,307	P319,393,027	P68,129,272	P43,059,458	P5,239,708	P31,083,817	P32,884,836	P509,390,417
Additions	-	-	679,427	6,501,181	-	6,000,000	24,938,911	38,119,519
Disposals	(70,844)	(66,138)	-	(2,088,748)	(177,080)	(1,457,947)	-	(3,860,757)
Transfer	-	6,062,012	47,184,484	-	-	-	(53,246,496)	-
Balances at end of year	9,329,463	323,588,901	115,993,183	47,471,883	5,062,628	35,625,870	4,577,251	943,649,179
Accumulated depreciation:								
Balances at beginning of year	-	168,894,624	39,806,388	32,270,754	5,239,495	25,053,962	-	271,265,215
Depreciation (Notes 19 and 20)	-	9,614,880	2,543,835	4,486,823	-	3,990,067	-	20,436,605
Disposals	-	(66,138)	-	(2,028,221)	(177,080)	(1,457,947)	-	(3,729,386)
Balances at end of year	-	178,444,366	42,350,215	34,729,356	5,062,415	27,586,082	-	288,172,434
Net book values	P9,329,463	P147,144,535	P73,642,968	P12,742,527	P213	P8,039,788	P4,577,251	P255,476,745

	2022							Total
	Land	Land Improvements	Building and Structures	Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost:								
Balances at beginning of year	P9,400,307	P319,277,831	P57,488,137	P37,266,003	P5,333,006	P32,494,648	P9,827,400	P471,087,332
Additions	-	315,196	491,970	6,936,379	-	868,000	37,260,524	45,872,069
Disposals	-	-	(4,053,923)	(1,142,932)	(93,298)	(2,278,831)	-	(7,568,984)
Transfers	-	-	14,201,088	-	-	-	(14,201,088)	-
Balances at end of year	9,400,307	319,593,027	68,129,272	43,059,450	5,239,708	31,083,817	32,884,836	509,390,417
Accumulated depreciation:								
Balances at beginning of year	-	156,510,389	41,741,070	29,314,436	5,332,793	22,803,597	-	255,702,285
Depreciation (Notes 19 and 20)	-	12,384,235	2,119,233	4,099,250	-	4,529,196	-	23,131,914
Disposals	-	-	(4,053,923)	(1,142,932)	(93,298)	(2,278,831)	-	(7,568,984)
Balances at end of year	-	168,894,624	39,806,380	32,270,754	5,239,495	25,053,962	-	271,265,215
Net book values	P9,400,307	P150,698,403	P28,322,892	P10,788,696	P213	P6,029,855	P32,884,836	P238,125,202



The Club opened an auction sale of various fixed assets. Proceeds and gain from the sale of these fully depreciated property and equipment amounted to ₱573,214, ₱371,572 and ₱2,250 in 2023, 2022, and 2021, respectively (see Note 16). In 2023, the Club also derecognized various property and equipment which resulted to a loss on derecognition amounting to ₱131,371.

The cost of fully depreciated property and equipment still used in operations amounted to ₱152,539,011 and ₱109,870,704 as at June 30, 2023 and 2022, respectively.

8. Investment Properties

	2023		
	Building	Land	Total
Cost:			
Balances at beginning and end of year	₱53,718,366	₱73,562	₱53,791,928
Accumulated depreciation:			
Balances at beginning of year	53,668,048	-	53,668,048
Depreciation (Notes 19 and 20)	38,264	-	38,264
Balances at end of year	53,706,312	-	53,706,312
Net book values	₱12,054	₱73,562	₱85,616
	2022		
	Building	Land	Total
Cost:			
Balances at beginning and end of year	₱53,718,366	₱73,562	₱53,791,928
Accumulated depreciation:			
Balances at beginning of year	53,577,363	-	53,577,363
Depreciation (Notes 19 and 20)	90,685	-	90,685
Balances at end of year	53,668,048	-	53,668,048
Net book values	₱50,318	₱73,562	₱123,880

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 1, 2023, the fair value of the land with aggregate land area of 9,407 sqm. and building with total floor area of 2,271 sqm., amounted to ₱145,380,600 and ₱27,972,000, respectively.

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 7, 2022, the fair value of the land with aggregate land area of 9,407 sqm. and building with total floor area of 2,271 sqm., amounted to ₱141,227,700 and ₱30,526,000, respectively.

Rental income earned from investment property amounted to ₱305,404 in 2023, 2022 and 2021 (see Note 18). Direct expenses related to investment properties consist mainly of depreciation amounting to ₱38,264, ₱90,685 and ₱134,488 in 2023, 2022 and 2021, respectively.



9. Trust Fund and Debt Instrument at FVTPL

Pursuant to the resolution passed by the members on September 12, 1982 and as provided for in the Club's by laws, the trust fund committee is empowered to invest the Valley Golf Trust Fund, which in no case shall be less than the original amount of ₱3,500,000, in leading universal banks in the Philippines.

The members' resolution further states that all proceeds from future sale of shares and real property, including all amortizations due on the sale of shares previously sold, shall accrue to the trust fund and that 85% of the interest income of the fund shall be made available for the maintenance and repair of the golf course. The remaining 15% of said interest income shall accrue to and form part of the fund.

On May 21, 1989, the members' resolution was amended stating that, "the proceeds of the sale of any real property of the Club or shares of stock to be used for capital expenditure and other infrastructure project shall not form part of the Valley Golf Trust Fund. However, any excess thereof shall form part of the Valley Golf Trust Fund".

On February 19, 2021, the Club invested a total of ₱14,799,569 in UITF. The investment consists of the Club's trust fund, originally invested in time deposits, amounting to ₱4,799,569 and additional investment amounting to ₱10,000,000.

The Club's debt instruments at FVTPL as at June 30, 2023 and 2022 are as follows:

	2023	2022
<i>Current asset</i>		
Debt instrument at FVTPL	₱10,387,218	₱10,120,765
<i>Noncurrent asset</i>		
Trust fund	4,984,096	4,856,245
	₱15,371,314	₱14,977,010

Movement in debt instruments at FVTPL are as follows:

	2023	2022
Beginning balance	₱10,120,765	₱10,024,917
Changes in fair value	266,453	95,848
Ending balance	₱10,387,218	₱10,120,765

Movement in trust fund are as follows:

	2023	2022
Beginning balance	₱4,856,245	₱4,811,529
Changes in fair value	127,851	44,716
Ending balance	₱4,984,096	₱4,856,245



The valuation gains due to changes in fair value as of June 30, 2023 and 2022 are allocated as follows:

	2023	2022
Beginning balance	₱177,441	₱36,877
Changes in fair value during the year:		
Debt instrument at FVTPL	266,453	95,848
Trust fund	127,851	44,716
	394,304	140,564
Ending balance	₱571,745	₱177,441

Interest income recognized and realized for the trust fund amounted to nil, nil and ₱6,345 for the years ended June 30, 2023, 2022 and 2021, respectively.

10. Other Noncurrent Assets

	2023	2022
Computer software	₱1,461,242	₱1,403,419
Refundable deposit	1,425,516	749,297
Advances to suppliers and contractors	2,197,402	52,000
	₱5,084,160	₱2,204,716

Refundable deposit pertains to deposits to utility companies.

Computer software includes the Club's in-house developed intangible assets.

Advances to suppliers and contractors relate to purchase of various equipment and advance payments on upcoming construction projects.

The movement of computer software is as follows:

	2023	2022
Cost:		
Balance at beginning and end of year	₱4,188,503	₱3,545,646
Additions	350,000	642,857
Balance at end of year	4,538,503	4,188,503
Accumulated amortization:		
Balance at beginning of year	2,785,084	2,589,818
Amortization (Notes 19 and 20)	292,177	195,266
Balance at end of year	3,077,261	2,785,084
Net book value	₱1,461,242	₱1,403,419



11. Trade and Other Payables

	2023	2022
Trade	P14,123,377	P6,403,255
Accrued expenses	9,652,000	5,349,972
Organizations and cooperative	17,297,531	7,467,580
Concessionaires	4,490,102	2,503,394
VAT payable	4,723,062	821,765
Others	1,474,637	1,246,589
	P51,760,709	P23,792,555

Trade payables are unsecured, noninterest-bearing and are payable to suppliers within 30 days.

Accrued expenses are obligations on the basis of normal credit terms and do not bear interest. These pertain to accruals made for outside services, utilities and other various accruals. These are normally settled within the next financial year.

Organizations and cooperative include payments for loans and advances by the employees to be remitted to the association, and payables to golf associations and other organizations. These are normally settled within the next financial year.

Concessionaires pertains to collections received by the Club for and on behalf of the concessionaires.

Other payables mainly consist of withholding tax payables and tournament deposits.

12. Members' Deposits and Others

	2023	2022
Cash deposits	P13,060,450	P10,330,000
Due to former members	6,151,781	7,642,338
Security deposit	264,859	265,365
	P19,477,090	P18,237,703

Cash deposit pertains to deposits made by playing guests. Any unpaid liabilities will be deducted from this account and the excess will be refunded upon resignation of the playing guest.

Due to former members consist mainly of proceeds from auction sale of shares, payable to former members and other advance payments made by them.

Security deposit pertains to various deposits received by the Club from its concessionaires and lessee and is to be refunded at the end of their respective agreements.



13. Contract Liabilities

	2023	2022
Membership dues paid in advance (Note 16)	₱8,459,000	₱9,950,500
Right-of-way fees paid in advance	539,134	—
Green fee coupons	388,679	1,246,664
Tournament deposit	232,189	160,009
Others	90,294	49,412
	₱9,709,296	₱11,406,585

Membership dues paid in advance represents advance collection of monthly membership dues which are applied in the next financial year.

Right-of-way fees paid in advance represents advance collection on the long-term agreements with various companies and individuals for the use of the Club's road. The deferred income on these advance collections is recognized as follows:

	2023
Right-of-way fees paid in advance	₱5,236,883
Less current portion	539,134
Noncurrent portion	₱4,697,749

Green fee coupons are issued to Freeport Elite Resorts, Inc. which operates a driving range facility within the Club at a discounted price. The coupons are issued at different prices. These coupons are then sold to Korean guests of the Club also at a discounted price.

Tournament deposits pertains to advance payments of the Club's members made for an upcoming golf tournament.

Others pertains to the advance payments of the members for dues and fees, and for golf cart storage and locker rentals.

14. Provision for Probable Claims

Movements in this account are as follows:

	2023	2022
Balances at beginning of year	₱5,668,575	₱5,668,575
Addition	1,600,000	—
Balances at end of year	₱7,268,575	₱5,668,575

Provision for probable claims pertains to the estimated liability to resolve various probable claims against the Club. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of these claims.

On July 21, 2023, the Club paid ₱1,600,000 to the heirs of a former stockholder for the full and final settlement of the case filed by the former stockholder against the Club.



15. Members' Equity

Capital Stock

Details of the Club's common shares as of June 30, 2023 and 2022 are as follows:

	Shares
Common shares - ₱9,000 par value	
Authorized shares	1,800
Issued	1,594

Accumulated Excess of Revenues Over Expenses

	2023	2022
Accumulated excess of revenues over expenses	₱76,544,794	₱47,257,893
Other comprehensive loss (Note 24):		
<i>Item not to be reclassified into profit or loss in subsequent periods:</i>		
Beginning balance	(1,665,000)	1,027,482
Re-measurement losses on defined benefit obligation	(796,815)	(2,692,482)
Ending balance	(2,461,815)	(1,665,000)
Total	₱74,082,979	₱45,592,893

16. Revenue from Contracts with Customers

The table below presents the disaggregation of the Club's revenue from contracts with customers:

	2023	2022	2021
Nature of services			
Membership dues	₱70,791,176	₱57,423,318	₱53,934,260
Sports and recreation	33,147,816	19,459,569	11,358,990
Corporate services	30,919,171	22,561,454	19,777,872
Assessment for road maintenance	28,335,713	23,706,765	23,288,728
Revenue from special events	25,192,101	2,364,767	1,802,900
Concessionaires' fee (Note 17)	7,393,161	3,493,824	2,412,288
Patronage fees	3,540,265	3,952,245	3,885,024
Surcharge	864,988	768,108	729,074
Sale of properties (Note 7)	573,214	371,572	2,250
Others	6,791,632	7,083,730	4,971,655
	₱207,549,237	₱141,185,352	₱122,163,041
Timing of revenue recognition			
Services transferred overtime	₱195,177,609	₱132,599,603	₱115,134,405
Goods transferred at a point in time	12,371,628	8,585,749	7,028,636
	₱207,549,237	₱141,185,352	₱122,163,041



Membership dues and assessments are collected by the Club from its members primarily to cover expenses related to the maintenance and, for that matter, are utilized for improvements in the Club's facilities. The collection of these dues and assessments does not arise from any sale of goods or services but are imposed to cover and defray necessary expenses related to the maintenance of, and improvements in, the Club's facilities and as such, no part of the Club's income inures to the benefit of any of its members.

Member's dues paid in advance by its existing members amounted to ₱8,459,000 and ₱9,950,500 as at June 30, 2023 and 2022, respectively. Members' dues paid in advance is considered as a contract liability of the Club to its members.

Patronage fees are monthly consumables that members are entitled for the consumption of food and beverage provided by the Club's concessionaires that has expired and unconsumed.

Assessment for road maintenance are toll fees charged by the Club to users of the Club's main road, Don Celso S. Tuason Avenue, a specified fix rate is charged for different type of motor vehicles and fees earned for 10-year period right of way agreement from third parties

Sports and recreation arise from green fees which are generated from the use of the Club's golf courses. The Club has two golf courses: the North and South course. Both courses are accessible only to members and their guests.

Revenue from special events are fees charged to the Club's members for golf tournaments held at the Club. This also includes assessment fees to the Club's members for Club's social events.

Surcharge are penalties charged to members with delinquent accounts for over 45 days from the cut-off date of the statement of account. A surcharge of 5% shall be imposed on any account that remains delinquent including interest of 1% a month until the account is paid in full.

Others pertains to income earned by the Club from corkage, commission on art display and sale of scraps.

17. Concessionaires' Fees

	2023	2022	2021
Food and beverage services	₱5,875,815	₱2,266,505	₱1,434,859
Retail services	1,517,346	1,227,319	977,429
	₱7,393,161	₱3,493,824	₱2,412,288

Concession agreements entered into by the Club are shown below:

Food and Beverage Services

- a) Doturak International Group, Inc. (DIGI), a local food concessionaire, and the Club entered into a concession agreement whereby DIGI manages the food and beverage operations of the Club at the Tee House. The agreement provides that the concessionaire shall pay a basic minimum rental of ₱40,000 or 5% of the gross sales per month inclusive of VAT for the duration of the COVID pandemic situation, whichever is higher. Beginning on the first day of the month following the government announcement of the liftings of all alert levels in Rizal province or the gross sale reaching ₱2,000,000 a month whichever comes first, DIGI shall pay a concession fee of 10% plus VAT or ₱40,000, whichever is higher. The agreement is for a period of five (5) years starting



January 1, 2021 (the "Initial Term") renewable for another two (2) years at the option of DIGI (the "Extended Term"). The agreement may be renewed or extended at the end of the initial and extended terms as the parties may mutually agree upon. Upon execution of the agreement, DIGI agrees to provide for a ₱240,000 refundable security deposit.

The concessionaire fee recognized from DIGI amounted to ₱994,571, ₱501,191 and ₱229,462 in 2023, 2022 and 2021, respectively.

- b) Golf Kitchen OPC (GKO), a local food concessionaire, and the Club entered into a concession agreement whereby GKO manages the food and beverage operations of the Club located at the Main Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 5% of its monthly gross sales exclusive of VAT during the period of pandemic. After the COVID-19 pandemic, once the gross sale reaches ₱2,000,000, GKO shall pay 10% of the gross sales per month exclusive of VAT. Upon signing of the contract, GKO shall be required to remit refundable security deposit in the amount of ₱500,000. The agreement is for a period of three (3) years from November 1, 2021 until October 31, 2024 subject to renewal upon mutual agreement of both parties.

The concessionaire fee recognized from GKO amounted to ₱2,419,996 and ₱780,574 in 2023 and 2022, respectively.

- c) New Mandarin Sky Food Group, Inc. (NMSFGI), a local food concessionaire, and the Club entered into a concession agreement whereby NMSFGI manages the food and beverage operations of the Club located at the North Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 10% of its monthly gross sales exclusive of VAT. The agreement is for a period of five (5) years from October 1, 2022 until September 30, 2027 subject to renewal upon mutual agreement of both parties.

The concessionaire fee recognized from NMSFGI amounted to ₱2,461,248 in 2023.

- d) Jay-j's Food Management, Inc. (JFMI), a local food concessionaire and the Club entered into a concession agreement whereby JFMI manages the food and beverage operations of the Club located at the North Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 7% plus VAT of the monthly gross sales including special functions contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club which serves as a security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from August 1, 2016 up to July 31, 2019. On June 15, 2019, the contract was extended for a period of three (3) months, starting from August 1, 2019 up to October 31, 2019. The contract was further extended for short-term periods until July 31, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. In December 2020, the contract was expanded, on a temporary basis, to include the Main Clubhouse starting January 1, 2021 until such time a new concessionaire for the main clubhouse is engaged. On May 28, 2022, the BOD approved the recommendation of the House Committee not to renew JFMI's contract as a concessionaire at the North Clubhouse. On May 31, 2022, the BOD released a formal notice of termination for the main clubhouse concession effective July 31, 2022.

The concessionaire fee recognized from JFMI amounted to nil, ₱984,740 and ₱760,125 in 2023, 2022 and 2021, respectively.



- e) Anix's House of Kare-kare (AHK), a local food concessionaire, and the Club entered into a concession agreement whereby AHK manages the food and beverage operations of the Club at Main Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 7% plus VAT of the monthly gross sales for the first six (6) months of operations and 10% plus VAT of the monthly gross sales for the succeeding months or ₱100,000 whichever is higher including catering services contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club which serves as a security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from January 20, 2017 up to January 19, 2020, subject to renewal at the option of the Club under such terms and conditions to be mutually agreed by the parties. The agreement was extended on January 20, 2020 until June 30, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. The contract was further extended to last until December 22, 2020 and was not renewed subsequently. This extension revised the concessionaire fee to 7% plus VAT of the monthly gross sales.

The concessionaire fee recognized from AHK amounted to nil, nil and ₱445,272 in 2023, 2022 and 2021, respectively.

Retail Shop

Pacsport Phils, Inc. was awarded the concession to operate a retail sales outlet, inside the Clubhouse to serve the members, guests and dependents, exclusively. In consideration for operating the outlet, the Club charges a basic minimum monthly concession fee of ₱65,000 or 15% of their gross sales per month inclusive of VAT, whichever is higher. The agreement is for a period of two (2) years from March 15, 2016 up to May 14, 2018.

On July 9, 2018, the contract was renewed and shall be effective for a period of two (2) years, starting from March 15, 2018 up to May 14, 2020. The contract provides that the concessionaire shall pay a fee of ₱70,000 or 15% of their gross sales per month inclusive of value added tax, whichever is higher. The agreement was extended on January 1, 2021 until December 31, 2023 with the same terms, subject to renewal upon mutual agreement of both parties.

The concessionaire fees from Pacsport Phils, Inc. amounted to ₱1,517,346, ₱1,227,319 and ₱977,429 in 2023, 2022 and 2021, respectively.

18. Rentals

	2023	2022	2021
Golf cart rental	₱13,034,934	₱14,900,957	₱13,720,361
Golf cart storage	5,961,189	3,789,831	3,220,457
Venue and room fee	1,563,304	414,361	—
Locker rental	1,023,725	920,084	891,391
Driving range	506,646	505,961	505,961
Communication cell site (Note 8)	305,404	305,404	305,404
Pull-cart rental	—	385	1,540
Others	306,257	150,000	—
	₱22,701,459	₱20,986,983	₱18,645,114

Golf carts, pull carts, and lockers pertain to rental fees charged to members and guests. The Club provides for pull carts to its members and guests in exchange for a rental fee for every play of golf. However, the players may opt to rent a golf cart instead, thus, the pull cart fee will be waived. Rentals of golf carts and lockers are for the use of the golf carts provided by the Club for its members. Rentals of lockers are for the use of the Club's locker rooms.



Golf cart storage pertains to rental fees charged to members for keeping the golf carts in reserve within the Club's premises.

On September 16, 2016, the Club entered into a Build-Lease-Transfer agreement with a third party to construct a Double Deck Driving Range with amenities located at the north course. The agreement includes a lease term of fifteen (15) years which commenced on July 8, 2017. The lessee shall pay a monthly lease of ₱25,000, inclusive of VAT, subject to a 10% escalation starting on the third (3rd) year. As part of the agreement, the lessee shall pay ₱450,000 representing one (1) year advance rental and six (6) months security deposits.

The future minimum rental commitment under this operating lease as at June 30, 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Within one (1) year	₱507,351	₱451,670	₱457,612
More than one (1) year but not more than five (5) years	3,037,154	2,587,999	2,586,579
More than five (5) years	1,023,041	2,079,490	2,597,942
	₱4,567,546	₱5,119,159	₱5,642,133

The excess of principal amount of the refundable security deposits over its fair value, at inception date of operating lease, is presented under "Other noncurrent liabilities" amounting to ₱109,803 and ₱123,528 as at June 30, 2023 and 2022, respectively. The current portion under "Trade and other payables" amounted to ₱82,350 and ₱68,625 as of June 30, 2023 and 2022, respectively. Straight-line amortization of deferred rent amounted to ₱13,725 for the years ended June 30, 2023 and 2022.

The Club leases the north clubhouse's rooftop to a local telecommunications company to be used as a cell site under certain conditions. Monthly rental amounts to ₱15,000, subject to a 4.5% escalation starting on the fourth (4) year. The lease period is from October 1, 2007 to September 30, 2017, renewable for a period to be mutually agreed upon by the parties. The contract was renewed in 2017 for a period of 10 years which took effectivity on October 1, 2017 and expiring on September 30, 2027. The lessee shall pay ₱23,197, inclusive of VAT, subject to a 4.5% escalation starting on the second year of the new lease period.

The future minimum lease commitment under this operating lease as at June 30, 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Within one (1) year	₱305,404	₱305,404	₱305,404
More than one (1) year but not more than five (5) years	992,563	1,297,967	1,527,020
More than five (5) years	—	—	76,351
	₱1,297,967	₱1,603,371	₱1,908,775

Others pertain to rental fees from the Club's housing and employee's canteen.

On March 31, 2022, the Club entered into a memorandum of conformity (MOC) with Globe Telecom Inc for the lease of Club's premises to be used as a cell sit under certain conditions. Monthly rental amounts to ₱25,000. The lease period is for a period of 10 years from January 1, 2022 to December 31, 2032 renewable for another 10 years.



The future minimum lease commitment under this operating lease as at June 30, 2023 are as follows:

	2023	2022
Within one (1) year	₱267,857	₱300,000
More than one (1) year but not more than five (5) years	1,339,286	1,500,000
More than five (5) years	669,643	1,050,000
	₱2,276,786	₱2,850,000

19. Cost of Services

	2023	2022	2021
Outside services	₱57,386,637	₱43,131,926	₱37,054,304
Personnel cost (Note 21)	24,611,419	21,289,117	20,859,157
Depreciation and amortization (Notes 7, 8, and 10)	20,648,776	23,061,566	23,177,151
Club events	20,576,874	1,394,951	1,802,900
Utilities	17,555,083	12,809,010	8,332,710
Supplies	15,173,055	19,027,951	8,645,016
Repairs and maintenance	5,693,752	4,236,571	9,028,382
Others	13,159,747	4,632,847	2,694,641
	₱174,805,343	₱129,583,939	₱111,594,261

Outside services pertains to retainer fees, legal fees, maintenance crews, and audit fees.

Club events pertains to the costs incurred in relation to the Don Celso Tuason tournaments, and Grand Raffle.

Others pertain to provision for tournament expenses, insurance, ads and publication, promotional and industrial expenses, parking fee, and other miscellaneous expenses.

20. Administrative Expenses

	2023	2022	2021
Personnel costs (Note 21)	₱9,574,814	₱8,738,334	₱6,818,086
Taxes and licenses	6,869,911	4,938,961	5,312,964
Outside services	3,258,007	2,328,376	3,011,566
Board members' meetings	1,641,252	829,297	684,297
Bank charges	1,120,870	756,105	999,930
Supplies	1,006,486	1,014,950	1,129,130
Utilities	776,439	615,451	349,824
Provision for ECL (Note 5)	—	614,492	—
Depreciation and amortization (Notes 7, 8, and 10)	318,270	356,299	277,995
Others	3,465,946	1,701,856	1,036,497
	₱28,031,995	₱21,894,121	₱19,620,289

Other expenses consist mainly of advertising expenses, prompt payment discounts, insurance and net expenses incurred during tournaments.



21. Personnel Costs

	2023	2022	2021
Cost of services (Note 19):			
Salaries and wages	₱18,835,048	₱16,146,963	₱15,628,063
Employee benefits	4,285,235	3,967,935	3,989,911
Retirement benefit expense (Note 24)	1,491,136	1,174,219	1,241,183
	24,611,419	21,289,117	20,859,157
General and administrative (Note 20):			
Salaries and wages	7,863,206	6,843,837	5,171,193
Employee benefits	1,348,652	1,594,974	1,332,233
Retirement benefit expense (Note 24)	362,956	299,523	314,660
	9,574,814	8,738,334	6,818,086
	₱34,186,233	₱30,027,451	₱27,677,243

22. Income Taxes

The composition of provision (benefit) for income taxes is:

	2023	2022	2021
Current	₱834,224	₱170,312	₱188,131
Deferred	(1,717,364)	403,681	140,521
	(₱883,140)	₱573,993	₱328,652

- a. The Club's provision for current income tax pertains to RCIT in 2023 and MCIT in 2022 and 2021.
- b. The reconciliation of income computed at the statutory tax rates to provision for income tax as shown in the statements of income is as follows:

	2023	2022	2021
Income tax at the statutory rate	₱7,100,940	₱2,732,220	₱2,437,711
Income tax effects of:			
Nondeductible expenses	21,680,010	16,909,614	17,175,421
Nontaxable revenues	(28,950,694)	(19,215,588)	(17,978,816)
Movement of unrecognized deferred tax assets	(465,263)	211,854	(1,267,012)
Interest income subject to final tax	(248,133)	(64,107)	(38,652)
	(₱883,140)	₱573,993	₱328,652



c. The components of the recognized net deferred tax assets are as follows:

	2023	2022
Deferred tax assets:		
Advanced collections on fees and other dues	₱1,331,795	₱12,353
Allowance for ECL	153,623	153,623
Allowance for inventory obsolescence	13,142	-
	1,498,560	165,976
Deferred tax liabilities:		
Rent receivable	(367,552)	(339,178)
Interest income from accretion	(4,288)	(3,909)
	(371,840)	(343,087)
	₱1,126,720	(₱177,111)

The reconciliation of the net deferred tax assets (liabilities) is as follows:

	2023	2022
Balances at beginning of year	(₱177,111)	₱226,570
Benefit (provision) for deferred tax during the year recognized in:		
Profit or loss	1,717,364	(403,681)
Application of MCIT	(413,533)	-
Balances at end of year	₱1,126,720	(₱177,111)

No deferred tax assets from the following deductible temporary difference were recognized as it is not probable that sufficient taxable profit will be available to allow the benefit of the deferred tax assets to be utilized:

	2023	2022
Retirement benefit obligation	₱8,266,671	₱7,614,418
Unrecognized past service cost	2,193,301	2,139,063
NOLCO	-	1,159,065
MCIT	-	413,533
	₱10,459,972	₱11,326,079

d. Bayanihan to Recover as One Act

On September 11, 2020, President Rodrigo R. Duterte signed into law RA No. 11494, *An Act Providing for COVID-19 Response and Recovery Interventions and Providing Mechanisms to Accelerate the Recovery and Bolster the Resiliency of the Philippine Economy, Providing Funds therefor, and for Other Purposes*, which shall be known and cited as "Bayanihan to Recover As One Act".

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.



As at June 30, 2023 and 2022, the movement in the Club's NOLCO before taxable year 2021 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied in Previous year/s	NOLCO Expired	NOLCO Applied in Current year	NOLCO Unapplied
2020	2021-2023	₱10,390,337	(₱9,231,272)	₱-	(₱1,159,065)	₱-

- e. As at June 30, 2023, the movement in excess of MCIT over RCIT that can be claimed as deductions from future taxable liabilities, are as follows:

Year Incurred	Availment Period	As at June 30, 2022	Addition	Applied	As at June 30, 2023
2022	2023-2025	₱170,312	₱-	(₱170,312)	₱-
2021	2022-2024	188,131	-	(188,131)	-
2020	2021-2023	55,090	-	(55,090)	-
		₱413,533	₱-	(₱413,533)	₱-

23. Related Party Transactions

Related parties include members of key management personnel including directors and officers of the Club and close members of the family and companies associated with these individuals. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form. Parties are considered to be related if one party has the ability to control, directly or indirectly, the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A summary of major account balances with related parties follows:

Key Management Personnel Compensation

Compensation of key management personnel amounted to ₱3,636,362 ₱3,226,557 and ₱2,104,188 in 2023, 2022 and 2021, respectively, which represent short-term benefits.

Complimentary Club Coupons and House Guests Privileges

Complimentary green fee coupons are given to the BOD and certain officers for distribution to prospective members and certain guests and friends of the Club. The outstanding green fee coupons for each fiscal year are as follows:

	2023	2022	2021
Beginning balance	2,100	120	46
Additions during the year	5,000	4,440	2,720
Issuances during the year	(4,418)	(2,460)	(2,646)
Ending balance	2,682	2,100	120



On January 16, 2021, these green fee rates are changed ranging from ₱1,700 to ₱2,500 during weekdays, and ₱2,850 to ₱4,200 during weekends and holidays.

The Club also authorizes certain Club officers to entertain houseguests and use the Club's facilities free-of-charge.

24. Retirement Benefit Obligation

The Club has a funded, non-contributory, defined benefit retirement plan covering all its qualified officers and employees. Under the plan, qualified officers and employees are entitled to receive pension benefits on a lump sum basis when they reach the retirement age of 60. With the consent of the Club, an employee may elect to retire early provided he has rendered at least 20 years of credited service or at least 15 years of credited service and at least 50 years old. The projected unit credit cost method was used to determine the retirement benefit costs and obligation. The Club's retirement fund is being held in trust by a trustee bank.

The following tables summarize the components of the retirement benefit cost recognized in the statement of income and the retirement benefit obligation recognized in the statement of financial position for the retirement plan.

Retirement benefits expense recognized in the statements of income:

	2023	2022	2021
Service cost	₱1,342,592	₱1,192,627	₱1,300,611
Net interest cost:			
Interest cost on benefit obligation	1,701,201	1,144,456	928,724
Interest income on plan assets	(1,189,701)	(863,341)	(673,492)
Retirement benefit expense	₱1,854,092	₱1,473,742	₱1,555,843

Re-measurement losses (gains) on defined benefit obligation recognized under OCI in the statements of comprehensive income:

	2023	2022	2021
Actuarial losses (gains):			
Changes in financial assumptions	₱595,399	(₱2,128,165)	(₱1,517,134)
Experience adjustments	(51,565)	2,489,236	(513,168)
Changes in demographic assumptions	81,325	744,246	-
	625,159	1,105,317	(2,030,302)
Return on plan assets excluding the amount included in net interest cost	171,656	1,587,165	(56,847)
Re-measurement losses (gains) on defined benefit obligation	₱796,815	₱2,692,482	(₱2,087,149)



Cumulative re-measurement effect recognized in OCI included in the accumulated excess of revenues over expenses:

	2023	2022
Balances at beginning of year	P1,665,000	(P1,027,482)
Actuarial loss	625,159	1,105,317
Return on assets excluding amount included in net interest cost	171,656	1,587,165
Total amount recognized in OCI	P2,461,815	P1,665,000

Movements in retirement benefit obligation in 2023 and 2022 are as follows:

	2023	2022
Balances at beginning of year	P7,614,418	P5,446,848
Retirement benefit expense	1,854,092	1,473,742
Contributions paid	(1,998,654)	(1,998,654)
Remeasurement losses recognized in OCI	796,815	2,692,482
Balance at end of year	P8,266,671	P7,614,418

Changes in the present value of defined benefit obligation as follows:

	2023	2022
Balances at beginning of year	P25,814,891	P26,492,044
Current service cost	1,342,592	1,192,627
Interest cost	1,701,201	1,144,456
Net actuarial loss (gain) due to:		
Changes in demographic assumptions	81,325	2,489,236
Changes in financial assumptions	595,399	(2,128,165)
Experience adjustments on plan liabilities	(51,565)	744,246
Benefits paid from plan assets	(2,293,349)	(4,119,553)
Balances at end of year	P27,190,494	P25,814,891

Changes in the fair value of plan assets are as follows:

	2023	2022
Balances at beginning of year	P18,200,473	P21,045,196
Interest income on retirement plan assets	1,189,701	863,341
Actual contributions	1,998,654	1,998,654
Actual return excluding amount included in net interest cost	(2,293,349)	(1,587,165)
Benefits paid	(171,656)	(4,119,553)
Balances at end of year	P18,923,823	P18,200,473

Retirement obligation as reported in the statement of financial position:

	2023	2022
Present value of benefit obligation	P27,190,494	P25,814,891
Fair value of retirement plan assets at end of year	(18,923,823)	(18,200,473)
	P8,266,671	P7,614,418



The major categories of plan assets are as follows:

	2023	2022
Deposit in banks	₱3,130,259	₱1,258,859
Investment in government securities	7,156,135	8,671,715
Other securities and debt instruments	3,833,988	3,812,561
Investment in trust fund	1,231,224	982,174
Investment in shares of stock	3,404,754	3,287,598
Accrued interest receivable	158,245	109,493
Other receivables	73,717	198,814
Accrued trust fees and other payables	(64,499)	(120,741)
	₱18,923,823	₱18,200,473

Deposit in banks includes regular savings.

Investments in government securities consist of retail treasury bonds that bear interest ranging from 2.375% to 6.125% in 2023 and 2022 and will mature on various dates starting August 2023 to October 2037.

Other securities and debt instruments pertains to 'due from Bangko Sentral ng Pilipinas' and 'time certificate of deposit'.

Miscellaneous receivable pertains to 'dividends receivable' and 'due from brokers'.

The principal actuarial assumptions used in determining retirement benefit obligations for the Club's retirement plan are as follows:

	2023	2022
Discount rate	6.22%	6.59%
Future salary increases	4.00%	4.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	Effect on defined benefit obligation
2023		
Discount rates	+1%	(₱1,555,769)
	-1%	1,737,482
Salary increase rate	+1%	₱1,758,831
	-1%	(1,601,752)
2022		
Discount rates	+1%	(₱1,490,704)
	-1%	1,667,364
Salary increase rate	+1%	₱1,694,113
	-1%	(1,539,778)



Shown below is the maturity profile of the undiscounted benefit payments:

	2023	2022
Year 1	P6,454,000	P2,602,193
Year 2	1,767,768	6,608,833
Year 3	3,292,978	1,722,953
Year 4	2,495,440	3,218,591
Year 5	2,900,269	2,447,066
Year 6 - 10	15,818,211	13,797,716

The average duration of the defined benefit obligation is 6.1 years as at June 30, 2023 and 2022.

The Club's latest actuarial valuation report was as of June 30, 2023.

25. Financial Instruments

Financial Risk Management Objectives and Policies

The Club's principal financial liabilities comprise of trade and other payables, members' deposit and others, and short-term borrowing. The main purpose of these financial liabilities is to raise finance for the Club's operations. The Club has various financial assets such as cash and cash equivalents and trade and other receivables, which arise directly from its operations. The Club also has investments in debt instruments at FVTPL and trust fund.

The main risks arising from the Club's financial instruments are credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks and they are summarized below.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Club manages credit risk by establishing credit limits at the level of the individual borrower, corporate relationship and industry sector. Also, the Club transacts only with recognized third parties.

In addition, receivables balances are monitored on an ongoing basis with the result that the Club's exposure to bad debts is not significant. Provision for ECL/impairment losses on receivables will also be made if the situation so warrants subject to the BOD's review and approval.

The following table represents the Club's maximum exposure to credit risk:

	2023	2022
Cash in banks and cash equivalents	P82,225,206	P51,027,281
Trade and other receivables	23,356,548	13,861,275
Debt instrument at FVTPL	10,387,218	10,120,765
Trust fund	4,984,096	4,856,245
	P120,953,068	P79,865,566

Impairment of financial assets

The Club's financial assets that are subject to the ECL model consists of cash and cash equivalents and trade and other receivables.



An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of trade and other receivables. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

With respect to credit risk for these financial assets, the Club's maximum exposure equals to the carrying amount of these instruments. The Club has impaired financial assets amounting to ₱1,725,845 as at June 30, 2023 and 2022 (see Note 5).

Trade and other receivables

Below is the information about the credit risk exposure on the Club's trade and other receivables using a provision matrix:

2023	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	1.2459%	2.8839%	3.0676%	4.4100%	4.8436%	100%	
Estimated total gross carrying amount at default	₱9,784,365	₱6,283,456	₱4,904,098	₱771,335	₱2,289,449	₱1,129,690	₱25,082,393
Expected credit loss	₱121,908	₱178,901	₱150,438	₱34,016	₱110,892	₱1,129,690	₱1,725,845

2022	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	0.2600%	0.4400%	0.9671%	2.0291%	4.7943%	100%	
Estimated total gross carrying amount at default	₱2,560,510	₱3,829,104	₱488,819	₱509,186	₱6,839,952	₱1,359,349	₱15,587,120
Expected credit loss	₱6,657	₱16,848	₱4,727	₱10,336	₱327,928	₱1,359,349	₱1,725,845

Liquidity risk

Liquidity risk is defined as the risk that the Club may not be able to settle or meet its obligations as they fall due. The Club monitors and maintains a level of cash deemed adequate by the management to finance the Club's operations and mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Club's financial liabilities as at June 30, 2023 and 2022, based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Club's financial assets in order to provide a complete view of the Club's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

As at June 30, 2023

	On demand	Less than 30 days	30 to 60 days	61 to 90 days	More than 91 days	Total
<i>Financial liabilities</i>						
At amortized cost:						
Trade and other payables:						
Trade payables	₱4,029,118	₱10,094,259	₱-	₱-	₱-	₱14,123,377
Accrued expenses	3,612,037	2,054,869	2,787,885	1,183,007	14,202	9,652,000
Others*	11,217,565	12,583,903	-	-	-	23,801,468
Refundable Deposits	-	-	-	-	740,000	740,000
Short-term deposits	-	-	-	-	-	-
Members deposits and others	19,177,090	-	-	-	-	19,177,090
	₱38,135,810	₱24,733,011	₱2,787,885	₱1,183,007	₱754,202	₱67,793,935
<i>Financial assets</i>						
At amortized cost:						
Cash and cash equivalents	₱70,266,957	₱683,821	₱1,084,218	₱10,375,210	₱-	₱82,410,206
Trade and other receivables:						
Trade receivables	3,188,414	12,459,383	-	-	-	15,647,797
Others	4,481,121	3,227,629	-	-	-	7,708,750
Debt instrument at FVTPL	10,387,218	-	-	-	-	10,387,218
Trust fund	-	-	-	-	4,984,096	4,984,096
	₱88,323,710	₱16,370,833	₱1,084,218	₱10,375,210	₱4,984,096	₱121,138,067

*Excludes statutory liabilities amounting to ₱5,001,847



As at June 30, 2022

	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
Financial liabilities						
At amortized cost:						
Trade and other payables:						
Trade payables	₱2,451,433	₱3,951,822	₱-	₱-	₱-	₱6,403,255
Accrued expenses	2,769,964	857,066	207,136	240,636	1,275,170	5,349,972
Others*	3,865,150	725,521	463,622	185,984	5,214,113	10,454,390
Refundable Deposits					740,000	740,000
Short-term deposits					236,946	236,946
Members deposits and others	18,137,703					18,137,703
	₱27,124,250	₱5,434,409	₱670,758	₱426,620	₱7,416,129	₱41,422,166
Financial assets						
At amortized cost:						
Cash and cash equivalents	₱28,654,761	₱10,712,715	₱-	₱11,779,805	₱-	₱51,147,281
Trade and other receivables:						
Trade receivables	2,622,287	6,072,891				8,695,178
Others	4,872,879	293,218				5,166,097
Debt instrument at FVTPL	10,120,765					10,120,765
Trust fund					4,856,245	4,856,245
	₱46,270,692	₱17,1178,824	₱-	₱11,779,805	₱4,856,245	₱79,985,566

*Excludes statutory liabilities amounting to ₱1,584,938

In November 2021, the Club entered into a one year Loan Agreement with Metrobank Trust Company with a principal amount of ₱694,400 for the acquisition of a transportation equipment for use as shuttle and emergence vehicle of the Club. The loan bears an interest of 7.27% per annum.

As at June 30, 2023 and 2022, the Club made payments on short term borrowing amounted to ₱263,946 and ₱457,454, respectively.

Fair Value Measurements

The following provides the fair value measurement hierarchy of the Club's assets and liabilities as at June 30, 2023 and 2022:

	Date of Valuation	Fair Value Measurement			
		Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets for which fair values are disclosed					
<i>Investment Properties</i>					
(Note 8)	2023	₱173,352,600	₱-	₱-	₱173,352,600
	2022	₱171,753,700	₱-	₱-	₱171,753,700
Assets measured at fair value					
<i>Debt instrument at FVTPL</i>					
(Note 9)	2023	₱10,387,218	₱10,387,218	₱-	₱-
	2022	₱10,120,765	₱10,120,765	₱-	₱-
<i>Trust Fund (Note 9)</i>					
	2023	₱4,984,096	₱4,984,096	₱-	₱-
	2022	₱4,856,245	₱4,856,245	₱-	₱-

Significant unobservable inputs for fair value measurement of the Club's investment properties include sales listing of currently executed transactions involving similar items within the immediate vicinity of the property. The fair value of the investment properties is adjusted considering the location, size and physical attributes of the property.



Description of significant unobservable inputs to valuation:

Assets	Valuation Technique	Significant Unobservable Input	Range of Input	Sensitivity of the Input to Fair Value
Investment properties	Market approach and cost approach	Price per area	Various	Increase (decrease) in price per area would increase (decrease) the fair value

There are no changes in the valuation techniques used for assets classified under Level 3 category. During the years ended June 30, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Cash and cash equivalents, trade and other receivables, trade and other payables, and members' deposit and others

The carrying values of cash and cash equivalents, trade and other receivables, trade and other payables, and members' deposit and others, and short-term borrowing, approximate their fair values due to the relatively short-term maturity of these financial instruments.

Debt instruments at FVTPL and Trust Fund

The carrying values of debt instruments at FVTPL and trust fund are measured at fair value and is computed based on net asset value per unit.

Capital Management

The primary objective of the Club's capital management policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize members' value. The club manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Club is not subject to externally imposed capital requirements. The Club considers total member's equity as capital.

	2023	2022
Capital stock	₱14,346,000	₱14,346,000
Contributions in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over costs and expenses	74,082,979	45,592,893
	₱290,056,751	₱261,566,665

No changes were made in the objectives, policies or processes for the years ended June 30, 2023 and 2022.

26. Supplementary Information under Revenue Regulations (RR) 34-2020 and 15-2010

RR 34-2020

The Club is not covered by the requirements and procedures for related party transactions provided by RR 34-2020 which prescribes the guidelines and procedures for the submission of BIR Form 1709 Related Party Transactions Form, transfer pricing documentation and other supporting documents.

RR 15-2010

On November 25, 2010, the BIR issued RR 15-2010 prescribing the manner of compliance in connection with the preparation and submission of financial statements accompanying the tax returns. It includes provisions for additional disclosure requirements in the notes to the financial statements, particularly on taxes, duties and licenses paid or accrued during the year. The Club reported and/or paid the following types of taxes in 2023:



a. VAT

The NIRC of 1997 provides for the imposition of VAT on sales of goods and services. Accordingly, the Club's sales are subject to output VAT while its purchases from other VAT-registered individuals or corporations are subject to input VAT.

Details of the Club's net sales/receipts, output VAT and input VAT accounts are as follows:

i. Net Sales/Receipts and Output VAT declared in the Club's VAT returns

	Net Sales/ Receipts	Output VAT
Taxable sales:		
Sales of services	₱125,430,364	₱15,051,644
Exempt sales	28,731,042	-
	₱154,161,406	₱15,051,644

ii. Input VAT

Balance at July 1, 2022	₱-
Current year's domestic purchases/payments for:	
Domestic purchases of services	6,094,416
Goods other than for resale or manufacture	2,300,856
	8,395,272
Applied against output tax	(8,395,272)
Balance at June 30, 2023	₱-

b. Withholding Taxes

Expanded withholding taxes	₱2,741,212
Withholding taxes on compensation and benefits	560,718
	₱3,301,930

c. Other Taxes and Licenses

Real estate taxes	₱4,127,819
Local business tax	1,608,104
Others	1,133,988
	₱6,869,911

Others pertains to payments made on delinquency taxes on real property taxes during the year.

d. Tax Assessments

On March 6, 2023, the Club received a Notice of Discrepancy (NOD) from BIR in relation to the Letter of Authority dated May 23, 2022, covering all internal revenue taxes for the period July 1, 2020 to June 30, 2021. The NOD amounted to ₱46,553,631. The Club submitted and presented the supporting documents and schedules in response to the discrepancies received from BIR. As of September 11, 2023, the Club is awaiting the response of the BIR.





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INDEPENDENT AUDITOR'S REPORT

The Members and the Board of Directors
Valley Golf & Country Club, Inc.
Don Celso S. Tuason Ave.
Antipolo City

We have audited the accompanying financial statements of Valley Golf & Country Club, Inc. (a nonprofit organization) (the Club), as at June 30, 2023 and for the year then ended, on which we have rendered the attached report dated September 11, 2023.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the above Club has no members owning one hundred (100) or more shares.

SYCIP GORRES VELAYO & CO.

