



Valley
Golf

ANNUAL
REPORT

2025

Our Vision

Valley Golf and Country Club Inc. (the “Club”), the premier golf and country club providing unparalleled recreational experience to our members, their families and guests.

Our Mission

To provide, world-class golf and recreational facilities and efficient, high-quality services to its members, families and guests; a friendly atmosphere, reasonable 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.



Board of Directors

The Board of Directors of Valley Golf & Country Club, Inc. provides the leadership and strategic direction that ensures the Club's continued growth and modernization. Guided by integrity, transparency, and accountability, the Board upholds the traditions of Valley Golf while advancing initiatives that strengthen governance, enhance member services, and secure the Club's long-term sustainability.



**CONSTANTINE
KOHCHET-CHUA**
President



**RIO SESINANDO
VENTURANZA**
Vice-President



**RAFAEL
RAYMUNDO**
Treasurer



**MA. CECILIA
ESGUERRA**
Assistant Treasurer



**ALLAN
JOCSON**
Corporate Secretary



**MICHAEL
ECHAVEZ**
Regular Director



**FEDERICO
FELICIANO**
Regular Director



**JOSE FERDINAND
GUIANG**
Regular Director



**RICKY
LIBAGO**
Independent
Director



**RON NELSON
SEE**
Independent
Director

COMMITTEE MEMBERS

ADMIN COMMITTEE

Constantine Kohchet-Chua – Chairman
Ma. Cecilia Esguerra – Co-Chairman
Romeo Robles – Adviser
Nicasio Lim – Member
Donald Joseph Macomb – Member
Marvin Caparros – Member
Anthony Cheng – Member
Ravin Sehwani – Member
Renato Balibag – Member

FINANCE COMMITTEE

Rafael S. Raymundo – Chairman
Ma. Cecilia Esguerra – Vice-Chairman
Joaquin Tolentino, Jr. – Member
Bonifacio Sam – Member
Richard Lim – Member
Conrad Cereno – Member
Armando Escobar – Member
Januario Jesus Gregorio Atencio III – Member

GROUND & ENGINEERING COMMITTEE

Rafael S. Raymundo – Chairman
Rio Seginando E. Venturanza – Member
Ricky Libago
Arnold Duay – Member
Augusto Manalo – Member
Raymund Puyat – Member
Alvin Tan – Member
Albert Poe Samaniego – Member
Francisco Landayan – Member
Damasus Wong – Member

HOUSE COMMITTEE

Rafael S. Raymundo – Chairman
Constantine Kohchet-Chua – Adviser
Arnold Duay – Member
Allan Jocson – Member
Arlan Sallan – Member
Ronald Thomas Labos – Member
Felipe Ruanto – Member
Alex Suarez – Member
Edmund Yee – Member
Gilbert Lui – Member

MEMBERSHIP COMMITTEE

Ron Nelson See – Chairman
Willy Manahan – Vice-Chairman
Freddie Go, Jr. – Adviser
Anil Sehwani – Member
Bernard Jao – Member
Joseph Joel Castillo – Member
Edward Lim – Member
Jose Arsenio Isidro Borromeo III – Member
Alexander Yu – Member
Emelito Felix – Member

SPORTS & GAMES COMMITTEE

Ricky Libago – Chairman
Carlo Carpio – Co-Chairman
Rafael Raymundo – Adviser
Alejandro Jose Hiran – Member
Carlo Mendoza – Member
Rene Almeda – Member
Felipe Ruanto – Member
Rupert Paul Manhit – Member
Constantine Chester King – Member
Jeremias Jiao, Jr. – Member

SECURITY COMMITTEE

John Borromeo – Chairman
Emerito Ramos III – Member
Philip Tanchi – Member
Victorio Emmanuel Dionisio – Member
Bernard Jao – Member
Jeremias Jiao, Jr. – Member
Lakan Fonacier – Member
Gen. Joel Orduña – Member

AUDIT COMMITTEE

Ricky Libago – Chairman
Ron Nelson See – Vice-Chairman
Nestor Borromeo – Adviser
Winston Co – Member
Bonifacio Sam – Member
Rene Almeda – Member
Hilario Abalos – Member
Leopoldo Sanchez – Member
Saturnino Torregosa, Jr. – Member
Danilo Tan – Member

COMMITTEE MEMBERS

LEGAL COMMITTEE

Mark Boncris Santos – Chairman
Rio Sesinando E. Venturanza – Vice-Chairman
Marlon Fajardo – Member
Mark Gorriceta – Member
Wendell Dimaculangan – Member
Caesar Poblador – Member
Alfonso Lacap – Member
Teodoro Sta. Ana – Member
Lamberto Tagayuna – Member

REAL ESTATE COMMITTEE

Jose Ferdinand Guiang – Chairman
Rio Sesinando E. Venturanza – Vice-Chairman
Rafael Estanislao - Adviser
Alvin Cabatit – Member
Fernando Go – Member
Eddy Jose Manzanares – Member
Emmanuel Cabel – Member
Pablito Gregore - Member
Nestor Jay Mendoza - Member
Aristotle Viray - Member

TRUST FUND COMMITTEE

Federico Feliciano – Chairman
Ma. Cecilia Esguerra – Vice-Chairman
John Huang – Member
Jose Gerardo Rivera – Member
Luis Quiogue – Member

BIDS & AWARDS COMMITTEE

Rio Sesinando E. Venturanza – Chairman
Ricky Libago – Vice-Chairman
Wilfredo G. Manahan – Adviser
Rafael Raymundo – Member
Lamberto Tagayuna – Member
Alex Joseph Gorne – Member
Danilo Tolentino – Member
Manuel Atendido – Member
Francisco Ubaldo – Member

RECIPROCITY & MARKETING COMMITTEE

Roberto Ma. Guerrero – Chairman
Federico Feliciano – Vice-Chairman
Jaime Victor Santos – Member
Remigio Reintar – Member
Emerito Ramos III – Member

CORPORATE GOVERNANCE COMMITTEE

Federico Feliciano – Chairman
Ron Nelson See – Vice-Chairman
Isauro San Pedro, Jr. – Adviser
Rio Sesinando E. Venturanza – Member
Ma. Cecilia Esguerra – Member
Vincent Frederick Lopez – Member
Nilo Calatrava II – Member
Nicanor Jorge – Member
Renato Mercado – Member
Luis Quiogue – Member

President's Report

CONSTANTINE KOCHET-CHUA
President

"THIS YEAR, WE BUILT NOT JUST FACILITIES, BUT A STRONGER FUTURE FOR VALLEY GOLF & COUNTRY CLUB."



It is my privilege to present to you the President's Report for Fiscal Year 2025. This year has been filled with meaningful changes, important projects, and collective efforts that reflect our continuing commitment to improve Valley Golf & Country Club for the benefit of our members.

The most significant undertaking of this administration is the renovation of our Main Clubhouse, which is now underway. This project has been long anticipated and will soon transform our clubhouse into a modern, functional, and comfortable facility that will stand as the centerpiece of Valley Golf.

We also marked a milestone in the Club's history through our partnership with Solaire. This partnership not only gave us the privilege of having former World No. 1 Ko Jin-young play at the South Course, but also allowed Valley Golf to hold the DCT Tournament awarding ceremony in Solaire North, a first in our Club's history. The DCT Tournament itself was historic, raising ₱14 million in sponsorships and carried out without any subsidy from the Club.

Several infrastructure projects were completed during the year. These include the Phase 2 road reblocking along Don Celso Tuason Avenue, the repair of the riprap at Hole 16 lagoon of the South Course, and, in cooperation with the DPWH, the repair of the riprap at Hole 9 of the North Course. We also installed 92 brand new sprinkler heads, allocated funds for the rehabilitation of bare patch areas, and established a new nursery with a budget of ₱328,293.40 to sustain turf and planting requirements. A major project was also approved for drainage improvement at Hole 4 of the North Course, with a budget of ₱2,065,000.00 to address water flow and prevent ponding.