Peter John R. Ventura

Partner

CPA Certificate No. 0113172

Tax Identification No. 301-106-741

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 113172-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-140-2021, November 10, 2021, valid until November 9, 2024

PTR No. 9566012, January 3, 2023, Makati City

September 11, 2023





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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Members and the Board of Directors
Valley Golf & Country Club, Inc.
Don Celso S. Tuason Ave.
Antipolo City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Valley Golf & Country Club, Inc. (a nonprofit organization) (the Club) as at June 30, 2023 and 2022 and for each of the three years in the period ended June 30, 2023, and have issued our report thereon dated September 11, 2023. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Club's management. These schedules are presented for the purpose of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Peter John R. Ventura

Partner

CPA Certificate No. 0113172

Tax Identification No. 301-106-741

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 113172-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-140-2021, November 10, 2021, valid until November 9, 2024

PTR No. 9566012, January 3, 2023, Makati City

September 11, 2023



VALLEY GOLF & COUNTRY CLUB, INC.
INDEX TO SUPPLEMENTARY SCHEDULES
UNDER REVISED SRC RULE 68
JUNE 30, 2023

Schedule	Title	Page
A	Financial Assets	S-1
B	Amounts Receivable from Directors, Officers, Employees, and Principal Stockholders (Other than Related Parties)	Not Applicable
C	Amounts Receivable from Related Parties which are eliminated during the Consolidation of Financial Statements	Not Applicable
D	Long Term Debt	Not Applicable
E	Indebtedness to Related Parties (Long-Term Loans from Related Companies)	Not Applicable
F	Guarantee Securities of Other Issuers	Not Applicable
G	Capital Stock	S-7

VALLEY GOLF & COUNTRY CLUB, INC.
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
JUNE 30, 2023

Schedule A. Financial Assets

Name of Issuing Entity and Association of Each Issue	Number of Share or Principal Amount of Bonds and Notes	Amount in the Statement of Financial Position	Income Received and Accrued
Loans and Receivables			
A. Cash in banks			
Metropolitan Bank & Trust Company (MBTC)	P-	P29,666,482	P12,476
Rizal Commercial Banking Corporation		7,173,347	4,341
BDO Unibank Inc.	-	27,142,028	8,411
Security Bank & Trust Company (SBTC)	-	6,100,100	-
B. Cash equivalents			
MBTC	-	683,821	10,989
SBTC	-	1,084,218	130,808
BDO	-	10,375,210	431,202
C. Trade and other receivables			
Receivables from members	-	15,647,798	-
Receivables from concessionaires	-	1,134,001	-
Others	-	6,574,749	-
D. Trust fund			
Trust fund	-	4,984,096	-
E. Debt instrument at FVTPL			
Debt instrument at FVTPL	-	10,387,218	-
	P-	P120,953,068	P598,227

VALLEY GOLF & COUNTRY CLUB, INC.
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
JUNE 30, 2023

Schedule B. Amounts Receivable from Directors, Officers, Employees, and Principal Stockholders (Other than Related Parties)

Name and designation of debtor	Beginning balance	Additions	Amounts collected	Amounts written off	Current	Noncurrent	Ending balance
			- Not applicable -				

VALLEY GOLF & COUNTRY CLUB, INC.
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
JUNE 30, 2023

Schedule D. Long Term Debt

<u>Title of issue and type of obligation</u>	<u>Amount authorized by indenture</u>	<u>Amounts shown under caption 'Current portion' in related statements of financial position</u>	<u>Amount shown under caption 'Non-current portion' in related statements of financial position</u>
- Not applicable -			

VALLEY GOLF & COUNTRY CLUB, INC.
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
JUNE 30, 2023

Schedule E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)

<u>Name of related party</u>	<u>Balance at beginning of period</u>	<u>Balance at end of period</u>
	- Not applicable -	

VALLEY GOLF & COUNTRY CLUB, INC.
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
JUNE 30, 2023

Schedule F. Guarantees of Securities of Other Issuers

Name of issuing entity of securities guaranteed by the Group for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by a person for which statement is filed	Nature of guarantee
- Not applicable -				

VALLEY GOLF & COUNTRY CLUB, INC.
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
JUNE 30, 2023

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statements of financial position caption	Number of shares reserved for options, warrants, conversion and other rights	No. of shares held by		
				Related parties	Directors, Officers, and employees	Others
Common shares	1,800	1,594	-	-	10	1,584

Schedule A. Marketable Securities.(Current Marketable Equity Securities & Other Short-term Cash Investments)
June 30, 2023

Name of Issuing entity and association of each issue (1)	Number of shares or principal amount of bonds and notes	Amount in the Statement of Financial Position (2)	Income received and accrued
A. Cash in Banks			
Metropolitan Bank & Trust Company		₱29,666,482.00	₱12,476.00
Rizal Commercial Banking Corporation		7,173,347.00	4,341.00
BDO Unibank Inc.		27,142,028.00	8,411.00
Security Bank & Trust Company		6,100,100.00	
B. Cash Equivalents			
Metropolitan Bank & Trust Company		683,821.00	10,989.00
Security Bank & Trust Company		1,084,218.00	130,808.00
BDO Unibank Inc.		10,375,210.00	431,202.00
C. Trade and Other Receivables			
Receivables from Members - net		15,647,798.00	
Receivables from Concessionaires		1,134,001.00	
Others - net		6,574,749.00	
D. Trust Fund			
		4,984,096.00	
E. Debt Instrument at FVTPL			
		10,387,218.00	
TOTAL		120,953,068.00	598,227.00

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Pricipal Stockholders
(Other than Related parties)
June 30, 2023

Name and Designation of Debtor (1)	Beginning Balance	Additions	Amounts collected (2)	Amounts written off (3)	Current	Non Current	Ending Balance
N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.

Schedule D. Long Term Debt
June 30, 2023

Title of issue and type of obligation (1)	Amount authorized by indebture	Amount shown under caption "Current portion of long-term debt" in related balance sheet (2)	Amount shown under caption "Long term debt in related balance sheet (3)
N.A.	N.A.	N.A.	N.A.

**Schedule E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
June 30, 2023**

Name of Related Party (1)	Balance at beginning of period	Balance at end of period (2)
N.A.	N.A.	N.A.

**Schedule F. Guarantees of Securities of Other Issuers (1)
June 30, 2023**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding (2)	Amount owned by person for which statement is filed	Nature of guarantee (3)
N.A.	N.A.	N.A.	N.A.	N.A.

**Schedule G. Capital Stock (1)
June 30, 2023**

Title of issue (2)	Number of Shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Related Parties	Directors, officers and employees	Others
Common share	1,800	1,594	0	0	10	1,584

(B) INFORMATION ON INDEPENDENT ACCOUNTANT AND OTHER RELATED MATTERS

1. External Audit Fees and Services

a. Audit and Audit-Related Fees

1. The audit of Valley Golf's annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years.

Fiscal Year 2023 – Sycip Gorres Velayo & Co.

Fiscal Year 2022 - Sycip Gorres Velayo & Co.

2. Other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements. Valley Golf hereby describes the nature of the services comprising the fees disclosed under this category:

Income Tax Preparation Fiscal Year 2023 - Sycip Gorres Velayo & Co.

Professional Fees-	
Special Audit	P122,452.00
Out of Pocket	
Expenses	18,367.80
Vat	7,300.20
Total	P148,120.00

Income Tax Preparation Fiscal Year 2022 - Sycip Gorres Velayo & Co.

Professional Fees-	
Special Audit	P122,452.00
Out of Pocket	
Expenses	18,367.80
Vat	7,300.20
Total	P148,120.00

Nature of services:

1. Computation of Income Tax Due and other supporting computations
2. Preparation of Annual Income Tax Return
3. Give advice on specific taxes, which may indicate areas of risk and possible exposure and the means by which such risk may be mitigated.

- b. Under the caption "Tax Fees", the aggregate fees billed in each of the last two (2) fiscal years for professional services rendered by the external auditor for tax accounting, compliance, advice, planning and any other form of services. Valley Golf hereby describes the nature of the services comprising the fees disclosed under this category.

FY 2023-Sycip Gorres Velayo & Co.

Professional Fees-	
Regular Audit	P440,000.00
Out of Pocket	
Expenses	73,072.00
Vat	61,568.64
Total	P574,640.64

FY 2022-Sycip Gorres Velayo & Co.

Professional Fees-	
Regular Audit	P440,000.00
Out of Pocket	
Expenses	73,072.00
Vat	61,568.64
Total	P574,640.64

Nature of services:

1. Conducted audit of the financial statements of the Company in accordance with Philippines Standards on Auditing and to express an opinion whether the financial statements present fairly, in all material aspects, the financial position, financial performance and cash flows of the Company in accordance with PFRSs.
2. Reviewed the processes and procedures, the internal control over financial reporting.
3. Evaluated the overall presentation, structure and content of the financial statements, including disclosures.

- c. Under the caption "All other Fees", the aggregate fees billed in each of the last two (2) fiscal years for products and services provided by the external auditor, other than the services reported under items (a) & (b) above. Registrants shall describe the nature of the services comprising the fees disclosed under this category.

There are no other services provided by the external auditor other than the services mentioned under items (a) & (b) above.

- d. The Audit Committee's approval policies and procedures for the above services.

Selection of external auditor shall comprise of the following procedure:

1. Advertisement or invitation will be sent to the public.

2. A letter of intent shall be submitted to Internal Auditor by all the prospective external audit firms
3. The Internal Auditor will determine the eligibility of the prospective external audit firms thru their company background, familiarity of operations, and prestige.
4. The audit committee will hold an interview with the prospective audit firms.
5. Sealed audit fee proposals will be submitted to Internal Auditor on such date, time, and place specified in the invitation. Proposals received after the deadline will be invalid.
6. The Audit Committee will publicly open all the proposals at the same time, date, and place as specified in the invitation.
7. A review on all proposals and result of the interview shall be evaluated by the Audit Committee. The recommendation shall have a majority vote of the Audit Committee.
8. The Board of Directors may approve or reject the recommendation of the Audit Committee. Once approved by the BOD, it will then be included in the annual stockholders meeting for final approval.
9. This process will be repeated every 5 years or as need arises.
 - A meeting is held with the Audit and Finance Committees to discuss, evaluate and review the work, observations and recommendations of the External Auditors.
 - If necessary, revision and/or creation of internal control policies and procedures including the target timeline of implementation are then made and submitted to the Board of Directors for its approval.

ITEM 8. CHANGES IN AND DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

For the Fiscal years ended June 30, 1998 up to June 30, 2003, the Club's external auditor was Joaquin Cunanan & Co. The handling partner was Miss Irene Vallesterro. The engagement of Joaquin Cunanan & Co. was terminated in May 2004 upon approval by the Board on April 29, 2004 of the hiring of Punongbayan & Araullo.

For the years ended June 30, 2004 up to 2007, the financial statements of Valley Golf & Country Club were audited by Punongbayan & Araullo. The handling partner is Ms. Mailene Sigue-Bisnar. Punongbayan & Araullo was hired to audit the 2004 books of account by the Board of Directors, in compliance with the resolution approved during the Stockholders' Meeting of September 28, 2003 to leave the decision on the hiring of the new external auditors to the sound discretion of the Board subject to the observance of SEC Regulations on Good Corporate Governance. The election of Punongbayan and Araullo as the Club's External Auditors was approved during the September 26, 2004 Stockholders' Meeting.

For the years ended June 30, 2008 up to 2012, the financial statements of Valley Golf & Country Club, Inc. were audited by Uy Singson Abella & Co. The

handling partner is Ms. Milagros F. Padernal. The change in external auditor was approved by the Board of Directors on their regular meeting last June 14, 2008.

For the years ended June 30, 2013 up to 2023, the financial statements of Valley Golf & Country Club, Inc. were audited by Sycip Gorres Velayo & Co. The handling partner was Mr. Jose Pepito E. Zabat III from 2013 to 2016. For fiscal year 2017 and 2018 the handling partner was Mr. Alexis Benjamin C. Zaragoza III. For the current Fiscal Years 2019 to 2023 the handling partner is Mr. Peter John R. Ventura. The change in external auditor was approved by the Board of Directors in their regular meeting held on May 19, 2012 and the appointment was approved during Regular Stockholders' Meeting on September 22, 2013 and every year thereafter.

The regular changes of external auditor as well as the handling partners is in compliance with Revised Securities Regulation Code Rule 68, No. 3, B, (ix), (2019) on Rotation of external Auditors and partners at least every five (5) years, and has been reflected in a current report submitted to the SEC

There are no disagreements with Joaquin Cunanan & Co, Punongbayan & Araullo, Uy Singson Abella and Sycip Gorres Velayo & Co on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

Incumbent Board of Directors, Executive Officers and Significant Employees of Valley Golf & Country Club, Inc.

Name	Age	Citizenship	Position	Term of Office as Director/ Period Served
Rafael S. Raymundo	59	Filipino	President	3 yrs. 2020 - Present
Jose Arsenio Isidro D. Borromeo III	53	Filipino	Vice-President	3 yrs. 2020 - Present
Rio Sesinando E. Venturanza	64	Filipino	Treasurer	3 yrs. 2021 - present
Constantine L. Kohchet-Chua	57	Filipino	Asst. Treasurer	3 yrs. 2021 - present
Renato C. Balibag	68	Filipino	Director	3 yrs. 2020 - Present
Jose G. Razon	67	Filipino	Director	3 yrs. 2021 - present
Marvin A. Caparros*	54	Filipino	Director	3 yrs. 2022 - present
Jose Ferdinand R. Gulang	58	Filipino	Director	3 yrs. 2022 - present
Nicanor S. Jorge*	56	Filipino	Director	3 yrs. 2022 - present
Allan Jocson	49	Filipino	Corporate Secretary	N.A.
* Independent Director				

President Rafael S. Raymundo is a graduate of Bachelor of Science in Management from San Beda University. Mr. Raymundo is currently the President of Service One Corporation. Pres. Rafael S. Raymundo is a member of the Club since Sept. 2004 as Playing Rights Member and turned Proprietary on May 2009.

Vice President Jose Arsenio Isidro D. Borromeo III is a graduate of Business Management from the Centennial College of Toronto Canada. Mr. Borromeo was formerly the Country Manager of Learn Earn Own Trading Partners, Inc. Dir. Jose Arsenio Isidro D. Borromeo III is a member of the Club since Sept. 2016 and he is currently the Chairman of the Membership, Security and Bids & Awards Committees.

Treasurer Atty. Rio Sesanando E. Venturanza graduated with a degree in Bachelor of Laws and Bachelor of Arts in Economics from the University of the Philippines. Atty. Venturanza is currently a Partner of Tan Venturanza Valdez Law Offices, Director of Palm Concepcion Power Corporation, Maugat Holdings Inc, Blue Panel Equities & Dev. Inc., T&V Realty Corporation, Juxtapose Ergo Consultus, Inc. and U.P. Law Class 82 Foundation Inc. He is also the Corporate Secretary of Sta Clara International Corporation, Meridian Securities Inc., Professional Parking & Management Corp. and ParkSecure Management Corp. Treasurer Atty. Rio Sesanando E. Venturanza is a member of the Club since July 7, 2000. He is currently the Chairman of the Finance Committee and Legal Committee.

Asst. Treasurer Constantine L. Kohchet-Chua is a graduate of Bachelor of Science in Business Administration and Accountancy from the University of the Philippines and he is a CPA. Dir. Kohchet-Chua is currently the General Manager of K.C. Bros. Industrial Corp. Dir. Constantine L. Kohchet-Chua is a member of the Club since Jan. 8, 2011 and is currently the Chairman of the House and Engineering Committees.

Dir. Renato C. Balibag is a graduate of Bachelor of Science in Business Administration major in Marketing from University of the East and an MBA Candidate from Ateneo de Manila University. Dir. Balibag is currently the President/CEO of Wave Broadcasting Network, Inc. and President of Eastern Samar Construction Corporation. Dir. Renato C. Balibag is a member of the Club since May 2008. He is currently the Chairman of the Real Estate Committee.

Dir. Marvin A. Caparros is a graduate of Bachelor of Science major in Civil Engineering at the University of California Irvine(UCI), Los Angeles, CA, USA. Dir. Caparros is currently the CEO and President of R.S. Caparros Associates and Co, CEO and President of M.A. Caparros Management and Development Corporation, President of G.O.C.C. Board, Board Director of Construction and Project Management Association of the Phils., Vice President and Board Director of JAHAMA Base Foundation, Inc., Board of Director of Tradetek International, Los Angeles and Director for Golf of Mercedes Benz – Auto Nation Group, Inc. Dir. Marvin Caparros is a member of the Club since September 2001 as Playing Rights Member and turned Proprietary on July 2017. Dir. Caparros is currently the Chairman of the Sports & Games Committee.

Dir. Jose Ferdinand R. Guiang is a graduate of AB Economics from the Far Eastern University. Dir. Guiang is currently the President of JFG Construction and Trading Corp., President of Pharmazel, Inc., President of Genesis Homes Realty, Inc. and

former Independent Director of Sta. Lucia Land. Dir. Jose Ferdinand Gulang is a member of the Club since May 2008. Dir Guiang is the Chairman of the Grounds Committee.

Dir. Nicanor Jorge is a graduate of Bachelor of Science in Economics and Masters in Business Administration. Dir. Jorge is currently a Member of the Board of Directors of The Basketball Efficiency Scientific Training Center, Inc. and Director of Wecap Financial, Inc. Dir. Nicanor Jorge is a member of the Club since April 2005. Dir. Jorge is the Chairman of the Audit Committee.

Dir. Jose G. Razon is a graduate of Bachelor of Science in Mining Engineering from the University of the Philippines. Dir. Razon is currently the Executive Vice President /Corporate Secretary of Razons Food Corporation. Dir. Jose G. Razon is a member of the Club since January 29, 2006 and He is the Chairman of the Administration Committee.

The Corporate Secretary of Valley Golf & Country Club is Atty. Allan Jocson. Atty. Jocson became a Proprietary member of Valley Golf since August 2018. He is currently a Partner in Sallan & Jocson Law Offices. He is a graduate of Bachelor of Laws in San Beda College of Law/Arellano Law Foundation (1999) and Bachelor of Arts Major in Political Science, De La Salle University (1994). Atty. Allan Jocson became a Proprietary member of Valley Golf since August 2018.

The directors are independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors. There are no other directors other than the above mentioned names.

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers or persons nominated or chosen by the registrant to become directors or executive officers.

During the past five (5) years there was no bankruptcy petition filed by or against any business of which the directors, any nominee for election as director and executive officers is a general partner or executive officer either at the time of bankruptcy or within two years prior to that time.

There is no conviction by final judgment, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses against the directors, any nominee for election as director and executive officers.

None of the directors, any nominee for election as director and executive officers is subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities.

None of the directors, any nominee for election as director and executive officers was found by a domestic or foreign court of competent jurisdiction, the Commission of comparable foreign body, or a domestic or foreign Exchange or other

organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

SIGNIFICANT EMPLOYEES

Mr. Dan L. Salvador III was born on June 5, 1964 in Paranaque City and is now 59 years old. He is a graduate of Business Commerce major in Business Management in De La Salle University. His last previous employment is with the Office of the Mayor of Paranaque City as Senior Administrative Assistant IV. Mr. Salvador started his employment in Valley Golf as General Manager last September 1, 2021

Ms. Rosanna R. Arguelles was born on October 9, 1963 in Antipolo City and is now 59 years old; She is a CPA and a graduate of BSC major in Accounting at University of Santo Tomas. She was previously Chief Accountant of the Municipality of Antipolo. She started her employment at Valley Golf in 1988 and is now the Division Manager of the Controller's Division.

Ms. Maria Cristina O. Santiago was born in Antipolo City on February 14, 1995. She is a graduate of Philippine School of Business Administration and passed the CPA licensure exam in May 2016. She is previously the Senior Internal Auditor of Siycha Group of Companies and an Associate of Pricewaterhouse Coopers. She started as the Internal Audit Head of Valley Golf and Country Club, Inc in December 2018 and is currently the Finance & Accounting Manager.

These are the General Manager, Division Managers and Department Managers and are considered the key personnel of the Club. The division and department managers as well as supervisors were previously given a yearly increase in salaries at a maximum of 4%. But in 2010, instead of giving annual increases, managers and supervisors were given performance bonuses - percentage from the audited net income. They also receive Christmas bonuses. All duties and responsibilities are ensured to be rotated to other supervisors within the department so there will be no monopoly of knowledge. The friendly atmosphere between management and supervisors and the benefits that the employees receive are factors that contribute to the sense of loyalty of the employees.

ITEM 10. EXECUTIVE COMPENSATION

Executive Compensation

General

The President, Vice-President, Treasurer, Asst. Treasurer and all members of the Board are not paid any compensation of whatever kind since election to the Board up to the present.

SUMMARY COMPENSATION TABLE

Name	Position	Fiscal Year	Salary/month	13 th month	Bonus
Dan L. Salvador	General Manager	2021	130,000.00		
		2022	150,000.00	43,452.05	65,000.00
		2023	200,000.00	150,000.00	75,000.00
Rosanna R. Arguelles	Division Manager Controller	2012	71,890.00	71,890.00	23,385.90
		2013	76,390.00	76,390.00	24,780.90
		2014	80,890.00	80,890.00	26,175.90
		2015	80,890.00	80,890.00	26,175.90
		2016	83,317.00	83,317.00	30,298.27
		2017	83,317.00	83,317.00	30,298.27
		2018	85,817.00	85,817.00	32,523.27
		2019	85,817.00	85,817.00	32,573.27
		2020	89,517.00	89,517.00	44,758.50
		2021	89,517.00	89,517.00	44,758.50
		2022	91,743.54	89,517.00	44,758.50
		2023	94,352.00	91,743.54	34,610.50
María Cristina T. Odon	F & A Manager	2023	55,524.00	32,984.36	14,026.71

Compensation of Directors

Valley Golf & Country Club's directors have not been and still are not compensated, directly or indirectly for any services provided as such pursuant to Article IV, Section 2 of the By-laws.

Employment contracts and termination of employment and change-in-control arrangements

The Board of Directors is composed of nine (9) members. Every year at the annual stockholders' meeting, three (3) directors are elected for a term of three (3) years. No director can serve consecutively for more than three (3) years.

The Club has no compensatory plan or arrangement with its directors and General Manager resulting from resignation, retirement or any other termination of their relationship with the company, or from a change in control of the company or a change of responsibilities following a change in control.

Warrants and Options Outstanding: Repricing

There are no warrants or options held by the company's CEO, the executive officers, and all officers and directors as a group.

Family Relationships

As of the filing of this report, management is not aware of any relationship (up to the fourth civil degree), either by consanguinity or affinity among the directors, executive officers or members nominated to be directors.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

1. There is no person or any group of persons who is the owner on record or the beneficial owner, directly or indirectly of more than five percent (5%) of the Club's voting securities.
2. All members of the Board are the owners on record of one share each which qualifies them for directorship. There is no director who is the beneficial owner of other shares of stocks.
- 3.

Title of Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership	Citizenship	Percent of Class
Ordinary	Rafael S. Raymundo	1 share	Filipino	Negligible
Ordinary	Jose Arsenio Isidro D. Borromeo III	1 share	Filipino	Negligible
Ordinary	Rio Sesinando E. Venturanza	1 share	Filipino	Negligible
Ordinary	Constantine L. Kohchet-Chua	1 share	Filipino	Negligible
Ordinary	Renato C. Balibag	1 share	Filipino	Negligible
Ordinary	Jose G. Razon	1 share	Filipino	Negligible
Ordinary	Marvin A. Caparros *	1 share	Filipino	Negligible
Ordinary	Jose Ferdinand R. Guiang	1 share	Filipino	Negligible
Ordinary	Nicanor Jorge *	1 share	Filipino	Negligible
Ordinary	Allan Jocson	1 share	Filipino	Negligible
	*Independent Directors			

4. The Club is not aware of the existence of any voting trust holders of any proportion of the existing authorized capital stock.
5. There is no arrangement, which may result in a change in management control of registrant since the beginning of the last fiscal year.

ITEM 12 - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In line with the policy of Valley Golf of transparency and avoidance of conflict-of-interest situations by its directors/officers as provided in the By-Laws it is hereby disclosed that the contract for the construction of the 2-storey Golf Cart Garage of Valley Golf was awarded to Sagada Construction Development Corp. last Dec. 21, 2021. The President of Sagada Construction Development Corp. is Mr. Vergillo Bucat a member of the Grounds Committee. The total cost of the contract is P21,832,000. The project was bid out and all procedures of the procurement policy was followed by the Bids and Awards Committee. Sagada Construction Development Corp. submitted the lowest bid and complied with the requirements of the BAC.

Other than the disclosure stated above, Valley Golf does not have any transactions with or involving a company or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of the total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

Valley Golf did not have transactions with promoters.

Valley Golf does not have a parent company or a subsidiary company.

PART IV – CORPORATE GOVERNANCE

ITEM 13 – CORPORATE GOVERNANCE

(a.) The evaluation system established by the company to measure or determine the level of compliance of the Board of Directors and top-level management with its Manual of Corporate Governance.

1. Initially, the Club adopted the Corporate Governance Self-Rating System Form.
2. In compliance with SEC Memorandum Circular No. 12 Series of 2021, the Club submitted last June 23, 2022 the Annual Corporate Governance Report for the period Jan. – Dec. 2021. The report for the period Jan – Dec. 2022 was submitted last June 20, 2023.
3. The members of the Board of Directors prepare monthly reports to the Board for discussion and evaluation in the monthly Board Meetings. The members of the Board have a Self-Assessment Form.
4. Valley Golf has a Business Plan and Annual Budget. Management conducts a monthly review of compliance with the action plan. Every month a Management Report is submitted during the Board Meeting which contains the status report of the business plan and the comparative financial statement against the budget to reflect the variances. Included also is a monthly highlight of the financial report with detailed explanations on the variances of the actual figures as compared to the budget.

(b.) Measures being undertaken by the company to fully comply with the adopted leading practices on good corporate governance.

1. The Audit Committee and the Finance Committee meet with the External Auditors regarding the annual examination of the financial statements of the Club and the operations of the Club.
2. The Club has a Membership Handbook and a Personnel Manual that contain policies, procedures and implementing guidelines on dealing with members and employees.
3. The President submits a monthly Management Report to the Board of Directors.

4. The Board of Directors had appointed the members of the Nomination Committee, Compensation and Remuneration Committee, Ethics Committee, Corporate Governance Committee and Audit Committee to comply with their respective duties and responsibilities as provided for in the Manual of Good Corporate Governance.
5. The Board of Directors had appointed an External Auditor and hired Internal Auditors in compliance with the Manual of Good Corporate Governance.
6. The Club's annual report is disseminated to all members to inform them of the results of the operations of the Club and the activities of the Board for the fiscal year.
7. The Board of Directors has created several committees to ensure compliance with the Club's Code of Corporate Governance. Among the committees created are the Management Committee, House Committee, Membership Committee, Finance Committee, Sports and Games Committee, Nomination Committee, Grounds & Engineering Committee, Administration Committee, Legal Committee, Real Estate Committee, Security Committee and Election Committee.
8. During the Fiscal year 2023, the following Members of the Board of Directors and Compliance Officer attended the Seminar on Corporate Governance:

The following Members of the Board of Directors attended the Webinar on Corporate Governance Orientation Program held on October 26 - 27, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Dir. Marvin A. Caparros
2. Dir. Nicanor S. Jorge

The following Members of the Board of Directors attended the Webinar on Corporate Governance Orientation Program held on February 23 – 24, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Dir. Constantine L. Kohchet-Chua
2. Dir. Rafael S. Raymundo
3. Dir. Jose G. Razon

Atty. Rio Sesanando E. Venturanza attended the Webinar on the New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021 via Zoom at the Center for Global Best Practices Foundation.

The following Corporate Secretary and Compliance Officer/General Manager attended the Webinar on Corporate Governance Orientation Program held on June 29 - 30, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Atty. Allan Jocson – Corporate Secretary
2. Mr. Dan L. Salvador III – Compliance Officer/General Manager

The following Members of the Board of Directors attended the Webinar on New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021, via Zoom at the Center for Global Best Practices Foundation.

3. Dir. Jose Arsenio Isidro D. Borromeo III
4. Dir. Renato C. Balibag

(c.) Any deviation from the company's Manual of Corporate Governance. It shall include a disclosure of the name and position of the person/s involved, and the sanction/s imposed on said individual

There is no deviation from the Manual of Corporate Governance of Valley Golf & Country Club, Inc.

(d) Any plan to improve corporate governance of the company

In compliance with SEC Memorandum Circular No. 24 Series of 2019, requiring the submission of the Revised Manual on Corporate Governance, the Board of Directors approved on July 22, 2020, the new Manual of Corporate Governance of Valley Golf and was submitted electronically on July 25, 2020.

In compliance with SEC Memorandum Circular No. 19 Series of 2020, the Amended Manual of Corporate Governance signed by the Chairman of the Board and Compliance Officer was submitted electronically on September 25, 2020

PLEASE REFER TO ATTACHED ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)

PART V - EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

1. Exhibits

- A. Amended Articles of Incorporation – 15 pages
- B. Amended By-Laws – 15 pages
- C. Annual Report to Security Holders – 80 pages
- D. Minutes of the September 25, 2022 Stockholders' Meeting
- E. Annual Corporate Governance Report (ACGR)

Valley Golf does not have Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession, Instruments defining rights of security holders, voting trust agreement, subsidiaries, power of attorney or other reports mentioned.

2. Reports on SEC Form 17 – C and Form 17 - Q

- a. On July 7, 2022, Valley Golf submitted the Current Report 17-C on the attendance of Atty. Allan Jocson, Corporate Secretary and Mr. Dan L. Salvador III, Compliance Officer in the Webinar on Corporate Governance Orientation Program held on June 29 – 30, 2022, via Zoom at the Institute of Corporate Directors.
- b. On Sept. 27, 2022, Valley Golf submitted the Current Report 17-C on the election of the Board of Directors, Board Members who ceased to hold their positions, new officers elected, appointment of the Corporate Secretary and Asst. Treasurer by the Board of Directors in the organizational meeting on Sept. 25, 2022.
- c. On Sept. 27, 2022, Valley Golf submitted the Current Report 17-C on the appointment of Sycip Gorres Velayo & Co. as Valley Golf's External Auditors or Independent Accountants during the Sept. 25, 2022 Stockholders' meeting.
- d. On Sept. 29, 2022, Valley Golf submitted the Current Report 17-C on the voting results of the of the proposed amendments of the Articles of Incorporation and By-laws during the Sept. 25, 2022 Stockholders' meeting.
- e. On Oct. 26, 2022, Valley Golf submitted the Current Report 17-C on the appointment of the Chairman of the Audit Committee, Chairman of the Remuneration and Compensation Committee and the list and certification of the Independent Directors.
- f. On November 3, 2022, Valley Golf submitted the Current Report 17-C on the attendance of Dir. Marvin Caprros, Dir. Nicanor Jorge and in the Webinar on Corporate Governance Orientation Program held on Oct. 26 – 27, 2023, via Zoom at the Institute of Corporate Directors. Dir. Jose Ferdinand Guiang attended the Seminar on Corporate Governance held on Dec. 5, 2019 conducted by SGV at the Makati Shangri-La, Ayala Center, Makati City.
- g. On November 15, 2022, Valley Golf submitted 17-Q for the quarterly report for the first quarter.
- h. On January 3, 2023, Valley Golf submitted the Current Report 17-C on the hiring of Internal Audit Head.
- i. On January 3, 2023, Valley Golf submitted the Current Report 17-C on the members of the Audit and Compensation Committees.
- j. On February 15, 2023, Valley Golf submitted 17-Q for the quarterly report for the second quarter.
- k. On April 27, 2023, Valley Golf submitted the Current Report 17-C on the resignation of the Internal Audit Head and Internal Audit Asst.
- l. On May 13, 2023, Valley Golf submitted 17-Q for the quarterly report for the third quarter.
- m. On June 27, 2023, Valley Golf submitted the Current Report 17-C on

appointment of Atty. Joseph Joel R. Castillo, Atty. Wendell V. Dimaculangan and Atty. Mark Boncris Santos as members of the Committee on Elections for the Sep. 24, 2023 Stockholders Meeting and Election of the Board of Directors.

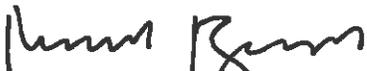
- n. On July 5, 2023, Valley Golf submitted the Current Report 17-C on the hiring of Internal Audit Head.
- o. On July 20, 2023, Valley Golf submitted the Current Report 17-C on the members of the Nomination Committee.
- p. On Aug. 30, 2023, Valley Golf submitted the Current Report 17-C on the hiring of Internal Audit Assistant.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Antipolo on OCT 06 2023

VALLEY GOLF & COUNTRY CLUB, INC.

By:


RAFAEL S. RAYMUNDO
Principal Executive Officer/
President


RIO SESINANDO E. VENTURANZA
Principal Financial Officer/
Treasurer


ALLAN JOCSON
Corporate Secretary


DAN L. SALVADOR III
General Manager/Compliance
Officer


ROSANNA R. ARGUELLES
Comptroller/Head Controllers'
Division


MARIA CRISTINA O. SANTIAGO
Principal Accounting Officer/
Finance & Accounting Manager

OCT 06, 2023

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2023
affiants exhibiting to me their valid ID's, as follows:

Name

Rafael S. Raymundo	TIN. 107-444-146
Rio Sesinando E. Venturanza	TIN. 100-699-738
Allan Jocson	TIN 205-687-949
Dan L. Salvador III	TIN 106-096-608
Rosanna R. Arguelles	PRC ID No. 069065
Maria Cristina O. Santiago	TIN. 453-506-856-000

NOTARY PUBLIC

Doc. No. 434
Page No. 57
Book No. 66
Series of 2023


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2024
Roll of Attorneys No. 27541
MCLE Compliance No. VII-0023686
IBP No. 256227; Dec. 30, 2022, RSM
PTR No. 8675432; Jan. 03, 2023 Antipolo City



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

Company Reg. No. 13951

**CERTIFICATE OF FILING
OF
AMENDED ARTICLES OF INCORPORATION**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the amended articles of incorporation of the

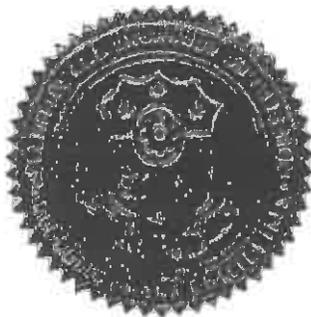
VALLEY GOLF & COUNTRY CLUB, INC.

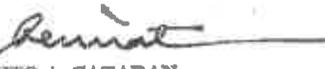
[Amending Article IV by extending the term of its existence thereof.]

copy annexed, adopted on July 29, 2006 by a majority vote of the Board of Directors and on November 18, 2007 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 16 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980 and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company, pre-need plan issuer, general agent in pre-need plans and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 29th day of April, Two Thousand Eight.




BENITO A. CATARAN
Director
Company Registration and Monitoring Department



COVER SHEET

1 3 9 5 1

S.E.C. Registration Number

VALLEY GOLF & COUNTRY
CLUB INC

(Company's Full Name)

DON CELSO S TUASON AVENUE
VICTORIA VALLEY ANTIPOLO CITY

(Business Address: No. Street City / Town / Province)

TESS GAN

Contact Person

634-5692/93

Company Telephone Number

0 6 3 0

Month Day

Fiscal Year

Amended Articles of
Incorporation

FORM TYPE

0 9 4th Sum.

Month Day

Annual Meeting

Second License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

AMENDED
ARTICLES OF INCORPORATION
OF

**VALLEY GOLF & COUNTRY CLUB,
INC.**
(Amended as of September 10, 1989)
(Formerly Valley Golf Club, Inc.)

KNOW ALL MEN BY THESE PRESENTS:

That we, all of whom are of legal age and residents of the Philippines, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the Philippines.

AND WE HEREBY CERTIFY:

FIRST. That the name of said corporation shall be "VALLEY GOLF & COUNTRY CLUB, INC." (As amended on September 10, 1989).

SECOND. That the purposes for which the said corporation is formed are:

PRIMARY PURPOSE

To foster and promote the game of golf and operate and maintain a golf course and country club.

SECONDARY PURPOSE

To buy, lease or otherwise acquire, own, hold and dispose of, such real and personal property as may be necessary, advantageous or convenient in the conduct of its business; to develop, improve, and subdivide any properties owned by the corporation; and, generally, to do and perform all such acts and things, and to

exercise such powers as are ordinarily done, performed and exercised by social and athletic clubs and associations.

THIRD. That the place where the principal office of the corporation is to be established or located is Antipolo, Rizal, Philippines.

FOURTH. That the term for which said corporation is to exist for another **FIFTY (50) YEARS** from May 15, 2008. (as amended on November 18, 2007).

FIFTH. That the names, residence and nationality of the incorporators of said corporation are as follows:

<u>Name</u>	<u>Nationality</u>	<u>Residence</u>
Celso Tuason	Filipino	Wilson St., San Juan, Rizal
Aurelio Montinola, Sr.	Filipino	Mahogany Rd., Forbes Park Makati, Rizal
Ernest Kahn	Filipino	Russell Ave., Pasay City
Henry Belden	American	13 th St., New Manila, Q. C.
J. Antonio Araneta	Filipino	Mckinley Rd., Forbes Park Makati, Rizal

SIXTH. That the number of Directors of said corporation shall be nine (9) and the names and residences of the Directors of the corporation who are to serve until their successors are elected and qualified as provided by the By-Laws are as follows:

<u>Name</u>	<u>Nationality</u>	<u>Residence</u>
Celso Tuason	Filipino	Wilson St., San Juan, Rizal
Aurelio Montinola, Sr.	Filipino	Mahogany Rd. Forbes Park, Makati, Rizal
Ernest Kahn	Filipino	Russell Ave., Pasay City
Henry Belden	American	13 th St., New Manila, Q. C.

J. Antonio Araneta	Filipino	Mckinley Rd., Forbes Park, Makati, Rizal
Francisco Ortigas, Jr.	Filipino	R. Alunan St., Manila
Jaime Velasquez	Filipino	Easy St., San Juan, Rizal

SEVENTH. That the capital stock of said corporation is Sixteen Million Two Hundred Thousand Pesos (PhP16,200,000.00) divided into One Thousand Eight Hundred (1,800) shares of the par value of Nine Thousand Pesos (PhP9,000) each. (as amended on September 13, 1981).

Said shares of stock shall be owned by and the interest thereof accrue only to the registered owner thereof, who, aside from his rights as shareholder, may in addition, and subject to such rules and regulations as may be promulgated by, and to screening and approval of the Board of Directors, be issued a regular membership card that would entitle him to all the rights and privileges that are extended to all holders of regular membership cards for the use and enjoyment of the facilities and premises of the Club.

Any person who owns or buys a share in the company must apply for membership within thirty (30) days from date of registration of sale. This condition shall appear in the stock certificates.

EIGHTH. That the amount of said capital stock which has been actually subscribed is ONE MILLION PESOS (PhP1,000,000.00) and the following persons have subscribed for the number of shares and amount of capital stock set out after their respective names.

<u>Name</u>	<u>Residence</u>	<u>No. of Shares</u>	<u>Amount Subscribed</u>
Aguinaldo, Francisco R.	Quezon City	1	P10,000.00
Aguirre, Tomas B.	Pasay City	1	10,000.00
Alarins, Arturo A.	Pasay City	1	10,000.00
Araneta, J. Antonio	Makati, Rizal	1	10,000.00
Araneta, Luis M.	Manila	1	10,000.00
Babat, Chester	Quezon City	1	10,000.00
Balcoff, Charles I.	Manila	1	10,000.00
Barredo, Manuel	Manila	1	10,000.00
Bautista, Constantino	Quezon City	1	10,000.00
Belden, Henry	Quezon City	1	10,000.00
Bennett, Henry E.	San Juan, Rizal	1	10,000.00
Brias, Enrique	Makati, Rizal	1	10,000.00
Brias, Jaime	Manila	1	10,000.00
Cacho, Francisco	Mandaluyong, Rizal	1	10,000.00
Cacho, Jose A.	Manila	1	10,000.00
Chua, Antonio Roxas	Manila	1	10,000.00
Cojuangco, Pedro	Manila	1	10,000.00
Consunji, Ricardo	Mandaluyong, Rizal	1	10,000.00
Cortas, Jose Ma.	Quezon City	1	10,000.00
Cortas, Felix	Quezon City	1	10,000.00
Cruz, Bienvenido	Pasay City	1	10,000.00
Cu Unjleng, Benito	Manila	1	10,000.00
Damperra, Alfonso R. de	Manila	1	10,000.00
Diaz, Pompeyo	Manila	1	10,000.00
Ferla, Jose	Manila	1	10,000.00
Fernandez, Jose	Manila	1	10,000.00
Frieder, Robert	Quezon City	1	10,000.00
Gabaldon, Isauro	Manila	1	10,000.00
Gamboja, Regino D.	Manila	1	10,000.00
Gonzales, Antonio	Quezon City	1	10,000.00
Gonzales, Rafael	Quezon City	1	10,000.00
Guerrero, Oscar E.	S. Juan, Rizal	1	10,000.00
Halling, F. R.	Makati, Rizal	1	10,000.00
Huang, Frank	S. Juan, Rizal	1	10,000.00
Jaibuena, L. P.	Pasay City	1	10,000.00
Kahn, Ernest	Pasay City	1	10,000.00
Klar, Jose	Quezon City	1	10,000.00
Liboro, Andres	Quezon City	1	10,000.00
Licaros, Gregorio, Sr.	Manila	1	10,000.00
Licaros, Gregorio, B. Jr.	Manila	1	10,000.00
Lim, P. L.	S. Juan, Rizal	1	10,000.00
Lim, Peter	Makati, Rizal	1	10,000.00
Locsin, Jose	Manila	1	10,000.00
Lopa, Manuel	Pasay City	1	10,000.00
Lopez, Honrado C.	Manila	1	10,000.00
Lovell, G. H.	Pasig, Rizal	1	10,000.00
Luz, Alfredo J.	Manila	1	10,000.00
Madrigal, Antonio P.	Quezon City	1	10,000.00
Madrigal, Jose P.	Quezon City	1	10,000.00
Manahan, Constantino P.	Quezon City	1	10,000.00
Manglapus, Raul	San Juan, Rizal	1	10,000.00
Manotoc, Ricardo S.	Quezon City	1	10,000.00

Matilla, Faustino	Quezon City	1	10,000.00
Miranda, Antonio	Pasay City	1	10,000.00
Montinola, Aurelio Sr.	Makati, Rizal	1	10,000.00
Montinola, Aurelio Jr.	Makati, Rizal	1	10,000.00
Montinola, Sergio	Bacolod City	1	10,000.00
Nathan, Karl	Quezon City	1	10,000.00
Norton, J. E.	Quezon City	1	10,000.00
Olives, Sebastian	Quezon City	1	10,000.00
Ortigas, Eduardo	Quezon City	1	10,000.00
Ortigas, Francisco	Manila	1	10,000.00
Ortigas, Rafael	Manila	1	10,000.00
Perez Rubio, Miguel	Makati, Rizal	1	10,000.00
Picazo, Evaristo	Makati, Rizal	1	10,000.00
Picomell, Santiago	Manila	1	10,000.00
Preysler, J. B.	Makati, Rizal	1	10,000.00
Quirino, Carlos	Manila	1	10,000.00
Recto, Alfonso	Makati, Rizal	1	10,000.00
Reyes, Narciso Jr.	Manila	1	10,000.00
Reyes, Victor	Manila	1	10,000.00
Roco, Fernando S.	Quezon City	1	10,000.00
Roxas, Antonio	Pasay City	1	10,000.00
Roxas, Eduardo	Makati, Rizal	1	10,000.00
Ruffno, Ernesto D.	Pasay City	1	10,000.00
Santayana, Luis S.	Makati, Rizal	1	10,000.00
Soriano, Andres	Pasay City	1	10,000.00
Soriano, Andres Jr.	Makati, Rizal	1	10,000.00
Soriano, Jose Maria	Pasay City	1	10,000.00
Sycip, Washington	Makati, Rizal	1	10,000.00
Tuason, Celso A.	San Juan, Rizal	1	10,000.00
Tuason, Juan E.	Manila	1	10,000.00
Tuason, Severo A.	Manila	1	10,000.00
Unson, Miguel R.	Pasay City	1	10,000.00
Uy, James	Makati, Rizal	1	10,000.00
Velasquez, Jaime	San Juan, Rizal	1	10,000.00
Velayo, Alfredo	Makati, Rizal	1	10,000.00
Velguth, Alfred C.	Parañaque, Rizal	1	10,000.00
Villa-Abrille, Alfredo	Makati, Rizal	1	10,000.00
Villaresal, Fernando Sr.	Quezon City	1	10,000.00
Wilkinson, Gerald	Quezon City	1	10,000.00
Wilson, Calude M., Jr.	Mandaluyong City	1	10,000.00
Young, Walter Au	San Juan, Rizal	1	10,000.00
Ymael, Carlos	Quezon City	1	10,000.00
Ymael, Felipe	Quezon City	1	10,000.00
Yu Kho Siong	Manila	1	10,000.00
Yu Kho Thal	Pasay City	1	10,000.00
Yujuico, Alejandro S.	Quezon City	1	10,000.00
Yujuico, Jesus S.	Quezon City	1	10,000.00
Zulueta, Caesar de	Makati City	1	10,000.00
		<u>100</u>	<u>P1,000,000</u>

NINTH. That the following persons have paid on the shares of capital stock for which they have subscribed the amounts set out after their respective names.

<u>Name</u>	<u>Residence</u>	<u>Amount Subscribed</u>
Aguinaldo, Francisco R.	Quezon City	P 3,500.00
Aguirre, Tomas B.	Pasay City	3,500.00
Alafria, Arturo A.	Pasay City	3,500.00
Araneta, J. Antonio	Makati, Rizal	3,500.00
Araneta, Luis Ma.	Manila	3,500.00
Balcoff, Chester	Quezon City	3,500.00
Balcoff, Charles T.	Manila	3,500.00
Barredo, Manuel	Manila	3,500.00
Baulista, Constantino	Quezon City	3,500.00
Belden, Henry	Quezon City	3,500.00
Bennett, Henry E.	San Juan, Rizal	3,500.00
Brias, Enrique	Makati, Rizal	3,500.00
Brias, Jaime	Manila	3,500.00
Cacho, Francisco	Mandaluyong, Rizal	3,500.00
Cacho, Jose A.	Manila	3,500.00
Chua, Antonio Roxas	Manila	3,500.00
Cojuangco, Pedro	Manila	3,500.00
Consunji, Ricardo	Mandaluyong, Rizal	3,500.00
Cortez, Jose Ma.	Quezon City	3,500.00
Cortez, Felix	Quezon City	3,500.00
Cruz, Bienvenido	Pasay City	3,500.00
Cu UnJeng, Benito	Manila	3,500.00
Dampierre, Alfonso R.de	Manila	3,500.00
Diaz, Pompeyo	Manila	3,500.00
Feria, Jose	Manila	3,500.00
Fernandez, Jose	Manila	3,500.00
Frieder, Robert	Quezon City	3,500.00
Gabaldon, Isauro	Manila	3,500.00
Gamboa, Regino D.	Manila	3,500.00
Gonzales, Rafael	Quezon City	3,500.00
Guerrero, Oscar E.	S. Juan, Rizal	3,500.00
Halling, F. R.	Makati, Rizal	3,500.00
Huang, Frank	S. Juan, Rizal	3,500.00
Jalbuena, L.P.	Pasay City	3,500.00
Kahn, Ernest	Pasay City	3,500.00
Kar, Jose	Quezon City	3,500.00
Liboro, Andres	Quezon City	3,500.00
Licaros, Gregorio, Sr.	Manila	3,500.00
Licaros, Gregorio, B. Jr.	Manila	3,500.00
Lim, P. L.	S. Juan, Rizal	3,500.00
Lim, Peter	Makati, Rizal	3,500.00
Localin, Jose	Manila	3,500.00
Lopa, Manuel	Pasay City	3,500.00
Lopez, Honrado G.	Manila	3,500.00
Lovell, G. H.	Pasig, Rizal	3,500.00
Luz, Alfredo J.	Manila	3,500.00
Madrigal, Antonio P.	Quezon City	3,500.00

Madrigal, Jose P.	Quezon City	3,500.00
Manahan, Constantino P.	Quezon City	3,500.00
Manglapus, Raul	San Juan, Rizal	3,500.00
Manotoc, Ricardo S.	Quezon City	3,500.00
Matilla, Faustino	Quezon City	3,500.00
Miranda, Antonio	Pasay City	3,500.00
Montinola, Aurelio Sr.	Makati, Rizal	3,500.00
Montinola, Aurelio Jr.	Makati, Rizal	3,500.00
Montinola, Sergio	Bacolod City	3,500.00
Nathan, Karl	Quezon City	3,500.00
Norton, J. E.	Quezon City	3,500.00
Olives, Sebastian	Quezon City	3,500.00
Ortigas, Eduardo	Quezon City	3,500.00
Ortigas, Francisco	Manila	3,500.00
Ortigas, Rafael	Manila	3,500.00
Perez Rubio, Miguel	Makati, Rizal	3,500.00
Picazo, Evaristo	Makati, Rizal	3,500.00
Pirconell, Santiago	Manila	3,500.00
Preysler, J. B.	Makati, Rizal	3,500.00
Quirino, Carlos	Manila	3,500.00
Alfonso, Recto	Makati, Rizal	3,500.00
Reyes, Narciso Jr.	Manila	3,500.00
Reyes, Victor	Manila	3,500.00
Roco, Fernando S.	Quezon City	3,500.00
Roxas, Antonio	Pasay City	3,500.00
Roxas, Eduardo	Makati, Rizal	3,500.00
Rufino, Ernesto D.	Pasay City	3,500.00
Santayana, Luis S.	Makati, Rizal	3,500.00
Soriano, Andres	Pasay City	3,500.00
Soriano, Andres Jr.	Makati, Rizal	3,500.00
Soriano, Jose Marie	Pasay City	3,500.00
Sycip, Washington	Makati, Rizal	3,500.00
Tuason, Celeo A.	San Juan, Rizal	3,500.00
Tuason, Juan E.	Manila	3,500.00
Tuason, Severo A.	Manila	3,500.00
Unson, Miguel R.	Pasay City	3,500.00
Uy, James	Makati, Rizal	3,500.00
Velasquez, Jaime	San Juan, Rizal	3,500.00
Velayo, Alfredo	Makati, Rizal	3,500.00
Velcuth, Alfred C.	Parafiaque, Rizal	3,500.00
Villa-Abrille, Alfredo	Makati, Rizal	3,500.00
Villareal, Fernando Sr.	Quezon City	3,500.00
Wilkinson, Gerald	Quezon City	3,500.00
Wilson, Calude M., Jr.	Mandaluyong City	3,500.00
Young, Walter Au	San Juan, Rizal	3,500.00
Ysmael, Carlos	Quezon City	3,500.00
Ysmael, Felipe	Quezon City	3,500.00
Siang, Yu Khe	Manila	3,500.00
Tai, Yu Khe	Pasay City	3,500.00
Yujuico, Alejandro S.	Quezon City	3,500.00
Yujuico, Jesus S.	Quezon City	3,500.00
Zulueta, Cesar de	Makati City	3,500.00

P 350,000

TENTH. That ERNEST KAHN has been elected by the subscribers as Treasurer of the Corporation to act as such until his successor is duly elected and qualified in accordance with the By Laws, and that no such Treasurer he has been authorized to receive for the corporation and to receipt in its name for all subscriptions paid in by said subscribers.

IN WITNESS WHEREOF, we have hereunto set our hands in the City of Manila, Philippines, this 14th day of May, 1958.

(Sgd.) Celso Tuason
CELSON TUASON

(Sgd.) Aurelio Montinola
AURELIO MONTINOLA

(Sgd.) Ernest Kahn
ERNEST KAHN

(Sgd.) Henry T. Belden
HENRY T. BELDEN

(Sgd.) J. Antonio Araneta
J. ANTONIO ARANETA

Signed in the presence of:

(Sgd.) Illegible

(Sgd.) Illegible

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S. S.

Before me, a Notary Public in and for the City of Manila, Philippines, this 14th day of May, 1958, personally appeared the following persons with their respective residence certificates, to wit:

<u>Name</u>	<u>Residence Cert. No.</u>	<u>Date and Place of Issue</u>
Celson Tuason	A-0204962	Jan. 22, 1958 - Manila
Aurelio Montinola, Sr.	A-0023051	Jan. 6, 1958 - Manila
Ernest Kahn	A-0008403	Jan. 2, 1958 - Manila
Henry Belden	A-0067620	Jan. 13, 1958 - Manila
J. Antonio Araneta	A-0120887	Jan. 17, 1958 - Manila

all known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation of Valley Golf Club, Inc., and acknowledged to me that the same is of their free and voluntary act and deed.

WITNESS my hand and seal at the place and on the date first above written.

(Sgd.) Mariano B. Pineda, Jr.
MARIANO B. PINEDA, JR.
Notary Public
Until December 31, 1958

Doc. No. 188
Page No. 52
Book No. 11
Series of 1958.

DIRECTOR'S CERTIFICATE

WE, the Chairman, Secretary and majority of the elected and qualified members of the Board of Directors of Directors of VALLEY GOLF CLUB, INC., a stock corporation organized and existing under the laws of the Philippines do hereby certify:

That as an Annual Meeting of the Stockholders and members of the Board of Directors held on September 10, 1989 at 4:20 p.m. at the principal office of the corporation and following resolution was duly approved, adopted and recorded in the minutes:

"RESOLVED, as it is hereby received that Article I of the Articles of Incorporation of VALLEY GOLF CLUB, INC. be amended by changing the corporate name to VALLEY GOLF AND COUNTRY CLUB, INC."

That the above resolution was confirmed, approved and ratified by the vote of the stockholders owning/representing at least two-thirds (2/3) of the entire outstanding capital stock at a special stockholders and directors meeting held on the same date and place;

That the attached articles of Incorporation is a true and correct copy of the present Articles of Incorporation, as amended, reflecting its new corporate name.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 25th day of September 1989 at Makati, Metro Manila.

PEDRO H. YAP
Director
Res. Cert. No. 764301-A
Issued at: Manila
on: Feb. 2, 1989

(Sgd.)
ROMEO M. LIAMZON
Director
Res. Cert. No.
Issued at: Antipolo
on: March 4, 1989

(Sgd.)
MARCELINO L. GO
Director
Res. Cert. No. 000008435
Issued at: Manila
on: 1-31-1989

(Sgd.)
EMMANUEL CASTAÑEDA
Director
Res. Cert. No. 025367
Issued at: Antipolo
on: 1-18-89

(Sgd.)
LUIS SICAT
Director
Res. Cert. No. 214630-E
Issued at: Q. C.
on: 3-21-1989

(Sgd.)
JOHNNY SARMENTA
Director
Res. Cert. No. 09538658J
Issued at: Q. C.
on: 3-20-89

(Sgd.)
JOSE VILGHEZ, JR.
Director
Res. Cert. No. 1158001G
Issued at: Antipolo
on: 4-1-1989

FEDERICO CARANDANG
Director
Res. Cert. No.
Issued at:
on:

(Sgd.)
CRISMEL VERANO
Director
Res. Cert. No. 4926502
Issued at: Q. C.
on: 2-23-1989

ATTESTED:

(Sgd.)
PEDRO H. YAP
President

(Sgd.)
ORLANDO C. PARAY
Secretary

SUBSCRIBED AND SWORN to before me this 25th day of September 1989,
affiants exhibiting to me their Res. Cert. No. printed below their respective name.

Sgd.
EDGAR A. PACIS
NOTARY PUBLIC
Until December 31, 1990
PTR No. 666199, Makati
Jan. 3, 1989

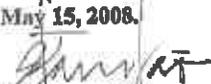
Doc. No. 438;
Page No. 89;
Book No. II;
Series of 1989.

DIRECTORS' CERTIFICATE



We, the undersigned majority of the Directors and Corporate Secretary of **VALLEY GOLF & COUNTRY CLUB, INC.**, do hereby certify that the Articles of Incorporation of said corporation was amended by a majority vote of the directors on July 29, 2006 and the vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a meeting held on November 18, 2007 at the principal office of the corporation.

The amended provisions of the attached Amended Articles of Incorporation refer to Article 4 "That the Term for which said corporation is to exist for another Fifty (50) years from **May 15, 2008**."


RAFAEL ESTANISLAO
President/Director
TIN No. 100-143-437
Res. Cert. No. 12450200
Issued at Antipolo City
on January 4, 2008


LINO TOPACIO
Vice President/Director
TIN No. 110-062-048
Res. Cert. No. 07594500
Issued at Quezon City
on January 3, 2008


BONIFACIO SUMBILLA
Treasurer/Director
TIN No. 150-146-618
Res. Cert. No. 14723842
Issued at Cainta, Rizal
on January 3, 2008


TEODORO P. PA
Asst. Treasurer/Director
TIN No. 111-924-493
Res. Cert. No. 24199012
Issued at Quezon City
on April 4, 2008

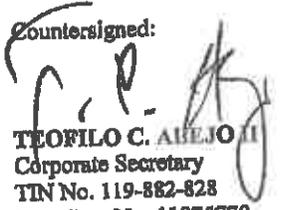

JAIIME LARDIZABAL
Director
TIN No. 103-405-178
Res. Cert. No. 23742105
Issued at Pasig City
on February 23, 2008


FRANCISCO BEN REYES
Director
TIN No. 115-808-073
Res. Cert. No. 07649077
Issued at Quezon City
on January 10, 2008


BERNARDO P. CRUZ
Director
TIN No. 128-282-687
Res. Cert. No. 11562615
Issued at Marikina City
on January 3, 2008


ROBERTO ROXAS
Director
TIN No. 106-207-376
Res. Cert. No. 19475836
Issued at Makati City
on January 11, 2008


JOSE FERLU SUDARIO
Director
TIN No. 125-972-748
Res. Cert. No. 12465301
Issued at Antipolo City
on January 2, 2008

Countersigned:

TEOFILO C. ABEJO II
Corporate Secretary
TIN No. 119-882-828
Res. Cert. No. 11875770
Issued at Mandaluyong City
on January 4, 2008

SUBSCRIBED AND SWORN to before me this **APR 16 2008** day of
2008 at **CITY OF PASIG** by the above-named persons who
exhibited to me their Community Tax Certificates.

Doc. No. 1166 ;
Page No. 35 ;
Book No. I ;
Series of 2008.


AMADO DANILO G. AYAG
Notary Public for Pasig City
Until December 31, 2009
PTR No. 4919254; 01/03/08; Rizal
IBP No. 732669; 01/03/08; Rizal
San Juan - Mandaluyong
Roll No. 43175



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

Company Reg. No. 13951

**CERTIFICATE OF FILING
OF
AMENDED BY-LAWS**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended By-Laws of

VALLEY GOLF & COUNTRY CLUB, INC.

copy annexed, adopted on August 21, 2010 by a majority vote of the Board of Directors and on September 26, 2010 by the vote of the stockholders owning or representing at least majority of the outstanding capital stock, and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 48 of the Corporation Code of the Philippines Batas Pambansa Big. 68, approved on May 1, 1980, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Mandaluyong City, Metro Manila, Philippines, this 31 day of November, Twenty Ten.


BENITO A. CATARAN
Director

Company Registration and Monitoring Department



COVER SHEET

1 3 9 5 1

S.E.C. Registration Number

VALLEY GOLF & COUNTRY
CLUB INC.

(Company's Full Name)

DON CELSO S TUASON AVENUE
VICTORIA VALLEY ANTIPOLO CITY

(Business Address: No. Street City / Town / Province)

TESS GAN

Contact Person

638-04-00

Company Telephone Number

0 6 3 0

Month Day

Fiscal Year

Amended By-Laws

FORM TYPE

0 9 4th Sun.

Month Day

Annual Meeting

Second License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LQU 6-29-62

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

**AMENDED BY-LAWS OF
VALLEY GOLF & COUNTRY CLUB**

ARTICLE I - OFFICE

The Principal office of the Club shall be located at Antipolo City, Rizal Philippines.

ARTICLE II - SEAL

The Board of Directors is authorized to design and to adopt a seal for the Club.

ARTICLE III - MEETING

Section 1. Annual Meetings – The annual meetings of stockholders shall be held at the Clubhouse on the Fourth Sunday of September of each year at 4:00 o'clock in the afternoon.

Section 2. Special Meetings – Special meetings of stockholders may be called at anytime by resolution of the Board of directors or by order of the President, or upon written request of ten percent (10%) of stockholders. No action will be taken at such special meeting except for the purpose(s) specified in the call.

Section 3. Notice of Meetings – Written notice of meetings for every regular or special meeting of stockholders shall be given to stockholders at least (10) days prior to the date of the meeting. Any failure or irregularity of notice of any meeting shall be deemed cured where the complaining stockholders appear at the meeting.

Section 4. Quorum – A quorum at any meeting shall consist of a majority of the stockholders, represented in person or by proxy, and a majority of such quorum shall decide any question that may come before the meeting, except in cases where a different number of votes is required by law.

Section 5. Proxies – Every stockholder is entitled to vote at any meeting of stockholders and may so vote by proxy, provided that the proxy shall have been appointed by the stockholder himself or by his duly authorized attorney-in-fact in an official numbered proxy form issued by the Club. No other proxy form shall be recognized by the Club.

Section 6. Election of Directors – The election of Directors shall be held at the annual meeting of stockholders and shall be conducted in the manner provided for in the Corporation Law, and with such formalities as the officer presiding at the meeting shall then and there determine and provided.

The external auditor or auditors shall likewise be elected by the stockholders either in the annual stockholder's meeting or in a special stockholders' meeting called for the purpose.

Section 7. Order of Business – The order of the business of the annual meeting and, as far as possible, at all other meeting of stockholders, shall be as follows:

- a) Calling the roll.
- b) Secretary's proof of due notice of the meeting.
- c) Reading and disposal of the unapproved minutes.
- d) Report of officers, annual and otherwise.
- e) Unfinished business.
- f) New business.
- g) Election of Directors.
- h) Adjournment.

Section 8. Eligibility to vote and be voted

a) Only stockholders in good standing shall have the right to vote and be voted upon at any meeting of the stockholders.

b) Qualifications of Nominees for the Election of Directors:

- i. Has one (1) share recorded in his/her name for at least three (3) years at the time of nomination and shall continue to own a share during his/her term of office. If the nominee has been a member of a standing committee for at least one (1) year, or a playing guest or corporate representative for at least two (2) years, the three-year requirement will be reduced to one (1) year.
- ii. Is an active proprietary member who has not assigned the playing right of his/her share of stock upon his/her nomination, has committed in writing not to assign said playing right during his/her incumbency if elected, and is in good standing, with no delinquent account/s.
- iii. Shall have sufficient time and willing to share his/her professional and executive expertise; and.
- iv. Has no official record of grave and serious misconduct that merited Club membership suspension and has not been convicted in any criminal case. (As amended by the stockholders on September 26, 2010 and by the Board of Directors on August 21, 2010).

Section 9. Stockholder's Consent – The consent of 2/3 of the outstanding capital stock shall be required in the following instances:

- a) A substantial change in the present layout in the 36 holes golf course.
- b) Any expenditure of the funds of the Club for alteration covered by the preceding paragraph.
- c) Any capital expenditure for new projects other than any those approved at previous stockholders' meeting which requires special assessment against the stockholders, or an increase in the number of authorized shares of Club.

For the purpose of this section, the consent of stockholders may be obtained by referendum.

Section 10. Committee on Election – Members of the Committee on Election shall be appointed by the Board of Directors, composed of three (3) proprietary members in good standing. Such proprietary members shall be of unquestionable integrity and occupy the highest esteem of his peers. For purposes of the Comelec, a playing representative of a corporate proprietary member may be appointed as member of the Comelec provided that said designated playing representative shall be the incumbent President or Chairman of the Corporation and should own equity in the said Corporation and subject to such other requirements and/or limitations that the Board may impose."

The Club General Manager, Comptroller and Internal Auditor shall form part of the Comelec Secretariat.

ARTICLE IV - DIRECTORS

Section 1. Board of Directors – The business and property of the Club shall be managed by a Board of nine (9) Directors. At the next annual stockholders' meeting, nine (9) Directors shall be elected, the first three (3) Directors receiving the highest number of votes shall serve for a term of three (3) years; the three (3) other Directors receiving the next highest number of votes shall serve for a term of two (2) years; and the remaining three (3) Directors shall serve for a term of one (1) year. Every year thereafter, at the annual stockholders' meeting, there shall be three (3) elected Directors who shall serve for a term of three (3) years. No Directors can serve consecutively for more than three (3) years.

No more than sixty (60) days prior to the annual meeting of stockholders, the President with the approval of the Board of Directors, shall appoint a nominating Committee of five (5) stockholders, three (3) of whom are not Directors. The said nominating committee shall prepare, sign and post at least fifteen (15) days before the annual meeting, a list of not less than four (4) nor more than six (6) candidates for the Board of Directors for the ensuing year. Any five (5) stockholders may nominate additional candidates for the Board by posting a signed list not later than ten (10) days before the Annual Meeting.

The nominating Committee shall evaluate all candidates to ensure compliance with the required qualifications. A list of the qualified candidates nominated shall be included in the notice of the annual meeting that is sent out to each stockholder. (As amended by the stockholders on September 26, 2010 and by the Board of Directors on August 21, 2016)

Section 2. Directors to act as of Board – The Board of Directors shall act only as a board and no power is vested in the individual director as such. A majority of the Board shall constitute a quorum for the transaction of business, except for the filing of vacancies in the Board, in which case majority of the remaining Directors shall constitute a quorum. Directors shall receive no salaries or fees as such.

Section 3. Board Meeting – The regular meeting of the Board of Directors shall be held once a month at such time and place as shall be determined by the Board. Special meetings of the Board may be called by the President, or upon written petition of three (3) members. Notice of Board Meetings shall be served on each director at least three (3) days before the meeting, unless notice is waived by all the Directors present.

Section 4. Order of Business – The order of business at any regular or special meeting of the Board of Directors shall be:

- a) Calling the roll.
- b) Secretary's proof of due notice of the meeting.
- c) Reading and disposal of unapproved minutes in the case of regular meetings of the Board.
- d) Report of officers.
- e) Unfinished business.
- f) New business.
- g) Adjournment.

Section 5. A director must have at least one (1) share registered in his name during his term of office otherwise, he shall be automatically disqualified from the position. The stockholders holding 2/3 of the outstanding capital stock in the books of the corporation may remove a director who has absented himself for three (3) consecutive regular meetings of the Board unless such absences be executed by reason of sickness, physical disability or other justifiable reason(s) acceptable to the Board of Directors.

Section 6. The immediately preceding five (5) past President of the Club shall become ex-officio members of the Board without the right to vote.

ARTICLE V - OFFICERS

Section 1. Designation – Majority of all the Board of Directors at its first meeting shall elect as Executive Officers of the Club a President, Vice-President, a Treasurer, a Secretary and such other administrative officers as it may deem proper.

Section 2. Qualification – All Executive Officers of the Club must be incumbent directors, with the exception on the Secretary who must, however, be a resident and citizen of the Philippines.

Section 3. Every executive officers shall be elected by the Board for a term of one (1) year, unless sooner removed by the Board of Directors, and all vacancies occurring among such officers however arising shall be filled by the Board.

Section 4. Compensation – The compensation and working conditions of officers of the Club who are not directors shall be fixed by the Board, Directors acting as such, or as officers of the Club including members of standing or special committees, shall receive no salaries or fees, whatsoever for their services.

Section 5. Duties and Responsibilities – The duties and responsibilities of the different officers of the Club are as follows:

a) **The President – The President shall preside at all meetings and shall sign the membership certificate of the Club. He shall be the chief executive officer of the Club and have general supervision of the business affairs and property of the Club and over its several agents and employees, with authority to hire said employee, and dispenses with their services subject to confirmation by the Board of Directors. He shall sign contracts on behalf of the Club and shall see that all orders and resolutions of the Board are carried into effect. In addition to the above duties expressly vested in him by these By-Laws, he shall do and perform such acts and duties as from the time to time may be assigned to him by the Board of Directors.**

b) **The Vice-President – In the absence or disability of the President, the Vice-President shall exercise all the powers and discharge all the duties of the President. The Vice-President shall, in addition, have such powers and duties as may, from time to time be conferred on him by the Board.**

c) **The Treasurer – The Treasurer, except as otherwise provided by the Board of Directors, shall have the custody of all moneys, securities and values of the Club that come into his possession, and shall keep regular books of accounts. He shall deposit said moneys, securities and values in such banking institutions as may be designated, from time to time by the Board of Directors, subject to withdrawal therefrom on the signature of such officers of the Club as the Board may, by resolution, designate. He shall perform all other duties incident to his office and all that are properly required on him by the Board of Directors. He shall furnish a bond conditioned upon the faithful performance of his duties, if and when required so to do by the Board of Directors; the amount of said bond to be determined and fixed by the said Board.**

d) **The Secretary – The Secretary shall issue notices of all meetings, shall keep their minutes, shall have charge of the seal and corporate books;**

shall countersign the certificate of stock and sign such other instruments as required such signature, and shall make such reports and perform such other duties as are incident to his office or are properly required of him by the Board of Directors.

ARTICLE VI - COMMITTEES

Section 1. Standing Committee – The President with the approval of the Board of Directors, shall appoint the chairman and members (who must all be non-delinquent members) of the different standing committees of the Club and prescribed their respective duties and responsibilities, as well as, create new committees as may be necessary for the different handling of club affairs. The standing committees are as follows:

- | | |
|---------------------|-------------------|
| a) House | e) Finance |
| b) Grounds | f) Administration |
| c) Sports and Games | g) Engineering |
| d) Membership | |

Section 2. Trust Fund Committee – The Trust Fund Committee, consisting of five (5) members, created pursuant to the resolutions passed by the stockholders last September 12, 1982, and empowered only to invest the "THE VALLEY GOLF TRUST FUND" in accordance with law shall meet at least once a year or anytime upon request of the Board of Directors. Three (3) members shall constitute a quorum and the unanimous consent of three (3) members shall be necessary to constitute a decision of the Committees. Any vacancy in the Committee for any reason whatsoever shall be filled by the Board of Directors.

The Board of Directors shall also determine the amount of the fund to be administered by the Trust Committee which shall not be less than the original amount of P3.5 Million.

ARTICLE VII - MEMBERSHIP

Section 1. Classification – Membership in the Club shall be classified into (a) Proprietary (b) Playing Guest (c) Honorary and (d) Social.

a) A Proprietary Member is any person who is the registered stockholder of at least one (1) share of stock of the Club whose membership had been previously approved as hereinafter provided. In case the proprietary member is a juridical person it shall be entitled to designate its representative who shall exercise all the rights and privileges of membership including the right to vote.

b) An Honorary Member is any person who has been conferred playing rights by the Board of Directors under terms and conditions specified for such membership.

c) A playing Guest is any person who is the assignee of the playing rights of a share of stock registered in the name of another person.

d) A Social Member is a natural person who has been granted the privilege of using the facilities of the Club, except the golf course.

Section 2. Membership in the Club shall be subject for approval by the Board of Directors upon the favorable recommendation of the Membership Committee. All members shall pay the stipulated monthly dues and other assessments of the Club.

Section 3. A stockholder, whether a member or not shall nevertheless be obligated to pay the regular monthly dues and special assessments effective from the date of issuance of their respective certificate of stock.

Section 4. Stockholders who subscribed to the additional increase in capital stock of P8.1 Million last August 1981 shall be excluded from paying the regular monthly dues and special assessments corresponding to such additional shares until they decide to sell the same, or to assign the playing rights corresponding thereto.

ARTICLE VIII - CLUB ACCOUNTS

Section 1. Lien – The Club has the first lien on the share of the stockholder who has, in his/her/its name, or in the name of an assignee, outstanding accounts and liabilities in favor of the Club to secure the payment thereof.

Section 2. No sale, or transfer of a share of stock, shall be registered in the books of the Club until and unless the lien established under Section 1 and the requirements of Article VII, Section 2, shall have been first fully satisfied.

Section 3. The account of any member shall be presented to such member every month. If any statement of accounts remained unpaid for a period of forty-five (45) days after cut-off date, said member may be posted as delinquent. No delinquent member shall be entitled to *enjoy the privileges* of such membership for the duration of the delinquency. After the member shall have been posted as delinquent, the Board may order his/her/its share sold to satisfy the claims of the Club; pursuant to such rules and procedures which the Board of Directors may promulgate to govern the conduct of sale/auction of shares of delinquent members; after which the member *loses his/her/its* rights and privileges permanently. No Member can be indebted to the Club at any time any amount in excess of the credit limit set by the Board of Directors from time to time. The unpaid account referred to here includes non-payment of dues, charges and other assessments and non-payment for subscriptions.

ARTICLE IX - FISCAL YEAR

The Fiscal Year of the Club shall commence on the first day of July of each year and shall close on the 30th day of June of the following year.

ARTICLE X - AMENDMENT

Section 1. *These By-Laws may be altered, amended or repealed* at any meeting of stockholders by a majority of the subscribed capital stock. The Board of Directors, by resolution, may likewise amend these By-Laws, as however, shall be circularized to all stockholders.

ARTICLE XI - TRANSITORY PROVISIONS

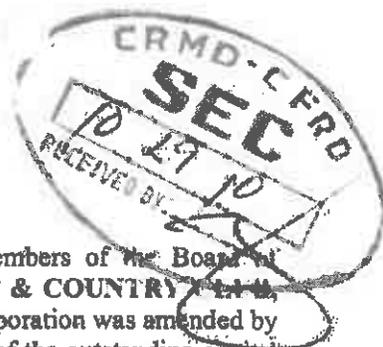
These By-Laws shall be deemed to be complete and shall repeal the By-Laws, including amendments adopted prior to this date.
Adopted June 6, 1958, at Manila, Philippines.

(Sgd.) Francisco R. Aguinaldo	(Sgd.) Tomas B. Aguirre
(Sgd.) Arturo A. Alafritz	(Sgd.) J. Antonio Araneta
(Sgd.) Luis Ma. Araneta	(Sgd.) Chest Babst
(Sgd.) Charles T. Blacoff	(Sgd.) Manuel Barrado
(Sgd.) Constantino Bautista	(Sgd.) Henry Beiden
(Sgd.) Henry E. Bennett	(Sgd.) Enrique Brias
(Sgd.) Jaime Brias	(Sgd.) Francisco Cacho
(Sgd.) Jose A. Cacho	(Sgd.) Antonio Roxas Chua
(Sgd.) Pedro Cojuangco	(Sgd.) Ricardo Coneunji
(Sgd.) Jose Ma. Cortes	(Sgd.) Felix Cortes
(Sgd.) Bienvenido Cruz	(Sgd.) Benito Cu Unjleng
(Sgd.) Alfonso R. de Damperra	(Sgd.) Pompeyo Diaz
(Sgd.) Jose Ferla	(Sgd.) Jose Fernandez
(Sgd.) Robert Fieder	(Sgd.) Isauro Cabaldon
(Sgd.) Regino D. Gamboa	(Sgd.) Antonio Gonzales
(Sgd.) Rafael Gonzales	(Sgd.) Oscar E. Guerrero
(Sgd.) F.R. Halling	(Sgd.) Frank Huang
(Sgd.) B.R. Jalbuena	(Sgd.) Ernest Kahn
(Sgd.) Jose Klar	(Sgd.) Andres Liboro
(Sgd.) P.L. Lim	(Sgd.) Peter Lim
(Sgd.) Jose Locsin	(Sgd.) Manuel Lopa
(Sgd.) Honrado G. Lopez	(Sgd.) G.H. Lovell
(Sgd.) Alfredo Luz	(Sgd.) Antonio P. Madrigal
(Sgd.) Jose P. Madrigal	(Sgd.) Constantino P. Manahan
(Sgd.) Raul Manglapus	(Sgd.) Ricardo S. Manotoc
(Sgd.) Faustino Matilla	(Sgd.) Antonio Miranda
(Sgd.) Sergio Montinola, Sr.	(Sgd.) Aurelio Montinola, Jr.
(Sgd.) Sergio Montinola	(Sgd.) Karl Nathan
(Sgd.) J.E. Norton	(Sgd.) Sebastian Oliveros
(Sgd.) Eduardo Ortigas	(Sgd.) Francisco Ortigas
(Sgd.) Rafael Ortigas	(Sgd.) Miguel Perez
(Sgd.) Evaristo Picazo	(Sgd.) Santiago Pirconell
(Sgd.) J.B. Preysler	(Sgd.) Carlos Quirino
(Sgd.) Alfonso Recto	(Sgd.) Narciso Reyes, Jr.
(Sgd.) Victor Reyes	(Sgd.) Fernando S. Rooo

(Sgd.) Antonio Roxas
(Sgd.) Ernesto D. Rufino
(Sgd.) Andres Soriano
(Sgd.) Jose Maria Soriano
(Sgd.) Celso A. Tuason
(Sgd.) James Uy
(Sgd.) Alfredo Velayo
(Sgd.) Alfredo Villa Abrille
(Sgd.) Gerald Wilkinson
(Sgd.) Felipe Ymasel
(Sgd.) Walter Euyang
(Sgd.) Yu Khe Tai
(Sgd.) Jesus S. Yujuico

(Sgd.) *Eduardo Roxas*
(Sgd.) Luis S. Santayana
(Sgd.) *Andres Soriano, Jr.*
(Sgd.) Washington Sycip
(Sgd.) *Juan E. Tuason*
(Sgd.) Miguel R. Unson
(Sgd.) *Jaime Velasquez*
(Sgd.) Alfred C. Velcuth
(Sgd.) *Fernando Villaresal, Sr.*
(Sgd.) Claude M. Wilson, Jr.
(Sgd.) *Yu Khe Siong*
(Sgd.) Alejandro S. Yujuico
(Sgd.) *Cesar de Zulueta*

DIRECTORS' CERTIFICATE



We, the undersigned representing the majority members of the Board of Directors and the Corporate Secretary of VALLEY GOLF & COUNTRY CLUB, INC. do hereby certify that the attached By-Laws of said corporation was amended by the vote of the stockholders representing at least a majority of the outstanding capital stock at a meeting held on September 26, 2010, at the principal office of the corporation.

The amendment was likewise approved by majority of the directors at a meeting held at the principal office of the corporation, on August 21, 2010.

The amended provisions of the attached Amended By-laws refer to Article III, Section 8 and Article IV of the By-Laws, to wit:

Article III, Section 8. Eligibility to vote and be voted –

- a) Only stockholders in good standing shall have the right to vote and be voted upon at any meeting of the stockholders.
- b) Qualifications of Nominees for the Election of Directors:
 - i. Has one (1) share recorded in his/her name for at least three (3) years at the time of nomination and shall continue to own a share during his/her term of office. If the nominee has been a member of a standing committee for at least one (1) year, or a playing guest or corporate representative for at least two (2) years, the three-year requirement will be reduced to one (1) year.
 - ii. Is an active proprietary member who has not assigned the playing right of his/her share of stock upon his/her nomination, has committed in writing not to assign said playing right during his/her incumbency if elected, and is in good standing with no delinquent account/s.
 - iii. Shall have sufficient time and willing to share his/her professional and executive expertise; and,
 - iv. Has no official record of grave and serious misconduct that merited Club membership suspension and has not been convicted in any criminal case. (As amended by the stockholders on September 26, 2010 and by the Board of Directors on August 21, 2010).

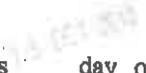
Article IV – Directors

Section 1. Board of Directors – The business and property of the Club shall be managed by a Board of nine (9) Directors. At the next annual stockholders' meeting, nine (9) Directors shall be elected, the first three (3) Directors receiving the highest number of votes shall serve for a term of three (3) years; the three (3) other Directors receiving the next highest number of votes shall serve for a term of two (2) years; and the remaining three (3) Directors shall serve for a term of one (1) year. Every year thereafter, at the annual stockholders' meeting, there shall be three (3) elected Directors who shall serve for a term of three (3) years. No Directors can serve consecutively for more than three (3) years.

No more than sixty (60) days prior to the annual meeting of stockholders, the President with the approval of the Board of Directors, shall appoint a nominating Committee of five (5) stockholders, three (3) of whom are not Directors. The said nominating Committee shall prepare, sign and post at least fifteen (15) days before the annual meeting, a list of not less than four (4) nor more than six (6) candidates for the Board of Directors for the ensuing year. Any five (5) stockholders may nominate additional candidates for the Board by posting a signed list not later than ten (10) days before the Annual Meeting. The nominating Committee shall evaluate all candidates to ensure compliance with the required qualifications A list of the qualified candidates nominated shall be included in the notice of the annual meeting that is sent out to each stockholder. (As amended by the stockholders on September 26, 2010 and by the Board of Directors on August 21, 2010)

IN WITNESS WHEREOF, we hereby set our hands this _____ day of _____ 2010, at Makati City, Philippines.

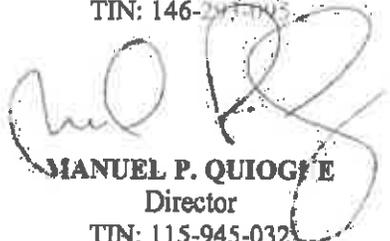

BERNADETTE P. CRUZ
President/Director
TIN: 128-282-687

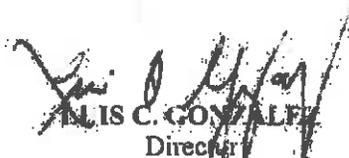

ROBERTO ROXAS
Vice President/Director
TIN No. 106-207-376


JOSE RAMIRO R. REGALADO
Treasurer/Director
TIN: 103-950-996


GEN. ROMEO T. RICARDO
Asst. Treasurer/Director
TIN: 146-377-113


JOSE FERLU SUAREZ
Director
TIN: 125-972-748


MANUEL P. QUIOG
Director
TIN: 115-945-032


ELIS C. GONZALEZ
Director
TIN: 113-424-410


ALFREDO A. FIERERAS
Director
TIN: 106-169-744

✓ISAURO SAN PEDRO, JR.
Director
TIN: 115-968-382

Certified Correct by:


PEDRO H. MANINGO, JR.
Corporate Secretary
TIN: 130-488-850

SUBSCRIBED AND SWORN to before me this 11/23/2010 day of
November 2010, at Makati City, by the above-named persons who
exhibited to me their Competent Identification.

Doc. No. 96;
Page No. 2;
Book No. 11;
Series of 2010.


TEODORO C. AGUIRRE
Notary Public for Makati City
Term Expires 31, 2010
TIN: 104-244-0105-09. Trial
Enregistrado: Makati City
Reg. No. 3071

WWW.VALLEYGOLF.COM.PH

The Future of VALLEY GOLF



ANNUAL REPORT
FY '22-'23

2023



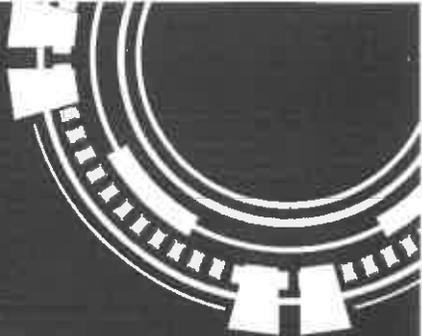


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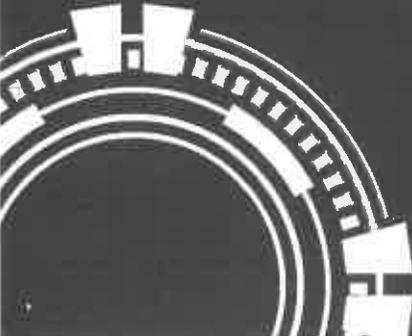
COMMITTEE REPORTS

INDEPENDENT AUDITOR'S REPORT

ENGINEERING PROJECTS

CLUB EVENTS

OUR CONTACT



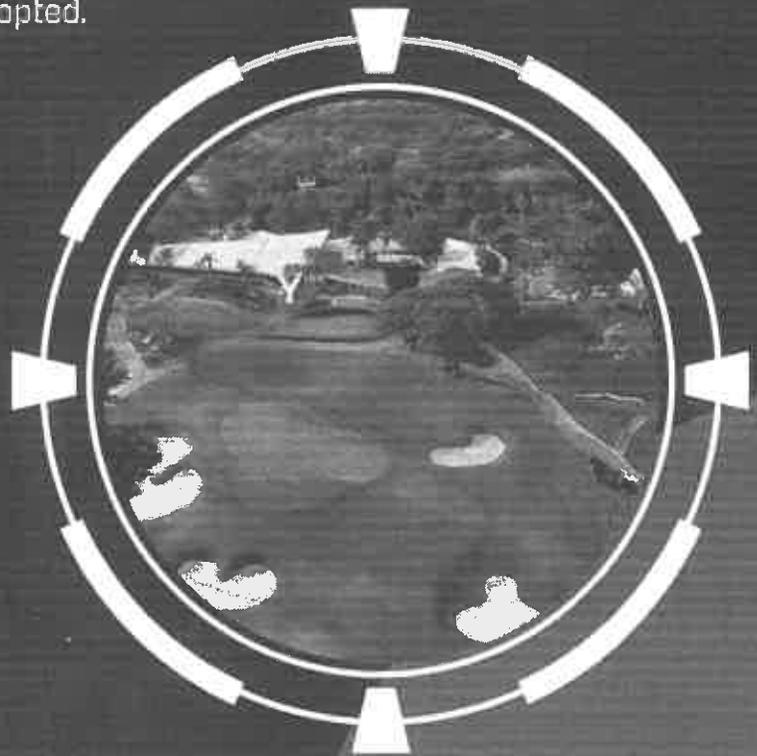
ABOUT THE COMPANY

At the rolling hills of Antipolo, Rizal is Valley Golf & Country Club, Inc., a private and non-profit club organized in 1958 by a group of businessmen headed by the late Don Celso S. Tuason, Ernest Kahn, Henry J. Belden, Aurelio Montinola Sr., J. Antonio Araneta, Francisco Ortigas, Jr., and Jaime Velasquez. Their main purpose in registering the Club with the Securities and Exchange Commission (SEC) was to "promote and foster the gentleman's game of golf". In the same year the Securities and Exchange Commission authorized an initial offering of 1,800 shares to the public at P10,000.00 per share. To date 1,594 shares have been subscribed and issued.

The Club's birth is marked when the nursery was built also in 1958, originally conceived with Tifton 328 for its greens but were replaced with Tiff-Eagle during its renovation on 2003. In the year 2019 the said greens were replaced with Zoysia Matrella.

The selection of the layout resulted from the comparative expertise of two architects, an Englishman named Fred Smith and an Australian named Jas H. Scott, who both submitted plans. Finally, the Australian, Jas H. Scott's design was adopted.

Three years after the nursery was built, Valley Golf was opened for play in 1961 and attracted a great traffic of players and aficionados. With this encouraging trend, the club was expanded to accommodate another par-70, 18-hole course on the north in addition to its original south course in 1989.



VISION & MISSION

VISION

Valley Golf, the premier golf and country club providing unparalleled recreational experience to our members, their families and guests.

MISSION

To provide, world-class golf and recreational facilities and efficient, high-quality services to its members, families and guests; a friendly atmosphere, affordable cost and the employment of dedicated and service-oriented personnel. It is the overriding goal of the Club to promote the game of golf, enhance harmony and fellowship and instill courtesy, discipline, honesty, fair play and integrity among all its members.

PRESIDENT'S REPORT

Year 2023 marks the 65th year of the founding of Valley Golf. It is with immense pleasure to have served as your president during this milestone.

Looking back, we have been successful in servicing our members and exceptionally been productive in terms of income generation. We have successfully emerged from the pandemic crisis that started in 2020 and ended just recently. There were so many who applied for club membership that resulted to a very significant amount of transfer fees and service charges. We were also able to accommodate so many private tournaments that were sponsored by our members. We are also to highlight our contribution to Philippine golf by hosting several Professional and amateur events including that of Junior golf.

This Board has successfully negotiated Right of way issues from utility companies and other stakeholders of our DCT road. A very substantial amount was realized by the club from this. This will be continuous as this Board developed policies that will ensure our club to realize additional revenues in the future. We were also able to reclaim a 2,200 sq mtrs of land (Sitio Malaya along DCT Rd) from informal settlers. This land is prime property and very valuable. With regard to our other properties, Management has ensured their security and paid all the necessary taxes for compliance purposes.

In February 2023, we announced the renovation of the lower veranda. We commissioned GFP Architects (formerly GF & Partners, Architects), an architectural firm founded by the original designer of our clubhouse - Architect Gabriel Formoso, to prepare the design of this project. I am very proud to say that this project will be financed solely by Valley Golf as our cash & cash equivalents is at the highest level at P93 million as of June 30, 2023.

We have also financed the following projects for this year:

- Construction of the Sewerage Treatment Plant P8.2million
- North Course Tee Renovation P1.76million
- Automatic Fire Sprinkler System P4.1million
- Installation of Fire Detection Alarm System and Kitchen Suppression P800,000
- Purchase of Long arm Backhoe P5.7million
- Purchase of 40 units Golf Carts P13.89million
- Building and Occupancy permits of our Main clubhouse

Our on-going projects are the following:

- Zoysia Infusion Project Phase 2A P28.9million
- Reblocking of the Don Celso Tuason Ave. P6.5million
- Repair of the Golf Cart Path P3.9million
- Computerization Project Phase 2 P1.27million

Given that we have financed these projects, I am still happy to announce that our comprehensive revenue for this fiscal year is 28.49 million. This is 17.81 million higher than last

year! Our gross revenue for this fiscal year is P231.25 million, a 42.35% increase compared to last year. This is due to the increase in green fees of accompanied guests and private tournaments. Our membership dues likewise increased, caused by the increase in monthly dues as well as the increase in number of playing rights members and corporate representatives. Our income from the transfer fees, service charges and renewal fees also increased by 8million. We were also able to control our expenses. We can all agree that the Club is financially sound.

Likewise, your Board of Directors has lined up various projects:

Phase 2 of the DCT Reblocking
Structural Retrofitting Works
Main and North Clubhouse Toilet Renovation

We are also in the planning stage to construct a sports complex. This project once completed will make Valley Golf a full-fledged country club.

I am also delighted to announce that the Valley Golf share is selling at 7 million and the demand for a club membership is still high.

These results will not be possible without the combined efforts of our Board of Directors, the committees, the Management, our employees, our concessionaires and service providers. I am also grateful to all our stockholders and members who always support all the endeavors of our club. I am very proud for all the efforts that we have accomplished as a team.

Our job here is not yet done. We still have a lot to accomplish. And with all your help, we are nearing to achieve our mission of becoming a world-class golf course.



RAFAEL "CHINO" S. RAYMUNDO
PRESIDENT

TREASURER'S REPORT

For my second-year term as your Chief Financial Officer, we are pleased to report that Fiscal Year 2023 is the year of unprecedented financial achievements of our Club. We are financially sound and stable with Comprehensive Revenues at P28.11 Million. In terms of cash flow, we are proud to inform our Stockholders that our Cash and Cash Equivalents including UITF Investment is at P 93 Million as of June 30, 2023, the highest level so far achieved in the annals of our Club history both for revenue and cash position.

In our report last fiscal year, we expressed our commitment to support the priority projects of the Board of Directors and we are proud to report that we were able to provide the funds for the Zoysia Infusion Project Phase 2A, Construction of the Sewerage Treatment Plant, North Course Tee Renovation, Automatic Fire Sprinkler System, Reblocking of the Don Celso Tuason Ave., Repair of the Golf Cart Path, Computerization Project Phase 2 and Purchase of Long Arm Backhoe and 40 units of brand new Golf Carts. This is our way of returning back to our members the benefits of the impressive financial performance of our Club. For the Fiscal Year 2024 our funds will be able to finance the next projects of the Board that will now focus on the renovation of our 60 year-old Main Clubhouse as well as continuation of the Zoysia Infusion Phase 2B with a larger coverage.

This is indeed an impressive and successful year for our Club made possible only with the team effort and dedication of the Board of Directors in collaboration with the Finance Committee.

The Club's Financial Statements were already audited by SGV with highlights are as follows:

- Gross Revenue is at an all-time high of P231.25 Million reflecting an increase of P68.80 Million or 42.35%. Sources of revenue that increased significantly during the year are Green Fees at P31.45 Million or an uptick of P13 Million due to increase in the number of accompanied guests and tournaments. Membership dues at P70.79 Million or an improvement of P13 Million coming from increase in number of playing rights members and corporate representatives and the increase in monthly dues last April 2022. Our membership related revenues from Initial Service Charge, Renewal Fees and Transfer Fees with a total of P30.92 Million or an increase of P8 Million due to higher number of playing rights members and transfer of shares.
- Our Costs and Expenses is at P202.84 Million showing an increase of P51.36 Million or 33.90%. The expense items that increased during the year include the Outside Services by P15 Million, Sundries by P12 Million, Utilities by P5 Million and Personnel by P4 Million.
- Our Excess of Revenue over Expenses is P28.41 Million, an improvement of P17.44 Million or 158.90% from last year.
- Our Total Assets stands at P391.71 Million reflecting an increase of P62 Million or 18.86% from last year.
- Our Members' Equity is at P289.68 Million with an increase of P28.12 Million or 10.75% from last year.

Another notable endeavor that the Finance spearheaded is Phase 2 of the Computerization Project for the Accounting System. This is a cloud-based system that will replace the old and unreliable system and scheduled for implementation by Dec. 1, 2023.

We can definitely state that Valley Golf has fully recovered from the effects of the pandemic for the last two years even surpassing its financial performance during the pre-pandemic period. Our finances is stable enough to withstand the unrelenting upward march of inflation with sufficient buffer funds to support Club operations amidst the headwind of the uncertain times.

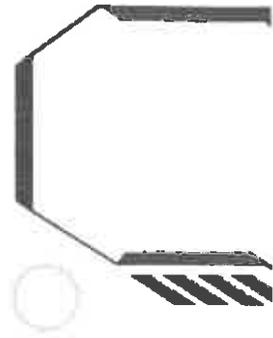
The Treasury's guiding principles to maximize our regular revenue sources through keen analytical studies, and by being resourceful in tapping other revenues sources and keeping the operating expenses at minimal levels are the confirmed formula for our very favorable finances.

As we end our Fiscal Year, we would like to thank the Almighty for the many blessings bestowed upon our Club, Pres. Chino Raymundo and my fellow Board of Directors for their unwavering support to the Treasury and to the Finance Committee, a team composed of finance experts in their respective fields who have generously shared their vision and ideas, all for the common good of our Club. It has been my pleasure and privilege to serve as your Treasurer.