On the operational side, we completed the energization and installation of distribution electrical facilities and secured the building and occupancy permits for the two-level golf cart parking. The solar power project was also completed, marking our step toward a more sustainable and cost-efficient operation. To enhance the Club's capacity to host tournaments, we purchased two indoor LED displays, which will also be available for rent to private organizers—an investment that is both practical and revenue-generating.

Leadership and management were also strengthened this year. We welcomed a new General Manager, a PGA Fellow Professional and PGA Executive Manager with over 30 years of experience in the golfing industry across the UK, Europe, UAE, and Asia. His expertise brings global perspective and professional depth to our operations. We likewise reorganized and strengthened the office staffing with the hiring of highly qualified managers. Also, we have finally successfully initiated and completed the migration of our decades-old accounting system to the modern and more powerful ERIC system, ensuring better accuracy, efficiency, and reporting for the years ahead.

Financially, the Club closed the year with an excess of revenues over expenses amounting to ₱35.20 million, slightly higher than last year's ₱34.59 million. This outcome reflects prudent management, steady membership activity, and careful resource allocation.

All these accomplishments were made possible through the cooperation of many. I thank the Committees for their hard work and guidance, the Board of Directors for their support and leadership, our management and staff for their loyalty and service, and our contractors and service providers for their invaluable contributions. Above all, I am grateful to our members for their continued trust and support.

Finally, we recognize with humility the blessings and guidance of God Almighty, who has made all these possible. With unity and shared purpose, we look forward to completing our major projects and to continuing the progress of our Club in the years ahead.

Treasurer's Report

RAFAEL RAYMUNDO
Treasurer

We are pleased to present to our esteemed Stockholders the financial performance of Valley Golf and Country Club, Inc. for Fiscal Year 2025.

The Club closed the year with an excess of revenues over expenses amounting to P35.20 Million, slightly higher than last year's P34.59 Million. This steady growth demonstrates the resilience of operations and the unwavering support of our members.

Liquidity remained strong, with Cash and Cash Equivalents at P121.73 Million as of June 30, 2025, showing prudent financial management despite increased capital outlays for major projects.

We take pride in presenting the highlights of VGCCI's Audited Financial Statements for Fiscal Year 2025:

1. Gross Revenue reached P265.42 Million, the highest on record for the Club, representing an increase of P11.51 Million or 4.5% from P253.91 Million last year. Growth was supported by:

- Green Fees and other Sports and Recreation Revenues at P45.56 Million, higher by P6.05 Million or 15.3% from P39.51 Million last year, sustained by robust guest play and tournaments.
- Revenues from Assessment for Road Maintenance which includes Road User Fees and Stickers P42.71 Million, a significant increase of P5.88 Million or 16% from P36.83 Million last year.
- Rental Income of P26.46 Million, higher by P2.75 Million or 11.6% compared to last year.
- Interest Income at P2.20 Million, improving from P1.41 Million due to disciplined placements.

2. The Costs and Expenses amounted to P229.83 Million, showing an increase of P3.92 Million or 1.7% from last year. The increase was driven mainly by Repairs and Maintenance, which rose by P9.39 Million, Personnel Costs higher by P4.11 Million, Utilities up by P1.25 Million, and Outside Services by P1.28 Million. On the other hand, Supplies declined by P7.98 Million as a result of procurement controls and more efficient inventory management, while Others decreased by P6.84 Million. This demonstrates that while operations expanded, expenditures were managed prudently to safeguard margins.

3. Balance Sheet strength as of June 30, 2025:

- Total Assets increased to P498.96 Million, up by P30.98 Million or 6.6% from P467.99 Million.
- Total Liabilities decreased slightly to P141.85 Million from P144.26 Million, improving leverage.
- Members' Equity rose to P357.12 Million, a solid increase of P33.39 Million or 10.3% from P323.73 Million.