RIO SESINANDO E. VENTURANZA
TREASURER

THE BOARD OF DIRECTORS & THE MANAGEMENT



RAFAEL S. RAYMUNDO
President



**JOSE ARSENIO ISIDRO
D. BORROMEO III**
Vice-President



**RIO SESINANDO E.
VENTURANZA**
Treasurer



**CONSTANTINE L.
KOHCHET-CHUA**
Assistant Treasurer



RENATO C. BALIBAG
Director



MARVIN A. CAPARROS
Director



THE BOARD OF DIRECTORS & THE MANAGEMENT



**JOSE FERDINAND E.
GUIANG**
Director



NICANDR S. JORGE
Director



JOSE G. RAZON
Director

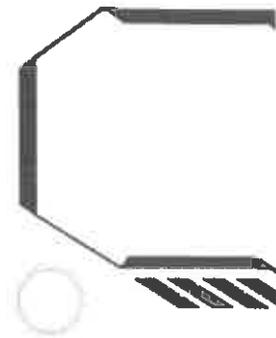


ALLAN JOCSON
Corporate Secretary



DAN L. SALVADOR III
General Manager

COMMITTEE MEMBERS

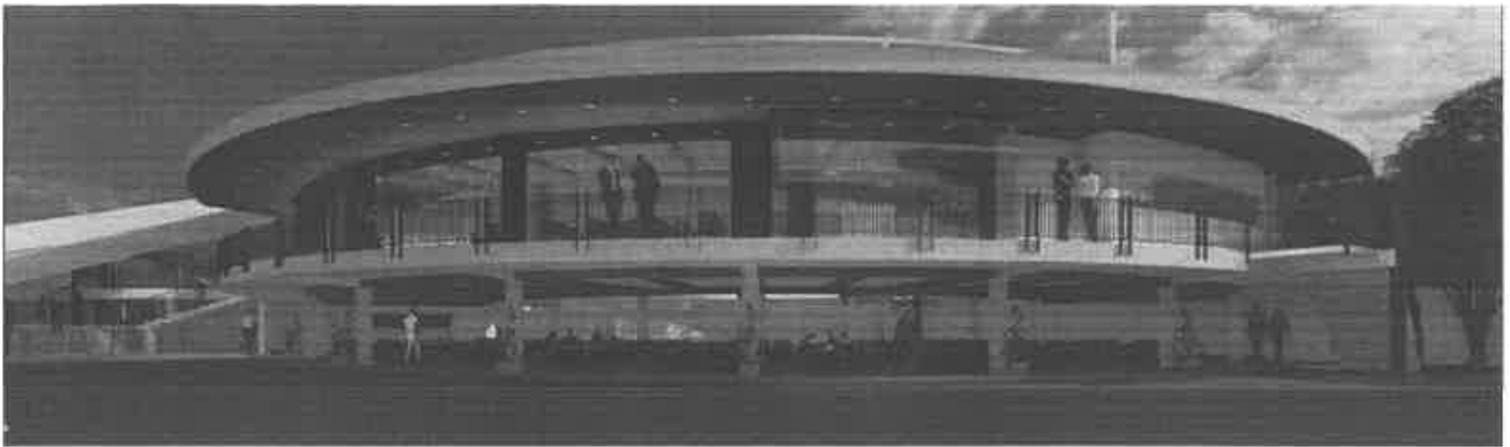


ADMINISTRATION	<p>Chairman Jose G. Razon</p> <p>Vice-Chairman Renato C. Balibag</p> <p>Members Michael T. Echavez Erol J. Colado Robert John C. Baretto Ma. Cecilia N. Eguerra Jose Basilio G. Leonardo Romeo H. Robles Dennis Ramon F. Guanio</p> <p>Adviser Pedro H. Maniego</p>	MEMBERSHIP	<p>Chairman Jose Arsenio Isidro D. Borromeo III</p> <p>Vice-Chairman Edward P. Lim</p> <p>Members Miguel U. Silos Alejandro Jose D. Hirang Aristotle B. Viray Bernard T. Jao Jaime Victor J. Santos Joseph Joel Castillo Nilo T. Calatrava II</p> <p>Adviser Cesario A. Villanueva, Jr.</p>
FINANCE	<p>Chairman Rio Sesiñando E. Venturanza</p> <p>Vice-Chairman Constantine L. Kohchet-Chua</p> <p>Members Rammel S. Lalinazo John E. Huang Ron Nelson P. See Joaquin P. Tolentino, Jr. Emarito L. Ramos III Marcos C. Hermoso Rodolfo B. Sta Maria, Jr. Lakan D. Fonacier</p> <p>Adviser</p>	SPORTS & GAMES	<p>Chairman Marvin A. Caparros</p> <p>Members Joaquin Tolentino, Jr. Gerald O. Silva Calvin L. Kohchet-Chua Arnold P. Duay Julius C. Villaruz Elmer S. Espino Constantine L. Kohchet-Chua Gilbert Lui Renato M. Mercado II</p>
FOUNDATIONS	<p>Chairman Jose Ferdinand R. Guiang</p> <p>Vice-Chairman Virgilio C. Bucat</p> <p>Members Joseph T. Ramos Aristotle B. Viray Constantine L. Kohchet-Chua Pablo M. Gregore Carlo J. Carpio Carlo A. Mendoza Rafael P. Estanislao</p> <p>Adviser</p>	SECURITY	<p>Chairman Jose Arsenio Isidro D. Borromeo III</p> <p>Members Alex Joseph G. Carne Bartolo H. Monteforte Victorio Emmanuel M. Dionisio Bernard T. Jao Teddy Z. Tan Ravin Sehwanj Avin N. Tan Nathaniel E. Irip</p> <p>Adviser Philip Fanchi</p>
ENGINEERING	<p>Chairman Constantine L. Kohchet-Chua</p> <p>Vice-Chairman Marvin A. Caparros</p> <p>Members Jose Ferdinand R. Guiang Nicanor S. Jorge Albert Poe Samaniego Jan Erwin B. Mengulto Augusto F. Manalo Arnald P. Duay</p>	AUDIT	<p>Chairman Nicanor S. Jorge</p> <p>Vice-Chairman Albert DG San Gabriel</p> <p>Members Jose G. Razon Daniel Joseph A. Durialo Federico H. Feliciano Donald Joseph C. Macomb Jason A. Sy Nestor P. Borromeo Wilfredo G. Manahan</p> <p>Adviser</p>
HOUSE	<p>Chairman Constantine L. Kohchet-Chua</p> <p>Members Rio Sesiñando E. Venturanza Jose Arsenio Isidro D. Borromeo III Ma. Consuelo R. Fregil Nilo T. Calatrava II Gilbert Lui Edmund Yee Jeremias Jiao</p>	LEGAL	<p>Chairman Rio Sesiñando E. Venturanza</p> <p>Members Ricardo N. Fernandez Joseph Joel R. Castillo Marcus Antonius T. Andaya Wendell V. Dimaculangan Lamberto Tagayuna Mark Boncats S. Santos Elmo Francis O. Sarona</p>

COMMITTEE MEMBERS



REAL ESTATE	Chairman	Renato C. Balloag
	Vice-Chairman	Pablito M. Gregore
	Members	Fernando A. Reyta
		Marcellino L. Corpuz, Jr.
		Dennis Ramon F. Guanio
	Alvin L. Cabalit	
	Marcelo N. Young, Jr.	
	Romeo M. Avila	
	Jose G. Razon	
	Adviser	Bonifacio U. Sam
BIDS & AWARDS	Chairman	Jose Arsenio Isidro D. Borromeo III
	Vice-Chairman	Bernard T. Jac
	Members	Rio Sesinando E. Venturanza
		Nicanor S. Jorge
		Arnold P. Duay
		Nathaniel E. Irip
		Alexander Y. Chua
		Dan L. Salvador III
	Andrew T. Yu	
RECIPROCALITY & MARKETING	Chairman	Roberto Ma. Guerrero
	Vice-Chairman	Ira Gabriel Valte
	Members	Emerto Ramos II
		Nilo Calatrava II
		Jaime Victor Santos
		Wilfredo Manahan
	Niccolo M. Galang	
	Remigio M. Reintar	



COMMITTEE REPORTS

ADMIN

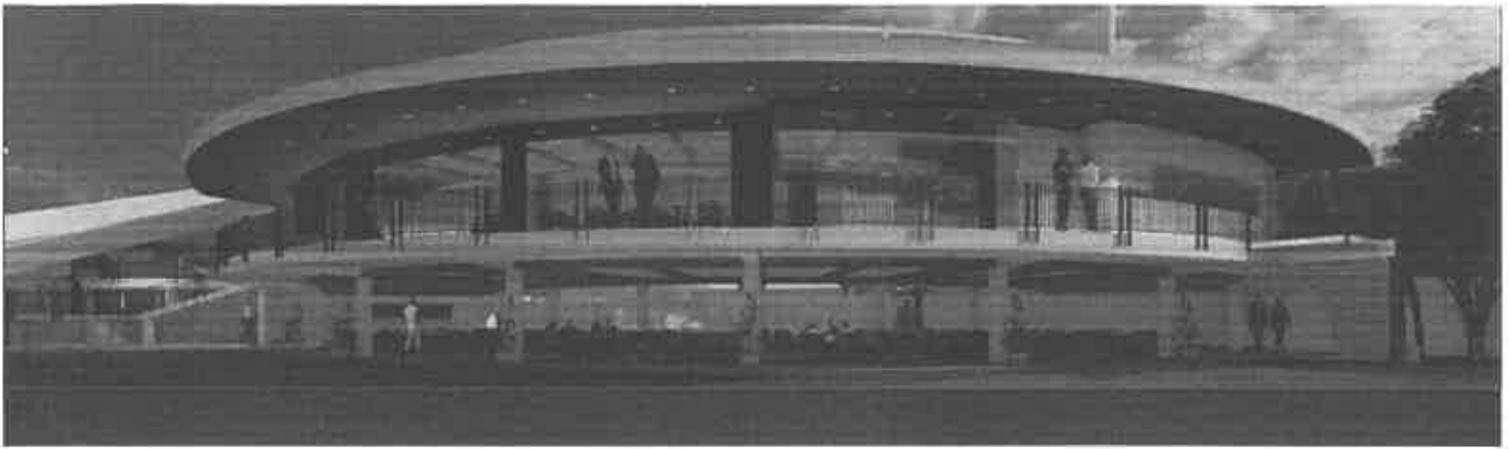
The Administration Committee with the assistance of the Club General Manager, Mr. Dan L. Salvador III continues the mission of overseeing Club policies and procedures to support the day-to-day and overall operation. The Committee is responsible for the continuous development of the organizational structure, reporting and functional relationships, staffing, training and retention of competent and professional employees. Accordingly, the Committee will continue to oversee and review personnel policies and programs and recommend necessary changes for Board approval. The Committee, in collaboration with other standing committees, will take the lead in implementing innovations in business processes, workflow and quality standards by using technology and world class best practices to deliver excellent service to the Club members, guests and stakeholders.

The Admin Committee also concluded of a new Collective Bargaining Agreement (CBA) with Valley Golf Employees Union. The new CBA covers salary and benefits adjustments of the rank-and-file employees for the next three (3) years effective Nov. 1, 2022 to October 31, 2025. The new agreement was signed on May 12, 2023 by Mr. Rafael S. Raymundo, Club President and Management Panel led by Dir. Jose G. Razon, and members, Dir. Renato C. Balibag, Atty. Pedro H. Maniego, Jr., Mr. Errol U. Collado, Atty. Elmer Nitura and Mr. Teodorico L. Quitaleg Jr., President of the SGMVG and its Board of Directors.

FINANCE

The overall role of the Finance Committee as stated in its Charter is to provide financial oversight for our Club. Finance is also the principal committee tasked with establishing and managing funding strategies, presenting financial goals to the Board and primarily responsible in ensuring our Club acquires all the financial resources it needs to operate efficiently and support the Club's projects. The impressive results of our operations and the notable cash position for the Fiscal Year ending June 30, 2023 are the end products of the coordinated efforts of the Board of Directors, the Finance Team and the other committees of our Club.

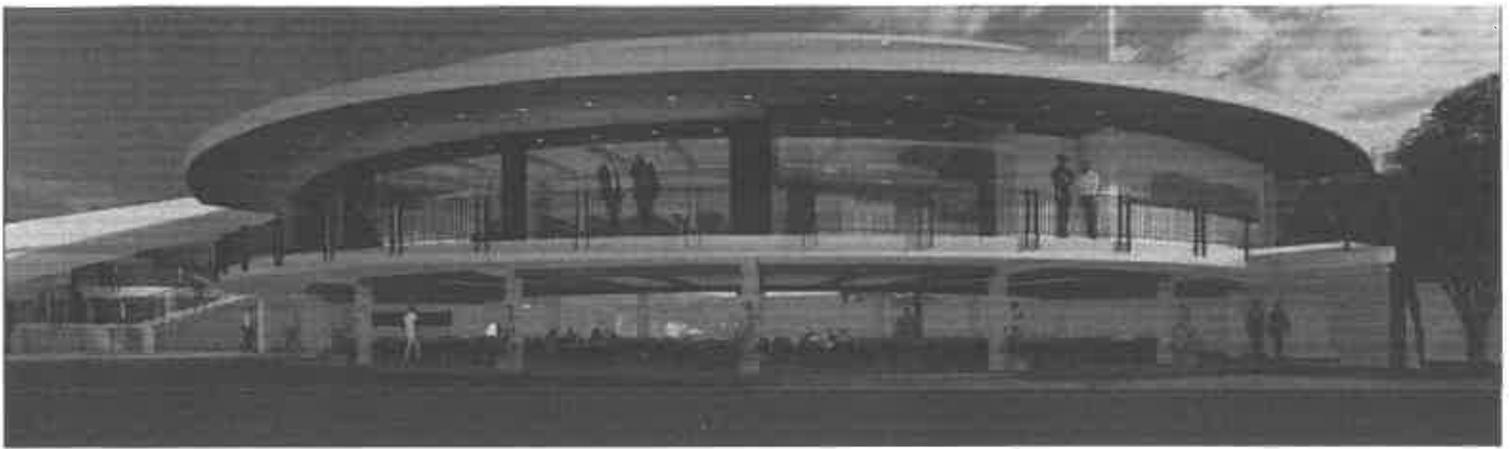
In pursuance with the Committee Charter, objectives and functions, the Finance Committee was able to secure Board approval of the recommendations and accomplished the tasks as follows:



- a. Prepared the Financial Forecasts for the next 24 months and approval of the following Policy Guidelines for Minimum Cash Balance
 1. The Minimum Monthly Cash Balance of the Club should be P30 Million to P40 Million.
 2. The Minimum Cash Balance is enough to cover 2 to 3 months of operations based on the average monthly operating expense of P13 Million to P15 Million.
 3. The Minimum Cash Balance should be considered in the implementation of priority projects.
- b. Prepared, reviewed, evaluated and submitted to the Board the Financial and Budget Plan for the period July 2023 to June 2024.
- c. Reviewed with the external auditors, Sycip Gorres Velayo & Co. the audited financial reports for the year ending June 30, 2023 to ensure compliance with accounting and audit standards.
- d. For Phase 2 of the computerization project, recommended the purchase of the Computerized Accounting System, Enterprise Resource Information and Control (ERIC) ERP System from Jupiter Systems, Inc. at a total cost of P 1,272,000 and Monthly Subscription of P28,370. ERIC is cloud based and allows for automated interface with Phase 1 (Membership and POS Registration Module). The target date of live implementation is on Dec. 1, 2023.

The existing accounting system is old, unresponsive and has increasingly become unreliable. It is constantly causing a number of systems errors. ERIC is a proven system and is being used in many industries including golf courses. While we can try to develop our own accounting system, this will take a lot of time and effort while our need is urgent. Having ERIC will allow for faster completion of the project to coincide with the parallel run of Phase 1.

- E. Recommended the Financing Plan for the Clubhouse Renovation.
 1. Determine the true project cost including furniture and fixtures plus allowance for contingency for cost overrun.
 2. The funds shall come from the internally generated cash flow from operations and external financial sources.
 3. Recommendation that in case of shortfall, external funds be sourced from the sale of unissued shares of stock as the need arises as first priority. This option is more cost effective and involves less risk than bank loan.
 4. Month to month projection of the capex for Fiscal Year 2024 be done to determine the need for external sources of funds and to prepare for any contingencies that may arise such as slowdown in operations and unforeseen but necessary capex.



f. Periodic review of the financial performance of the 2-level Golf Cart Storage to monitor the financial viability of the project and develop a more equitable way of charging the appropriate storage fees in order to recover our investment and possibly turn the project into a revenue center.

g. Auction of various equipment including Backhoe loader, motorcycles and gasoline operated golf carts.

h. Auction of delinquent shares of stock for a minimum bid of P5.5 Million plus transfer fee. All accounts were paid in full before the auction date.

i. Increase in the Maintenance Fund and creation of the Medical and Emergency Fund to maintain enough petty cash to support daily operations. Assign accountability to different individuals rather than to one person only and improve existing accounting procedures in Petty Cash and Maintenance Fund Management.

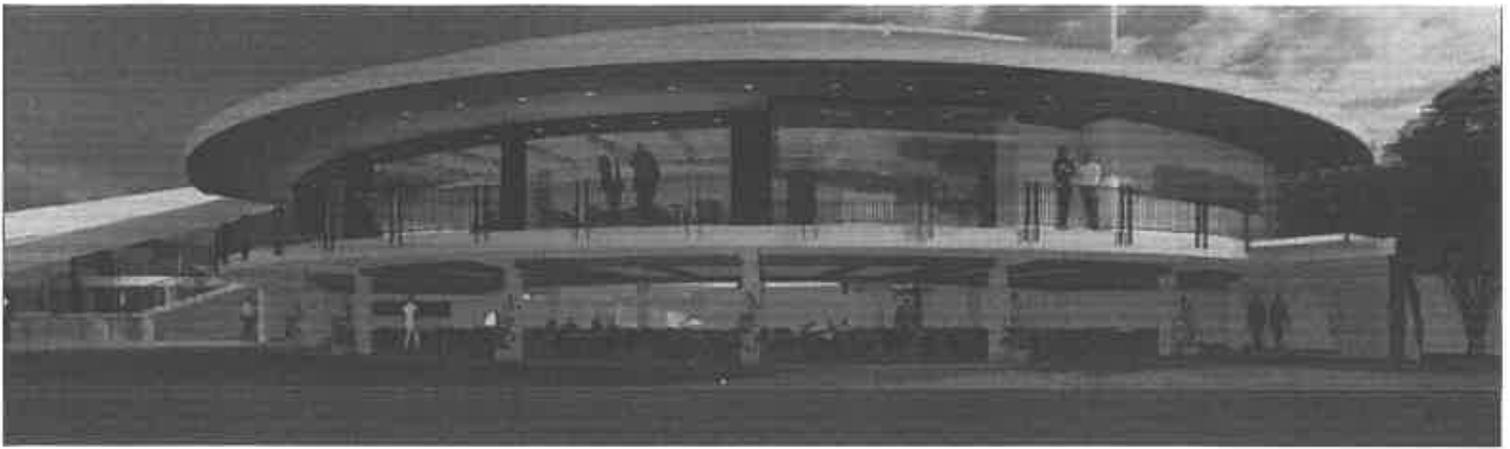
j. Classification of various expenses into items for exemption from BAC and to be covered by BAC.

k. Evaluation of the Indicative Term Sheets of several banks to provide standby credit for project financing.

l. Evaluated the financial viability of the engagement of EcoOil gasoline station.

m. Installation of Offsite PNB ATM in the North Clubhouse

n. Engagement of Bills Pay PH services of Metrobank. This is an additional payment facility for the convenience of our members that will allow BancNet Accredited banks to receive online payment from members to be credited to the Metrobank account of the Club.



MEMBERSHIP

The Membership Committee was able to evaluate, interview, and recommend a total of fifty-seven (57) proprietary members, twenty (20) corporate representatives, forty-eight (48) playing guests, and fifteen (15) associate members for the fiscal year 2022-2023. As a result, a total of Php 15.92 million has been generated from the transfer fees and Php 14.99 million from the service charge. At the beginning of the fiscal year the market value of the share is P2.75million. Currently the market value of the share is P7million.



GROUNDS BY VMJMECC

This year we have successfully completed the rehabilitation of Fairway zoysia infusion landing area and whole fairway and green complex Hole # (1&10) at South course and all tee's in North course. Also we start this month of July ongoing project zoysia infusion landing area to green complex and expected to be completed June 2025.

As a cultural practice: aggressive maintenance program - coring and solid tine aeration twice a year. Light to heavy top-dressing of sand, to foliar and granular fertilization with fungicide, insecticide, and growth retardant to sustain the quality of the turf.

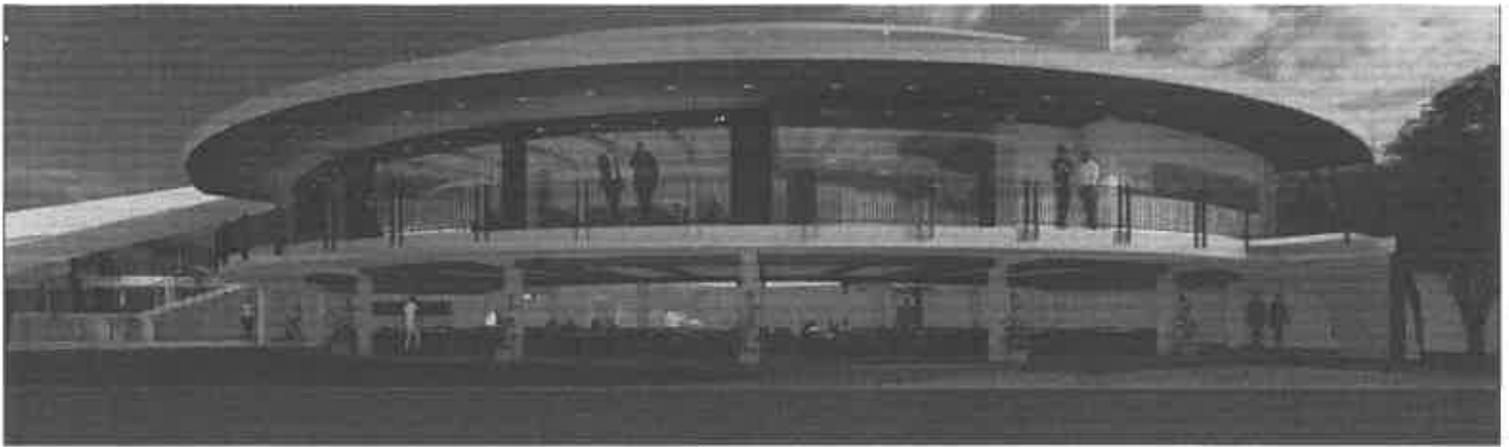
Aggressive herbicide program manual weeding to avoid contamination of foreign grass on tee's and fairway w/ zoysia grass.

Tree branches trimming are continuously done for both course.

For irrigation, we have repaired sprinkler, pipes, and replaced damaged gate valves.

PROPOSED PROJECT:

1. Zoysia infusion landing area to tee's complex.



HOUSE

2022-2023 is the year we went full blast in moving forward after the long extended pandemic. With this in mind, the House Committee's vision was to bring our beloved club to new heights in terms of offering better food and services, upkeep of existing facilities, addition of new facilities, and Improvement of the general feel of the club not only for the primary members, but also for their families. Thus the committee embarked on numerous projects to achieve the above visions.

HIGHLIGHTS & FINISHED PROJECTS

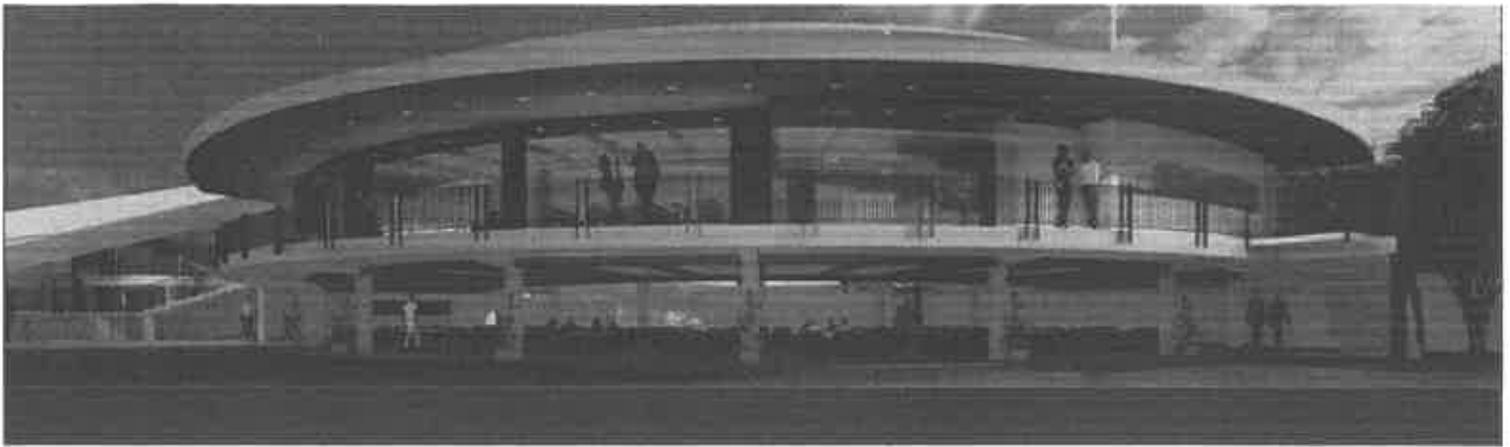
- Renovation of North Clubhouse restaurant & its function rooms Oct 2022
- Introduction of a new concessionaire and cuisine with the opening of Mandarin Sky Chinese restaurant in the North Clubhouse in Oct 2022
- Installation of additional aircon units at the Founders Hall & the North Clubhouse
- Installation of sprinkler system at the Main Clubhouse to comply with local government regulations
- Construction of a new toilet at 2/F for the Conference Rooms and the Boardroom
- New big Christmas tree and better decorations to liven up the Main Clubhouse during the holidays
- Installation of garden lights / bollards along the Main Clubhouse walkway up to the swimming pool area
- Repair of all shelter houses both in the South & North Courses
- Implementation of stricter house rules in the Club
- Offering of swimming lessons to members and dependents during summer
- Opening of a reputable spa for all members and their guests – Nuat Thai
- Offering Holy Masses every Sunday at the North Clubhouse for all members and their families
- Engaged a new and better contractor for Pest and Termite Control for the clubhouses

PROJECTS APPROVED IN THE WORKS

- 2nd Floor air-conditioned dining on the lower veranda area to provide all the members with a much-needed dining and meeting room facility while upgrading the old roof deck of the lower veranda to acceptable local government building code standards
- Major renovation of toilets in the Main Clubhouse and North Clubhouse
- Construction of PWD access and railings at the big gazebo of the swimming pool area
- Repainting of all the iconic club signages (golf ball on a tee) with our new logo– Sumulong Gate, Ortigas Gate, & South Course hole 10
- Minor renovations of the North Clubhouse

PIPELINE PROJECTS ALREADY UNDER STUDY

- Multi-Level Sports Building to include all other sports facilities – indoor basketball court, badminton courts, fully-equipped gym, bowling lanes, billiard tables, etc.
- Solar power project to cut down on the Club's electrical bills
- Upgrading and expansion of the main clubhouse Founders' Hall to accommodate bigger events and generate more revenue for the Club
- Renovation of the main clubhouse kitchen



ENGINEERING

It was a very busy 2022-23 for the Engineering Committee as we had so many issues to tackle and projects to pursue in our vision to keep all our Club facilities in its best possible conditions, if not improve them. Along the way, there were also a lot of surprises as the Club had to comply with numerous national and local government regulations which were never tackled in the past years. With the help and support of our committee members, the management, our engineering department staff, some individual members, and the BoD, we were able to find the best solutions and comply with all the regulations without breaking the bank, so to speak.

COMPLETED PROJECTS

- Construction of a Sewage Treatment Plant
- Installation of Automatic Sprinkler System and Fire Detection Alarm (Main Clubhouse)
- CHB perimeter fence at hole #3 South Course
- Cyclone fence along hole 5 North Course
- Canopy extension at the 2-storey golf cart parking building
- Construction of mezzanine toilet for the conference room and the boardroom
- Construction of Union Office at the motorpool area
- Installation of newly constructed and fabricated micro Eco Oil Station
- Shelter house repair works on the North Course holes 2, 5, 17
- Rehab of North Course and South Course pump stations
- Construction of LED fairway lights
- Dredging maintenance works at South Course

ONGOING PROJECTS

- DCT road reblocking works phase 1 (Sumulong gate to Ortigas secondary gate)
- Golf cart path repairs (South and North Course)

PIPELINE PROJECTS

- Main Clubhouse structural retrofitting works
- DCT road reblocking works phase 2 (Secondary gate to Ortigas gate)
- Soil protection works near 2-level golf cart parking building
- Construction of multi-level sport complex building



REAL ESTATE

The Real Estate Committee plays an important role in the financial recovery of our Club. The Committee Charter states that the Real Estate Committee shall assist the Board of Directors in the development of Real Estate policies and guidelines on acquiring, managing and disposal of real estate properties and related assets. Review of regulatory matters that involve real estate including right of way, permits and revenue generating activities.

With these objectives in mind, the Real Estate Committee submitted the following recommendations to the Board:

a. Recommendation on the Valley Golf Case versus squatters in Sitio Malaya

This is a complaint filed by Valley Golf to recover possession of real property belonging to the Club under TCT 518354 with an area of 2,082 sq. meters currently being occupied by squatters. On Sept. 10, 2019 the Court of Appeals issued the decision in favor of Valley Golf. On Feb. 9, 2022, the RTC issued its Order granting our Motion for Issuance of Writ of Execution. The relocation of the squatters is now on-going and a few settlers will be served by the Notice to Vacate by the Court Sheriff. We will soon gain full recovery of this prime commercial property of the Club. Several steps were taken to achieve our objective:

1. Request the Security in coordination with the Barangay to conduct a census to survey the occupants in Sitio Malaya.
2. Met with Mayor Nieto and seek assistance in the relocation of the squatters.
3. The Legal Counsel informed the Sheriff that Valley Golf will implement the Writ of Execution.
4. Secure the vacated/cleared areas by installing fence or board up the remaining structures.
5. To put up a Security Detachment in the cleared area to facilitate the voluntary demolition and to make sure there will be no new illegal occupants in Sitio Malaya.
6. Hiring of additional four (4) guards for the morning and nightshift in the Sitio Malaya Security Detachment.

b. Policy and Computation of Rates on the Right of Way for Aerial and Pole Installations

1. Right of Way for Pole Installations – P1,900/pole per annum
2. Aerial Installation – P6,200/100meters per annum



REAL ESTATE

3. Other conditions:

- a. The grant of right of way is for 10 years only subject to renewal.
- b. The right of way is not transferable.
- c. The right of way is on top of the other fees being imposed by the Club such as stickers, Road users fee, share on the road maintenance, etc.

Total collections on the right of way for the fiscal year is P20.44 Million and Cash Bond of P 4.3 Million.

c. Right of Way of residents of St. Martha's Subd.

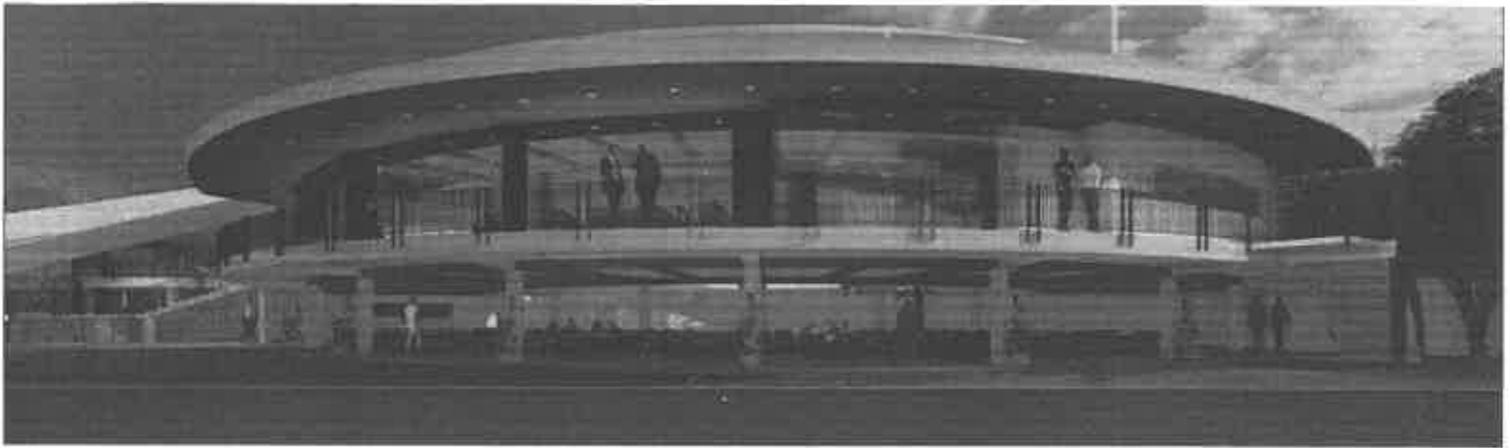
The Committee recommended the approval of the right of way of the individual lot owners of St. Martha in accordance with the Policy approved by the Board of 1% of the Current Zonal Value of Residential Category (P8,000.00/sq.m.) as per BIR. Estimated right of way collection is P355k.

d. Recommendation on the Tagle Claims

Pursue the option of direct attack on the TCT of Tagle by filing the quieting of TCT to protect the interests of Valley Golf and the Homeowners. The filing fee is significant but upon considering the cost benefit analysis the legal action is more beneficial to the Club.

e. Lot 10 Block 5

Recommendation for the concrete fencing of Lot 10 Block 5 with an area of 961 sq. meters. To prevent the possible intrusion of squatters located at the back of the property. The Security Guard to conduct census of the squatters at the back of Lot 10 Block 5 and conduct regular inspection of the other lots of Valley Golf.



SECURITY

The Committee held regular meetings during the year, with the members of the committee constituting a quorum, along with representatives of Annapolis Security Agency, GM Dan Salvador and Ms. Rose Victor of VGCC.

SECURITY COMMITTEE PROJECTS FOR THE YEAR 2023-2024.

- 1.Re-blocking and installation of drainage system along Don Celso Tuason Avenue.
- 2.Installation of CCTV cameras for the 2 Clubhouses (Main and North), Parking area A & B, Swimming pool area, Golf Cart area 1 & 2, Motor pool Area, Carpentry area. All guard house
- 3.RFID
- 4.Road safety measures
 - a.Road Speed Strips
 - b.Reflectorized paint on said road to indicate "Max 30kph" speed
 - c.Centerline Cat's Eye/Road reflector
 - d.Razor wire for Valley Fence

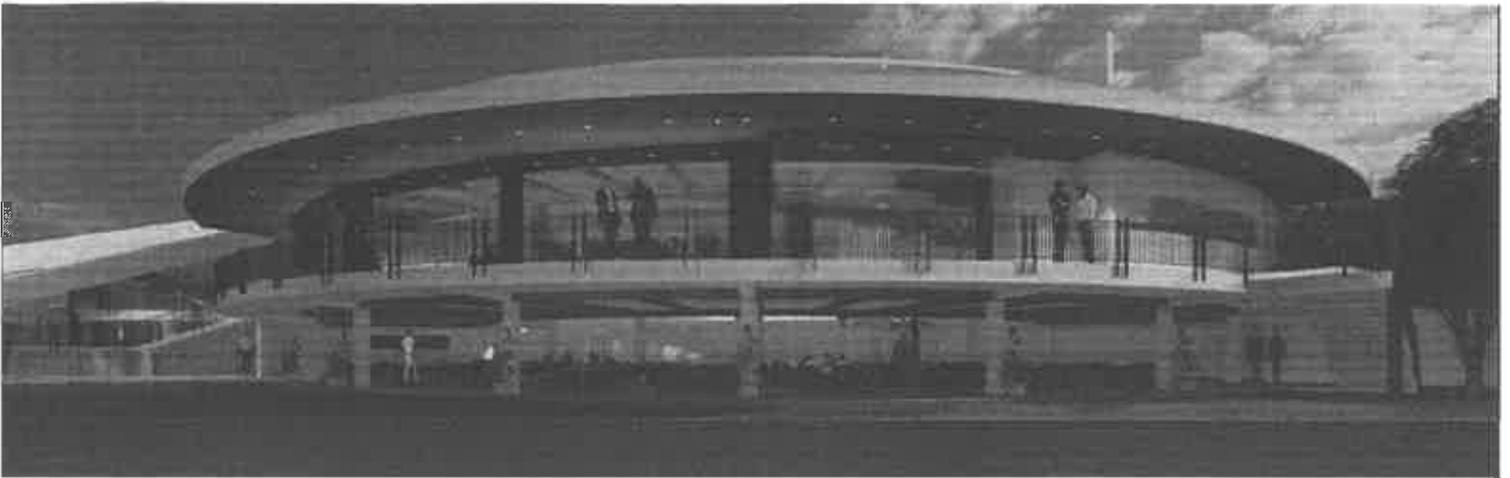
REVENUE GENERATED BY THE SECURITY COMMITTEE

This year the committee is happy to inform the increase in revenue thru our collection system with the help of our security agency ANNAPOLIS SECURITY AGENCY.

REVENUE SOURCE	JULY 2022-JUNE 2023
Car stickers	10,193,859.00
Road User Fee (Toll Fee)	9,582,719.00
Road User Fee 2 (Passing Thru)	8,404,678.00
Event Parking fee	72,460.00
Prepaid Voucher	1,280,518.00
Tire Clamping	132,500.00
Towing	47,500.00
Construction Permit	27,450.00
Total	29,741,684.00

CLEAN-UP OF DON CELSO TUASON AVENUE

This year, the Committee agreed to reimpose the no parking along Don Celso Tuason Avenue and easement. The Committee also agreed to continue implementing tire clamping and towing for all illegally parked vehicles along DCT Avenue and easement.



RECIPROCITY & MARKETING

July 2022 - final approval of membership card design.

Efforts to remove P1.6M sale on GG&A

August - cart parking building promoted on social media

Sept - brass logo on gate discussed. Change font of website discussed. Face to face meeting.

LPGT promoted on social media

Nov - P18k earmarked for members handbook transferred to scorecard, approval from President .

Mandarin sky launch shared on social media

Dec - Committee gave revisions to DCT posters

Jan 2023 - Bob met with Kenny to brief her on scorecard

March- DCT write up in Inquirer Golf

April - requested budget for drone vids, artist, scorecard and others

May - Press release before PGT

June 2023 - Press release after PGT

Valley Golf & Country Club, Inc.
(A Nonprofit Organization)

Financial Statements
June 30, 2023 and 2022
and Years Ended June 30, 2023, 2022
and 2021

and

Independent Auditor's Report





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INDEPENDENT AUDITOR'S REPORT

The Members and the Board of Directors
Valley Golf & Country Club, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Valley Golf & Country Club, Inc. (a nonprofit organization) (the Club), which comprise the statements of financial position as at June 30, 2023 and 2022, and the statements of income, statements of comprehensive income, statements of changes in members' equity and statements of cash flows for each of the three years in the period ended June 30, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at June 30, 2023 and 2022, and its financial performance and its cash flows for each of the three years in the period ended June 30, 2023 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Club in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.



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 PSAs 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 PSAs, we exercise professional judgment and maintain professional skepticism 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.
- Conclude on the appropriateness of management'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 those charged with governance 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.



Report on the Supplementary Information Required Under Revenue Regulations 34-2020 and 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 34-2020 and 15-2010 in Note 26 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Valley Golf & Country Club, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Peter John R. Ventura

Partner

CPA Certificate No. 0113172

Tax Identification No. 301-106-741

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 113172-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-140-2021, November 10, 2021, valid until November 9, 2024

PTR No. 9566012, January 3, 2023, Makati City

September 11, 2023



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF FINANCIAL POSITION

	June 30	
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	P82,410,206	P51,147,281
Trade and other receivables (Note 5)	23,356,548	13,861,275
Debt instruments at fair value through profit or loss (Note 9)	10,387,218	10,120,765
Other current assets (Note 6)	9,175,335	9,124,722
Total Current Assets	125,329,307	84,254,043
Noncurrent Assets		
Property and equipment (Note 7)	255,476,745	238,125,202
Investment properties (Note 8)	85,616	123,880
Trust fund (Note 9)	4,984,096	4,856,245
Deferred tax assets - net (Note 22)	1,126,720	-
Other noncurrent assets (Note 10)	5,084,160	2,204,716
Total Noncurrent Assets	266,757,337	245,310,043
TOTAL ASSETS	P392,086,644	P329,564,086
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Trade and other payables (Note 11)	P51,760,709	P23,792,555
Members' deposits and others (Note 12)	19,477,090	18,237,703
Contract liabilities (Note 13)	9,709,296	11,406,585
Provision for probable claims (Note 14)	7,268,575	5,668,575
Short-term borrowing (Note 25)	-	236,946
Total Current Liabilities	88,215,670	59,342,364
Noncurrent Liabilities		
Retirement benefit obligation (Note 24)	8,266,671	7,614,418
Deferred tax liabilities - net (Note 22)	-	177,111
Other noncurrent liabilities (Notes 13, 17 and 18)	5,547,552	863,528
Total Noncurrent Liabilities	13,814,223	8,655,057
Total Liabilities	102,029,893	67,997,421
Members' Equity		
Capital stock (Note 15)	14,346,000	14,346,000
Contributions in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over expenses (Note 15)	74,082,979	45,592,893
Total Members' Equity	290,056,751	261,566,665
TOTAL LIABILITIES AND MEMBERS' EQUITY	P392,086,644	P329,564,086

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)

STATEMENTS OF INCOME

	Years Ended June 30		
	2023	2022	2021
REVENUES			
Revenue from contracts with customers (Note 16)	P207,549,237	P141,185,352	P122,163,041
Rentals (Note 18)	22,701,459	20,986,983	18,645,114
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	394,304	140,564	36,877
Interest income (Notes 4, 9 and 18)	611,952	129,588	131,457
	231,256,952	162,442,487	140,976,489
COST AND EXPENSES			
Cost of services (Note 19)	174,805,343	129,583,939	111,594,261
General and administrative expenses (Note 20)	28,031,995	21,894,121	19,620,289
Interest expense	15,853	35,549	11,094
	202,853,191	151,513,609	131,225,644
EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAXES	28,403,761	10,928,878	9,750,845
PROVISION (BENEFIT) FOR INCOME TAXES (Note 22)	(883,140)	573,993	328,652
EXCESS OF REVENUES OVER EXPENSES	P29,286,901	P10,354,885	P9,422,193

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended June 30		
	2023	2022	2021
EXCESS OF REVENUES OVER EXPENSES	₱29,286,901	₱10,354,885	₱9,422,193
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Item not to be reclassified to profit or loss in subsequent periods:</i>			
Re-measurement gains (losses) on defined benefit obligation (Note 24)	(796,815)	(2,692,482)	2,087,149
Income tax effect	—	—	(317,900)
	(796,815)	(2,692,482)	1,769,249
TOTAL COMPREHENSIVE INCOME	₱28,490,086	₱7,662,403	₱11,191,442

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)

STATEMENTS OF CHANGES IN MEMBERS' EQUITY

	Years Ended June 30		
	2023	2022	2021
CAPITAL STOCK (Note 15)	₱14,346,000	₱14,346,000	₱14,346,000
CONTRIBUTIONS IN EXCESS OF PAR VALUE	201,627,772	201,627,772	201,627,772
ACCUMULATED EXCESS OF REVENUES OVER EXPENSES (Note 15)			
Balances at beginning of year	45,592,893	37,930,490	26,739,048
Excess of revenues over expenses	29,286,901	10,354,885	9,422,193
Other comprehensive income (loss)	(796,815)	(2,692,482)	1,769,249
Total comprehensive income	28,490,086	7,662,403	11,191,442
Balance at end of year	74,082,979	45,592,893	37,930,490
TOTAL MEMBERS' EQUITY	₱290,056,751	₱261,566,665	₱253,904,262

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF CASH FLOWS

	Years Ended June 30		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over expenses before income taxes	₱28,403,761	₱10,928,878	₱9,750,845
Adjustments for:			
Depreciation and amortization (Notes 7, 8 and 10)	20,967,046	23,417,865	23,455,146
Interest expense	15,853	35,549	11,094
Movements in:			
Provision for probable claims (Note 14)	1,600,000	-	(142,094)
Retirement benefit obligation	(144,562)	(524,912)	(442,811)
Interest income (Notes 4, 9 and 18)	(611,952)	(129,588)	(131,457)
Gain on sale of property and equipment (Notes 7 and 16)	(573,214)	(371,572)	(2,250)
Loss on derecognition of property and equipment (Note 7)	131,371	-	-
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	(394,304)	(140,564)	(36,877)
Operating income before working capital changes	49,393,999	33,215,656	32,461,596
Decrease (increase) in:			
Trade and other receivables	(9,411,993)	(128,414)	3,295,247
Other current assets	(471,304)	(1,300,269)	435,250
Increase (decrease) in:			
Trade and other payables	27,968,154	7,785,696	(269,391)
Members' deposits and others	1,239,387	2,088,752	1,404,431
Contract liabilities	(1,697,289)	3,596,814	645,256
Noncurrent liabilities (Note 13)	4,697,749	-	-
Net cash generated from operations	71,718,703	45,258,235	37,972,389
Interest received	514,947	114,910	78,371
Interest paid	(15,853)	(35,549)	(11,094)
Net cash flows generated from operating activities	72,217,797	45,337,596	38,039,666
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment (Note 7)	(38,119,519)	(45,872,069)	(9,983,686)
Decrease (increase) in:			
Other noncurrent assets	(3,171,621)	(641,857)	(449,294)
Debt instruments at fair value through profit or loss (Note 9)	-	-	(10,000,000)
Trust fund	-	-	19,046
Proceeds from sale of property and equipment (Note 7)	573,214	371,572	2,250
Net cash flows used in investing activities	(40,717,926)	(46,142,354)	(20,411,684)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of short-term borrowing (Note 25)	(236,946)	(457,454)	-
Proceeds from availment of short-term borrowing (Note 25)	-	694,400	-
Net cash flows generated from financing activities	(236,946)	236,946	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,262,925	(567,812)	17,627,982
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	51,147,281	51,715,093	34,087,111
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱82,410,206	₱51,147,281	₱51,715,093

See accompanying Notes to Financial Statements.



VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Valley Golf & Country Club, Inc. (the Club) was organized in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on May 14, 1958 as a nonprofit organization for a term of 50 years up to 2008. The Club's corporate life was extended for another 50 years from May 15, 2008 as confirmed and ratified by the members on November 18, 2007 and was subsequently approved by the SEC on April 29, 2008. On July 17, 1963, the SEC granted the Club a secondary license to sell its securities to the public.

The primary purpose of the Club is to foster and promote the game of golf and operate and maintain a golf course and country club and, generally, to do and perform all such acts and things, and exercise such powers as are ordinarily done, performed and exercised by social and athletic clubs and associations.

Prior to 2012, the Club is exempt from payment of income tax on income received from social, recreational, and athletic activities on a nonprofit basis provided that no part of the Club's income shall inure to the benefit of any of its members, trustees and officers. Under Section 30 (E) of the Tax Reform Act of 1997, an organization organized for recreational, sports and athletic activities shall be exempt from payment of income tax on income received from aforementioned activities.

On August 3, 2012, the Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular (RMC) No. 35-2012 clarifying that clubs organized and operated exclusively for pleasure, recreation and other non-profit purposes are subject to income tax and value-added tax (VAT) on their income from whatever source, including but not limited to membership fees, assessment dues, rental income, and service fees.

On August 13, 2019, the Supreme Court declared that membership fees, assessment dues, and fees of similar nature collected by Clubs which are organized and operated exclusively for pleasure, recreation, and other nonprofit purposes do not constitute as: (a) "the income of recreational clubs from whatever source" that are "subject to income tax"; and (b) part of the "gross receipts of recreational clubs" that are "subject to VAT". Accordingly, the Club did not collect the related output VAT for membership fees, assessment dues, and fees of similar nature.

The registered office of the Club, which is also its principal place of business, is located at Don Celso S. Tuason Ave., Antipolo City.

The Club's Board of Directors (BOD) approved the issuance of the financial statements as at June 30, 2023 and 2022 and for each of the three years in the period ended June 30, 2023 on September 11, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements of the Club have been prepared on a historical cost basis, except for the debt instruments at fair value through profit or loss (FVTPL) and trust fund which are measured at fair value. The financial statements are presented in Philippine peso (₱), which is the Club's functional and presentation currency. All values are rounded to the nearest peso, except when otherwise indicated.



Statement of Compliance

The financial statements of the Club have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except that the Club has adopted the following amendments to existing standards starting July 1, 2022. Adoption of these pronouncements did not have any impact on the Club's financial position or performance.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*
- *Annual Improvements to PFRSs 2018-2020 Cycle*
 - Amendments to PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards, Subsidiary as a first-time adopter*
 - Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
 - Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

Standards Issued but Not yet Effective

Pronouncements issued but not yet effective are listed below. The Club does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Club intends to adopt the following pronouncements when they become effective.

Effective beginning on or after July 1, 2023

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

Effective beginning on or after July 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

Effective beginning on or after July 1, 2025

- PFRS 17, *Insurance Contracts*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Current versus Non-current Classification

The Club presents assets and liabilities in the statement of financial position based on current and noncurrent classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as noncurrent.



A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

The Club classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to insignificant risk of changes in value.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement of Financial Assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing the financial assets. With the exception of trade receivables that do not contain a significant financing component the Club initially measures a financial asset at its fair value plus, in the case of financial assets not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Club has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Club's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Club commits to purchase or sell the asset.

The Club's financial assets are in the nature of financial assets at amortized cost and financial assets at FVTPL. The Club has no financial assets at FVOCI as at June 30, 2023 and 2022.



Subsequent Measurement of Financial Assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the statement of income when the asset is derecognized, modified or impaired.

The Club's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables and trust fund (see Notes 4, 5 and 9).

Financial assets at FVTPL

This include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of income.

The Club's financial assets at FVTPL includes its investments in unit investment trust fund (UITF) (see Note 9).

Impairment of Financial Assets

The Club recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).



For cash in bank and cash equivalents, debt instrument at FVTPL, and trust fund, the Club applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Club's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Club considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

For trade and other receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established 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.

Definition of default

The Club considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Club, in full (without taking into account any collaterals held by the Club).

Irrespective of the above analysis, the Club considers that default has occurred when a financial asset is more than 120 days past due unless the Club has reasonable and supportable information to demonstrate that a more conservative default criterion is more appropriate.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Club compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Club considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Club's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Club's core operations.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a) significant financial difficulty of the issuer or the borrower;
- b) a breach of contract, such as a default or past due event;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- e) the disappearance of an active market for that financial asset because of financial difficulties.