The fiscal year 2025 stands as a remarkable milestone in the Club's journey, demonstrating not only financial strength but also a commitment to continuous improvement and member value.

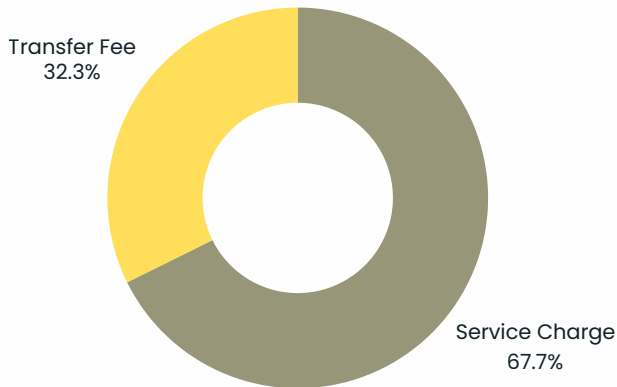
We extend our heartfelt gratitude to our Stockholders, the President, the Board of Directors, and the Finance Committee for their trust, guidance, and unwavering support. Above all, we give thanks to the Almighty, whose blessings of stability, growth, and wisdom continue to guide our Club.

It is with humility and honor that I serve as your Treasurer, presenting these results as a reflection of prudent stewardship and our shared commitment to the continued success of Valley Golf and Country Club.



COMMITTEE REPORT

MEMBERSHIP COMMITTEE



The Membership Committee remained focused on upholding the standards and values of the Club by carefully screening and recommending applicants who meet the qualifications for various membership categories.

For the period July 2024 to June 2025, the Committee endorsed and recommended the approval of the following:

- 37 Proprietary Members
- 31 Corporate Representatives
- 33 Playing Guests
- 10 Associate Members

The total number of new members and approved playing privileges reflects the Club's continued appeal and strong reputation within the golfing community.

In terms of revenue generation, the Club earned ₱11.50 Million in transfer fees and ₱24.09 Million in service charges (unaudited). While transfer fees slightly decreased from the previous year's ₱13.01 Million, service charges continued to show strong growth, posting a 7.9% increase from ₱22.32 Million last year.

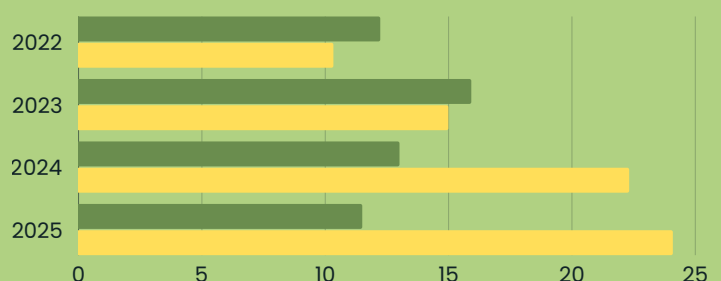
Beyond processing applications, the Committee also:

- Handled disciplinary matters involving members, guests, and dependents to ensure adherence to the Club's Code of Discipline and to preserve order and respect within the community.
- Contributed to policy reviews and refinements, including membership procedures and privileges, in coordination with Management and the Board.
- Initiated the Membership Management System project, a major undertaking aimed at modernizing member services and streamlining transactions. While the project has not yet been completed, the Committee has taken the lead in evaluating potential suppliers to ensure the system will meet the long-term needs of the Club.

We express our sincere gratitude to the members of the Committee, the Board of Directors, the Membership Office staff, and the Club Management for their invaluable support and guidance. Most importantly, we thank our fellow members for their continued trust in the Committee's work.

Although transfer fees went up and down over the years, service charges have steadily increased. Overall, the Club's finances continue to improve, backed by the higher value of shares and the steady flow of new members, showing that the Club remains strong and well-regarded.