The Club implements a policy on its receivables, wherein members in the delinquent list or those with accounts that are past due for a certain period are reported to the BOD. The respective shares of the members or of the juridical entities they represent shall be ordered sold by the BOD, through an auction, to satisfy the claims of the Club.

Write-off policy

The Club writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Club's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized the statement of income.

Derecognition of Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Club's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Club has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Club continues to recognize the transferred asset to the extent of its continuing involvement in the asset. In that case, the Club also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Club has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Club could be required to repay.

Financial Liabilities

Initial Recognition and Measurement of Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivative designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in case of loans borrowings and payables, net of directly attributable transaction costs.

The Club has no financial liabilities at FVTPL and derivative instruments as at June 30, 2023 and 2022.

Subsequent Measurement of Financial Liabilities

Loans and borrowings and Payables

This is the category most relevant to the Club. After initial recognition, loans and borrowings and payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of income when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on



acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of income.

This category applies to trade and other payables, members' deposit and others and short-term borrowing (see Notes 11, 12 and 25).

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Club assesses that it has currently enforceable right of offset if the right is not contingent on a future event and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Club and all of the counterparties.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Club.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Club uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable



- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Club determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Club has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Inventories

Inventories consist of gasoline, maintenance supplies, spare parts, office supplies and others. Inventories are valued at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and condition are accounted for using the first-in, first-out method.

NRV of the saleable merchandise is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. NRV of gasoline, maintenance supplies, spare parts and others is the estimated replacement costs. In determining NRV, the Club considers any adjustment necessary for spoilage, breakage and obsolescence. An allowance for inventory obsolescence is determined based on a regular review and management evaluation of movement and condition of supplies.

Property and Equipment

Property and equipment, except for land, are stated at cost less accumulated depreciation and any impairment losses, if any. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties, non-refundable taxes, and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when the recognition criteria are met. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to the statement of income in the period when the costs are incurred.

Depreciation is computed on a straight-line basis over the following estimated useful lives of the assets:

<u>Category</u>	<u>Number of Years</u>
Land improvements	3-50
Building and structures	5-50
Ground tools and services machinery and equipment	3-10
Furniture, fixtures and equipment	3-10
Transportation equipment	5

Construction in progress is stated at cost. Depreciation is computed when the construction is completed.

The useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the year the asset is derecognized.

Investment Properties

Investment properties consist of land and building held for rentals or capital appreciation or both. Except for land, investment property is stated at cost less accumulated depreciation and impairment in value for building. The cost of the investment property comprises its purchase price and other direct costs. Depreciation on the building is computed on a straight-line basis over the estimated useful life of 20 years. Land is stated at cost less any impairment in value.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction of development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. These transfers are recorded using the carrying amount of the investment property at the date of the change in use.

Gains or losses resulting from the sale of an investment property are recognized in the statement of income.

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the statement of income in the year of retirement or disposal.

Computer Software

Computer software included as part of "Other noncurrent assets" is initially recognized at cost. Following initial recognition, computer software is carried at cost, less accumulated amortization and any accumulated impairment in value.

Computer software is amortized on a straight-line basis over its estimated useful economic life of three (3) years to five (5) years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization commences when the computer software is available for use. The period and method of amortization for the computer software are reviewed at each end of the reporting period. Changes in the estimated useful life is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense is recognized in the statement of income in the expense category consistent with the function of the computer software.

Impairment of Property and Equipment, Investment Properties and Computer Software

The Club assesses at each reporting date whether there is an indication that a nonfinancial asset may be impaired. If any such indication exists, the Club makes a formal estimate of recoverable amount. The nonfinancial asset's estimated recoverable amount is the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other nonfinancial assets or group of nonfinancial assets, in which case the recoverable amount is assessed as part of the cash generating unit to which it belongs. Where the carrying amount of the nonfinancial asset exceeds its estimated recoverable amount, the nonfinancial asset is considered impaired and is written down to its estimated recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the nonfinancial asset. Fair value less costs to sell is the amount



obtainable from the sale of the nonfinancial asset or cash-generating unit in an arm's-length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the nonfinancial asset.

Impairment losses are recognized in the statement of income in those expense categories consistent with the function of the impaired nonfinancial asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the nonfinancial asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its estimated recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income.

Capital Stock

Capital stock is measured at par value for all shares issued. Amount of contribution in excess of par value is accounted for as "Contributions in excess of par value". Contribution in excess of par value also arises from additional capital contribution from the members.

Accumulated Excess of Revenue Over Expenses

Accumulated excess of revenue over expenses represents accumulated net profits (losses).

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods or services. The Club has generally concluded that it is the principal in its revenue arrangements, except for the concessionaire services, because it typically controls the goods or services before transferring them to the customer.

The following are the Club's performance obligations:

Membership Dues

Membership dues pertains to monthly member's dues and administration fee charged to the Club's members and past Club presidents, respectively. Revenues are recognized over time when membership dues are due and demandable, net of any discount. Any advance payments are recorded under "Contract liabilities" account in the statement of financial position.

(i) Variable Consideration

- a. Discount on annual dues are provided to the members when they pay the annual dues in advance. The discount is equivalent to one-month membership dues and is presented as a reduction to the revenue recognized.
- b. Discount on prompt payments are provided to members when they pay their account balance in full within one month after billing. To estimate the variable consideration for the expected discount on prompt payments, the Club applies the most likely amount.

Sports and Recreation

Sports and recreation pertain to fees charged for use of the Club's golf and swimming pool facilities. This also includes the service fee charged for every play of golf. Revenues are recognized overtime when the related services have been rendered.



Assessment for Road Maintenance

Assessment for road maintenance is income generated from the use of the Club's main road, Don Celso S. Tuason Avenue. Revenues are recognized overtime when the related services have been rendered.

Corporate Services

Corporate services pertain to fees charged by the Club for processing members transactions. This includes transfer fees and service charge on playing guests. Transfer fees are transaction fees for transfers of members shares of stocks. Service charges on playing guests are transaction fees or cash requirements in order to process the Club's playing rights to outside individuals. Revenues are recognized overtime when the related services have been rendered.

Concession Fees

Concession fees pertains to a fee charged by the Club to its concessionaires in exchange for the right granted to the later to render food and beverage services and sale of goods to its members and guests. The amount of the commission income is based on the terms of the concessionaires' agreements. The Club acts as an agent on its concession agreements since it does not have control over the specified goods or services that will be delivered by the concessionaires to the Club's members and guests. Revenues are recognized at a point in time when the concessionaire has delivered the goods to the members and guests and the related services have been rendered.

Revenue from Special Events

Revenue from special events pertains to fees charged for golf tournaments and Club's social events. Revenue is recognized overtime upon occurrence of the event.

Patronage Fees

Patronage fees are consumables that members are entitled to for the consumption of food provided by the Club's concessionaire. Revenue are recognized at a point in time upon determination of the expired and unconsumed portion of the minimum required purchase of food and beverage, subject to the Club's policy. Any advance payments are recorded under "Contract liabilities" account in the statement of financial position.

Sale of Properties

Revenue from sale of properties are recognized at the point in time when control of the asset is transferred to the customer. The Club considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of properties, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Surcharge on Past Due Accounts

Surcharge on past due accounts are penalties charged to members with delinquent accounts for over 45 days from the cut-off date of the statement of account until the account is paid in full. Revenues are recognized at a point in time upon collection of the amount charged to the member for delayed payment.

Contract Balances

Receivables

A receivable represents the Club's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Club performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.



Contract liabilities

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

Interest Income

Interest is recognized as income when it accrues, taking into account the effective yield on the asset.

Cost and Expenses

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Cost and expenses are recognized when incurred.

Leases

Determination of Whether an Arrangement Contains a Lease

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.

Club as a Lessor

Leases in which the Club does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease terms and is included in the statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Retirement Benefit Obligation

Defined Benefit Plan

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the financial reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Re-measurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.



Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in statement of income.

Re-measurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Re-measurements are not reclassified to statement of income in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Club, nor can they be paid directly to the Club. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Club's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Taxes

Current Income Tax

Current income tax assets and liabilities for the current and the prior period are measured at the amount expected to be recovered from or paid to the taxation authority. The income tax rates and income tax laws used to compute the amount are those that are enacted or substantively enacted at the end of each financial reporting period.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or loss.

Deferred tax assets are recognized for all deductible temporary differences, and the carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences and the carryforward benefits of unused tax credits and unused tax losses can be utilized except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or loss.



The carrying amount of deferred tax assets is reviewed at each end of reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each end of reporting period and are recognized to the extent that it has become probable that sufficient future taxable income will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the income tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on income tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period. Deferred tax relating to items recognized directly in equity is recognized in equity and not in the statement of income.

The Club offsets deferred tax assets and deferred tax liabilities if and only if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

For the non-VAT registered activities, the amount of VAT passed on from its purchase of goods or service is recognized as part of the cost of goods/asset acquired or as part of expense item, as applicable.

Provisions

Provisions are recognized when the Club has a present obligation (legal and constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are made by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Where the Club expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the receipt of the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.



Events After the Reporting Date

Post year-end events that provide additional information about the Club's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

3. Significant Accounting Judgments, Estimates, and Assumptions

The preparation and fair presentation of the accompanying financial statements in compliance with PFRSs requires management to make judgments and estimates that affect the amounts reported in the financial statements and the accompanying notes. The judgments and estimates used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Future event may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimate are reflected in the financial statements as they become reasonably determinable. Actual results could differ from such estimates.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

Judgments

In the process of applying the Club's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the financial statements:

Revenue from contracts with customers

The Club applied the following judgement that significantly affect the determination of the amount of revenue from contracts with customers:

- *Principal versus agent considerations*

The Club enters into contracts with its concessionaires to perform, on their behalf, sale of goods and services to its members. The Club determined that it does not control the goods before they are transferred to customers. The following factors indicate that the Club does not control the goods before they are being transferred to customers. Therefore, the Club determined that it is an agent in these contracts.

- The Club is not primarily responsible for fulfilling the promise to provide the goods or services.
- The Club's revenue is in the form of a fixed commission income as established in the concession contract with the concessionaires.
- The Club does not have inventory risk before or after the goods has been transferred to the customer.
- The Club has no discretion in establishing the price for the goods and services.

Operating Lease - Club as Lessor

The Club has entered into commercial property leases. The Club has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.



Rental income pertaining to these leases for the years ended June 30, 2023, 2022 and 2021 amounted to ₱22,701,459, ₱20,986,983, and ₱18,645,114 respectively (see Note 18).

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 discussed below.

Estimation of Provision for ECLs of Trade and Other Receivables

The Club uses a provision matrix to calculate ECLs for its trade and other receivables. The provision rates are based on days past due of each member that have similar loss pattern. The provision matrix is initially based on the Club's historical observed default rates. The Club calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions expected to deteriorate over the next year which can lead to an increased number of defaults in its members, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Club's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Receivables from members that are considered as delinquent for a certain period and the amount due the Club has exceeded the credit limit of members as maybe fixed by the BOD from time to time shall be reported to the BOD and their shares of the juridical entities they represent shall thereafter be ordered sold by the BOD at auction to satisfy the claims of the Club as stated in the By-laws. It shall be absolutely prohibited to auction the share of a member whose overdue/delinquent account does not exceed such member's credit limit. As approved by the BOD, the members' credit limit shall be fixed at ₱50,000. A member may pay the overdue account at any time before the auction sale.

The carrying value of trade and other receivables amounted to ₱23,356,548 and ₱13,861,275 as at June 30, 2023 and 2022, respectively. Allowance for ECL amounted to ₱1,725,845 as at June 30, 2023 and 2022 (see Note 5).

Estimation of Useful Lives of Property and Equipment and Investment Properties

The Club estimates the useful lives of property and equipment and investment properties based on the period over which the Club's property and equipment and investment properties are expected to be available for use. The estimated useful lives of property and equipment and investment properties are reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, the Club's estimation of the useful lives of property and equipment and investment properties are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible that the future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above.

As at June 30, 2023 and 2022, there were no changes made in the estimated useful lives of the Club's property and equipment and investment properties. The carrying amount of property and equipment as at June 30, 2023 and 2022 amounted to ₱255,476,745 and ₱238,125,202, respectively (see Note 7). The carrying amount of investment properties as at June 30, 2023 and 2022 amounted to ₱85,616 and ₱123,880, respectively (see Note 8).



Determining Retirement Benefit Costs

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuation. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, turnover rate and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as at end of the reporting periods.

The mortality rate is based on publicly available mortality tables and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the Philippines.

Retirement benefit obligation amounted to ₱8,266,671 and ₱7,614,418 as at June 30, 2023 and 2022, respectively (see Note 24).

Assessing Recoverability of Deferred Tax Assets

The Club reviews the carrying amounts of deferred tax assets at each reporting date and reduced the amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Club can generate sufficient taxable profit to allow all or part of its deferred taxable assets to be utilized.

The Club's deferred tax assets amounted to ₱1,498,560 and ₱165,976 as at June 30, 2023 and 2022, respectively (see Note 22).

Temporary deductible differences for which no deferred tax asset was recognized amounted to ₱10,459,972 and ₱11,326,079 as at June 30, 2023 and 2022, respectively (see Note 22).

Provisions and Contingencies

The Club is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with its counsel handling the defense in these matters and is based upon an analysis of potential results. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Club's financial position and results of operations. It is possible, however, that the future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

The Club has provision for probable claims amounting to ₱7,268,575 and ₱5,668,575 as at June 30, 2023 and 2022, respectively (see Note 14).

4. Cash and Cash Equivalents

	2023	2022
Cash on hand	₱185,000	₱120,000
Cash in banks	70,081,957	28,534,761
Cash equivalents	12,143,249	22,492,520
	₱82,410,206	₱51,147,281



Cash on hand consists of fund for daily operating expenses and undeposited collections. Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are short term deposits made for varying periods of up to three (3) months and earns interest at the respective short-term deposit rates.

Interest income earned amounted to ₱598,227, ₱115,863 and ₱111,387 for the years ended June 30, 2023, 2022 and 2021, respectively.

5. Trade and Other Receivables

	2023	2022
Members	₱17,134,348	₱9,806,531
Others	7,948,045	5,780,589
	25,082,393	15,587,120
Less allowance for ECL	1,725,845	1,725,845
	₱23,356,548	₱13,861,275

Receivables from members, which are due 30 days after billing date, are noninterest-bearing and constitute a lien on the members' shares.

Other receivables consist mainly of the share of the concessionaires and maintenance provider for the security services and electricity of the access roads around the Club, advances made to officers and employees and receivables from concessionaires and various organizations which are settled within 30-90 days' term.

As at June 30, 2023, and 2022, the aging analysis of trade and other receivables are as follows:

	2023	2022
Not more than 30 days outstanding	₱15,987,821	₱6,389,614
Beyond 30 days outstanding:		
31-60 days	4,904,098	488,819
61-90 days	771,335	509,386
Over 90 days	3,419,139	8,199,301
	₱25,082,393	₱15,587,120

The movements in allowance for ECLs are as follows:

	2023	2022
Balances at beginning of year	₱1,725,845	₱2,030,111
Provision (Note 20)	-	614,492
Reversal	-	(918,758)
Balances at end of year	₱1,725,845	₱1,725,845



6. Other Current Assets

	2023	2022
Supplies inventory at NRV	₱2,675,839	₱3,788,106
Prepayments	2,586,037	2,585,721
Creditable withholding tax (CWT)	710,716	883,019
Others	3,202,743	1,867,876
	₱9,175,335	₱9,124,722

Supplies inventory include gasoline and oil stocks, grounds materials, office, shop and maintenance supplies and construction materials.

Prepayments pertain to prepaid taxes and licenses, prepaid medical expenses and prepaid insurance premiums.

CWTs are amounts withheld from income subject to expanded withholding taxes. CWTs can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation. CWTs which are claimed against the income tax due, represents excess of the tax payable and carried over in the succeeding period for the same purpose.

Others pertain to advances on purchases and deferred input VAT.

The Club's allowance for inventory obsolescence amounted to ₱52,271 and nil as at June 30, 2023 and 2022.



7. Property and Equipment

	2023							Total
	Land	Land Improvements	Building and Structures	Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost:								
Balances at beginning of year	₱9,400,307	₱319,593,027	₱68,129,272	₱43,039,450	₱5,239,708	₱31,083,817	₱32,884,836	₱509,390,417
Additions	-	-	679,437	6,501,181	-	6,000,000	24,938,911	38,119,519
Disposals	(70,844)	(66,138)	-	(2,088,748)	(177,080)	(1,457,947)	-	(3,860,737)
Transfer	-	6,062,012	47,184,484	-	-	-	(53,246,495)	-
Balances at end of year	9,329,463	325,588,901	115,993,183	47,471,883	5,062,628	35,625,870	4,577,251	543,649,179
Accumulated depreciation:								
Balances at beginning of year	-	168,894,624	39,806,380	32,270,754	5,239,495	25,053,962	-	271,265,215
Depreciation (Notes 19 and 20)	-	9,615,880	2,543,835	4,486,823	-	3,990,067	-	20,636,605
Disposals	-	(66,138)	-	(2,028,221)	(177,080)	(1,457,947)	-	(3,729,386)
Balances at end of year	-	178,444,366	42,330,215	34,729,356	5,062,415	27,586,082	-	288,172,434
Net book values	₱9,329,463	₱147,144,535	₱73,642,968	₱12,742,527	₱213	₱8,039,788	₱4,577,251	₱255,476,745

	2022							Total
	Land	Land Improvements	Building and Structures	Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost:								
Balances at beginning of year	₱9,400,307	₱319,277,831	₱57,488,137	₱37,266,003	₱5,333,006	₱32,494,648	₱9,827,400	₱471,087,332
Additions	-	315,196	491,970	6,936,379	-	868,000	37,260,524	45,872,069
Disposals	-	-	(4,053,923)	(1,142,932)	(93,298)	(2,278,831)	-	(7,568,984)
Transfers	-	-	14,203,058	-	-	-	(14,203,058)	-
Balances at end of year	9,400,307	319,593,027	68,129,272	43,039,450	5,239,708	31,083,817	32,884,836	509,390,417
Accumulated depreciation:								
Balances at beginning of year	-	156,510,389	41,741,070	29,314,436	5,332,793	22,803,597	-	255,702,285
Depreciation (Notes 19 and 20)	-	12,384,235	2,119,233	4,099,250	-	4,529,196	-	23,131,914
Disposals	-	-	(4,053,923)	(1,142,932)	(93,298)	(2,278,831)	-	(7,568,984)
Balances at end of year	-	168,894,624	39,806,380	32,270,754	5,239,495	25,053,962	-	271,265,215
Net book values	₱9,400,307	₱150,698,403	₱28,322,892	₱10,788,696	₱213	₱6,029,855	₱32,884,836	₱238,125,202



The Club opened an auction sale of various fixed assets. Proceeds and gain from the sale of these fully depreciated property and equipment amounted to ₱573,214, ₱371,572 and ₱2,250 in 2023, 2022, and 2021, respectively (see Note 16). In 2023, the Club also derecognized various property and equipment which resulted to a loss on derecognition amounting to ₱131,371.

The cost of fully depreciated property and equipment still used in operations amounted to ₱152,539,011 and ₱109,870,704 as at June 30, 2023 and 2022, respectively.

8. Investment Properties

	2023		
	Building	Land	Total
Cost:			
Balances at beginning and end of year	₱53,718,366	₱73,562	₱53,791,928
Accumulated depreciation:			
Balances at beginning of year	53,668,048	—	53,668,048
Depreciation (Notes 19 and 20)	38,264	—	38,264
Balances at end of year	53,706,312	—	53,706,312
Net book values	₱12,054	₱73,562	₱85,616
	2022		
	Building	Land	Total
Cost:			
Balances at beginning and end of year	₱53,718,366	₱73,562	₱53,791,928
Accumulated depreciation:			
Balances at beginning of year	53,577,363	—	53,577,363
Depreciation (Notes 19 and 20)	90,685	—	90,685
Balances at end of year	53,668,048	—	53,668,048
Net book values	₱50,318	₱73,562	₱123,880

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 1, 2023, the fair value of the land with aggregate land area of 9,407 sqm. and building with total floor area of 2,271 sqm., amounted to ₱145,380,600 and ₱27,972,000, respectively.

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 7, 2022, the fair value of the land with aggregate land area of 9,407 sqm. and building with total floor area of 2,271 sqm., amounted to ₱141,227,700 and ₱30,526,000, respectively.

Rental income earned from investment property amounted to ₱305,404 in 2023, 2022 and 2021 (see Note 18). Direct expenses related to investment properties consist mainly of depreciation amounting to ₱38,264, ₱90,685 and ₱134,488 in 2023, 2022 and 2021, respectively.



9. Trust Fund and Debt Instrument at FVTPL

Pursuant to the resolution passed by the members on September 12, 1982 and as provided for in the Club's by laws, the trust fund committee is empowered to invest the Valley Golf Trust Fund, which in no case shall be less than the original amount of ₱3,500,000, in leading universal banks in the Philippines.

The members' resolution further states that all proceeds from future sale of shares and real property, including all amortizations due on the sale of shares previously sold, shall accrue to the trust fund and that 85% of the interest income of the fund shall be made available for the maintenance and repair of the golf course. The remaining 15% of said interest income shall accrue to and form part of the fund.

On May 21, 1989, the members' resolution was amended stating that, "the proceeds of the sale of any real property of the Club or shares of stock to be used for capital expenditure and other infrastructure project shall not form part of the Valley Golf Trust Fund. However, any excess thereof shall form part of the Valley Golf Trust Fund".

On February 19, 2021, the Club invested a total of ₱14,799,569 in UITF. The investment consists of the Club's trust fund, originally invested in time deposits, amounting to ₱4,799,569 and additional investment amounting to ₱10,000,000.

The Club's debt instruments at FVTPL as at June 30, 2023 and 2022 are as follows:

	2023	2022
<i>Current asset</i>		
Debt instrument at FVTPL	₱10,387,218	₱10,120,765
<i>Noncurrent asset</i>		
Trust fund	4,984,096	4,856,245
	₱15,371,314	₱14,977,010

Movement in debt instruments at FVTPL are as follows:

	2023	2022
Beginning balance	₱10,120,765	₱10,024,917
Changes in fair value	266,453	95,848
Ending balance	₱10,387,218	₱10,120,765

Movement in trust fund are as follows:

	2023	2022
Beginning balance	₱4,856,245	₱4,811,529
Changes in fair value	127,851	44,716
Ending balance	₱4,984,096	₱4,856,245



The valuation gains due to changes in fair value as of June 30, 2023 and 2022 are allocated as follows:

	2023	2022
Beginning balance	P177,441	P36,877
Changes in fair value during the year:		
Debt instrument at FVTPL	266,453	95,848
Trust fund	127,851	44,716
	<u>394,304</u>	<u>140,564</u>
Ending balance	<u>P571,745</u>	<u>P177,441</u>

Interest income recognized and realized for the trust fund amounted to nil, nil and P6,345 for the years ended June 30, 2023, 2022 and 2021, respectively.

10. Other Noncurrent Assets

	2023	2022
Computer software	P1,461,242	P1,403,419
Refundable deposit	1,425,516	749,297
Advances to suppliers and contractors	2,197,402	52,000
	<u>P5,084,160</u>	<u>P2,204,716</u>

Refundable deposit pertains to deposits to utility companies.

Computer software includes the Club's in-house developed intangible assets.

Advances to suppliers and contractors relate to purchase of various equipment and advance payments on upcoming construction projects.

The movement of computer software is as follows:

	2023	2022
Cost:		
Balance at beginning and end of year	P4,188,503	P3,545,646
Additions	350,000	642,857
Balance at end of year	<u>4,538,503</u>	<u>4,188,503</u>
Accumulated amortization:		
Balance at beginning of year	2,785,084	2,589,818
Amortization (Notes 19 and 20)	292,177	195,266
Balance at end of year	<u>3,077,261</u>	<u>2,785,084</u>
Net book value	<u>P1,461,242</u>	<u>P1,403,419</u>



11. Trade and Other Payables

	2023	2022
Trade	₱14,123,377	₱6,403,255
Accrued expenses	9,652,000	5,349,972
Organizations and cooperative	17,297,531	7,467,580
Concessionaires	4,490,102	2,503,394
VAT payable	4,723,062	821,765
Others	1,474,637	1,246,589
	₱51,760,709	₱23,792,555

Trade payables are unsecured, noninterest-bearing and are payable to suppliers within 30 days.

Accrued expenses are obligations on the basis of normal credit terms and do not bear interest. These pertain to accruals made for outside services, utilities and other various accruals. These are normally settled within the next financial year.

Organizations and cooperative include payments for loans and advances by the employees to be remitted to the association, and payables to golf associations and other organizations. These are normally settled within the next financial year.

Concessionaires pertains to collections received by the Club for and on behalf of the concessionaires.

Other payables mainly consist of withholding tax payables and tournament deposits.

12. Members' Deposits and Others

	2023	2022
Cash deposits	₱13,060,450	₱10,330,000
Due to former members	6,151,781	7,642,338
Security deposit	264,859	265,365
	₱19,477,090	₱18,237,703

Cash deposit pertains to deposits made by playing guests. Any unpaid liabilities will be deducted from this account and the excess will be refunded upon resignation of the playing guest.

Due to former members consist mainly of proceeds from auction sale of shares, payable to former members and other advance payments made by them.

Security deposit pertains to various deposits received by the Club from its concessionaires and lessee and is to be refunded at the end of their respective agreements.



13. Contract Liabilities

	2023	2022
Membership dues paid in advance (Note 16)	P8,459,000	P9,950,500
Right-of-way fees paid in advance	539,134	-
Green fee coupons	388,679	1,246,664
Tournament deposit	232,189	160,009
Others	90,294	49,412
	P9,709,296	P11,406,585

Membership dues paid in advance represents advance collection of monthly membership dues which are applied in the next financial year.

Right-of-way fees paid in advance represents advance collection on the long-term agreements with various companies and individuals for the use of the Club's road. The deferred income on these advance collections is recognized as follows:

	2023
Right-of-way fees paid in advance	P5,236,883
Less current portion	539,134
Noncurrent portion	P4,697,749

Green fee coupons are issued to Freeport Elite Resorts, Inc. which operates a driving range facility within the Club at a discounted price. The coupons are issued at different prices. These coupons are then sold to Korean guests of the Club also at a discounted price.

Tournament deposits pertains to advance payments of the Club's members made for an upcoming golf tournament.

Others pertains to the advance payments of the members for dues and fees, and for golf cart storage and locker rentals.

14. Provision for Probable Claims

Movements in this account are as follows:

	2023	2022
Balances at beginning of year	P5,668,575	P5,668,575
Addition	1,600,000	-
Balances at end of year	P7,268,575	P5,668,575

Provision for probable claims pertains to the estimated liability to resolve various probable claims against the Club. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of these claims.

On July 21, 2023, the Club paid P1,600,000 to the heirs of a former stockholder for the full and final settlement of the case filed by the former stockholder against the Club.



15. Members' Equity

Capital Stock

Details of the Club's common shares as of June 30, 2023 and 2022 are as follows:

	Shares
Common shares - ₱9,000 par value	
Authorized shares	1,800
Issued	1,594

Accumulated Excess of Revenues Over Expenses

	2023	2022
Accumulated excess of revenues over expenses	₱76,544,794	₱47,257,893
Other comprehensive loss (Note 24):		
<i>Item not to be reclassified into profit or loss in subsequent periods:</i>		
Beginning balance	(1,665,000)	1,027,482
Re-measurement losses on defined benefit obligation	(796,815)	(2,692,482)
Ending balance	(2,461,815)	(1,665,000)
Total	₱74,082,979	₱45,592,893

16. Revenue from Contracts with Customers

The table below presents the disaggregation of the Club's revenue from contracts with customers:

	2023	2022	2021
Nature of services			
Membership dues	₱70,791,176	₱57,423,318	₱53,934,260
Sports and recreation	33,147,816	19,459,569	11,358,990
Corporate services	30,919,171	22,561,454	19,777,872
Assessment for road maintenance	28,335,713	23,706,765	23,288,728
Revenue from special events	25,192,101	2,364,767	1,802,900
Concessionaires' fee (Note 17)	7,393,161	3,493,824	2,412,288
Patronage fees	3,540,265	3,952,245	3,885,024
Surcharge	864,988	768,108	729,074
Sale of properties (Note 7)	573,214	371,572	2,250
Others	6,791,632	7,083,730	4,971,655
	₱207,549,237	₱141,185,352	₱122,163,041
Timing of revenue recognition			
Services transferred overtime	₱195,177,609	₱132,599,603	₱115,134,405
Goods transferred at a point in time	12,371,628	8,585,749	7,028,636
	₱207,549,237	₱141,185,352	₱122,163,041



Membership dues and assessments are collected by the Club from its members primarily to cover expenses related to the maintenance and, for that matter, are utilized for improvements in the Club's facilities. The collection of these dues and assessments does not arise from any sale of goods or services but are imposed to cover and defray necessary expenses related to the maintenance of, and improvements in, the Club's facilities and as such, no part of the Club's income inures to the benefit of any of its members.

Member's dues paid in advance by its existing members amounted to ₱8,459,000 and ₱9,950,500 as at June 30, 2023 and 2022, respectively. Members' dues paid in advance is considered as a contract liability of the Club to its members.

Patronage fees are monthly consumables that members are entitled for the consumption of food and beverage provided by the Club's concessionaires that has expired and unconsumed.

Assessment for road maintenance are toll fees charged by the Club to users of the Club's main road, Don Celso S. Tuason Avenue, a specified fix rate is charged for different type of motor vehicles and fees earned for 10-year period right of way agreement from third parties

Sports and recreation arise from green fees which are generated from the use of the Club's golf courses. The Club has two golf courses: the North and South course. Both courses are accessible only to members and their guests.

Revenue from special events are fees charged to the Club's members for golf tournaments held at the Club. This also includes assessment fees to the Club's members for Club's social events.

Surcharge are penalties charged to members with delinquent accounts for over 45 days from the cut-off date of the statement of account. A surcharge of 5% shall be imposed on any account that remains delinquent including interest of 1% a month until the account is paid in full.

Others pertains to income earned by the Club from corkage, commission on art display and sale of scraps.

17. Concessionaires' Fees

	2023	2022	2021
Food and beverage services	₱5,875,815	₱2,266,505	₱1,434,859
Retail services	1,517,346	1,227,319	977,429
	₱7,393,161	₱3,493,824	₱2,412,288

Concession agreements entered into by the Club are shown below:

Food and Beverage Services

- a) Doturak International Group, Inc. (DIGI), a local food concessionaire, and the Club entered into a concession agreement whereby DIGI manages the food and beverage operations of the Club at the Tee House. The agreement provides that the concessionaire shall pay a basic minimum rental of ₱40,000 or 5% of the gross sales per month inclusive of VAT for the duration of the COVID pandemic situation, whichever is higher. Beginning on the first day of the month following the government announcement of the liftings of all alert levels in Rizal province or the gross sale reaching ₱2,000,000 a month whichever comes first, DIGI shall pay a concession fee of 10% plus VAT or ₱40,000, whichever is higher. The agreement is for a period of five (5) years starting



January 1, 2021 (the "Initial Term") renewable for another two (2) years at the option of DIGI (the "Extended Term"). The agreement may be renewed or extended at the end of the initial and extended terms as the parties may mutually agree upon. Upon execution of the agreement, DIGI agrees to provide for a ₱240,000 refundable security deposit.

The concessionaire fee recognized from DIGI amounted to ₱994,571, ₱501,191 and ₱229,462 in 2023, 2022 and 2021, respectively.

- b) Golf Kitchen OPC (GKO), a local food concessionaire, and the Club entered into a concession agreement whereby GKO manages the food and beverage operations of the Club located at the Main Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 5% of its monthly gross sales exclusive of VAT during the period of pandemic. After the COVID-19 pandemic, once the gross sale reaches ₱2,000,000, GKO shall pay 10% of the gross sales per month exclusive of VAT. Upon signing of the contract, GKO shall be required to remit refundable security deposit in the amount of ₱500,000. The agreement is for a period of three (3) years from November 1, 2021 until October 31, 2024 subject to renewal upon mutual agreement of both parties.

The concessionaire fee recognized from GKO amounted to ₱2,419,996 and ₱780,574 in 2023 and 2022, respectively.

- c) New Mandarin Sky Food Group, Inc. (NMSFGI), a local food concessionaire, and the Club entered into a concession agreement whereby NMSFGI manages the food and beverage operations of the Club located at the North Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 10% of its monthly gross sales exclusive of VAT. The agreement is for a period of five (5) years from October 1, 2022 until September 30, 2027 subject to renewal upon mutual agreement of both parties.

The concessionaire fee recognized from NMSFGI amounted to ₱2,461,248 in 2023.

- d) Jay-j's Food Management, Inc. (JFMI), a local food concessionaire and the Club entered into a concession agreement whereby JFMI manages the food and beverage operations of the Club located at the North Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 7% plus VAT of the monthly gross sales including special functions contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club which serves as a security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from August 1, 2016 up to July 31, 2019. On June 15, 2019, the contract was extended for a period of three (3) months, starting from August 1, 2019 up to October 31, 2019. The contract was further extended for short-term periods until July 31, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. In December 2020, the contract was expanded, on a temporary basis, to include the Main Clubhouse starting January 1, 2021 until such time a new concessionaire for the main clubhouse is engaged. On May 28, 2022, the BOD approved the recommendation of the House Committee not to renew JFMI's contract as a concessionaire at the North Clubhouse. On May 31, 2022, the BOD released a formal notice of termination for the main clubhouse concession effective July 31, 2022.

The concessionaire fee recognized from JFMI amounted to nil, ₱984,740 and ₱760,125 in 2023, 2022 and 2021, respectively.



- e) Anix's House of Kare-kare (AHK), a local food concessionaire, and the Club entered into a concession agreement whereby AHK manages the food and beverage operations of the Club at Main Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 7% plus VAT of the monthly gross sales for the first six (6) months of operations and 10% plus VAT of the monthly gross sales for the succeeding months or ₱100,000 whichever is higher including catering services contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club which serves as a security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from January 20, 2017 up to January 19, 2020, subject to renewal at the option of the Club under such terms and conditions to be mutually agreed by the parties. The agreement was extended on January 20, 2020 until June 30, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. The contract was further extended to last until December 22, 2020 and was not renewed subsequently. This extension revised the concessionaire fee to 7% plus VAT of the monthly gross sales.

The concessionaire fee recognized from AHK amounted to nil, nil and ₱445,272 in 2023, 2022 and 2021, respectively.

Retail Shop

Pacsport Phils, Inc. was awarded the concession to operate a retail sales outlet, inside the Clubhouse to serve the members, guests and dependents, exclusively. In consideration for operating the outlet, the Club charges a basic minimum monthly concession fee of ₱65,000 or 15% of their gross sales per month inclusive of VAT, whichever is higher. The agreement is for a period of two (2) years from March 15, 2016 up to May 14, 2018.

On July 9, 2018, the contract was renewed and shall be effective for a period of two (2) years, starting from March 15, 2018 up to May 14, 2020. The contract provides that the concessionaire shall pay a fee of ₱70,000 or 15% of their gross sales per month inclusive of value added tax, whichever is higher. The agreement was extended on January 1, 2021 until December 31, 2023 with the same terms, subject to renewal upon mutual agreement of both parties.

The concessionaire fees from Pacsport Phils, Inc. amounted to ₱1,517,346, ₱1,227,319 and ₱977,429 in 2023, 2022 and 2021, respectively.

18. Rentals

	2023	2022	2021
Golf cart rental	₱13,034,934	₱14,900,957	₱13,720,361
Golf cart storage	5,961,189	3,789,831	3,220,457
Venue and room fee	1,563,304	414,361	—
Locker rental	1,023,725	920,084	891,391
Driving range	506,646	505,961	505,961
Communication cell site (Note 8)	305,404	305,404	305,404
Pull-cart rental	—	385	1,540
Others	306,257	150,000	—
	₱22,701,459	₱20,986,983	₱18,645,114

Golf carts, pull carts, and lockers pertain to rental fees charged to members and guests. The Club provides for pull carts to its members and guests in exchange for a rental fee for every play of golf. However, the players may opt to rent a golf cart instead, thus, the pull cart fee will be waived. Rentals of golf carts and lockers are for the use of the golf carts provided by the Club for its members. Rentals of lockers are for the use of the Club's locker rooms.



Golf cart storage pertains to rental fees charged to members for keeping the golf carts in reserve within the Club's premises.

On September 16, 2016, the Club entered into a Build-Lease-Transfer agreement with a third party to construct a Double Deck Driving Range with amenities located at the north course. The agreement includes a lease term of fifteen (15) years which commenced on July 8, 2017. The lessee shall pay a monthly lease of ₱25,000, inclusive of VAT, subject to a 10% escalation starting on the third (3rd) year. As part of the agreement, the lessee shall pay ₱450,000 representing one (1) year advance rental and six (6) months security deposits.

The future minimum rental commitment under this operating lease as at June 30, 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Within one (1) year	₱507,351	₱451,670	₱457,612
More than one (1) year but not more than five (5) years	3,037,154	2,587,999	2,586,579
More than five (5) years	1,023,041	2,079,490	2,597,942
	₱4,567,546	₱5,119,159	₱5,642,133

The excess of principal amount of the refundable security deposits over its fair value, at inception date of operating lease, is presented under "Other noncurrent liabilities" amounting to ₱109,803 and ₱123,528 as at June 30, 2023 and 2022, respectively. The current portion under "Trade and other payables" amounted to ₱82,350 and ₱68,625 as of June 30, 2023 and 2022, respectively. Straight-line amortization of deferred rent amounted to ₱13,725 for the years ended June 30, 2023 and 2022.

The Club leases the north clubhouse's rooftop to a local telecommunications company to be used as a cell site under certain conditions. Monthly rental amounts to ₱15,000, subject to a 4.5% escalation starting on the fourth (4) year. The lease period is from October 1, 2007 to September 30, 2017, renewable for a period to be mutually agreed upon by the parties. The contract was renewed in 2017 for a period of 10 years which took effectivity on October 1, 2017 and expiring on September 30, 2027. The lessee shall pay ₱23,197, inclusive of VAT, subject to a 4.5% escalation starting on the second year of the new lease period.

The future minimum lease commitment under this operating lease as at June 30, 2023, 2022 and 2021 are as follows:

	2023	2022	2021
Within one (1) year	₱305,404	₱305,404	₱305,404
More than one (1) year but not more than five (5) years	992,563	1,297,967	1,527,020
More than five (5) years	—	—	76,351
	₱1,297,967	₱1,603,371	₱1,908,775

Others pertain to rental fees from the Club's housing and employee's canteen.

On March 31, 2022, the Club entered into a memorandum of conformity (MOC) with Globe Telecom Inc for the lease of Club's premises to be used as a cell sit under certain conditions. Monthly rental amounts to ₱25,000. The lease period is for a period of 10 years from January 1, 2022 to December 31, 2032 renewable for another 10 years.



The future minimum lease commitment under this operating lease as at June 30, 2023 are as follows:

	2023	2022
Within one (1) year	₱267,857	₱300,000
More than one (1) year but not more than five (5) years	1,339,286	1,500,000
More than five (5) years	669,643	1,050,000
	₱2,276,786	₱2,850,000

19. Cost of Services

	2023	2022	2021
Outside services	₱57,386,637	₱43,131,926	₱37,054,304
Personnel cost (Note 21)	24,611,419	21,289,117	20,859,157
Depreciation and amortization (Notes 7, 8, and 10)	20,648,776	23,061,566	23,177,151
Club events	20,576,874	1,394,951	1,802,900
Utilities	17,555,083	12,809,010	8,332,710
Supplies	15,173,055	19,027,951	8,645,016
Repairs and maintenance	5,693,752	4,236,571	9,028,382
Others	13,159,747	4,632,847	2,694,641
	₱174,805,343	₱129,583,939	₱111,594,261

Outside services pertains to retainer fees, legal fees, maintenance crews, and audit fees.

Club events pertains to the costs incurred in relation to the Don Celso Tuason tournaments, and Grand Raffle.

Others pertain to provision for tournament expenses, insurance, ads and publication, promotional and industrial expenses, parking fee, and other miscellaneous expenses.

20. Administrative Expenses

	2023	2022	2021
Personnel costs (Note 21)	₱9,574,814	₱8,738,334	₱6,818,086
Taxes and licenses	6,869,911	4,938,961	5,312,964
Outside services	3,258,007	2,328,376	3,011,566
Board members' meetings	1,641,252	829,297	684,297
Bank charges	1,120,870	756,105	999,930
Supplies	1,006,486	1,014,950	1,129,130
Utilities	776,439	615,451	349,824
Provision for ECL (Note 5)	-	614,492	-
Depreciation and amortization (Notes 7, 8, and 10)	318,270	356,299	277,995
Others	3,465,946	1,701,856	1,036,497
	₱28,031,995	₱21,894,121	₱19,620,289

Other expenses consist mainly of advertising expenses, prompt payment discounts, insurance and net expenses incurred during tournaments.



21. Personnel Costs

	2023	2022	2021
Cost of services (Note 19):			
Salaries and wages	₱18,835,048	₱16,146,963	₱15,628,063
Employee benefits	4,285,235	3,967,935	3,989,911
Retirement benefit expense (Note 24)	1,491,136	1,174,219	1,241,183
	24,611,419	21,289,117	20,859,157
General and administrative (Note 20):			
Salaries and wages	7,863,206	6,843,837	5,171,193
Employee benefits	1,348,652	1,594,974	1,332,233
Retirement benefit expense (Note 24)	362,956	299,523	314,660
	9,574,814	8,738,334	6,818,086
	₱34,186,233	₱30,027,451	₱27,677,243

22. Income Taxes

The composition of provision (benefit) for income taxes is:

	2023	2022	2021
Current	₱834,224	₱170,312	₱188,131
Deferred	(1,717,364)	403,681	140,521
	(₱883,140)	₱573,993	₱328,652

- a. The Club's provision for current income tax pertains to RCIT in 2023 and MCIT in 2022 and 2021.
- b. The reconciliation of income computed at the statutory tax rates to provision for income tax as shown in the statements of income is as follows:

	2023	2022	2021
Income tax at the statutory rate	₱7,100,940	₱2,732,220	₱2,437,711
Income tax effects of:			
Nondeductible expenses	21,680,010	16,909,614	17,175,421
Nontaxable revenues	(28,950,694)	(19,215,588)	(17,978,816)
Movement of unrecognized deferred tax assets	(465,263)	211,854	(1,267,012)
Interest income subject to final tax	(248,133)	(64,107)	(38,652)
	(₱883,140)	₱573,993	₱328,652



c. The components of the recognized net deferred tax assets are as follows:

	2023	2022
Deferred tax assets:		
Advanced collections on fees and other dues	P1,331,795	P12,353
Allowance for ECL	153,623	153,623
Allowance for inventory obsolescence	13,142	-
	1,498,560	165,976
Deferred tax liabilities:		
Rent receivable	(367,552)	(339,178)
Interest income from accretion	(4,288)	(3,909)
	(371,840)	(343,087)
	P1,126,720	(P177,111)

The reconciliation of the net deferred tax assets (liabilities) is as follows:

	2023	2022
Balances at beginning of year	(P177,111)	P226,570
Benefit (provision) for deferred tax during the year recognized in:		
Profit or loss	1,717,364	(403,681)
Application of MCIT	(413,533)	
Balances at end of year	P1,126,720	(P177,111)

No deferred tax assets from the following deductible temporary difference were recognized as it is not probable that sufficient taxable profit will be available to allow the benefit of the deferred tax assets to be utilized:

	2023	2022
Retirement benefit obligation	P8,266,671	P7,614,418
Unrecognized past service cost	2,193,301	2,139,063
NOLCO	-	1,159,065
MCIT	-	413,533
	P10,459,972	P11,326,079

d. Bayanihan to Recover as One Act

On September 11, 2020, President Rodrigo R. Duterte signed into law RA No. 11494, *An Act Providing for COVID-19 Response and Recovery Interventions and Providing Mechanisms to Accelerate the Recovery and Bolster the Resiliency of the Philippine Economy, Providing Funds therefor, and for Other Purposes*, which shall be known and cited as “Bayanihan to Recover As One Act”.

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.



As at June 30, 2023 and 2022, the movement in the Club's NOLCO before taxable year 2021 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied in Previous year/s	NOLCO Expired	NOLCO Applied in Current year	NOLCO Unapplied
2020	2021-2023	₱10,390,337	(₱9,231,272)	₱-	(₱1,159,065)	₱-

- e. As at June 30, 2023, the movement in excess of MCIT over RCIT that can be claimed as deductions from future taxable liabilities, are as follows:

Year Incurred	Availment Period	As at June 30, 2022	Addition	Applied	As at June 30, 2023
2022	2023-2025	₱170,312	₱-	(₱170,312)	₱-
2021	2022-2024	188,131	-	(188,131)	=
2020	2021-2023	55,090	-	(55,090)	=
		₱413,533	₱-	(₱413,533)	₱-

23. Related Party Transactions

Related parties include members of key management personnel including directors and officers of the Club and close members of the family and companies associated with these individuals. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form. Parties are considered to be related if one party has the ability to control, directly or indirectly, the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A summary of major account balances with related parties follows:

Key Management Personnel Compensation

Compensation of key management personnel amounted to ₱3,636,362 ₱3,226,557 and ₱2,104,188 in 2023, 2022 and 2021, respectively, which represent short-term benefits.

Complimentary Club Coupons and House Guests Privileges

Complimentary green fee coupons are given to the BOD and certain officers for distribution to prospective members and certain guests and friends of the Club. The outstanding green fee coupons for each fiscal year are as follows:

	2023	2022	2021
Beginning balance	2,100	120	46
Additions during the year	5,000	4,440	2,720
Issuances during the year	(4,418)	(2,460)	(2,646)
Ending balance	2,682	2,100	120



On January 16, 2021, these green fee rates are changed ranging from ₱1,700 to ₱2,500 during weekdays, and ₱2,850 to ₱4,200 during weekends and holidays:

The Club also authorizes certain Club officers to entertain houseguests and use the Club's facilities free-of-charge.

24. Retirement Benefit Obligation

The Club has a funded, non-contributory, defined benefit retirement plan covering all its qualified officers and employees. Under the plan, qualified officers and employees are entitled to receive pension benefits on a lump sum basis when they reach the retirement age of 60. With the consent of the Club, an employee may elect to retire early provided he has rendered at least 20 years of credited service or at least 15 years of credited service and at least 50 years old. The projected unit credit cost method was used to determine the retirement benefit costs and obligation. The Club's retirement fund is being held in trust by a trustee bank.

The following tables summarize the components of the retirement benefit cost recognized in the statement of income and the retirement benefit obligation recognized in the statement of financial position for the retirement plan.

Retirement benefits expense recognized in the statements of income:

	2023	2022	2021
Service cost	₱1,342,592	₱1,192,627	₱1,300,611
Net interest cost:			
Interest cost on benefit obligation	1,701,201	1,144,456	928,724
Interest income on plan assets	(1,189,701)	(863,341)	(673,492)
Retirement benefit expense	₱1,854,092	₱1,473,742	₱1,555,843

Re-measurement losses (gains) on defined benefit obligation recognized under OCI in the statements of comprehensive income:

	2023	2022	2021
Actuarial losses (gains):			
Changes in financial assumptions	₱595,399	(₱2,128,165)	(₱1,517,134)
Experience adjustments	(51,565)	2,489,236	(513,168)
Changes in demographic assumptions	81,325	744,246	-
	625,159	1,105,317	(2,030,302)
Return on plan assets excluding the amount included in net interest cost	171,656	1,587,165	(56,847)
Re-measurement losses (gains) on defined benefit obligation	₱796,815	₱2,692,482	(₱2,087,149)



Cumulative re-measurement effect recognized in OCI included in the accumulated excess of revenues over expenses:

	2023	2022
Balances at beginning of year	P1,665,000	(P1,027,482)
Actuarial loss	625,159	1,105,317
Return on assets excluding amount included in net interest cost	171,656	1,587,165
Total amount recognized in OCI	P2,461,815	P1,665,000

Movements in retirement benefit obligation in 2023 and 2022 are as follows:

	2023	2022
Balances at beginning of year	P7,614,418	P5,446,848
Retirement benefit expense	1,854,092	1,473,742
Contributions paid	(1,998,654)	(1,998,654)
Remeasurement losses recognized in OCI	796,815	2,692,482
Balance at end of year	P8,266,671	P7,614,418

Changes in the present value of defined benefit obligation as follows:

	2023	2022
Balances at beginning of year	P25,814,891	P26,492,044
Current service cost	1,342,592	1,192,627
Interest cost	1,701,201	1,144,456
Net actuarial loss (gain) due to:		
Changes in demographic assumptions	81,325	2,489,236
Changes in financial assumptions	595,399	(2,128,165)
Experience adjustments on plan liabilities	(51,565)	744,246
Benefits paid from plan assets	(2,293,349)	(4,119,553)
Balances at end of year	P27,190,494	P25,814,891

Changes in the fair value of plan assets are as follows:

	2023	2022
Balances at beginning of year	P18,200,473	P21,045,196
Interest income on retirement plan assets	1,189,701	863,341
Actual contributions	1,998,654	1,998,654
Actual return excluding amount included in net interest cost	(2,293,349)	(1,587,165)
Benefits paid	(171,656)	(4,119,553)
Balances at end of year	P18,923,823	P18,200,473

Retirement obligation as reported in the statement of financial position:

	2023	2022
Present value of benefit obligation	P27,190,494	P25,814,891
Fair value of retirement plan assets at end of year	(18,923,823)	(18,200,473)
	P8,266,671	P7,614,418



The major categories of plan assets are as follows:

	2023	2022
Deposit in banks	₱3,130,259	₱1,258,859
Investment in government securities	7,156,135	8,671,715
Other securities and debt instruments	3,833,988	3,812,561
Investment in trust fund	1,231,224	982,174
Investment in shares of stock	3,404,754	3,287,598
Accrued interest receivable	158,245	109,493
Other receivables	73,717	198,814
Accrued trust fees and other payables	(64,499)	(120,741)
	₱18,923,823	₱18,200,473

Deposit in banks includes regular savings.

Investments in government securities consist of retail treasury bonds that bear interest ranging from 2.375% to 6.125% in 2023 and 2022 and will mature on various dates starting August 2023 to October 2037.

Other securities and debt instruments pertains to 'due from Bangko Sentral ng Pilipinas' and 'time certificate of deposit'.

Miscellaneous receivable pertains to 'dividends receivable' and 'due from brokers'.

The principal actuarial assumptions used in determining retirement benefit obligations for the Club's retirement plan are as follows:

	2023	2022
Discount rate	6.22%	6.59%
Future salary increases	4.00%	4.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	Effect on defined benefit obligation
2023		
Discount rates	+1%	(₱1,555,769)
	-1%	1,737,482
Salary increase rate	+1%	₱1,758,831
	-1%	(1,601,752)
2022		
Discount rates	+1%	(₱1,490,704)
	-1%	1,667,364
Salary increase rate	+1%	₱1,694,113
	-1%	(1,539,778)



Shown below is the maturity profile of the undiscounted benefit payments:

	2023	2022
Year 1	P6,454,000	P2,602,193
Year 2	1,767,768	6,608,833
Year 3	3,292,978	1,722,953
Year 4	2,495,440	3,218,591
Year 5	2,900,269	2,447,066
Year 6 - 10	15,818,211	13,797,716

The average duration of the defined benefit obligation is 6.1 years as at June 30, 2023 and 2022.

The Club's latest actuarial valuation report was as of June 30, 2023.

25. Financial Instruments

Financial Risk Management Objectives and Policies

The Club's principal financial liabilities comprise of trade and other payables, members' deposit and others, and short-term borrowing. The main purpose of these financial liabilities is to raise finance for the Club's operations. The Club has various financial assets such as cash and cash equivalents and trade and other receivables, which arise directly from its operations. The Club also has investments in debt instruments at FVTPL and trust fund.

The main risks arising from the Club's financial instruments are credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks and they are summarized below.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Club manages credit risk by establishing credit limits at the level of the individual borrower, corporate relationship and industry sector. Also, the Club transacts only with recognized third parties.

In addition, receivables balances are monitored on an ongoing basis with the result that the Club's exposure to bad debts is not significant. Provision for ECL/impairment losses on receivables will also be made if the situation so warrants subject to the BOD's review and approval.

The following table represents the Club's maximum exposure to credit risk:

	2023	2022
Cash in banks and cash equivalents	P82,225,206	P51,027,281
Trade and other receivables	23,356,548	13,861,275
Debt instrument at FVTPL	10,387,218	10,120,765
Trust fund	4,984,096	4,856,245
	P120,953,068	P79,865,566

Impairment of financial assets

The Club's financial assets that are subject to the ECL model consists of cash and cash equivalents and trade and other receivables.



An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of trade and other receivables. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

With respect to credit risk for these financial assets, the Club's maximum exposure equals to the carrying amount of these instruments. The Club has impaired financial assets amounting to ₱1,725,845 as at June 30, 2023 and 2022 (see Note 5).

Trade and other receivables

Below is the information about the credit risk exposure on the Club's trade and other receivables using a provision matrix:

2023	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	1.2459%	2.8839%	3.0676%	4.4100%	4.8436%	100%	
Estimated total gross carrying amount at default	₱9,784,365	₱6,203,456	₱4,904,098	₱771,335	₱2,289,449	₱1,129,690	₱25,082,393
Expected credit loss	₱121,908	₱178,901	₱150,438	₱34,016	₱110,892	₱1,129,690	₱1,725,845

2022	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	0.2600%	0.4400%	0.9671%	2.0291%	4.7943%	100%	
Estimated total gross carrying amount at default	₱2,560,510	₱3,829,104	₱488,819	₱509,386	₱6,839,952	₱1,359,349	₱15,587,120
Expected credit loss	₱6,657	₱16,848	₱4,727	₱10,336	₱327,928	₱1,359,349	₱1,725,845

Liquidity risk

Liquidity risk is defined as the risk that the Club may not be able to settle or meet its obligations as they fall due. The Club monitors and maintains a level of cash deemed adequate by the management to finance the Club's operations and mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Club's financial liabilities as at June 30, 2023 and 2022, based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Club's financial assets in order to provide a complete view of the Club's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

As at June 30, 2023

	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
Financial liabilities						
At amortized cost:						
Trade and other payables:						
Trade payables	₱4,029,118	₱10,094,299	₱-	₱-	₱-	₱14,123,377
Accrued expenses	3,612,037	2,854,869	2,787,885	1,183,007	14,202	9,652,000
Others*	11,217,565	12,583,903	-	-	-	23,801,468
Refundable Deposits	-	-	-	-	740,000	740,000
Short-term deposits	-	-	-	-	-	-
Members deposits and others	19,477,090	-	-	-	-	19,477,090
	₱38,335,810	₱24,733,031	₱2,787,885	₱1,183,007	₱754,202	₱67,793,935
Financial assets						
At amortized cost:						
Cash and cash equivalents	₱70,266,957	₱683,821	₱1,084,218	₱10,375,210	₱-	₱82,410,206
Trade and other receivables:						
Trade receivables	3,188,414	12,439,383	-	-	-	15,647,797
Others	4,481,121	3,227,629	-	-	-	7,708,750
Debt instrument at FVTPL	10,387,218	-	-	-	-	10,387,218
Trust fund	-	-	-	-	4,984,096	4,984,096
	₱88,323,710	₱16,370,833	₱1,084,218	₱10,375,210	₱4,984,096	₱121,138,067

*Excludes statutory liabilities amounting to ₱5,001,847



As at June 30, 2022

	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
Financial liabilities						
At amortized cost:						
Trade and other payables:						
Trade payables	₱2,451,433	₱3,951,822	₱-	₱-	₱-	₱6,403,255
Accrued expenses	2,769,964	857,066	207,136	240,636	1,275,170	5,349,972
Others*	3,865,150	725,521	463,622	185,984	5,214,113	10,454,390
Refundable Deposits					740,000	740,000
Short-term deposits					236,946	236,946
Members deposits and others	18,237,703					18,237,703
	₱27,824,250	₱5,534,409	₱670,758	₱426,620	₱7,456,129	₱41,412,166
Financial assets						
At amortized cost:						
Cash and cash equivalents	₱28,634,761	₱10,712,715	₱-	₱11,779,805	₱-	₱51,147,281
Trade and other receivables:						
Trade receivables	2,622,287	6,072,891				8,695,178
Others	4,872,879	293,218				5,166,097
Debt instrument at FVTPL	10,120,765					10,120,765
Trust fund					4,856,245	4,856,245
	₱46,270,692	₱17,078,624	₱-	₱11,779,805	₱4,856,245	₱79,985,566

*Excludes statutory liabilities amounting to ₱1,584,938

In November 2021, the Club entered into a one year Loan Agreement with Metrobank Trust Company with a principal amount of ₱694,400 for the acquisition of a transportation equipment for use as shuttle and emergence vehicle of the Club. The loan bears an interest of 7.27% per annum.

As at June 30, 2023 and 2022, the Club made payments on short term borrowing amounted to ₱263,946 and ₱457,454, respectively.

Fair Value Measurements

The following provides the fair value measurement hierarchy of the Club's assets and liabilities as at June 30, 2023 and 2022:

	Date of Valuation	Fair Value Measurement			
		Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets for which fair values are disclosed					
Investment Properties					
(Note 8)	2023	₱173,352,600	₱-	₱-	₱173,352,600
	2022	₱171,753,700	₱-	₱-	₱171,753,700
Assets measured at fair value					
Debt instrument at FVTPL					
(Note 9)	2023	₱10,387,218	₱10,387,218	₱-	₱-
	2022	₱10,120,765	₱10,120,765	₱-	₱-
Trust Fund (Note 9)					
	2023	₱4,984,096	₱4,984,096	₱-	₱-
	2022	₱4,856,245	₱4,856,245	₱-	₱-

Significant unobservable inputs for fair value measurement of the Club's investment properties include sales listing of currently executed transactions involving similar items within the immediate vicinity of the property. The fair value of the investment properties is adjusted considering the location, size and physical attributes of the property.



Description of significant unobservable inputs to valuation:

Assets	Valuation Technique	Significant Unobservable Input	Range of Input	Sensitivity of the Input to Fair Value
Investment properties	Market approach and cost approach	Price per area	Various	Increase (decrease) in price per area would increase (decrease) the fair value

There are no changes in the valuation techniques used for assets classified under Level 3 category. During the years ended June 30, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Cash and cash equivalents, trade and other receivables, trade and other payables, and members' deposit and others

The carrying values of cash and cash equivalents, trade and other receivables, trade and other payables, and members' deposit and others, and short-term borrowing, approximate their fair values due to the relatively short-term maturity of these financial instruments.

Debt instruments at FVTPL and Trust Fund

The carrying values of debt instruments at FVTPL and trust fund are measured at fair value and is computed based on net asset value per unit.

Capital Management

The primary objective of the Club's capital management policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize members' value. The club manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Club is not subject to externally imposed capital requirements. The Club considers total member's equity as capital.

	2023	2022
Capital stock	₱14,346,000	₱14,346,000
Contributions in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over costs and expenses	74,082,979	45,592,893
	₱290,056,751	₱261,566,665

No changes were made in the objectives, policies or processes for the years ended June 30, 2023 and 2022.

26. Supplementary Information under Revenue Regulations (RR) 34-2020 and 15-2010

RR 34-2020

The Club is not covered by the requirements and procedures for related party transactions provided by RR 34-2020 which prescribes the guidelines and procedures for the submission of BIR Form 1709 Related Party Transactions Form, transfer pricing documentation and other supporting documents.

RR 15-2010

On November 25, 2010, the BIR issued RR 15-2010 prescribing the manner of compliance in connection with the preparation and submission of financial statements accompanying the tax returns. It includes provisions for additional disclosure requirements in the notes to the financial statements, particularly on taxes, duties and licenses paid or accrued during the year. The Club reported and/or paid the following types of taxes in 2023:



a. VAT

The NIRC of 1997 provides for the imposition of VAT on sales of goods and services. Accordingly, the Club's sales are subject to output VAT while its purchases from other VAT-registered individuals or corporations are subject to input VAT.

Details of the Club's net sales/receipts, output VAT and input VAT accounts are as follows:

i. Net Sales/Receipts and Output VAT declared in the Club's VAT returns

	Net Sales/ Receipts	Output VAT
Taxable sales:		
Sales of services	₱125,430,364	₱15,051,644
Exempt sales	28,731,042	—
	<u>₱154,161,406</u>	<u>₱15,051,644</u>

ii. Input VAT

Balance at July 1, 2022	₱—
Current year's domestic purchases/payments for:	
Domestic purchases of services	6,094,416
Goods other than for resale or manufacture	2,300,856
	<u>8,395,272</u>
Applied against output tax	<u>(8,395,272)</u>
Balance at June 30, 2023	<u>₱—</u>

b. Withholding Taxes

Expanded withholding taxes	₱2,741,212
Withholding taxes on compensation and benefits	560,718
	<u>₱3,301,930</u>

c. Other Taxes and Licenses

Real estate taxes	₱4,127,819
Local business tax	1,608,104
Others	1,133,988
	<u>₱6,869,911</u>

Others pertains to payments made on delinquency taxes on real property taxes during the year.

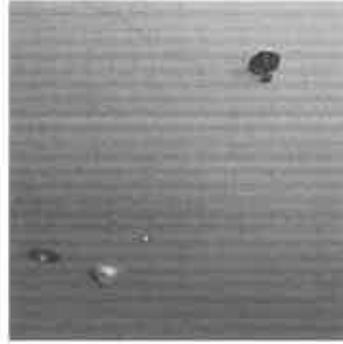
d. Tax Assessments

On March 6, 2023, the Club received a Notice of Discrepancy (NOD) from BIR in relation to the Letter of Authority dated May 23, 2022, covering all internal revenue taxes for the period July 1, 2020 to June 30, 2021. The NOD amounted to ₱46,553,631. The Club submitted and presented the supporting documents and schedules in response to the discrepancies received from BIR. As of September 11, 2023, the Club is awaiting the response of the BIR.





**50 CMD SEWAGE
TREATMENT PLANT**



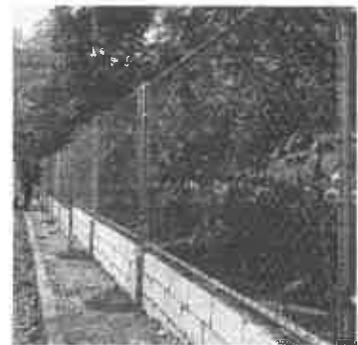
**AUTOMATIC FIRE SPRINKLER &
DETECTION ALARM**



**HOLE # 3 SOUTH COURSE
PERIMETER FENCE**



**HOLE # 5 NORTH COURSE CYCLONE
FENCE**



UNION OFFICE



MICRO STATION ECO OIL

ENGINEERING PROJECTS



CANOPY WORKS EXTENSION



MEZZANINE TOILET



**GABION FILTER MAINTENANCE
WORKS**



**SHELTER HOUSE REPAIR WORKS NORTH
COURSE HOLES 2, 5 & 17**



DCT REBLOCKING WORKS



CART PATH REPAIR WORKS

ENGINEERING PROJECTS



CART PATH REPAIR WORKS



LED FAIRWAY LIGHTS



REHABILITATION OF NORTH AND SOUTH PUMPING STATIONS



DREDGING OF PONDS

ENGINEERING PROJECTS



22ND OCT & FOUNDERS' CUP



PRESIDENTS AND DIRECTORS' CUP '23



66TH INTRA CLUB



2023 BARKOAHAN TOURNAMENT



2023 PARENT & CHILD TOURNAMENT

CLUB TOURNAMENTS



Don Celso S. Tuason Ave., Antipolo City
8658-4901 TO 03
info@valleygolf.com.ph
www.valleygolf.com.ph

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF

VALLEY GOLF & COUNTRY CLUB, INC.

Held at the Board Room, Main Clubhouse
Valley Golf & Country Club, Inc.,
Don Celso Tuason Avenue, Antipolo City
September 25, 2022 at 4:00 p.m.

TOTAL NUMBER OF SHARES OUTSTANDING	1,594
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED AND ENTITLED TO VOTE	(928) (58%)

I. CALL TO ORDER

After the National Anthem, the President and Chairman of the Board of Directors, Mr. Carlo J. Carpio, called the meeting to order and presided over the same.

The Corporate Secretary, Atty. Allan Jocson, recorded the minutes of the proceedings.

Before the meeting proper started, the Secretary stated for the record the names of Directors of Valley Golf & Country Club, Inc. who were present during the meeting. The following Directors were present:

Pres. Carlo J. Carpio
Dir. Reginald Benjamin V. San Pedro
Dir. Rio Seginando E. Venturanza
Dir. Rafael S. Raymundo
Dir. Renato C. Balibag
Dir. Jose Arsenio Isidro D. Borromeo III
Dir. Pablito M. Gregore
Dir. Constantine L. Kohchet-Chua
Dir. Jose G. Razon

Also present were the members of the COMELEC namely:

Atty. Joseph Joel Castillo
Atty. Wendell Dimaculangan
Atty. Mark Boncris Santos

The Secretary also informed everyone that the meeting was convened via zoom live streaming as approved by the Board of Directors and as authorized by SEC Memorandum Circular No. 6, Series of 2020. He reiterated that the meeting was being recorded in video and audio in accordance with the requirements of the Securities and Exchange Commission. Audio and video recordings of the 2022 ASM livestream broadcast will be adequately maintained by the Club and will be made available in the Club's website after the event.

II. CERTIFICATION OF NOTICE AND QUORUM

The Secretary confirmed that notices of the meeting were duly sent to all members of the Board of Directors together with a copy of the materials for the meeting.

The Secretary also confirmed that notices of the meeting were duly sent to all the Stockholders on records through electronic mail to the members' email addresses officially registered with Valley Golf on 04 September 2022 which was at least 21 days prior to this scheduled Annual Stockholders' Meeting in accordance with the Revised Corporation Code and at least ten (10) days under the By-Laws of Valley Golf & Country Club, Inc.

The Secretary also confirmed that Notice of the meeting was also posted on the front page of the Club website beginning on 04 September 2022.

The Secretary therefore certified that the Stockholders were duly notified of the Annual Stockholders' Meeting.

As to the existence of quorum, the Secretary announced that based on the tally of the number of stockholders who have successfully registered on line and have submitted verified and validated SPAs and Proxies on hand, the total number of voting on-line in person and represented by proxy was 928 shares or representing at least 58% out of the 1,594 total outstanding capital stock of the Club. The number of shares voting on-line in Person was 175 shares and by Proxy, 743 shares.

The Secretary therefore certified the existence of a quorum for the valid transaction of business at the meeting.

Before proceeding with the meeting proper, the Secretary briefly explained the rules in the conduct of today's meeting and the voting procedures for the virtual meeting pursuant to the Guidelines for the September 25, 2022 Stockholders' meeting as approved by the Board of Directors which was included in the Club's Definitive Information Statement that was submitted to the Securities and Exchange Commission.

The Secretary laid down the 7 (seven) items for voting, they are:

SECRET

1. Approval of the Minutes of the 2021 Annual Stockholders' Meeting held on 26 September 2021;
2. Approval of the President's Report containing the Company's 2022 Annual Report and Financial Report of the Treasurer containing the Audited Financial Statements;
3. Approval, confirmation and ratification of all Acts and resolutions of the Board of Directors and the Management from July1, 2021 to June 30, 2022;
4. Appointment of External Auditor;
5. Amendment of the Articles of Incorporation;
6. Amendment of the By-Laws;
7. Election of Directors;

The Secretary confirmed that the Administrative support was recording the numbers of stockholders who were connected to the Website and that they maintain a record of the same. Thus, the total numbers of stockholders who connected with the Website during the Annual Stockholders' meeting was 47 or 2.94% of the total numbers of stockholders.

III. APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS' MEETING

Upon motion duly made and seconded, the reading of the minutes of the last stockholders' meeting held on 26 September 2021 was dispensed with as the same had been previously circulated/distributed to the stockholders.

Accordingly, the following resolution was thereafter passed:

“RESOLVED, that the reading of the minutes of the Annual Meeting of the Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. (the 'Corporation') held on 26 September 2021 is hereby dispensed.”

The Secretary confirmed that no inquiries of objections submitted on-line, the Minutes of the last Stockholders' meeting was thereafter approved.

The votes for the Resolution on the approval of the Minutes of 2021 Annual Stockholders' Meeting are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of Minutes of the Previous Meeting of Stockholders	882 (55%)	2 (0.001%)	34 (0.02%)

ORIGINAL

Accordingly, the following resolution was thereafter passed:

“RESOLVED, that the Minutes of the Annual Meeting of the Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. (the ‘Corporation’) held on 26 September 2021 is hereby approved.”

IV. MATTERS ARISING FROM THE MINUTES OF THE LAST STOCKHOLDERS' MEETING

The Chairman, Mr. Carlo J. Carpio inquired if there are questions submitted on-line regarding the previous year’s minutes.

The Secretary certified that there was no question submitted on-line regarding the matter.

V. APPROVAL OF THE PRESIDENT’S REPORT CONTAINING THE COMPANY’S 2022 ANNUAL REPORT AND FINANCIAL REPORT OF THE TREASURER CONTAINING THE AUDITED FINANCIAL STATEMENTS.

a. FINANCIAL REPORT OF THE TREASURER

The Chairman announced that the Financial Report of the Treasurer contains the Audited Financial Statements for Fiscal Year 2022 and that a copy of the Audited Financial Statements for the fiscal year 2022 was made available to the stockholders in the website of the club and was sent to the members via email.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

b. PRESIDENT’S REPORT

The Chairman announced that the President’s Report is the Company’s 2022 Annual Report and that a copy of the President’s Report was made available to the stockholders on the website of the club and was sent to the members via email.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the approval of the Financial Report of the Treasurer containing the Audited Financial Statements for Fiscal Year 2022 and the President’s Report containing the Company’s 2022 Annual Report were as follows:

ORIGINAL

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of 2021-2022 Annual Report and Financial Statements	879 (55%)	4 (0.002%)	35 (0.02%)

The herein below resolution was likewise approved:

“RESOLVED, the Audited Financial Statements for Fiscal Year 2022 as reflected in the Treasurer’s Financial Report together with the Company’s 2022 Annual Report as reflected in the President’s Report, be noted and approved.”

VII. APPROVAL, CONFIRMATION AND RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT FROM JULY 01, 2021 TO JUNE 30, 2022.

The Chairman announced that a copy of the list of Acts of the Board and Management from July 1, 2021 to June 30, 2022 was made available to the stockholders in the website of the club and the same was sent thru email to the registered email addresses of all the stockholders.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the approval, confirmation and ratification of all acts and resolutions of the Board of Directors and the Management from July 01, 2021 to June 30, 2022 were as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Ratification of all acts of the Board of Directors and Management from the date of the last stockholders’ meeting up to the date of the present meeting.	863 (54%)	11 (0.007%)	44 (0.03%)

The herein below resolution was likewise approved:

“RESOLVED, that all acts of the Board of Directors and Management for the period July 1, 2021 to June 30, 2022 are hereby confirmed, approved and ratified.”

ORIGINAL

VIII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman announced that the present External Auditor is the Sycip, Gorres and Velayo & Co. So far, the Club is satisfied with their services, fees and reputation. The Audit Committee recommended to the Board the re-appointment of SGV as External Auditor and the recommendation was approved by the Board.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the approval of the re-appointment of Sycip, Gorres and Velayo & Co. as External Auditor were as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Re-appointment of Sycip Gorres Velayo & Company as External Auditor for 2021-2022	876 (55%)	15 (0.009%)	27 (0.02%)

The herein below resolution was likewise approved:

“RESOLVED, that the re-appointment of Sycip Gorres Velayo & cO. (SGV & Co) is hereby noted and approved.”

IX. AMENDMENT OF THE ARTICLES OF INCORPORATION

The Corporate Secretary announced that the Board of Directors has approved amendments to our Articles of Incorporation and to submit the same to the stockholders for approval during the Annual Stockholders' Meeting scheduled on 25 September 2022.

The amendments to the Articles of Incorporation include among others: 1) the rewording of its secondary purposes so as to specifically authorize the Club to offer and sell its proprietary shares to the public; 2) stating with particularity its principal office address; 3) increasing the number of directors to eleven (11); 3) amending the Club's term of existence to perpetual existence; and 4) specifically stating that shareholders shall have the right to share in the assets of the Club in the event of its dissolution or liquidation.

These proposed amendments to the Articles of Incorporation were adopted to fully comply with the provisions of the Revised Corporation Code, the Securities Regulations Code, issuances and memorandum circulars of the Securities and Exchange Commission (SEC) and the Amended Manual Corporate Governance of the Club. In fact, the SEC's Corporate Governance and Finance Department has directed the Club to adopt these amendments in its Articles of Incorporation.

Copies of the Amendments were posted on the Club website.

Ratification of amendments to the Articles of Incorporation requires the affirmative vote of two-thirds (2/3) of the outstanding capital stock.

The Board of Directors appealed to the stockholders to carefully study these amendments and consider voting for their ratification so that the Club fully complies with existing laws and SEC rules and regulations. This is to ensure that the Club remains in good standing with its regulatory agency, the SEC, and avoid any issues, problems or difficulties with the latter, including possible penalties and sanctions.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the Approval of the Amendment of the Articles of Incorporation are as follows:

	In Favor	Against	Abstain	Total
Article II	708	28	182	918
Article III	706	30	182	918
Article IV	706	30	182	918
Article VI	707	153	58	918
Article VII	826	33	59	918

The Secretary certified that the tally of votes received shows failure to reach the required votes or assent of at least 2/3 of the members or at least 1063 number of shares.

There is no approval from the members regarding this item on the agenda.

X. AMENDMENT OF THE BY-LAWS

The Corporate Secretary announced that the Board of Directors has approved amendments to our By-Laws and to submit the same to the stockholders for approval during the Annual Stockholders' Meeting scheduled on 25 September 2022.

There are significant amendments to the By-Laws, the most noteworthy are as follows: 1) shortening the term of directors to one (1) year (from three [3]); 2)

institutionalizing the nomination and election of independent directors who should compose at least twenty percent (20%) of the number of directors; 3) providing for additional qualifications for regular directors and qualifications for independent directors; 4) inclusion of special committees among the standing committees as required by the Corporation's Amended Manual of Corporate Governance; 5) amendments to the composition of the Committee on Election, and; 6) authorization of stockholders' meetings by remote conference. Please refer to the Club website for the proposed amendments.

These proposed amendments to the By-Laws were adopted to fully comply with the provisions of the Revised Corporation Code (Republic Act No. 11232), the Securities Regulations Code (Republic Act No. 8799), issuances and memorandum circulars of the Securities and Exchange Commission (SEC) and the Amended Manual of Corporate Governance of the Club. In fact, the SEC's Corporate Governance and Finance Department has directed the Club to adopt these amendments in its By-Laws.

Amendments to the By-Laws require the affirmative vote of a majority of the outstanding capital stock.

Copies of the Amendments were posted on the Club website.

The Board of Directors appealed to the stockholders to carefully study these amendments and consider voting for their ratification so that the Club fully complies with existing laws and SEC rules and regulations. This is to ensure that the Club remains in good standing with its regulatory agency, the SEC, and avoid any issues, problems, or difficulties with the latter, including possible penalties and sanctions.

The Secretary certified that there were no questions or objections submitted on-line regarding the matter.

The votes for the Approval of the Amendment of the By-Laws are as follows:

	In Favor	Against	Abstain	Total
Article I – Office	839	25	54	918
Article III – Meeting				
Section 1. Annual Meetings	842	23	53	918
Section 2. Special Meetings	840	23	55	918
Section 3. Notice Of Meetings	842	24	52	918
Section 4. Quorum	857	11	50	918
Section 5. Proxies	848	17	53	918
Section 6. Election Of Directors	844	28	46	918
Section 8. Eligibility To Vote and Be Voted	843	29	46	918

Section 9. Stockholder's Consent	845	28	45	918
Section 10. Committee On Election	841	29	48	918
Article IV – Directors				
Section 1. Board Of Directors	652	215	51	918
Section 3. Board Meeting	677	192	49	918
Article V – Officers				
Section 1. Designation	676	192	50	918
Section 2. Qualification	675	192	51	918
Section 4. Compensation	666	192	60	918
Section 5. Duties And Responsibilities	676	190	52	918
Article VI – Committees				
Section 3	675	192	51	918
Article VII – Membership				
Section 1. Classification	673	191	54	918
Section 3	676	191	51	918

The Corporate Secretary certified that the tally of votes received shows we were able to reach the required affirmative vote of the majority of the outstanding capital stock or at least 798 number of shares for the following amendments:

Article I – Office

Article III – Meeting

Section 1. Annual Meetings

Section 2. Special Meetings

Section 3. Notice Of Meetings

Section 4. Quorum

Section 5. Proxies

Section 6. Election Of Directors

Section 8. Eligibility To Vote And Be Voted

Section 9. Stockholder's Consent

Section 10. Committee On Election

The Corporate Secretary also certified that the tally of votes received for the following amendments shows failure to reach the required affirmative vote of the majority of the outstanding capital stock or at least 798 number of shares:

Article IV Section 1. Board Of Directors

Article IV Section 3. Board Meeting

Article V Section 1. Designation

Article V Section 2. Qualification

Article V Section 4. Compensation

Article V Section 5. Duties And Responsibilities

Article VI Section 3
Article VII Section 1. Classification
Article VII Section 3

XI. ELECTION OF DIRECTORS

The Chairman announced that the members will elect 3 Directors for this Annual Stockholders' Meeting for the ensuing year. The individual profiles were sent thru email to the email addresses of the members officially registered with the Valley Golf, posted in the Club's bulletin board, website and appeared in the Definitive Information Statement.

The following were the official nominees:

- a. Marvin A. Caparros
- b. Maria Cecilia Ng-Esguerra
- c. Raymundo G. Estrada
- d. Jose Ferdinand R. Guiang
- e. Nicanor S. Jorge

The Chairman of the COMELEC, Atty. Joseph Joel Castillo briefly explained the on-line voting process in accordance with the Rules and Procedures regarding on-line voting. The other members of the Comelec were Atty. Wendell Dimaculangan and Atty. Mark Boncris Santos.

Thereafter, the Chairman turned-over the tallying of votes to the representatives of SGV.

After all votes cast were counted, the following candidates were declared elected as new members of the Board of Directors of the Club for the year 2022-2023 after receiving the votes indicated opposite their names:

	Nominee	No. of Votes Received		
		In Person	By Proxy	Total
1.	Marvin A. Caparros	528	125	653
2.	Maria Cecilia Ng-Esguerra	520	92	612
3.	Raymundo G. Estrada	0	57	57
4.	Jose Ferdinand R. Guiang	644	31	675
5.	Nicanor S. Jorge	537	210	747

The herein below resolution was likewise approved:

“RESOLVED, to elect the following as Directors of Valley Golf & Country Club, Inc., to serve as such until the election and qualification of their successors:

- 1. Nicanor S. Jorge***
- 2. Jose Ferdinand R. Guiang***
- 3. Marvin A. Caparros***

Consequently, the Chairman declared that the 3 winning candidates duly elected to serve as Directors until the election and qualification of their successors.

The newly elected Directors gave their short personal messages.

IX. OTHER MATTERS

The Chairman inquired from the Corporate Secretary if there were other inquiries submitted on-line regarding other matters.

The Corporate Secretary certified that there are no other questions submitted regarding other matters.

X. ADJOURNMENT

There being no other matters to be discussed, the meeting was thereupon adjourned.

Attested by:


CARLO J. CARPIO
President


ALLAN JOCSON
Corporate Secretary

ORIGINAL

COVER SHEET

1 3 9 5 1

S.E.C. Registration Number

V A L L E Y G O L F & C O U N T R Y

C L U B , I N C .

(Company's Full Name)

D O N C E L S O S . T U A S O N A V E .

B A R A N G A Y M U N T I N G D I L A W

A N T I P O L O C I T Y

(Business Address: No. Street/City/Province)

ROSANNA R. ARGUELLES

Contact Person

8658-4901

Company Telephone Number

0 6

Month

3 0

Day

Fiscal Year

Annual Corporate Governance Report

FORM TYPE

09 4th Sunday

Month

Day

Annual Meeting

Secondary License Type, If Applicable

C G F D

Dept. Requiring this Doc.

Amended Articles Number/Section

1,594

Total No. of Stockholders
Owning at Least One Board Lot

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

Certification

I, DAN L. SALVADOR III, the General Manager/Compliance Officer of **VALLEY GOLF & COUNTRY CLUB, INC.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number 13951 and with principal office at Don Celso S. Tuason Victoria Valley Antipolo City, on oath state:

- 1) That I have caused this **Annual Corporate Governance Report for the Fiscal Year ended June 30, 2023** to be prepared on behalf of **VALLEY GOLF & COUNTRY CLUB, INC.**
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company **VALLEY GOLF & COUNTRY CLUB, INC.** will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

OCT 11 2023

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20_____.

OCT 11 2023

SUBSCRIBED AND SWORN TO BEFORE ME
THIS _____ DAY OF _____ AT ANTIPOLO CITY
AFFIANT EXHIBITING TO ME HIS/HER GOV'T
VALID ID NOTED BELOW HIS NAME



DAN L. SALVADOR III
Affiant

Doc. No. 471
Page No. 75
Book No. 100
Series of: 2023


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC

For Antipolo City, Calinta, Taytay, Rizal
Until December 31, 2024
Roll of Attorneys No. 27541
MCLE Compliance No. VII-0023686
IBP No. 256227; Dec. 30, 2022, RSM
PTR No. 8675432; Jan. 03, 2023 Antipolo City

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year 2023
2. Exact Name of Registrant as Specified in its Charter VALLEY GOLF & COUNTRY CLUB, INC.
3. Don Celso Tuason Ave., Antipolo City 1870
Address of Principal Office Postal Code
4. SEC Identification Number 13951
5.  (SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number 000-649-197
7. (02) 86584901, (02) 86584902, (02) 86584903
Issuer's Telephone number, including area code
8.
Former name or former address, if changed from the last report

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	9
Actual number of Directors for the year	9

(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non- Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (If ID, state the relationship with the nominator)	Date first elected	Date last elected (If ID, state the number of years served as ID) ¹	Elected when (Annual /Special Meeting)	No. of years served as director
Rafael S. Raymundo	ED	Not Applicable not a Nominee	Joaquin Tolentino, Jr.	9/27/ 2020	9/27/2020	9/27/20 20	3 years
Jose Arsenio Isidro D. Borromeo III	ED	Not Applicable not a Nominee	Anil Sehwanl	9/27/ 2020	9/27/2020	9/27/20 20	3 years
Atty. Rio Sesinando E. Venturanza	ED	Not Applicable not a Nominee	Raymond Y. Tan	9/26/ 2021	9/26/2021	9/26/20 21	2 years
Constantine L. Kohchet-Chua	ED	Not Applicable not a Nominee	Emmanuel Yu	9/26/ 2021	9/26/2021	9/26/20 21	2 years
Renato C. Ballbag	ED	Not Applicable not a Nominee	Virgilio Bucat	9/27/ 2020	9/27/2020	9/27/20 20	3 years
Jose G. Razon	ED	Not Applicable not a Nominee	Errol Collado	9/26/ 2021	9/26/2021	9/26/20 21	2 years
Marvin A. Caparros	ID	Not Applicable not a Nominee	Edward Lim – Not Relationship	9/25/ 2022	9/25/2022 One (1) Year as Independent Director	9/25/20 22	1 year
Jose Ferdinand R. Gulang	ED	Not Applicable not a Nominee	Pablito Gregore	9/25/ 2022	9/25/2022	9/25/20 22	1 year
Nicanor S. Jorge	ID	Not Applicable not a Nominee	Albert San Gabriel – No Relationship	9/25/ 2022	9/25/2022 One (1) Year as Independent Director	9/25/20 22	1 year

(b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

(a.) The evaluation system established by the company to measure or determine the level of compliance of the Board of Directors and top-level management with its Manual of Corporate Governance.

¹ Reckoned from the election immediately following January 2, 2012.

1. Initially, the Club adopted the Corporate Governance Self-Rating System Form.
2. In compliance with SEC Memorandum Circular No. 12 Series of 2021, the Club submitted last June 23, 2022 the Annual Corporate Governance Report for the period Jan. – Dec. 2021. The report for the period Jan – Dec. 2022 was submitted last June 20, 2023.
3. The members of the Board of Directors prepare monthly reports to the Board for discussion and evaluation in the monthly Board Meetings. The members of the Board have a Self-Assessment Form.
4. Valley Golf has a Business Plan and Annual Budget. Management conducts a monthly review of compliance with the action plan. Every month a Management Report is submitted during the Board Meeting which contains the status report of the business plan and the comparative financial statement against the budget to reflect the variances. Included also is a monthly highlight of the financial report with detailed explanations on the variances of the actual figures as compared to the budget.

(b.) Measures being undertaken by the company to fully comply with the adopted leading practices on good corporate governance.

1. The Audit Committee and the Finance Committee meet with the External Auditors regarding the annual examination of the financial statements of the Club and the operations of the Club.
2. The Club has a Membership Handbook and a Personnel Manual that contain policies, procedures and implementing guidelines on dealing with members and employees.
3. The President submits a monthly Management Report to the Board of Directors.
4. The Board of Directors had appointed the members of the Nomination Committee, Compensation and Remuneration Committee and Audit Committee to comply with their respective duties and responsibilities as provided for in the Manual of Good Corporate Governance.
5. The Board of Directors had appointed an External Auditor and hired an Internal Audit Department in compliance with the Manual of Good Corporate Governance.
6. The Club's annual report is disseminated to all members to inform them of the results of the operations of the Club and the activities of the Board for the fiscal year.
7. The Board of Directors has created several committees to ensure compliance with the Club's Code of Corporate Governance. Among the committees created are the Management Committee, House Committee, Membership Committee, Finance Committee, Sports and Games Committee, Nomination Committee, Grounds & Engineering Committee, Administration Committee, Legal Committee, Real Estate Committee, Security Committee and Election Committee.
8. During the Fiscal year 2023, the following Members of the Board of Directors and Compliance Officer attended the Seminar on Corporate Governance:

The following Members of the Board of Directors attended the Webinar on Corporate Governance Orientation Program held on October 26 - 27, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Dir. Marvin A. Caparros
2. Dir. Niclanor S. Jorge

The following Members of the Board of Directors attended the Webinar on Corporate Governance Orientation Program held on February 23 – 24, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Dir. Constantine L. Kohchet-Chua
2. Dir. Rafael S. Raymundo
3. Dir. Jose G. Razon

Atty. Rio Sesinando E. Venturanza attended the Webinar on the New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021 via Zoom at the Center for Global Best Practices Foundation.

The following Corporate Secretary and Compliance Officer/General Manager attended the Webinar on Corporate Governance Orientation Program held on June 29 - 30, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Atty. Allan Jacson – Corporate Secretary
2. Mr. Dan L. Salvador III – Compliance Officer/General Manager

The following Members of the Board of Directors attended the Webinar on New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021, via Zoom at the Center for Global Best Practices Foundation.

1. Dir. Jose Arsenio Isidro D. Borromeo III
2. Dir. Renato C. Ballbag

The following Member of the Board of Directors attended the Seminar on Corporate Governance held on December 5, 2019 conducted by SGV at the Makati Shangri-La, Ayala Center, Makati City:

1. Dir. Jose Ferdinand F. Gulang

(c.) Any deviation from the company's Manual of Corporate Governance. It shall include a disclosure of the name and position of the person/s involved, and the sanction/s imposed on said individual

There is no deviation from the Manual of Corporate Governance of Valley Golf & Country Club, Inc.

(d) Any plan to improve corporate governance of the company

In compliance with SEC Memorandum Circular No. 24 Series of 2019, requiring the submission of the Revised Manual on Corporate Governance, the Board of Directors approved on July 22, 2020 the new Manual of Corporate Governance of Valley Golf and was submitted electronically on July 25, 2020.

In compliance with SEC Memorandum Circular No. 19 Series of 2020, the Amended Manual of Corporate Governance signed by the Chairman of the Board and Compliance Officer was submitted electronically on September 25, 2020

(c) How often does the Board review and approve the Mission and Vision?

The Mission and Vision are usually revisited and reviewed during the Strategic Planning seminar. The last revision of the Vision was on Oct. 9, 2012; the Mission has not been revised to date.

(d) Directorship in Other Companies

(i) Directorship in the Company's Group²

Identify, as and if applicable, the members of the company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.

² The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

Not Applicable. Valley Golf does not have affiliated companies nor is it a party to any joint venture.	Not Applicable. Valley Golf does not have affiliated companies nor is it a party to any joint venture.	Not Applicable. Valley Golf does not have affiliated companies nor is it a party to any joint venture.

(ii) Directorship In Other Listed Companies

Identify, as and if applicable, the members of the company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Not Applicable. No member of the Board of Directors is a director in any publicly listed company.	Not Applicable. No member of the Board of Directors is a director in any publicly listed company.	Not Applicable. No member of the Board of Directors is a director in any publicly listed company.

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
Not Applicable. There is no significant shareholder in the Company.	Not Applicable. There is no significant shareholder in the Company.	Not Applicable. There is no significant shareholder in the Company.

(iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	Not Applicable. Valley Golf has no policy on the number of board seats in other companies that a Director or CEO may hold simultaneously.	Not Applicable. Valley Golf has no policy on the number of board seats in other companies that a Director or CEO may hold simultaneously.
Non-Executive Director	Not Applicable. Valley Golf has no policy on the number of board seats in other companies that a Director or CEO may hold simultaneously.	Not Applicable. Valley Golf has no policy on the number of board seats in other companies that a Director or CEO may hold simultaneously.
CEO	Not Applicable. Valley Golf has no policy on the number of board	Not Applicable. Valley Golf has no policy on the number of

	seats in other companies that a Director or CEO may hold simultaneously.	board seats in other companies that a Director or CEO may hold simultaneously.
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(e) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

Name of Director	Number of Direct shares	Number of Indirect shares/ Through (name of record owner)	% of Capital Stock
Rafael S. Raymundo	1 share	Not applicable. There is no indirect share.	0.06%
Jose Arsenio Isidro D. Borromeo III	1 share	Not applicable. There is no indirect share.	0.06%
Atty. Rio Sesinando E. Venturanza	1 share	Not applicable. There is no indirect share.	0.06%
Constantine L. Kohchet-Chua	1 share	Not applicable. There is no indirect share.	0.06%
Renato C. Balibag	1 share	Not applicable. There is no indirect share.	0.06%
Jose G. Razon	1 share	Not applicable. There is no indirect share.	0.06%
Marvin A. Caparros *	1 share	Not applicable. There is no indirect share.	0.06%
Jose Ferdinand R. Gulang	1 share	Not applicable. There is no indirect share.	0.06%
Nicanor S. Jorge *	1 share	Not applicable. There is no indirect share.	0.06%
* Independent Director			

2) Chairman and CEO

(a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes

No

Identify the Chair and CEO:

Chairman of the Board	Not applicable. The President is also the Chairman of the Board
CEO/President	Rafael S. Raymundo

The members of the Board of Directors are free to discuss their opinion and views during the Board Meetings. Each Director is given chairmanship of different committees that submit their respective recommendations and reports during the monthly Board meetings. For every major business decision, each Director is requested to express his views on the matter and if there is any objection the President calls for a division of the house and votes are counted by the Corporate Secretary.

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

	Chairman	Chief Executive Officer
Role	Not Applicable. The President/Chief Executive Officer is also the Chairman	<p>The President shall be the Chief Executive Officer of the Club. The President shall preside at all meetings and shall sign the Membership Certificate of the Club.</p> <ol style="list-style-type: none"> implements the corporation's strategic plan on the direction of the business; Communicates and implements the corporation's vision, mission, values and overall strategy as formulated by the board and promotes any organization or stakeholder change in accordance with the same; Oversees the operations of the corporation and manages human and financial resources in accordance with the strategic plan; Has a good working knowledge of the corporation's industry and market and keeps up-to-date with its core business purpose; Directs, evaluates and guides the work of the key officers of the corporation; Manages the corporation's resources prudently and ensures a proper balance of the same; Provides the Board with timely information and interfaces between the Board and the employees; Builds the corporate culture and motivates the employees of the corporation; and Serves as the link between internal operations and external stakeholders.
Accountabilities		<p>The President has general supervision of the business affairs and property of the Club and over its several agents and employees, with authority to hire said employees, and dispense with their services subject to confirmation of the Board of Directors. He shall sign contracts on behalf of the Club and shall see to it that all orders and resolutions of the Board are carried out. He shall do and perform such acts and duties as from time to time maybe assigned to him by the Board of Directors.</p>
Deliverables		<p>Deliverables include the annual and monthly reports of projects and operations of the Club. To conduct at least once a month a regular meeting of the Board of Directors. To oversee the operations of the Club and its financial stability.</p>

3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions?

The Stockholders elect three (3) members of the nine-member Board of Directors every year during the Annual Stockholders' Meeting who shall serve for a term of three (3) years. No directors can serve consecutively for more than three (3) years. The Board of Directors elect during the first Board Meeting the President, Vice President, Treasurer and Corporate Secretary. The position of the General Manager is covered by an Engagement contract of at least (1) year.

4) Other Executive, Non-Executive and Independent Directors

Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.

The Nomination Committee circularizes yearly before the Election the invitation to submit the names of nominees for the Board of Directors. Stockholders with different educational backgrounds, line of business and expertise are submitted as nominees to ensure diversity of experience and background of directors in the board.

Valley Golf embraces diversity and recognizes the benefits it brings to the organization. In observing a policy on board diversity, the company aims to avoid group think and ensure that optimal decision-making is achieved. In designing the Board's composition, Board diversity shall be considered from a number of aspects, including but not limited to gender, age, ethnicity, cultural and educational background, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits diversity brings to the Board and the organization.

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain.

Not applicable. Valley Golf does not have non-executive director.

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

	Executive	Non-Executive	Independent Director
Role	The Business and property of the Club shall be managed by a Board of nine (9) directors.	Not applicable. Valley Golf does not have non-executive director.	To protect the stockholders from any abuse of authority or discretion on the part of the Board of Directors and Officers of the Club.
Accountabilities	The Board of Directors shall act only as a Board and no power is vested in the individual director as such. A majority of the Board shall constitute a quorum for the transaction of business, except for the filling of vacancies in the Board, in which case majority of the remaining Directors shall constitute a quorum. It shall be the Board's responsibility to foster the long-term success of Valley	Not applicable. Valley Golf does not have non-executive director.	The Chairman of the Audit Committee should be an Independent director. The Audit committee shall assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations; The Independent Directors

	<p>Golf & Country Club, Inc. and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of Valley Golf & Country Club, Inc., its shareholders and other stakeholders.</p> <p>The Board shall be composed of directors with a collective working knowledge, experience or expertise that is relevant to the Valley Golf's industry/sector. The Board shall always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.</p>		<p>shall be members of the Nomination Committee. The said Nomination Committee shall prepare, sign and post at least fifteen (15) days before the annual meeting, a list of not less than four (4) nor more than six (6) candidates for the Board of Directors for the ensuing year.</p>
<p>Deliverables</p>	<p>To insure a high standard of best practice for Valley Golf & Country Club, Inc. and its shareholders, the Board shall :</p> <p>a. Install a process of selection to ensure a mix of competent directors and officers.</p> <p>b. Determine Valley Golf & Country Club, Inc.'s purpose, its vision and mission and strategies to carry out its objectives.</p> <p>c. Ensure that Valley Golf & Country Club, Inc. complies with all relevant laws, regulations and codes of best business practice.</p> <p>d. Identify Valley Golf & Country Club, Inc.'s major and other stockholders and formulate a clear policy on communicating or relating with them</p>	<p>Not applicable. Valley Golf does not have non-executive director.</p>	<p>The Independent Director as Chairman of the Audit Committee is responsible for the following:</p> <p>a) Review the Annual internal audit plan to ensure its conformity with the objectives of the corporation.</p> <p>b) The plan shall include the audit scope, resources and budget necessary to implement it;</p> <p>c) Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal;</p> <p>d) Review the reports submitted by the internal and external auditors;</p> <p>e) Review the quarterly, half-year and annual financial statements before</p>

	<p>through an effective investor relations program.</p> <p>e. Adopt a system of internal checks and balances.</p> <p>f. Identify key risk areas and key performance indicators and monitor these factors with due diligence.</p> <p>g. Properly discharge Board functions by meeting at least once a month. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minuted;</p> <p>h. Keep Board authority within the powers of the institution as prescribed in the Articles of Incorporation, By-Laws and in existing laws, rules and regulation.</p> <p>i. The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairperson, individual members and committees.</p> <p>j. The Board shall have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system shall allow for a feedback mechanism from the shareholders / members.</p> <p>k. The Board shall adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of board</p>		<p>their submission to the Board.</p> <p>The Independent Director as Member of the Nomination Committee shall prepare, sign and post a list of not less than four (4) nor more than six (6) candidates for the Board of Directors for the ensuing year.</p>
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	<p>members.</p> <p>l. The Code shall be properly disseminated to all the members of the Board. It shall also be disclosed and made available to the public through the company website.</p> <p>m. The Board shall ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</p>		
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Provide the company's definition of "Independence" and describe the company's compliance to the definition.

"Independent Directors" as they are Independent of management and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors

Does the company have a term limit of five consecutive years for Independent directors? If after two years, the company wishes to bring back an Independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.

The Board's Independent directors shall serve for a maximum cumulative term of nine (9) years. After which, the Independent director shall be perpetually barred from reelection as such in the same company but may continue to qualify for nomination and election as a non-independent director. In the instance that a company wants to retain an Independent director who has served for nine (9) years, the Board shall provide meritorious justification/s and seek shareholders'/members' approval during the annual shareholders'/members' meeting.

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Cessation	Reason
Carlo Maria J. Carpio	President	September 25, 2022	Expiration of term of office.
Reginald Benjamin V. San Pedro	Vice-President	September 25, 2022	Expiration of term of office.
Pablito M. Gregore	Director	September 25, 2022	Expiration of term of office.

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedure for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

Procedure	Process Adopted	Criteria
a. Selection/Appointment		

<p>(I) Executive Directors</p>	<p>The Stockholders elect three (3) members of the Board of Directors every year during the Annual Stockholders' Meeting who shall serve for a term of three (3) years. No directors can serve consecutively for more than three (3) years. The Board of Directors elect during the first Board Meeting the President, Vice President, Treasurer and Corporate Secretary.</p>	<p>a. Must have at least one (1) share recorded in his name during his term of office.</p> <p>b. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education.</p> <p>c. He shall be at least twenty one (21) years old.</p> <p>d. An active Proprietary member of good standing.</p> <p>e. Must be willing to solicit proxies.</p> <p>f. Must have sufficient time to share his/her professional and executive expertise.</p> <p>g. Said member has no official record of grave misconduct.</p> <p>h. He shall have proven to possess integrity and probity.</p> <p>i. He shall be assiduous.</p>
<p>(II) Non-Executive Directors</p>	<p>Not Applicable. Valley Golf does not have Non-Executive Directors.</p>	<p>Not Applicable. Valley Golf does not have Non-Executive Directors.</p>
<p>(iii) Independent Directors</p>	<p>The Board's independent directors shall serve for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from reelection as such in the same company but may continue to qualify for nomination and election as a non-independent director. In the instance that a company wants to retain an independent director who has served for nine (9) years, the Board shall provide meritorious justification/s and seek shareholders'/members' approval during the annual shareholders'/members' meeting.</p>	<p>a. Is not, or has not been a senior officer or employee of the covered company unless there has been a change in the controlling ownership of the company;</p> <p>b. Is not, and has not been in the two (2) years immediately preceding the election, a director of the covered company; a director, officer, employee of the covered company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered company's substantial shareholders and its related companies;</p> <p>c. Has not been appointed in the covered company, its subsidiaries, associates, affiliates or related companies as Chairperson "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within two (2) years immediately preceding his election;</p> <p>d. Is not an owner of more than two percent (2%) of the outstanding shares of</p>

		<p>the covered company, its subsidiaries, associates, affiliates or related companies;</p> <p>e. Is not a relative of a director, officer, or substantial shareholder of the covered company or any of its related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;</p> <p>f. Is not acting as a nominee or representative of any director of the covered company or any of its related companies;</p> <p>g. Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal shareholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;</p> <p>h. Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the covered company, any of its related companies or substantial shareholder, or is otherwise independent of Management and free from any business or other relationship within the two (2) years immediately preceding the date of his election;</p> <p>i. Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with the covered company or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment within the two (2) years immediately preceding the date of his election;</p> <p>j. Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and</p> <p>k. Is not employed as an executive</p>
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		<p>officer of another company where any of the covered company's executives serve as directors. Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.</p> <p>Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.</p>
b. Re-appointment		
(i) Executive Directors	Not applicable. Valley Golf does not have re-appointment process.	Not applicable. Valley Golf does not have re-appointment process.
(ii) Non-Executive Directors	Not Applicable. Valley Golf does not have Non-Executive Directors.	Not Applicable. Valley Golf does not have Non-Executive Directors.
(iii) Independent Directors	Not applicable. Valley Golf does not have re-appointment process.	Not applicable. Valley Golf does not have re-appointment process.
c. Permanent Disqualification		
(i) Executive Directors	Disqualified candidates are not included in the List of Candidates for the Board of Directors	<p>The following persons shall be permanently disqualified from being elected/appointed or holding the position of a director:</p> <p>a. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;</p> <p>b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in</p>

		<p>sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.</p> <p>c. The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporate Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;</p> <p>d. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;</p> <p>e. Any person who has been adjudged by final judgment or order of the Commission, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporate Code, Securities Regulation Code or any other law administered by the Commission or BSP, or any of its rule, regulation or order;</p> <p>f. Any person earlier elected as Independent director who becomes an officer, employee or consultant of the same corporation;</p> <p>g. Any person judicially declared as insolvent;</p> <p>h. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in sub-paragraphs (a) to (e) above;</p> <p>i. Any person convicted by final</p>
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		judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.
(II) Non-Executive Directors	Not Applicable. Valley Golf does not have Non-Executive Directors.	Not Applicable. Valley Golf does not have Non-Executive Directors.
(III) Independent Directors	Disqualified candidates are not included in the List of Candidates for the Board of Directors	<p>a. Is not, or has not been a senior officer or employee of the covered company unless there has been a change in the controlling ownership of the company;</p> <p>b. Is not, and has not been in the two (2) years immediately preceding the election, a director of the covered company; a director, officer, employee of the covered company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered company's substantial shareholders and its related companies;</p> <p>c. Has not been appointed in the covered company, its subsidiaries, associates, affiliates or related companies as Chairperson "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within two (2) years immediately preceding his election;</p> <p>d. Is not an owner of more than two percent (2%) of the outstanding shares of the covered company, its subsidiaries, associates, affiliates or related companies;</p> <p>e. Is not a relative of a director, officer, or substantial shareholder of the covered company or any of its related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;</p> <p>f. Is not acting as a nominee or representative of any director of the covered company or any of its related companies;</p> <p>g. Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal shareholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the</p>

		<p>broker or dealer;</p> <p>h. Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the covered company, any of its related companies or substantial shareholder, or is otherwise independent of Management and free from any business or other relationship within the two (2) years immediately preceding the date of his election;</p> <p>i. Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with the covered company or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment within the two (2) years immediately preceding the date of his election;</p> <p>j. Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and</p> <p>k. Is not employed as an executive officer of another company where any of the covered company's executives serve as directors. Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.</p> <p>Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.</p>
d. Temporary Disqualification		
(i) Executive Directors	Disqualified candidates are not included in the List of Candidates for the Board of Directors	<p>The Board may provide for the temporary disqualification of a director for any of the following reasons:</p> <p>a. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists.</p> <p>b. Absence in more than fifty (50)</p>

		<p>percent of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election.</p> <p>c. Dismissal or termination for cause as director of any corporation covered by this Code. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination.</p> <p>d. If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.</p> <p>e. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.</p> <p>f. If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director;</p> <p>A temporary disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.</p>
(ii) Non-Executive Directors	Not Applicable. Valley Golf does not have Non-Executive Directors.	Not Applicable. Valley Golf does not have Non-Executive Directors.
(iii) Independent Directors	Disqualified candidates are not included in the List of Candidates for the Board of Directors	<p>The Board may provide for the temporary disqualification of a director for any of the following reasons:</p> <p>a. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists.</p>

		<p>b. Absence in more than fifty (50) percent of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election.</p> <p>c. Dismissal or termination for cause as director of any corporation covered by this Code. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination.</p> <p>d. If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.</p> <p>e. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.</p> <p>f. If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director;</p> <p>A temporary disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.</p>
e. Removal		
(I) Executive Directors	The Stockholders holding 2/3 of the outstanding capital stock in the books of the corporation may remove a director.	The Stockholders holding 2/3 of the outstanding capital stock in the books of the corporation may remove a director who has absented himself for three (3) consecutive regular meetings of the Board unless such absences be excused by reason of sickness, physical disability or other justifiable reasons acceptable to the Board of Directors.
(II) Non-Executive Directors	Not Applicable. Valley Golf does not have Non-Executive Directors.	Not Applicable. Valley Golf does not have Non-Executive Directors.

(iii) Independent Directors	The Stockholders holding 2/3 of the outstanding capital stock in the books of the corporation may remove a director.	The Stockholders holding 2/3 of the outstanding capital stock in the books of the corporation may remove a director who has absented himself for three (3) consecutive regular meetings of the Board unless such absences be excused by reason of sickness, physical disability or other justifiable reasons acceptable to the Board of Directors.
f. Re-Instatement		
(i) Executive Directors	Not Applicable. Valley Golf does not have a policy on re-instatement	Not Applicable. Valley Golf does not have a policy on re-instatement
(ii) Non-Executive Directors	Not Applicable. Valley Golf does not have Non-Executive Directors.	Not Applicable. Valley Golf does not have Non-Executive Directors.
(iii) Independent Directors	Not Applicable. Valley Golf does not have a policy on re-instatement	Not Applicable. Valley Golf does not have a policy on re-instatement
g. Suspension		
(i) Executive Directors	<ol style="list-style-type: none"> 1. Violations of the General Rules and Regulations as per Members' Handbook are stated in an Incident Report to be submitted to the General Manager. 2. The member is given a written Notice to Explain the violation. 3. The report and the reply of the member is submitted to the Membership Committee. 4. The Membership Committee conducts an investigation and deliberates on the reports submitted. 5. The Membership Committee prepares the recommendation to the Board of Directors. 6. The Board of Directors shall discuss the recommendation of the Membership Committee and shall decide on the penalty for the violation. 	<p><u>A. CODE OF CONDUCT & BEHAVIOR</u></p> <ol style="list-style-type: none"> 1. Any form of cheating. 2. Unruly behavior; and/or physical or verbal abuse on any member, guest, or club personnel. 3. Sexual harassment. 4. Disregarding instruction(s) of starter/marshal. 5. Intentionally making a shot with players in front who are still within range. 6. Cutting in front of a flight in any hole without permission from the following flight or starter. 7. Overtaking of flight after 9 holes without asking permission. 8. Crisscrossing fairways in a golf cart, driving in prohibited areas, and/or allowing minors (below 18 yrs. old) to drive golf cart. 9. Failure to replace divots or repair divots with sand, rake bunkers, repair ball marks by the player or his/her caddy. 10. Smoking in designated no smoking areas. 11. Rampant littering. 12. Failure to submit scorecards. 13. Tolerating caddies and/or umbrella girls who break their code of conduct. 14. "Indecent exposure" in the golf course; i.e. urinating in full view of others. 15. Members are accountable, and will be held liable, for the misconduct of their guests.

		<p>16. Proposers and seconders are accountable for the misconduct of the erring members.</p> <p>17. Wearing improper golf attire or insisting to be served at the restaurant wearing improper Club attire.</p> <p>18. Playing without caddie.</p> <p>19. Renting of privately owned golf carts without coursing through Valley management.</p> <p>20. Practicing pitching on the regular green of the course.</p> <p>21. Joining the group (flight) in the middle of holes of the course without the approval of the starter or marshal.</p> <p><u>B. PROTECTION OF PROPERTY</u></p> <p>1. Destroying club furniture, fixtures, etc.; chopping or defacing fairway, trees & other natural habitat.</p> <p>2. Damaging the greens in any way or form.</p> <p>3. Unauthorized use of company property.</p> <p><u>C. GENERAL MEMBERSHIP RULES & REGULATIONS</u></p> <p>1. Bringing armed escorts to off-limits areas and/or bringing firearms inside Club premises.</p> <p>2. Bringing non-playing individuals on the course without paying gallery fees.</p> <p>3. Falsifying company records.</p> <p>4. Non-registration and/or payment of green fees of guests.</p> <p>5. Giving false or misleading information in the membership records.</p> <p>6. Unauthorized use of the services of outsiders as caddies, umbrella girls.</p> <p>7. Availment of privileges of unqualified dependents.</p> <p>8. Playing or using club's facilities without pass card.</p>
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		9. Registering suspended or expelled members as guests.
(ii) Non-Executive Directors	Not Applicable. Valley Golf does not have Non-Executive Directors.	Not Applicable. Valley Golf does not have Non-Executive Directors.
(iii) Independent Directors	<ol style="list-style-type: none"> 1. Violations of the General Rules and Regulations as per Members' Handbook are stated in an Incident Report to be submitted to the General Manager. 2. The member is given a written Notice to Explain the violation. 3. The report and the reply of the member is submitted to the Membership Committee. 4. The Membership Committee conducts an investigation and deliberates on the reports submitted. 5. The Membership Committee prepares the recommendation to the Board of Directors. 6. The Board of Directors shall discuss the recommendation of the Membership Committee and shall decide on the penalty for the violation. 	<p>A. CODE OF CONDUCT & BEHAVIOR</p> <ol style="list-style-type: none"> 1. Any form of cheating. 2. Unruly behavior; and/or physical or verbal abuse on any member, guest, or club personnel. 3. Sexual harassment. 4. Disregarding instruction(s) of starter/marshal. 5. Intentionally making a shot with players in front who are still within range. 6. Cutting in front of a flight in any hole without permission from the following flight or starter. 7. Overtaking of flight after 9 holes without asking permission. 8. Crisscrossing fairways in a golf cart, driving in prohibited areas, and/or allowing minors (below 18 yrs. old) to drive golf cart. 9. Failure to replace divots or repair divots with sand, rake bunkers, repair ball marks by the player or his/her caddie. 10. Smoking in designated no smoking areas. 11. Rampant littering. 12. Failure to submit scorecards. 13. Tolerating caddies and/or umbrella girls who break their code of conduct. 14. "Indecent exposure" in the golf course; i.e. urinating in full view of others. 15. Members are accountable, and will be held liable, for the misconduct of their guests. 16. Proposers and seconders are accountable for the misconduct of the erring members. 17. Wearing improper golf attire or insisting to be served at the restaurant wearing improper Club attire. 18. Playing without caddie. 19. Renting of privately owned golf carts without coursing through Valley management. 20. Practicing pitching on the regular green of the course.

		<p>21. Joining the group (flight) in the middle of holes of the course without the approval of the starter or marshal.</p> <p><u>B. PROTECTION OF PROPERTY</u></p> <ol style="list-style-type: none"> 1. Destroying club furniture, fixtures, etc.; chopping or defacing fairway, trees & other natural habitat. 2. Damaging the greens in any way or form. 3. Unauthorized use of company property. <p><u>C. GENERAL MEMBERSHIP RULES & REGULATIONS</u></p> <ol style="list-style-type: none"> 1. Bringing armed escorts to off-limits areas and/or bringing firearms inside Club premises. 2. Bringing non-playing individuals on the course without paying gallery fees. 3. Falsifying company records. 4. Non-registration and/or payment of green fees of guests. 5. Giving false or misleading information in the membership records. 6. Unauthorized use of the services of outsiders as caddies, umbrella girls. 7. Availment of privileges of unqualified dependents. 8. Playing or using club's facilities without pass card. 9. Registering suspended or expelled members as guests.
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Voting Result of the last Annual General Meeting

Name of Candidates for Director	Votes Received
Marvin A. Caparros	653 votes
Ma. Cecilia Ng-Esguerra	612 votes
Raymundo G. Estrada	57 votes
Jose Ferdinand R Gulang	675 votes
Nicanor S. Jorge	747 votes

6) Orientation and Education Program

(a) Disclose details of the company's orientation program for new directors, if any.

It is the policy of Valley Golf to provide relevant training to its Directors, including an orientation program for first-time directors and relevant annual continuing training for all directors. Such orientation and continuing training programs, which may be conducted by SEC-accredited training providers, aim to promote effective board performance and continuing qualification of the directors in carrying out their duties and responsibilities.

(b) State any in-house training and external courses attended by Directors and Senior Management³ for the past three (3) years:

The following Members of the Board of Directors attended the Webinar on Corporate Governance Orientation Program held on February 23 – 24, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Dir. Constantine L. Kohchet-Chua
2. Dir. Rafael S. Raymundo
3. Dir. Jose G. Razon

Atty. Rio Sesinando E. Venturanza attended the Webinar on the New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021 via Zoom at the Center for Global Best Practices Foundation.

The following Members of the Board of Directors attended the Webinar on New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021, via Zoom at the Center for Global Best Practices Foundation.

1. Dir. Jose Arsenio Isidro D. Borromeo III
2. Dir. Renato C. Ballbag

The following Member of the Board of Directors attended the Seminar on Corporate Governance held on December 5, 2019 conducted by SGV at the Makati Shangri-La, Ayala Center, Makati City:

1. Dir. Jose Ferdinand F. Gulang

i. Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Dir. Marvin A. Caparros - Independent Director Dir. Nicanor S. Jorge – Independent Director	October 26 - 27, 2022 via Zoom	Webinar Corporate Governance Orientation Program	Institute of Corporate Directors
Atty. Allan Jocson – Corporate Secretary Mr. Dan L. Salvador III – Compliance Officer/General Manager	June 29 - 30, 2022	Webinar on Corporate Governance Orientation Program	Institute of Corporate Directors

³ Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

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B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	<p>In line with the policy of Valley Golf of transparency and avoidance of conflict of interest situations by its directors/officers and Committee members as provided in the By-laws, the Board of Directors has required the execution of a Disclosure Statement by directors/officers and Committee members who directly or indirectly through their relatives up to the 4th civil degree of either consanguinity or affinity, have business relations with Valley Golf & Country Club, Inc.</p> <p>Conflict of Interest – In line with their duty and loyalty towards the Club, the directors and officers of the Club are obligated to act solely for the benefit of the Club at all times. Accordingly, they should exercise utmost good faith and integrity in dealing with the Club. They should avoid any legal, financial and ethical conflict of interest and should ensure that their activities and interest do not adversely affect those of the Club's. The same ethical standards shall be imposed on all</p>	<p>In line with the policy of Valley Golf of transparency and avoidance of conflict of interest situations by its directors/officers and Committee members as provided in the By-laws, the Board of Directors has required the execution of a Disclosure Statement by directors/officers and Committee members who directly or indirectly through their relatives up to the 4th civil degree of either consanguinity or affinity, have business relations with Valley Golf & Country Club, Inc.</p>	<p>The Valley Golf Personnel Manual contains policies on prohibition against nepotism and employment of husband and wife in the same office.</p>

	<p>the committee chairmen and members of their respective committees.</p> <p>A conflict-of-interest situation with the Club may include, but shall not be limited to, approval or entering into any contracts, business dealings, sales or purchases or other similar or related transactions for the personal gain or advantage of the director, officer and committee chairman/member concerned or of his family or non-club member friends and associates to the prejudice or at the expense of the Club.</p> <p>In any conflict-of-interest situations, whether direct or indirect, actual or potential, the director, officer or committee chairman/member concerned must make full prior disclosure of the same in writing to the Board. They should likewise desist from performing any action or engaging in any activity, which might give the appearance or impression to a disinterested or objective person of any such conflict-of-interest situation without the prior consent of the Club.</p> <p>Upon such prior disclosure, the Club may nonetheless pass upon and approve the proposed transaction</p>		
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with the director, officer or committee chairman/member Involved in the conflict-of-interest situation if the contract is fair and reasonable, provided that the presence of such director or officer is not necessary to constitute a quorum in the meeting where any such contract or transaction would be passed upon and approved, and provided further that the director or officer concerned should not vote in such meeting.

A director with a material or potential interest in any transaction affecting the corporation shall fully disclose his adverse interest, abstain from taking part in the deliberations for the same and recuse from voting on the approval of the transaction.

The abstention of a director from participating in a meeting when related party transactions, self-dealings or any transactions or matters on which he has a material interest are taken up ensures that he has no influence over the outcome of the deliberations. The fundamental principle to be observed is that a director does not use his position to profit or gain some benefit or advantage for himself and/or his related interests.

(b) Conduct of Business and Fair Dealings	The Bids and Awards Committee is responsible in the implementation of the Rules and Regulation on procurement in line with Valley Golf's commitment to adhere to the Principles of Transparency, Competitiveness, Streamlined procurement, System of accountability and Monitoring.	The Bids and Awards Committee is responsible in the implementation of the Rules and Regulation on procurement in line with Valley Golf's commitment to adhere to the Principles of Transparency, Competitiveness, Streamlined procurement, System of accountability and Monitoring.	The Personnel Manual contains policies on Recruitment and Selection procedure, Grievance Procedure and table of disciplinary action.
(c) Receipt of gifts from third parties	Valley Golf does not have a policy on receipt of gifts from third parties but as a practice the Board does not accept gifts that will affect their judgment and decision.	Valley Golf does not have a policy on receipt of gifts from third parties but as a practice the Board does not accept gifts that will affect their judgment and decision.	No tipping of any form shall be allowed. Any employee accepting tips shall be suspended or dismissed and the member shall be subject to appropriate disciplinary action.
(d) Compliance with Laws & Regulations	The By-laws of Valley Golf contains Rules and Regulations governing the conduct of the Board of Directors.	The By-laws of Valley Golf contains Rules and Regulations governing the conduct of the Senior Management	The Valley Golf Personnel Manual contains policies on limitations of employment and as a general rule, the Club shall refuse employment to a person who advocates and engages in activities and beliefs that are contrary to law.
(e) Respect for Trade Secrets/Use of Non-public Information	All corporate records are confidential	All corporate records are confidential	All employee records are confidential
(f) Use of Company Funds, Assets and Information	The Board approves a Financial and Business Plan. Disbursements for capex are subject to availability of funds and approval of the Board	The Board approves a Financial and Business Plan. Disbursements for capex are subject to availability of funds and approval of the Board	The Board approves a Financial and Business Plan. Disbursements for capex are subject to availability of funds and approval of the Board
(g) Employment & Labor Laws & Policies	The Personnel Manual contains policies on Recruitment and Selection procedure, Grievance Procedure and table of disciplinary action. The rank and file employees are covered by a Union Samahang Gabay ng Manggagawa sa Valley	The Personnel Manual contains policies on Recruitment and Selection procedure, Grievance Procedure and table of disciplinary action. The rank and file employees are covered by a Union Samahang Gabay ng Manggagawa sa Valley Golf.	The Personnel Manual contains policies on Recruitment and Selection procedure, Grievance Procedure and table of disciplinary action. The rank and file employees are covered by a Union Samahang Gabay ng Manggagawa sa Valley Golf.

	Golf.		
(h) Disciplinary action	The Members' Handbook contains Penal Provision for violations of the General Rules and Regulations of the Club.	The Members' Handbook contains Penal Provision for violations of the General Rules and Regulations of the Club.	The Personnel Manual contains policies on Recruitment and Selection procedure, Grievance Procedure and table of disciplinary action.
(i) Whistle Blower	Violations are reported by means of Incident Report. The reports are discussed by the Membership Committee, Corporate Governance Committee, Administration Committee and the Board of Directors. If an employee is involved the matter is brought to the attention of the HR.	Violations are reported by means of Incident Report. The reports are discussed by the Membership Committee	The Board shall establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns. The Board shall be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement. Violations are reported to the HR/Admin. The reports are discussed with the General Manager
(j) Conflict Resolution	The resolution of conflict is discussed by the Board of Directors. The Board shall establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and Corporation and third parties, including the regulatory authorities.	The resolution of conflict is discussed by the Board of Directors. The Board shall establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and Corporation and third parties, including the regulatory authorities.	The Personnel Manual and the CBA contains policies on Grievance Procedure

2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?

Yes, the Code of Ethics had been disseminated to all Directors, senior management and employees. The Code of Ethics is included in the Company Website, Members' Handbook and Annual Report to the Stockholders.

3) Discuss how the company implements and monitors compliance with the code of ethics or conduct.

The Code of Ethics is included in the Member's Handbook and any violation is reported to Management and the Membership Committee. The Audit Committee conducts regular meetings and discusses compliance on the Code

of Ethics.

4) Related Party Transactions

(a) Policies and Procedures

Describe the company's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	Not Applicable. Valley Golf does not have a parent company.
(2) Joint Ventures	Not Applicable. Valley Golf does not have joint ventures.
(3) Subsidiaries	Not Applicable. Valley Golf does not have subsidiaries.
(4) Entities Under Common Control	Not Applicable. Valley Golf does not have entities under common control.
(5) Substantial Stockholders	Not Applicable. Valley Golf does not have substantial stockholders.
(6) Officers including spouse/children/siblings/parents	In line with the policy of Valley Golf of transparency and avoidance of conflict of interest situations by its directors/officers and Committee members as provided in the By-laws, the Board of Directors has required the execution of a Disclosure Statement by directors/officers and Committee members who, directly or indirectly through their relatives up to the 4 th civil degree of either consanguinity or affinity, have business relations with Valley Golf & Country Club, Inc.
(7) Directors including spouse/children/siblings/parents	In line with the policy of Valley Golf of transparency and avoidance of conflict of interest situations by its directors/officers and Committee members as provided in the By-laws, the Board of Directors has required the execution of a Disclosure Statement by directors/officers and Committee members who, directly or indirectly through their relatives up to the 4 th civil degree of either consanguinity or affinity, have business relations with Valley Golf & Country Club, Inc.
(8) Interlocking director relationship of Board of Directors	Not applicable. Valley Golf does not have interlocking directors.

(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	Not Applicable. No conflict of interest.
Name of Officer/s	Not Applicable. No conflict of interest.
Name of Significant Shareholders	Not Applicable. No conflict of interest and no significant shareholders.

(II) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders.

	Directors/Officers/Significant Shareholders
Company	Not applicable. Valley Golf has no group of companies and no significant shareholders.
Group	Not applicable. Valley Golf has no group of companies and no significant shareholders.

5) Family, Commercial and Contractual Relations

(a) Indicate, if applicable, any relation of a family,⁴ commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
Not applicable. Valley Golf does not have holders of significant equity.	Not applicable. Valley Golf does not have holders of significant equity.	Not applicable. Valley Golf does not have holders of significant equity.

(b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description
Not applicable. Valley Golf does not have holders of significant equity.	Not applicable. Valley Golf does not have holders of significant equity.	Not applicable. Valley Golf does not have holders of significant equity.

(c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
Not Applicable. Valley Golf does not have a shareholder agreement.	Not Applicable. Valley Golf does not have a shareholder agreement.	Not Applicable. Valley Golf does not have a shareholder agreement.

6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and

⁴ Family relationship up to the fourth civil degree either by consanguinity or affinity.

third parties, including regulatory authorities.

	Alternative Dispute Resolution System
Corporation & Stockholders	Not Applicable. Valley Golf has not adopted alternative dispute resolution mechanism to amicably settle conflicts or differences between the Club and its shareholders.
Corporation & Third Parties	Not Applicable. Valley Golf has not adopted alternative dispute resolution mechanism to amicably settle conflicts or differences between the Club and third parties.
Corporation & Regulatory Authorities	Not Applicable. Valley Golf has not adopted alternative dispute resolution mechanism to amicably settle conflicts or differences between the Club and regulatory authorities.

C. BOARD MEETINGS & ATTENDANCE

- 1) Are Board of Directors' meetings scheduled before or at the beginning of the year?

The meetings of the Board of Directors are scheduled at the first meeting of the new board following the start of the new fiscal year.

- 2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Rafael S. Raymundo	9/27/2020	18	18	100%
Member	Mr. Jose Arsenio Isidro D. Borromeo III	9/27/2020	18	18	100%
Member	Rio Sesinando E. Venturanza	9/26/2021	18	18	100%
Member	Constantine L. Kohchet-Chua	9/26/2021	18	18	100%
Member	Renato C. Balbag	9/27/2020	18	17	94%
Member	Jose G. Razon	9/26/2021	18	17	94%
Member	Jose Ferdinand R. Gulan	9/25/2022	18	11	61%
Independent	Marvin A. Caparros	9/25/2022	18	9	50%
Independent	Nicanor S. Jorge	9/25/2022	18	12	67%

a. Dirs. Rio Sesinando E. Venturanza, Jose G. Razon and Constantine L. Kohchet-Chua were elected to the Board last Sept. 26, 2021 and the period covered by their attendance is from Sept. 2021 to June 2022.

- 3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?
Not applicable. Valley Golf does not have non-executive directors.

- 4) Is the minimum quorum requirement for Board decisions set at two-thirds of board members? Please explain.

A majority of the Board shall constitute a quorum for the transaction of business, except for the filling of vacancies in the board, in which case majority of the remaining Directors shall constitute a quorum.

- 5) Access to Information

- (a) How many days in advance are board papers⁵ for board of directors' meetings provided to the board?

The Board papers for meetings of the Board of Directors are sent at least one day before the meeting.

- (b) Do board members have independent access to Management and the Corporate Secretary?

Yes, the board members have independent access to Management and the Corporate Secretary.

- (c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

As provided for in its Amended Manual of Corporate Governance, The Board shall ensure that it is assisted in its duties by a Corporate Secretary, who should be a separate individual from the Compliance Officer. The Corporate Secretary shall not be a member of the Board of Directors and should annually attend a training on corporate governance.

The Corporate Secretary is primarily responsible to the corporation and its shareholders/members, and not to the Chairperson or President of the company and has, among others, the following duties and responsibilities:

- a. Assists the Board and the Board committees in the conduct of their meetings (i.e. agenda setting, preparation of annual schedule of meetings and board calendar);
 - b. Safekeeps and preserves the integrity of the minutes of the meetings of the Board, Board committees and shareholders/members, as well as other official records of the corporation;
 - c. Keeps abreast of relevant laws, regulations, all governance issuances, industry developments and operations of the corporation, and advises the Board and the Chairperson on all relevant issues as they arise;
 - d. Works fairly and objectively with the Board, Management and shareholders/members and contributes to the flow of information between the Board and Management, the Board and its committees, and the Board and its shareholders/members as well as other stakeholders;
 - e. Advises on the establishment of board committees and their terms of reference;
 - f. Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five (5) working days before the date of the meeting, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
 - g. Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so;
 - h. Performs all required administrative functions;
 - i. Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements; and
 - j. Performs such other duties and responsibilities as may be provided by the Board and the Commission.
- j. The Corporate Secretary shall have charge of the seal and corporate books; shall countersign the certificate of stock and sign such other instruments as required such signature and shall make such reports and perform such other duties as are incident to his office or are properly required of him

⁵ Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

by the Board of Directors.

- (d) Is the company secretary trained in legal, accountancy or company secretarial practices? Please explain should the answer be in the negative.

The Corporate Secretary is a lawyer.

- (e) Committee Procedures

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary to be able to prepare in advance for the meetings of different committees:

Yes No

Committee	Details of the procedures
Executive	Not applicable. Valley Golf does not have an Executive Committee
Audit	There is no procedure but the agenda and documents for discussion are sent at least one (1) day before the meeting.
Nomination	There is no procedure but the agenda and documents for discussion are sent at least one (1) day before the meeting.
Remuneration	There is no procedure but the agenda and documents for discussion are sent at least one (1) day before the meeting.
Others (specify)	

- 6) External Advice

Indicate whether or not a procedure exists whereby directors can receive external advice and, if so, provide details:

Procedures	Details
Not Applicable. There is no procedure for external advice.	Not Applicable. There is no procedure for external advice.

- 7) Change/s in existing policies

Indicate, if applicable, any change/s introduced by the Board of Directors (during its most recent term) on existing policies that may have an effect on the business of the company and the reason/s for the change:

Existing Policies	Changes	Reason
<p>Procurement, Bids and Award Policy</p> <p>BAC – refers to the Bids and Awards Committee composed of:</p> <ul style="list-style-type: none"> • Vice President • Chairman of Finance Committee • Chairman of Audit Committee • General Manager (in the absence of General 	<p>To have a proper check and balance, the Chairman of the BAC shall not be the Chairman of either House Committee or Engineering and Grounds Committee.</p>	<p>To ensure transparency and accountability. To facilitate the flow of work and transactions.</p>

<p>Manager, the Head of Controllers' Division will act as a member of BAC)</p>		
<p>Competitive Bidding - refers to a method of procurement which is open to participation by any Interested party</p>	<p>Competitive Bidding - refers to a method of procurement which is open to participation by any Interested party except for the Board of Directors, BAC and Audit Committee.</p>	<p>To ensure transparency and accountability. To facilitate the flow of work and transactions.</p>
<p>No procurement shall be undertaken unless it is in accordance with the approved Annual Procurement Plan of Valley Golf & Country Club, Inc. The Annual Procurement Plan shall be approved by the Board of Directors and must be consistent with its duly approved yearly budget.</p>	<p>No procurement shall be undertaken unless it is in accordance with the approved Annual Procurement Plan of Valley Golf & Country Club, Inc or unless it has a Board Resolution approving the same. The Annual Procurement Plan shall be approved by the Board of Directors and must be consistent with its duly approved yearly budget. Procurement plan shall include: 1. Design; 2. Specifications; 3. Terms of Reference; 4. Timeline; 5. Cost breakdown and 6. Projected Income and Cost Analysis in cases where the project is not included in the Annual Procurement Plan of Valley Golf & Country Club, the requesting Committee shall submit the procurement plan to Finance Committee for identification of source of fund available for the project. Upon budget linkage</p>	<p>To ensure transparency and accountability. To facilitate the flow of work and transactions.</p>
<p>None in the Existing Policy</p>	<p>Changes in the Design, Specifications, Terms of Reference and Budget A board approval is required for any changes in the Design, Specifications and Terms of Reference. For changes in budget, a recommendation from Finance Committee with final approval from Board is deemed necessary.</p>	<p>To ensure transparency and accountability. To facilitate the flow of work and transactions.</p>
<p>Step 4: Invitation to Bid In line with the principle of transparency and competitiveness, all invitations to Bid contracts under competitive bidding shall be</p>	<p>Step 4: Invitation to Bid In line with the principle of transparency and competitiveness, all invitations to Bid contracts under competitive bidding shall be</p>	<p>To ensure transparency and accountability. To facilitate the flow of work and transactions.</p>

advertised by the Procuring Entity in such manner and for such length of time. In order to ensure the widest possible dissemination, posting in the Procuring Entity's premises, in newspapers of general circulation, the website and social media of the Procuring Entity, if available.	advertised by the Procuring Entity in such manner and for such length of time (minimum of 10 days), in order to ensure the widest possible dissemination, posting in the Procuring Entity's premises, in newspapers of general circulation, the website and social media of the Procuring Entity, if available.	
None in the Existing Policy	<p>Step 12: Notice to Proceed The Procuring Entity shall Issue the Notice to Proceed to the winning bidder not later than seven (7) calendar days from the date of approval of the contract by the Board of Directors or upon delivery or submission of the following:</p> <p>a. delivery of equipment, materials, manpower, etc needed to start the project and</p> <p>b. Performance Security whichever comes first. All notices called for by the terms of the contract shall be effective only at the time of receipt thereof by the contractor.</p>	To ensure transparency and accountability. To facilitate the flow of work and transactions.

D. REMUNERATION MATTERS

1) Remuneration Process

Disclose the process used for determining the remuneration of the CEO and the four (4) most highly compensated management officers:

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Not applicable. The CEO does not receive salary	Fixed remuneration as per Contract.
(2) Variable remuneration	Not applicable. The CEO does not receive salary	Not applicable. Contract is for fixed remuneration
(3) Per diem allowance	Not applicable. The CEO does not receive salary	Not applicable. Not included in the contract.
(4) Bonus	Not applicable. The CEO does not receive salary	Bonus as per Labor Laws – 13 th month pay and as per practice- 31% of salary
(5) Stock Options and other financial Instruments	Not applicable. The CEO does not receive stock option	Not applicable. Not included in the contract.
(6) Others (specify)		

2) Remuneration Policy and Structure for Executive and Non-Executive Directors

Disclose the company's policy on remuneration and the structure of its compensation package. Explain how the

compensation of Executive and Non-Executive Directors is calculated.

	Remuneration Policy	Structure of Compensation Packages	How Compensation Is Calculated
Executive Directors	Not applicable. The directors do not receive salary.	Not applicable. The directors do not receive salary.	Not applicable. The directors do not receive salary.
Non-Executive Directors	Not applicable. Valley Golf does not have non-executive directors	Not applicable. Valley Golf does not have non-executive directors	Not applicable. Valley Golf does not have non-executive directors

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of board of directors? Provide details for the last three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
Not applicable. The directors do not receive salary.	Not applicable. The directors do not receive salary.

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year:

Remuneration Item	Executive Directors	Non-Executive Directors (other than Independent directors)	Independent Directors
(a) Fixed Remuneration	Not applicable. The directors do not receive salary.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive salary.
(b) Variable Remuneration	Not applicable. The directors do not receive salary.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive salary.
(c) Per diem Allowance	Not applicable. The directors do not receive per diem.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive per diem.
(d) Bonuses	Not applicable. The directors do not receive bonuses.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive bonuses.
(e) Stock Options and/or other financial Instruments	Not applicable. The directors do not receive stock options	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive stock options
(f) Others (Specify)			
Total			

Other Benefits	Executive Directors	Non-Executive Director (other than Independent directors)	Independent Directors
1) Advances	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
2) Credit granted	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
3) Pension Plan/s Contributions	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
(d) Pension Plans, Obligations Incurred	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
(e) Life Insurance Premium	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
(f) Hospitalization Plan	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
(g) Car Plan	Not applicable. The directors do not receive any benefits other than playing coupons.	Not applicable. Valley Golf does not have non-executive directors	Not applicable. The directors do not receive any benefits other than playing coupons.
(h) Others (Specify)			
Total			

4) Stock Rights, Options and Warrants

(a) Board of Directors

Complete the following table, on the members of the company's Board of Directors who own or are entitled to stock rights, options or warrants over the company's shares:

Director's Name	Number of Direct Option/Rights/Warrants	Number of Indirect Option/Rights/Warrants	Number of Equivalent Shares	Total % from Capital Stock
Not applicable. Valley Golf does not issue stock rights, options or warrants to the Directors.	Not applicable. Valley Golf does not issue stock rights, options or warrants to the Directors.	Not applicable. Valley Golf does not issue stock rights, options or warrants to the Directors.	Not applicable. Valley Golf does not issue stock rights, options or warrants to the Directors.	Not applicable. Valley Golf does not issue stock rights, options or warrants to the Directors.

(b) Amendments of Incentive Programs

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting:

Incentive Program	Amendments	Date of Stockholders' Approval
Not applicable. There are no incentive programs.	Not applicable. There are no incentive programs.	Not applicable. There are no incentive programs.

5) Remuneration of Management

Identify the five (5) members of management who are not at the same time executive directors and indicate the total remuneration received during the financial year:

Name of Officer/Position	Total Remuneration
Dan L. Salvador III – General Manager for Fiscal Year ending June 30, 2023	P2,625,000.00

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

Provide details on the number of members of each committee, its functions, key responsibilities and the power/authority delegated to it by the Board:

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	Not applicable. There is no Executive committee	Not applicable. There is no Executive committee	Not applicable. There is no Executive committee				
Audit	1	0	1	Manual of Corporate Governance	The Board shall establish an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	a. Recommends the approval of the Internal Audit (IA) Charter, which formally defines the responsibilities, powers and authority of the IA Department, the audit plan of the IA Department, as well as oversees the implementation of the IA Charter; b. Through the IA Department, monitors and evaluates the adequacy and effectiveness of the corporation's internal control system, integrity of financial operating, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances shall be in place in order to: a) safeguard the company's resources and ensure their effective utilization, b) prevent occurrence of fraud and other irregularities, c)	The Audit Committee shall observe a robust process for approving and recommending the appointment, re-appointment, removal and fees of the external auditor. The appointment, re-appointment, removal and fees of the external auditor shall be recommended by the Audit Committee and approved by the Board of Directors and the shareholders. For the removal or change in the external auditor, the reasons for removal or change shall be disclosed to the Commission, the shareholders, and the public through the company

						<p>protect the accuracy and reliability of the company's financial data, and d) ensure compliance with applicable rules and regulations;</p> <p>c. Oversees the IA Department and recommends the appointment and removal of IA head as well as his qualifications, and grounds for appointment and removal. The Audit Committee shall also approve the terms and conditions for outsourcing internal audit services, if applicable;</p> <p>d. Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he shall directly report to the Audit Committee.</p> <p>e. Monitors the Management's responsiveness to the Internal Auditor's findings and recommendations;</p> <p>f. Prior to the commencement of the audit, discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and</p>	<p>website and other required disclosures.</p> <p>The Audit Committee shall have a Charter which shall include its responsibility on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Charter shall also contain the Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>
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						<p>minimize duplication of efforts;</p> <p>g. Evaluates and determines the non-audit work, if any of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid and the corporation's overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with the duties of an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, shall be disclosed in the corporation's Annual Report and Annual Corporate Governance Report.</p> <p>h. Reviews and approves the Interim and Annual Financial Statement before their submission to the Board, with particular focus on the following matters:</p> <ul style="list-style-type: none"> • Any change/s in accounting policies and practices • Areas where a significant amount of judgment has been exercised; • Significant adjustments resulting from the audit 	
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						<ul style="list-style-type: none"> • Going concern assumptions • Compliance with accounting standards; • Compliance with tax, legal and regulatory requirements; <p>i. Reviews the recommendations in the External Auditor's management letter;</p> <p>j. Performs oversight functions over the corporation's Internal and External Auditors and ensures their independence and unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions taking into consideration relevant Philippine professional and regulatory requirements;</p> <p>k. Coordinates, monitors and facilitates compliance with laws, rules and regulations;</p> <p>i. Recommends to the Board any appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission,</p>	
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						<p>who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements shall be prepared and presented to the shareholders;</p> <p>m. Evaluates on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, the Related Party Registry is updated to capture subsequent changes in relationship with counterparties (from non-related to related and vice-versa);</p> <p>n. In case of the absence of a Related Party Transactions (RPTs) Committee, evaluates all RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the company are misappropriated or misapplied;</p>	
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						<p>o. In case of the absence of an RPT Committee:</p> <ul style="list-style-type: none"> • Determines any potential reputational risk issues that may arise as a result of or in connection with RPTs. In evaluating RPTs, the Committee takes into account, among others, the following: <ol style="list-style-type: none"> 1. The related party's relationship to the company and interest in the transaction; 2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction; 3. The benefits to the corporation of the proposed RPT; 4. The availability of other sources of comparable products or services; and 5. An assessment of whether the proposed RPT is undertaken on terms and conditions that are comparable to the terms generally available to an unrelated party under certain circumstances. The company shall have an effective price 	
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						<p>discovery system in place and exercise due diligence in determining a fair price for RPTs.</p> <ul style="list-style-type: none"> • Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on potential and/or actual conflicts of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties; • Reports to the Board of Directors on a regular basis, the status and aggregate exposure to each related party, as well as the total amount of exposures to all related parties; • Ensures the transactions with related parties, including write-off of exposures that are subject to a periodic independent review or audit process; • Oversees the implementation of the system for identifying, 	
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						<p>monitoring, measuring, controlling and reporting RPTs, including a periodic review of RPT policies and procedures; and</p> <p>p. Performs the functions of the Board Risk Oversight Committee, in the absence thereof;</p> <p>q. Meets Internally and with the Board at least once every quarter without the presence of the CEO or other Management team members, and periodically meets with the head of the IA.</p> <p>r. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations;</p>	
Nomination	1	0	1	Manual of Corporate Governance and By-laws	The Nomination Committee shall prepare, sign and post at least fifteen (15) days before the annual meeting, a list of not less than four (4) nor more than six (6) candidates for the Board of Directors for	It shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors	The Nomination Committee has the power to reject nominees to the Board. Identify qualified candidates to become Board of Directors.

					the ensuing year.		
Remuneration	2	0	0	Manual of Corporate Governance	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.	Designate amount of remuneration, which shall be in a sufficient level to attract and retain officers who are needed to run the company successfully.	The Remuneration Committee has the power to evaluate and recommend compensation packages for the employees.
Others (specify)							

2) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Not applicable. There is no Executive committee.		Not applicable. There is no Executive committee.			
Member (ED)	Not applicable. There is no Executive committee.		Not applicable. There is no Executive committee.			
Member (NED)	Not applicable. There is no Executive	Not applicable.	Not applicable.	Not applicable.		Not applicable.

	committee.	There is no Executive committee.	There is no Executive committee.	There is no Executive committee.		There is no Executive committee.
Member (ID)	Not applicable. There is no Executive committee.		Not applicable. There is no Executive committee.			
Member	Not applicable. There is no Executive committee.		Not applicable. There is no Executive committee.			

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Dir. Nicanor S. JORGE	Oct. 22, 2022	6	6	100%	1 year
Vice-Chairman	Mr. Albert San Gabriel	Oct. 22, 2022	6	6	100%	1 year
Member (ED)	Dir. Jose G. Razon	Oct. 22, 2022	6	2	33%	2 years
Member	Mr. Daniel Dumiao	Oct. 22, 2022	6	6	100%	1 year
Member	Mr. Federico Feliciano	Oct. 22, 2022	6	5	83%	1 year
Member	Mr. Donald Joseph Macomb	Oct. 22, 2022	6	0	0%	1 year
Member	Mr. Renato Mercado	Oct. 22, 2022	6	4	67%	1 year
Member	Mr. Jason Sy	Oct. 22, 2022	6	1	17%	3 years
Member	Mr. Wilfredo G. Manahan	Oct. 22, 2022	6	2	33%	1 year
Member	Mr. Nestor Borromeo	Oct. 22, 2022	6	5	83%	3 years

Disclose the profile or qualifications of the Audit Committee members.

Dir. Nicanor S. Jorge is a graduate of Bachelor of Science in Economics and Masters In Business Administration. Dir. Jorge is currently a Member of the Board of Directors of The Basketball Efficiency Scientific Training Center, Inc. and Director of Wecap Financial, Inc. Dir. Nicanor Jorge is a member of the Club since April 2005. Dir. Jorge is the Chairman of the Audit Committee.

Mr. Albert San Gabriel is a member of the Club since 2012. He is the President of ACASA Properties Corp.

Dir. Jose G. Razon is a graduate of Bachelor of Science in Mining Engineering from the University of the Philippines. Dir. Razon is currently the Executive Vice President /Corporate Secretary of Razons Food Corporation. Dir. Jose G. Razon is a member of the Club since January 29, 2006 and He is the Chairman of the Administration Committee.

Mr. Daniel Dumiao is a member of the Club since 2009. He is a Businessman.

Mr. Federico Feliciano is a member of the Club since 2019. He is the Vice President of La Comida Food Services Corp.

Mr. Donald Joseph Macomb is a member of the Club since 2006. He is the Operations Manager of United Laboratories.

Mr. Renato Mercado is a member of the Club since 2016. He is the Special Projects Head of

Beneficial Life Insurance Co, Inc.

Mr. Jason Sy is a member of the Club since 2009. He is a Director of Lian Llong Co, Inc.

Mr. Wilfredo G. Manahan is a CPA by profession. He has been a member of the Club since January 2005 as Playing guest and became a Proprietary Member in January 2010. He is the Owner/Manager of Lubetech Car Care Center. He is also affiliated with the Freemasonry under the Jurisdiction of the Grand Lodge of the Philippines.

Mr. Nestor Borromeo is a member of the Club since 2015. He is a Business/Financial Consultant.

Describe the Audit Committee's responsibility relative to the external auditor.

- a) Perform oversight functions over the corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
- b) Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- c) Review the reports submitted by the internal and external auditors;
- d) Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's annual report.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Atty. Marcus Antonius Andaya	July 15, 2023	3	3	100%	2 years
Member (ED)	Dir. Jose Arsenio Isidro Borromeo III	July 15, 2023	3	3	100%	2 years
Member (ID)	Dir. Marvin Caparros	July 15, 2023	3	2	67%	1 year
Member	Atty. Arian Sallan	July 15, 2023	3	3	100%	1 year
Member	Atty. Conrad Cereno	July 15, 2023	3	3	100%	1 year

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)	Dir. Jose G. Razon	Oct. 22, 2022	10	10	100%	2 years
Member (ED)	Dir. Renato C. Ballbag	Oct. 22, 2022	10	9	90%	2 years
Member	Mr. Michael Echavez	Oct. 22, 2022	10	8	80%	1 year

Member	Mr. Errol Collado	Oct. 22, 2022	10	8	80%	3 years
Member	Mr. Robert John Barretto	Oct. 22, 2022	10	8	80%	1 year
Member	Ms. Cecile Ng-Esguerra	Oct. 22, 2022	10	9	90%	2 years
Member	Mr. Dennis Ramon Guanilo	Oct. 22, 2022	10	8	80%	1 year
Member	Mr. Romeo Robies	Oct. 22, 2022	10	8	80%	2 years
Member	Mr. Jose Basilio Leonardo	Oct. 22, 2022	10	9	90%	1 year
Adviser	Atty. Pedro H. Maniego	Oct. 22, 2022	10	6	60%	1 year

(e) Others (Specify)

Provide the same information on all other committees constituted by the Board of Directors:

Finance Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)	Atty. Rio Sasinando Venturanza	Oct. 22, 2022	11	11	100%	2 year
Vice Chairman (ED)	Dir. Constantine Kohchet-Chua	Oct. 22, 2022	11	9	82%	1 year
Member	Mr. Marcos Hermoso	Oct. 22, 2022	11	8	73%	1 year
Member	Mr. John Huang	Oct. 22, 2022	11	10	91%	2 years
Member	Mr. Mel Latinazo	Oct. 22, 2022	11	9	82%	2 years
Member	Mr. Emerito Ramos III	Oct. 22, 2022	11	7	64%	1 year
Member	Mr. Ron Nelson See	Oct. 22, 2022	11	8	73%	2 years
Member	Mr Jun Sta. Maria	Oct. 22, 2022	11	7	64%	1 year
Member	Mr. Joaquin Tolentino	Oct. 22, 2022	11	2	18%	2 years
Adviser	Mr. Lakan Fonacler	Oct. 22, 2022	11	7	64%	2 years

Grounds Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)	Dir. Jose Ferdinand Gulang	Oct. 22, 2022	10	10	100%	1 year
Vice-Chairman	Mr. Virgilio Bucat	Oct. 22, 2022	10	9	90%	1 year
Member	Mr. Jotie Viray	Oct. 22, 2022	10	6	60%	1 year
Member	Mr. Augusto Cruz	Oct. 22, 2022	10	9	90%	1 year
Member	Mr. Joey Ramoso	Oct. 22, 2022	10	8	80%	1 year
Member	Mr. Pablito Gregore	Oct. 22, 2022	10	10	100%	1 year
Member	Mr. Calo Mendoza	Oct. 22, 2022	10	9	90%	1 year
Member	Mr. Carlo Carpio	Oct. 22, 2022	10	1	10%	1 year
Member (ED)	Dir. Constantine Kohchet-Chua	Oct. 22, 2022	10	2	20%	1 year
Adviser	Mr. Rafael Estanislao	Oct. 22, 2022	10	8	80%	1 year

Engineering Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)	Dir. Constantine Kohchet-Chua	Oct. 22, 2022	9	9	100%	1 year
Member (ID)	Dir. Marvin Caparros	Oct. 22, 2022	9	6	67%	1 year
Member	Mr. Jan Erwin Menguito	Oct. 22, 2022	9	9	100%	2 years
Member	Mr. Albert Samanlego	Oct. 22, 2022	9	9	100%	2 years
Member (ED)	Dir. Jose Arsenio Isidro Borromeo III	Oct. 22, 2022	9	9	100%	1 year
Member	Mr. Augusto Manalo	Oct. 22, 2022	9	7	78%	2 years
Member (ID)	Dir Nicanor Jorge	Oct. 22, 2022	9	3	33%	1 year
Member (ED)	Dir. Jose Ferdinand Gulang	Oct. 22, 2022	9	3	33%	2 years
Member	Mr. Arnold Duay	Oct. 22, 2022	9	6	67%	1 year

Membership Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)	Dir. Jose Arsenio Isidro Borromeo III	Oct. 22, 2022	18	18	100%	3 years
Vice Chairman	Mr. Edward Lim	Oct. 22, 2022	18	14	78%	3 years
Member	Mr. Bernard Jao	Oct. 22, 2022	18	5	28%	3 years
Member	Mr. Alejandro Jose Hirang	Oct. 22, 2022	18	11	61%	3 years
Member	Atty. Miguel Silos	Oct. 22, 2022	18	5	28%	3 years
Member	Mr. Aristotle Viray	Oct. 22, 2022	18	8	44%	3 years
Member	Mr. Jalme Victor Santos	Oct. 22, 2022	18	6	33%	3 years
Member	Atty. Joseph Castillo	Oct. 22, 2022	18	11	61%	1 year
Member	Mr. Nilo Calatrava	Oct. 22, 2022	18	6	33%	1 year
Adviser	Mr. Cesarillo Villanueva, Jr.	Oct. 22, 2022	18	8	44%	1 year

Sports & Games Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Dir. Marvin Caparros	Oct. 22, 2022	8	8	100%	3 years
Member (ED)	Dir. Constantine Kohchet-Chua	Oct. 22, 2022	8	3	38%	2 years
Member	Mr. Calvin Kohchet-Chua	Oct. 22, 2022	8	5	62%	2 years
Member	Mr. Joaquin Tolentino	Oct. 22, 2022	8	6	75%	3 years
Member	Mr. Elmer Espino	Oct. 22, 2022	8	5	62%	3 years
Member	Mr. Arnold Duay	Oct. 22, 2022	8	5	62%	1 year
Member	Mr. Renato Mercado	Oct. 22, 2022	8	6	75%	3 years
Member	Mr. Gilbert Lul	Oct. 22, 2022	8	3	37%	1 year
Member	Mr. Gerry Silva	Oct. 22, 2022	8	3	37%	3 years
Adviser	Mr. Julius Villaruz	Oct. 22, 2022	8	2	25%	1 year

House Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)	Constantine Kohchet-Chua	Oct. 22, 2022	8	8	100%	2 years
Member	Mr. Nilo Calatrava	Oct. 22, 2022	8	5	70%	3 years
Member	Arch. Gilbert Lui	Oct. 22, 2022	8	3	40%	1 year
Member (ED)	Atty. Rio Sasinando Venturanza	Oct. 22, 2022	8	8	100%	3 years
Member	Mr. Jerry Jiao	Oct. 22, 2022	8	6	80%	2 years
Member	Ms. Cielo Fregil	Oct. 22, 2022	8	6	80%	3 years
Member	Mr. Edmund Yee	Oct. 22, 2022	8	4	50%	1 year
Member (ED)	Dir. Jose Arsenio Isidro Borromeo III	Oct. 22, 2022	8	8	100%	3 years

Ethics Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Mr. Raymundo G. Estrada	April 30, 2022	none	n.a.	n.a.	2 years
Member	Atty. Ronald O. Solis	April 30, 2022	none	n.a.	n.a.	2 years
Member	Atty. Miguel U. Silos	April 30, 2022	none	n.a.	n.a.	2 years
Member	Mr. Ernesto Severino	April 30, 2022	none	n.a.	n.a.	2 years
Member	Dr. Elmer Espino	April 30, 2022	none	n.a.	n.a.	2 years

3) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

Name of Committee	Name	Reason
Executive	Not applicable. There is no Executive Committee	Not applicable. There is no Executive Committee
Audit	The Board of Directors in their regular meeting last October 22, 2022 appointed Dir. Nicanor S. Jorge as Chairman of the Audit Committee to replace Dir. Jose G. Razon	Dir. Nicanor S. Jorge was appointed as Independent Director in the Board Meeting last Oct. 22, 2022.
Nomination	<p>The Nomination Committee that was appointed by the Board of Directors last July 15, 2023,</p> <ol style="list-style-type: none"> 1. Vice President Jose Arsenio Isidro D. Borromeo III 2. Dir. Marvin A. Caparros – Independent Director 3. Atty. Marcus Antonius T. Andaya 4. Atty. Conrad P. Cereno 5. Atty. Arian N. Sallan <p>The Nomination Committee that was appointed by the Board of Directors last June 18, 2022,</p>	The practice of the Board is to appoint the new members of the Nomination Committee every fiscal year to comply with the By-laws.

	<ol style="list-style-type: none"> 1. Mr. Arnold P. Duay - Chairman 2. Dir. Constantine L. Kohchet Chua – Member, Independent Director 3. Dir. Jose Arsenio Isidro D. Borromeo III - Member 4. Dir. Rafael S. Raymundo - Member 5. Atty. Marcus Antonius T. Andaya - Member 	
Remuneration	Not applicable. There are no changes in the committee membership.	Not applicable. There are no changes in the committee membership.
Others (specify)	Not applicable. There are no changes in the committee membership.	Not applicable. There are no changes in the committee membership.

4) **Work Done and Issues Addressed**

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	Not applicable. There is no Executive Committee	Not applicable. There is no Executive Committee
Audit	Audit of the disbursement cycle and collections, Special Audit on Golf Cart, Audit of Construction projects, Audit of petty cash fund and Audit of online election	Adherence on company policies and procedures.
Nomination	Screening and Posting of the candidates for the election of the Board of Directors. Review of the functions of the Nomination Committee and qualification of Candidates.	There were no Issues addressed.
Remuneration	CBA Negotiation for the first 3 years. Continuous development of the organizational structure, training and Implementing Innovation in the business process.	There were no issues addressed.
Finance	Financial and Budget Plan, auction of delinquent shares of stock and equipment, Phase 2 of the Computerization project, policy on the minimum cash balance, Funding plan for club projects and review of the audited financial reports.	There were no Issues addressed.
Grounds	Zoysia Infusion on greens of the South Course. Desilting works	There were no Issues addressed
Engineering & Construction	Construction of 2-storey Golf Cart parking, swimming pool complex, renovation of Ladies' Locker and sauna, construction of toilet in the	Construction of Sewerage Treatment Plant, Cart path repair and DCTA Reblocking.

	lower veranda, renovation of kitchen in the lower veranda, repair of roads, installation of LED lights in the fairways.	
Membership	Interview of Applicants Screening for membership Acted on several complaints of members	There were no issues addressed.
Sports & Games	Resumption of Club Tournaments, Improvement of the pace of play while increasing the available tee times on peak days, crafted guest friendly policies to encourage more guests, endorse unaccompanied guests program, revived the Jungolf Association of Valley (JAV) and new set of uniforms were given to the Caddies.	There were no issues addressed.
House	Renovation of North Ladies Locker and converted into a SPA. Renovation of the satellite kitchen at the Main Clubhouse. Renovation of the shelter houses.	Retrofitting of Founders' Hall, Renovation of the lower and Upper Veranda and Main toilets. Revarnish and repair of the North Clubhouse ceiling.
Ethics Committee	Review and examine the report of Audit committee and investigate matter pertaining to the 2-Level Golf Cart Garage that may have involved acts or conduct by officers, directors or employees that are violative of VGCC Policies.	There were no issues addressed.

5) Committee Program

Provide a list of programs that each committee plans to undertake to address relevant issues in the improvement or enforcement of effective governance for the coming year.

Name of Committee	Planned Programs	Issues to be Addressed
Executive	Not applicable. There is no Executive Committee	Not applicable. There is no Executive Committee
Audit	Monitoring and control of all company disbursements, Improvement on existing policies and procedures as deemed necessary specifically on Income sources.	None
Nomination	Not applicable. No planned program.	None
Remuneration	Training of employees, Program for the Outstanding Employees.	None
Finance	Implementation of the Financial and Business Plan, Increase in the market value of shares of stock, auction of delinquent shares of stock, implementation of the new Membership and Registration System, Implementation of the new accounting system and continuous	None

	monitoring of the Cash Flow.	
Grounds	Phase 2-B of the Zoysia Infusion project.	None
Engineering & Construction	DCTA Re-blocking Phase 2 and DCTA Drainage Study, Structural refitting works at the Founders Hall.	None
Membership	Increase the market value of shares of stock	None
Sports & Games	Club Tournaments, 2023 Barkdahan, Presidents and Directors Cup, Intra Club and Don Celso Tuason Tournament.	None
House	Construction of additional function rooms at the view deck.	None
Ethics	None	None

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the company;

Identify and assess the business risks as early as possible, prioritize and control the probability and/or impact of the event.

(b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof;

The effectiveness of the risk management system of the Club is usually reviewed at the beginning of the term of the Board of Directors in the month of Sept. The risk management system is adequate.

(c) Period covered by the review;

The period covered is for a period of twelve (12) months from Sept. 2022.

(d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness; and

The risk management system is reviewed regularly by the Audit Committee with the Internal Auditors. The assessment on its effectiveness is upon evaluation and recommendation of the Audit Committee

(e) Where no review was conducted during the year, an explanation why not.

Not applicable. There is regular review.

2) Risk Policy

(a) Company

Give a general description of the company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Fire	Assets are covered by Fire Insurance.	To mitigate the impact of losses.

Typhoon damage	The Financial and Budget Plan provides for a yearly calamity fund.	To ensure funds are available in case of damage by typhoon.
Theft	Security guards are posted in strategic areas and CCTV cameras are installed. Insurance coverage for money, payroll and robbery.	Deterrent for theft and safeguard of assets.

(b) Group

Give a general description of the Group's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Golf related Injuries	The Club is covered by comprehensive general liability insurance.	To mitigate the impact of losses/injuries.
Cases filed against the Club and the Board of Directors.	The Board of Directors are covered by the Directors' Liability Insurance	To cover the legal expenses and possible claims.

(c) Minority Shareholders

Indicate the principal risk of the exercise of controlling shareholders' voting power.

Risk to Minority Shareholders
Not applicable. There are no minority shareholders and no controlling shareholders.

3) Control System Set Up

(a) Company

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Fire	Fire Insurance is updated, and coverage regularly reviewed.	The coverage of the fire insurance is inspected and assessed by the insurance company
Typhoon damage	Calamity fund is provided in the budget and readily available.	The amount of Php 5 Million is allocated in the Budget for the Calamity Fund.
Theft	The deployment of the security guards is reviewed regularly, CCTV cameras are working, and insurance is updated.	The Security Committee meets every month to assess the effectiveness of the security

(b) Group

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Golf related Injuries	Comprehensive general liability insurance is updated.	Documentary requirements on claiming for reimbursement should be complied with.
Cases filed against the Club and the Board of Directors.	The Board of Directors are covered by the Directors Liability Insurance	To cover the legal expenses and possible claims.

(c) Committee

Identify the committee or any other body of corporate governance in charge of laying down and supervising these control mechanisms, and give details of its functions:

Committee/Unit	Control Mechanism	Details of Its Functions
Audit Committee	The Audit Committee reviews the internal controls of the Club and assesses the improvements that need to be imposed.	Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks of the corporation. This function shall include regular receipt from Management of information on risk exposures and risk management activities;
Security Committee	The Security committee reviews the adequacy of the security guards deployed in the premises and the security procedure.	<ol style="list-style-type: none">Oversees the protection of all Members, Employees and Guests.Ensures protection of all company assetsEnsures implementation of all traffic and security rules.Recommends approval of Security contract.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

Disclose the following information pertaining to the internal control system of the company:

(a) Explain how the internal control system is defined for the company;

Auditing activities play an essential and useful role in the conduct of successful operations. The policies/guidelines/procedures developed by the Company such as By-laws, Manual of Corporate Governance, Code of Conduct, Operations Manual and Organizational Structure are Independently and regularly reviewed and evaluated not only to provide reasonable assurance that the controls are operating effectively but also to improve the effectiveness of risk management, control and governance process in the financial, administrative, and operational activities of the enterprise, which supplies management personnel at all levels with information to assist in their attainment of objectives for which they are responsible.

Two (2) In-house auditors are performing the Internal audit functions of the Club who are directly reporting to the Audit Committee.

- (b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate;

As mandated by the Manual of Corporate Governance, the Board of Directors appointed the members of the Audit Committee for the fiscal year 2023. The Audit Committee is primarily responsible in assisting the Board in the performance of its oversight responsibility and monitors compliance with the system of internal controls and policies of the Club. Through the assistance of the Internal Audit Department the Board of Directors through the Audit Committee ensures the effectiveness and adequacy of the Internal control system.

- (c) Period covered by the review;

Fiscal year June 30, 2023

- (d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and

To achieve the effectiveness of the internal control system, the Audit Committee meets once a month to review and evaluate the audit and financial reports as well as the over-all operations of the Club. The report of the Audit Committee is discussed, reviewed and evaluated in the Board Meeting.

- (e) Where no review was conducted during the year, an explanation why not.

Not applicable. There is regular review of internal controls.

2) Internal Audit

- (a) Role, Scope and Internal Audit Function

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
Head, Internal Audit	Responsible for the administration of the internal audit activity. Responsible for the internal audit plans, the conduct of internal audits, and the internal	In-house Auditor	Romelo Estacion	Reports directly to Audit Committee to ensure and maintain independence of internal audit function.

	audit reports issued within the segment(s) where responsibility has been assigned.			
Internal Audit Assistant	Performs routine to complex internal audit work as may be assigned.	In-house Auditor	Mark Steven M. Acuña	Reports directly to the Head of Internal Audit

- (b) Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee?

Yes. All appointment and/or removal whether outsourced or In-house requires the recommendation of the Audit Committee and approval of the Board of Directors.

- (c) Discuss the internal auditor's reporting relationship with the audit committee. Does the Internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?

The Head of Internal Audit, together with the Internal Audit Assistant reports regularly to the Audit Committee on the Internal audit activity's purpose, authority, responsibility, and performance relative to its plan. Reporting also includes significant risk exposures and control issues, items related to management's process of risk management, control and governance, management's progress in addressing the issues, any areas where management has accepted a level of residual risk that may be unacceptable to the organization, and other matters needed or requested by the board.

All concerns and correspondences of the Internal Audit Department are coursed through initially to the Audit Committee and will be eventually elevated to the Board of directors. Yes, the Internal Audit Department has a direct and unfettered access to the Board of directors (which will be coursed through first to the Audit Committee) and to all records, properties and personnel.

- (d) Resignation, Re-assignment and Reasons

Disclose any resignation/s or re-assignment of the internal audit staff (including those employed by the third-party auditing firm) and the reason/s for them.

Name of Audit Staff	Reason
Ma. Cristina Odon Santiago	Promoted from Internal Audit Head to Finance & Accounting Manager
Mark Joseph F. Ilustrisimo	Resigned as Internal Audit Head
Mark Anthony F. Falcutilla	Resigned as Internal Audit Assistant

- (e) Progress against Plans, Issues, Findings and Examination Trends

State the Internal audit's progress against plans, significant issues, significant findings and examination trends.

Progress Against Plans	The Internal Audit Department has review significant processes related to the Club's overall operations including compliance to established policies and procedures of the Company. Recommendations on control mechanisms were made in relation to review of processes were made.
Issues ⁶	There were no significant issues that had a material effect on the Company's financial statements.

⁶ "Issues" are compliance matters that arise from adopting different interpretations.

	Significant Issue on: (1) Purchase of Lithium Batteries and (2) Petty Cash Fund
Findings ⁷	There were no significant issues that had a material effect on the Company's financial statements. (1) Based on the Audit performed the Internal Audit concluded that the assessed management and/or control process were partially unsatisfactory. This means the identified weaknesses, deficiencies and non-compliances could have a negative impact on the performance of the audited activity, area, process cycle, thus requiring significant improvements. Management has agreed to take actions to manage the residual risk identified (2) Improve Fund Management and documentation process, Strictly comply with the standard operating procedure for petty cash fund. Disorganized fund management/petty cash variance, overdue cash requests and inadequate controls concerning segregation of duties
Examination Trends	Regular. Generally adequate and effective internal control

[The relationship among progress, plans, issues and findings should be viewed as an internal control review cycle which involves the following step-by-step activities:

- 1) Preparation of an audit plan inclusive of a timeline and milestones;
- 2) Conduct of examination based on the plan;
- 3) Evaluation of the progress in the implementation of the plan;
- 4) Documentation of issues and findings as a result of the examination;
- 5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
- 6) Conduct of the foregoing procedures on a regular basis.]

(f) Audit Control Policies and Procedures

Disclose all internal audit controls, policies and procedures that have been established by the company and the result of an assessment as to whether the established controls, policies and procedures have been implemented under the column "Implementation."

Policies & Procedures	Implementation
Recruitment process	Implemented. Generally adequate
Procurement Policy for items subject to Bidding	In Progress

(g) Mechanisms and Safeguards

State the mechanism established by the company to safeguard the independence of the auditors, financial analysts, investment banks and rating agencies (example, restrictions on trading in the company's shares and imposition of internal approval procedures for these transactions, limitation on the non-audit services that an external auditor may provide to the company):

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
Internal Audit – - all internal auditors are expected to abide by The Institute of	Not applicable	Not applicable	Not applicable

⁷ "Findings" are those with concrete basis under the company's policies and rules.

<p>Internal Auditors' Code of Ethics, specifically including the four principles of Integrity, Objectivity, Confidentiality, and Competency as set out in the Code.</p> <ul style="list-style-type: none"> - In the course of the assignments, internal auditors will be in contact with personnel at all levels of authority and position. At all times independence in mental attitude is to be maintained. Reports resulting from their efforts should always contain full and unbiased disclosure of all but minor audit findings. - they should guard against any conduct or mannerisms that present an impression that they consider themselves a "home office expert" sent to check on employees in the field. <p>External Auditors</p> <ul style="list-style-type: none"> - reviews and confirms the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discusses the relationship with the auditors 			
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(h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance

BOARD OF DIRECTORS

President	Rafael S. Raymundo
Vice President	Jose Arsenio Isidro D. Borromeo III
Treasurer	Rlo Sesinando E. Venturanza
Director	Constantine L. Kohchet-Chua
Director	Renato C. Balibag
Director	Jose G. Razon
Director – independent	Marvin A. Caparros *
Director	Jose Ferdinand R. Gulang
Director - Independent	Nicanor S. Jorge *

AUDIT COMMITTEE

Chairman (ID)	Dir. Nicanor S. Jorge
Vice-Chairman	Mr. Albert San Gabriel
Member (ED)	Dir. Jose G. Razon
Member	Mr. Daniel Dumlao
Member	Mr. Federico Feliciano
Member	Mr. Donald Joseph Macomb
Member	Mr. Renato Mercado
Member	Mr. Jason Sy
Member	Mr. Wilfredo G. Manahan
Member	Mr. Nestor Borromeo

H. ROLE OF STAKEHOLDERS

1) Disclose the company's policy and activities relative to the following:

	Policy	Activities
Customers' welfare	The Vision of the Club – Valley Golf, the premier golf and country club providing unparalleled recreational experience to its members, their families and guests.	Golf tournaments among members and various clubs within Valley Golf, Grand raffle, Members and Guests tournament (Don Celso and Founders' Cup Tournament) and participation in Outside tournaments. Providing variety of menu from our F & B Concessionaires.
Supplier/contractor selection practice	The Bids and Awards Committee is in charge of awarding major contracts. Other suppliers are accredited, and regular canvass is conducted.	Bidding, Announcement thru publication and circulars and canvassing.
Environmentally friendly value-chain	All supplies are non-toxic and environmentally friendly.	Elimination of the use of plastic, Styrofoam, harsh chemicals, use of materials recovery facility and segregation of waste materials.
Community interaction	Part of the proceeds from the Annual Christmas Fund Assessment is donated to charitable institutions designated by DSWD of Antipolo City.	School supplies, toiletries, food stuff and clothes are donated to Children in conflict with the law, Kanlungan ng Kabataan Village, Bahay Kalinga and Senior Citizen/PWD

Anti-corruption programs and procedures?	The Club has Internal Control policies that strictly safeguard company assets against corruption. There is check and balance in the operating procedures. We have an Independent Internal and External Auditors.	The Internal Controls and Operating Procedures are regularly reviewed by the Internal and External Auditors. Modifications and improvement are adopted to safeguard the assets.
Safeguarding creditors' rights	Valley Golf complies with the credit terms of the suppliers and other creditors.	The accounting operational procedure provides for the aging and subsidiary ledgers of the creditors for proper monitoring of credit terms and schedule of payment.

2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?

Not applicable. Valley Golf does not have a separate corporate responsibility (CR) report/section or sustainability report/section.

3) Performance-enhancing mechanisms for employee participation.

(a) What are the company's policy for its employees' safety, health, and welfare?

Valley Golf provides for the health card (HMO) of the employees with a maximum limit of P90,000 per year, Annual medical checkup, a Clinic with a full time Nurse and available Physician once a week. The employees are covered by a group life insurance. The employees assigned to the Engineering Dept. and Golf Affairs are provided with safety gears, safety shoes and raincoats and boots. During the pandemic the employees regularly undergo Antigen Swabbing.

(b) Show data relating to health, safety and welfare of its employees.

There was no work related accident during the fiscal year 2023.

(c) State the company's training and development programmes for its employees. Show the data.

a. The Following employees attended the following seminars

1. Ma. Zarina Manzano attended the Basics of Corporate Governance last July 27, 2023 conducted by Ateneo Graduate School of Business - Center for Continuing Education.

2. Trifon Bagares attended the Safety Officer 1 Seminar conducted by Insafety Inc, last ,Dec 26 and 27, 2022

3. Maria Cristina O. Santiago attended the following seminars

Name of Seminar	Conducted By	Date
Tax Updates: Year-end tax compliance & reportorial requirements Current & Deferred Income tax – Acctg & Tax Rules	SGV	February 2, 2023
The basic taxation for non-stock non-profit organization	PICPA	March 23, 2023
Common BIR findings and work around defenses to resolve tax disputes with forum	PICPA	April 6, 2023

Understanding tax deductions for individual and business income tax	PICPA	April 7, 2023
Reminders and key points in filing annual income tax returns	PICPA	April 8, 2023
Increasing Productivity in Hybrid and Virtual Workplace for CPAs	PICPA	April 9, 2023
Orientation seminar on sustainability reporting	PICPA	April 9, 2023

4. Rosanna R. Arguelles attended the following seminars:

Name of Seminar	Conducted By	Date
Tax Updates: Year-end tax compliance & reportorial requirements Current & Deferred income tax – Acctg & Tax Rules	SGV	February 2, 2023
SEC Updates: SRC Rule 68	PICPA	Oct. 21, 2022
Tax Updates: Recent Development in the Tax Landscape	PICPA	Sept. 30, 2022

5. In-house Seminar on Customer Service conducted by Ms. Cecille Ignacio last October 24, 2022 in the North Clubhouse and attended by all rank & file employees.

6. In-house Seminar on Effective Work Relationship conducted by Mr. Joash A. Fundador last July 18, 2023 in the North Clubhouse and attended by all rank & file employees.

(d) State the company's reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.

The rank and file employees are covered by CBA. The Supervisors are subject to annual performance evaluation that is the basis of the salary increase. The Club recently approved Organizational Improvement Program that covers the salary administration guidelines, job evaluation and classification and performance appraisal.

4) What are the company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behavior? Explain how employees are protected from retaliation.

Complaints of employees covered by the CBA concerning Management and other employees are submitted to the HR/Admin. The process stated in the Grievance procedure of the CBA is being followed. Complaints against club members are submitted to the General Manager wherein the member is given the chance to reply in writing regarding the incident. The documents are submitted to the Membership Committee for discussion and recommendation is made to the Board of Directors for proper action. Management makes sure that employees are protected from retaliation.

i. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
Not applicable. There is no shareholder holding 5% or more shares.	Not applicable. There is no shareholder holding 5% or more shares.	Not applicable. There is no shareholder holding 5% or more shares.	Not applicable. There is no shareholder holding 5% or more shares.

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Not applicable. There is no shareholder holding 5% or more shares.	Not applicable. There is no shareholder holding 5% or more shares.	Not applicable. There is no shareholder holding 5% or more shares.	
TOTAL			

2) Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance Indicators	Yes
Non-financial performance Indicators	Yes
Dividend policy	Not applicable. Valley Golf does not issue dividends.
Details of whistle-blowing policy	Yes
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	Yes
Number of board of directors/commissioners' meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	Not applicable. The CEO and the Board of Directors does not receive remuneration

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
Sycip Gorres Velayo & Co.	P440,000 plus vat and out of pocket expenses	P115,000 plus vat and out of pocket expenses

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information.

- a. Website
- b. Short Messaging System (SMS)

- c. Email
- d. Viber Community
- e. Facebook
- f. Circulars
- g. Announcement in the Bulletin Boards
- h. Tarpaulin
- i. TV Monitors
- j. Personal Calls

5) Date of release of audited financial report: September 17, 2023

6) Company Website

Does the company have a website disclosing up-to-date information about the following?

Business operations	Yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	Yes
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

7) Disclosure of RPT

RPT	Relationship	Nature	Value
The contract for the construction of the 2-storey Golf Cart Garage of Valley Golf was awarded to Sagada Construction Development Corp. last Dec. 21, 2021.	The President of Sagada Construction Development Corp. is Mr. Vergilio Bucat, a member of the Grounds Committee.	Construction of a building.	P21,832,000

When RPTs are involved, what processes are in place to address them in the manner that will safeguard the interest of the company and in particular of its minority shareholders and other stakeholders?

The project was bid out and all procedures of the procurement policy was followed by the Bids and Awards Committee. Sagada Construction Development Corp. submitted the lowest bid and complied with the requirements of the BAC.

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders' Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders' Meeting as set forth in its By-laws.

Quorum Required	A quorum at any meeting shall consist of a majority of stockholders, represented in person or by proxy, and a majority of such quorum shall decide any question that may come before the meeting, except in cases where a different number of votes is required by law.
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Procurement, Bids and Awards Policy
Description	The Implementing Rules and Regulation on procurement is in line with Valley Golf's commitment to adhere to the Principles of Transparency, Competitiveness, Streamlined procurement, System of accountability and Monitoring.

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

Stockholders' Rights under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
Not applicable. The Stockholders' rights are consistent with the Corporation Code.	Not applicable. The Stockholders' rights are consistent with the Corporation Code.

Dividends

Declaration Date	Record Date	Payment Date
Not applicable. Valley Golf does not issue dividends.	Not applicable. Valley Golf does not issue dividends.	Not applicable. Valley Golf does not issue dividends.

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

Measures Adopted	Communication Procedure
Agenda, matters for discussion, Minutes of previous years Stockholders' Meetings, Summary of Resolutions of the Board of Directors for the fiscal year and the list of Candidates for the Board of Directors and the Annual Report were sent to the Stockholders.	The documents were sent thru mail. Notices of the Stockholders' Meeting were posted on the Website, Bulletin Board and Tarpaulin.
The Annual Stockholders Meeting (ASM) webcast uses an entirely different secure system. For cyber security purposes, the Online Voting	The virtual Stockholders' Meeting will either be via zoom Webinar or live

System/Portal also uses a separate, secure system or platform.

An electronic absentee ballot will be available upon login of all registered Stockholders in the front page portion of the website dedicated for the Stockholders Meeting. OTP is required for login in the voting system. The Stockholder will receive his/her OTP thru the registered email while Proxyholders will be sent a separate OTP for voting thru Proxy. All agenda items in the Notice of the Stockholders' Meeting may be voted upon by clicking either Yes, No or Abstain.

Voting for the Election of Directors. Electronic Ballot for the Stockholder – the registered Stockholder shall indicate the number of votes for each candidate by following the step by step procedure on the ballot. Electronic Ballot for the Proxyholder – the registered Proxyholder shall indicate the number of votes for each candidate by following the step by step procedure on the ballot.

Stockholders may submit questions and comments including objections, if any, on any matter in the Agenda, on or before the deadline set in the rules which will be posted with the corresponding replies thereto during the live stream of the 2023 Annual Stockholders Meeting (ASM).

Any questions or comments submitted and received after the deadline shall be answered directly by Management thru email to the stockholder concerned. Additional questions or comments may be sent to officeofthepresident@valleygolf.com.ph

Mechanism for information dissemination – The website will include a portion for "Frequently asked questions". Stockholders are advised to visit the Frequently Asked Questions (FAQ) page prior to sending inquiries.

streaming. <https://zoom.us/test> and click "Join"

Stockholders will be given the option to "download and run Zoom" or to "Join from browser"

To join the webinar, click the link that the host provided or the one received in the confirmation page after registration,

Stockholders of record who have OTP will be provided a direct link to the live stream broadcast of the Annual Stockholders Meeting (ASM).

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:

a. Amendments to the company's constitution

The proposed amendments to the Articles of Incorporation and By-laws and the explanations are circularized to the Stockholders and posted in the Bulletin Board, Website and TV Monitor. In order to participate in corporate decisions, proposed amendments are included in the ballots for the stockholders to vote.

b. Authorization of additional shares

Not applicable, no request for authorization for additional shares.

- c. **Transfer of all or substantially all assets, which in effect results in the sale of the company**

Not applicable. There is no transfer of all or substantially all assets of the Club.

3. **Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?**

a. **Date of sending out notices:** September 3, 2022

b. **Date of the Annual/Special Stockholders' Meeting:** September 25, 2022

4. **State, if any, questions and answers during the Annual/Special Stockholders' Meeting.**

There were no questions during the Stockholders' Meeting

5. **Result of Annual/Special Stockholders' Meeting's Resolutions**

Resolution	Approving	Dissenting	Abstaining
Approval of the Minutes of the Annual Meeting Held on 26 September 2021	882 votes	2 votes	34 votes
President's and Treasurer's Report, Company's 2022 Annual Report and Audited Financial Statements for Fiscal Year 2022.	879 votes	4 votes	35 votes
Approval, Confirmation and Ratification of all Acts and Resolutions of the Board of Directors and Management from July 1, 2021 to June 30, 2022.	863 votes	11 votes	44 votes
Re-Appointment of Sycip Gorres Velayo & Co. as External Auditor for 2022 - 2023	876 votes	15 votes	27 votes

The votes for the Approval of the Amendment of the Articles of Incorporation are as follows:

	Approving	Dissenting	Abstaining
Article II	708	28	182
Article III	706	30	182
Article IV	706	30	182
Article VI	707	153	58
Article VII	826	33	59

The votes for the Approval of the Amendment of the By-Laws are as follows:

	Approving	Dissenting	Abstaining
Article I – Office	839	25	54
Article III – Meeting			
Section 1. Annual Meetings	842	23	53
Section 2. Special Meetings	840	23	55
Section 3. Notice Of Meetings	842	24	52
Section 4. Quorum	857	11	50
Section 5. Proxies	848	17	53
Section 6. Election Of Directors	844	28	46
Section 8. Eligibility To Vote and Be Voted	843	29	46
Section 9. Stockholder's Consent	845	28	45
Section 10. Committee On Election	841	29	48
Article IV – Directors			
Section 1. Board Of Directors	652	215	51
Section 3. Board Meeting	677	192	49
Article V – Officers			
Section 1. Designation	676	192	50
Section 2. Qualification	675	192	51
Section 4. Compensation	666	192	60
Section 5. Duties And Responsibilities	676	190	52
Article VI – Committees			
Section 3	675	192	51
Article VII – Membership			
Section 1. Classification	673	191	54
Section 3	676	191	51

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:
September 25, 2022

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification:

Modifications	Reason for Modification
Not applicable, there is no modification of the regulations.	Not applicable, there is no modification of the regulations.

(f) Stockholders' Attendance

(i) Details of Attendance in the Annual/Special Stockholders' Meeting Held:

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	Carlo J. Carpio	Sept. 25, 2022	By poll	11.60%	46.61%	58.21%
	Reginald Benjamin V. San Pedro					
	Rio Sestinando E. Venturanza					
	Rafael S. Raymundo					
	Renato C. Ballba					
	Jose Arsenio Isidro D. Borromeo III					
	Constantine L. Kohchet-Chua *					
	Pablito M. Gregore					
	Jose G. Razon *					
	Allian Jocson					

(ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs?

Valley Golf appoints the Internal Auditors to count the votes and with the External Auditors as observers.

(iii) Do the company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the company has more than one class of shares, describe the voting rights attached to each class of shares.

Each common share carries three (3) votes in the election of directors since every year there are nine (9) directors to be elected. In the voting for the amendment of the Articles and By-laws, one (1) common share is entitled to one (1) vote. Valley Golf has common shares only.

(g) Proxy Voting Policies

State the policies followed by the company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	<i>Every stockholder is entitled to vote at any meeting of stockholders and may so vote by proxy, provided that the proxy shall have been appointed by the stockholder himself or by his duly authorized attorney-in-fact in an official numbered proxy form issued by the Club. No other proxy form shall be recognized by the Club.</i> " (Section 58 of the Corporation Code and Article III, Section 5 of our Club's By-Laws);
Notary	Proxies are not required to be notarized.
Submission of Proxy	<i>Stockholders of good standing who wish to be represented by an attorney-in-fact must submit their duly notarized Special Power of Attorney (SPA) on or before 5 p.m. of August 28, 2022. No cancellation or revocation of the SPA or substitution of the attorney-in-fact can be done after 5 p.m. of August 28, 2022.</i> <i>Stockholders who are not represented by an attorney-in-fact must submit their proxies on or before 5 p.m. of September 18, 2022. No cancellation or revocation or replacement of proxies shall be allowed after September 18, 2022</i>
Several Proxies	The latest proxy submitted is considered valid.
Validity of Proxy	<i>All previous proxies are invalid and of no force and effect for the 2022 elections (SEC Memorandum Circular No. 5, Series of 1996, dated August 6, 1996);</i>
Proxies executed abroad	Original copies of the proxy must be submitted.
Invalidated Proxy	Invalidated proxies are not entitled to vote.
Validation of Proxy	Proxies submitted and on file with the COMELEC may be verified by any stockholder, and any objection to said proxies must be registered with the COMELEC within the verification period.
Violation of Proxy	Violation of proxy is subject to resolution of the COMELEC.

(h) Sending of Notices

State the company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Policies	Procedure
Notices of the Annual Stockholders' Meeting must be sent to the Stockholders at least 30 days before the Stockholders' meeting.	The Club complies with the policy and posts the Notices, Proxy forms, Proxy Rules and other attachments in the Club's Website at least 30 days before the Stockholders' meeting.

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	1,594
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	Not applicable. There are no market participants/certain beneficial owners
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	September 3, 2022
State whether CD format or hard copies were distributed	Distribution is thru email and website
If yes, indicate whether requesting stockholders were provided hard copies	Yes, requesting stockholders were provided with hard copies.

(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	No. The names of the nominees for directors are included. The profiles of the Nominees for the election are sent separately in the email of Stockholders, posted in the Club's Website, Viber Community and Facebook. They are also duly declared in the SEC 20-IS Definitive Information Proxy Statement filed with the SEC.
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Not applicable. Valley Golf does not issue dividends
The amount payable for final dividends.	Not applicable. Valley Golf does not issue dividends
Documents required for proxy vote.	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

2) Treatment of Minority Stockholders

(a) State the company's policies with respect to the treatment of minority stockholders.

Policies	Implementation
Not applicable. Valley Golf does not have minority stockholders.	Not applicable. Valley Golf does not have minority stockholders.

(b) Do minority stockholders have a right to nominate candidates for board of directors?

Not applicable. Valley Golf does not have minority stockholders.

K. INVESTORS RELATIONS PROGRAM

1) Discuss the company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major company announcements. Identify the committee with this responsibility, if it has been assigned to a committee.

The communication policies are reviewed by Management and the Board of Directors. Major company announcements are approved by the Board of Directors.

2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	To facilitate the most efficient mode of communication
(2) Principles	Transparency and Services to Members
(3) Modes of Communications	Website, circulars, Email, Viber Community, Facebook, announcements and posters
(4) Investors Relations Officer	The Membership Head Ms. Zarina Manzano and Membership Supervisor Mary Ann Veraque handle investor relations. Email at membership@valleygolf.com.ph and tel. no 86584901 up to 03

3) What are the company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets?

Not applicable. Valley Golf does not engage in acquisition of corporate control in the capital markets, and has no extraordinary transactions such as mergers, and sales of substantial portions of corporate assets.

Name of the independent party the board of directors of the company appointed to evaluate the fairness of the transaction price.

Not applicable. Valley Golf does not engage in acquisition of corporate control in the capital markets, and has no extraordinary transactions such as mergers, and sales of substantial portions of corporate assets.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Discuss any initiative undertaken or proposed to be undertaken by the company.

Initiative	Beneficiary
Annual Donation during Christmas time to CSWD or other projects like Vaccination Program of the LGU.	CSWD supported organizations like Bahay Kalinga, Children in conflict with the Law, Kanlungan ni Maria (Senior Citizens) and Antipolo City LGU.

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President.

	Process	Criteria
Board of Directors	President's Report, Treasurer's Report and Audited Financial Reports to the Stockholders.	<ul style="list-style-type: none"> a) Knowledge of the business: Does this director have an adequate understanding of the company's strategies, industries, markets, competitors, financials, operating issues, regulatory concerns, technology and general trends? b) Initiative: Whenever appropriate, does this director take the initiative to obtain relevant information on boardroom issues? When absent from meetings, do they make sure they are brought up-to-date on discussions they have missed? Do they initiate contact with the board chair or committee chairs when appropriate? c) Preparation: Do directors come fully prepared to meetings having read advance materials and completed pre-meeting assignments? Do they spend an appropriate amount of time learning about company issues to make informed decisions? d) Time: Do directors attend a sufficient number of board and assigned committee meetings for consultation or special situations? e) Judgment and candor: Is a director able to speak his mind constructively even if

		<p>his views differ from others at a meeting? Is he an effective contributor to discussions? Does he offer innovative ideas and solutions?</p> <p>f) Integrity: Is the director able to keep the information he receives confidential? Does he demonstrate objective, fair and ethical behaviour?</p>
<p>Board Committees</p>	<p>Committee Reports to the Stockholders</p>	<p>a) Knowledge of the business: Does this committee member have an adequate understanding of the company's strategies, industries, markets, competitors, financials, operating issues, regulatory concerns, technology and general trends?</p> <p>b) Initiative: Whenever appropriate, does this committee member take the initiative to obtain relevant information on committee issues? When absent from meetings, do they make sure they are brought up-to-date on discussions they have missed? Do they initiate contact with the board chair or committee chairs when appropriate?</p> <p>c) Preparation: Do committee members come fully prepared to meetings having read advance materials and completed pre-meeting assignments? Do they spend an appropriate amount of time learning about company issues to make informed decisions?</p> <p>d) Time: Do committee members attend a sufficient number of committee meetings for consultation or special situations?</p> <p>e) Judgment and candor: Is a committee member able to speak his mind constructively even if his views differ from others at a</p>

		<p>meeting? Is he an effective contributor to discussions? Does he offer innovative ideas and solutions?</p> <p>f) Integrity: Is the committee member able to keep the information he receives confidential? Does he demonstrate objective, fair and ethical behavior?</p>
<p>Individual Directors</p>	<p>Committee Reports to the Stockholders</p>	<p>a) Knowledge of the business: Does this director have an adequate understanding of the company's strategies, industries, markets, competitors, financials, operating issues, regulatory concerns, technology and general trends?</p> <p>b) Initiative: Whenever appropriate, does this director take the initiative to obtain relevant information on boardroom issues? When absent from meetings, do they make sure they are brought up-to-date on discussions they have missed? Do they initiate contact with the board chair or committee chairs when appropriate?</p> <p>c) Preparation: Do directors come fully prepared to meetings having read advance materials and completed pre-meeting assignments? Do they spend an appropriate amount of time learning about company issues to make informed decisions?</p> <p>d) Time: Do directors attend a sufficient number of board and assigned committee meetings for consultation or special situations?</p> <p>e) Judgment and candor: Is a director able to speak his mind constructively even if his views differ from others at a meeting? Is he an effective contributor to discussions? Does he offer innovative ideas and solutions?</p>

		<p>f) Integrity: Is the director able to keep the information he receives confidential? Does he demonstrate objective, fair and ethical behaviour?</p>
<p>CEO/President</p>	<p>President's Report to the Stockholders.</p>	<p>a) Knowledge of the business: Does this CEO/President have an adequate understanding of the company's strategies, industries, markets, competitors, financials, operating issues, regulatory concerns, technology and general trends?</p> <p>b) Initiative: Whenever appropriate, does this CEO/President take the initiative to obtain relevant information on boardroom issues? When absent from meetings, do they make sure they are brought up-to-date on discussions they have missed? Do they initiate contact with the board chair or committee chairs when appropriate?</p> <p>c) Preparation: Does the CEO/President come fully prepared to meetings having read advance materials and completed pre-meeting assignments? Do they spend an appropriate amount of time learning about company issues to make informed decisions?</p> <p>d) Time: Does the CEO/President attend a sufficient number of board and assigned committee meetings for consultation or special situations?</p> <p>e) Judgment and candor: Is the CEO/President able to speak his mind constructively even if his views differ from others at a meeting? Is he an effective contributor to discussions? Does he offer innovative ideas and solutions?</p> <p>f) Integrity: Is the CEO/President able to keep</p>

		the information he receives confidential? Does he demonstrate objective, fair and ethical behaviour?
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N. INTERNAL BREACHES AND SANCTIONS

Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees

Violations	Sanctions
<p>To strictly observe and implement the provisions of the manual of corporate governance, the following penalties shall be imposed, after notice and hearing, on the company's directors, officers, staff in case of violation of any of the provision of this Manual:</p> <ul style="list-style-type: none"> a. In case of first violation, the subject person shall be reprimanded. b. Suspension from office shall be imposed in case of second violation. The duration of the suspension shall depend on the gravity of the violation. c. For third violation, the maximum penalty of removal from office shall be imposed. <p>The commission of a third violation of this manual by any member of the board of Valley Golf & Country Club, Inc. shall be a sufficient cause for removal from directorship.</p>	<p>The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman of the Board the Imposable penalty for such violation, for further review and approval of the Board.</p>

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of **TIPPOLO CITY** on **SEP 29 2023**, 20__.

SIGNATURES


RAFAEL S. RAYMUNDO
Chief Executive Officer/President
Chairman of the Board


MARVIN A. CAPARROS
Independent Director


NICANOR S. JORGE
Independent Director

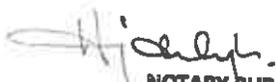

ALLAN JOCSON
CORPORATE SECRETARY


DAN L. SALVADOR III
COMPLIANCE OFFICER / GENERAL MANAGER

SUBSCRIBED AND SWORN to before me this **SEP 29 2023** day of _____ 20__ affiant(s) exhibiting to me their _____ as follows:

NAME/NO.	TIN #
RAFAEL S. RAYMUNDO	107-444-146
MARVIN A. CAPARROS	127-533-517
NICANOR S. JORGE	126-967-539
ALLAN JOCSON	205-687-949
DAN L. SALVADOR III	106-096-608

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Series of 2023


NOTARY PUBLIC
ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2024
Roll of Attorneys No. 27541
MCLE Compliance No. VII-0023686
IBP No. 256227; Dec. 30, 2022, RSM
PTR No. 8675432; Jan. 03, 2023 Antipolo City