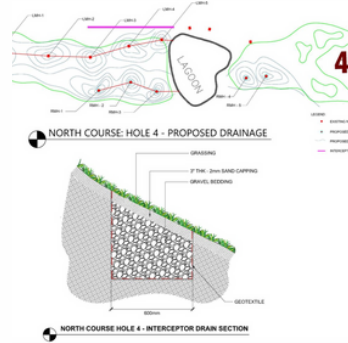
Income from Transfer Fee & Service Charge



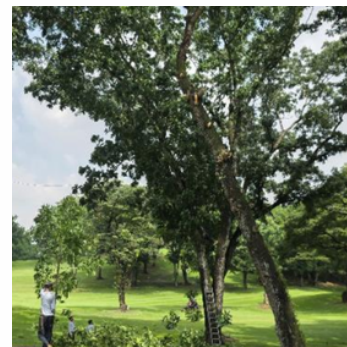
COMMITTEE REPORT

GROUNDS COMMITTEE

The Grounds Committee focused on improving the course and its playability. Key works completed were drainage improvements at Hole No. 4, installation of new sprinklers, rehabilitation of the grass nursery at South Course Holes 11/12, restoration of bare patch areas, and tree pruning around the course.

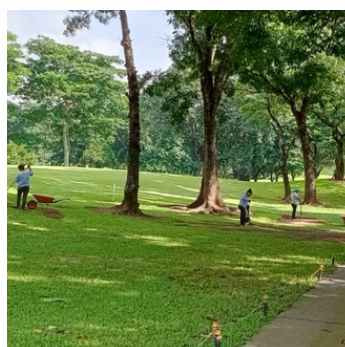


DRAINAGE IMPROVEMENT AT HOLE # 4 NORTH COURSE



INSTALLATION OF BRAND NEW SPRINKLERS

PRUNING OF TREES



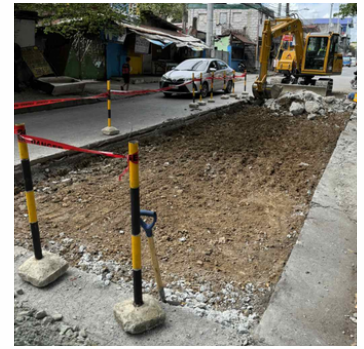
REHABILITATION OF BARE PATCH AREAS

REHABILITATION OF GRASS NURSERY HOLE 11 & 12
SOUTH COURSE

COMMITTEE REPORT

ENGINEERING COMMITTEE

The Engineering Committee carried out several major projects this year to improve the Club's facilities. These included road reblocking, construction of the perimeter fence, repairs of cart paths and riprap, and the energization and installation of electrical facilities at the Two-Level Cart Parking. Building and occupancy permits were also secured for the parking structure, while applications for the swimming pool, motorpool, and former cart parking are in process. Renovation of the Main Clubhouse has also started and is currently ongoing.



ROAD REBLOCKING

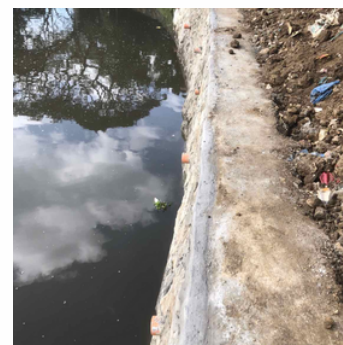


Republic of the Philippines Department of Public Works and Highways City/Municipality of Antipolo Province of Rizal	
OFFICE OF THE BUILDING OFFICIAL	
BUILDING PERMIT	
☒ NEW ☐ RENEWAL ☐ AMENDATORY	
D. BP 2411295	OFFICIAL RECEIPT NO. 95
11/14/2024	DATE PAID: 11
R-4A-080700	
9/27/2024	
s issued pursuant to Sections 207, 301, 302, 303 and 304 of the National Building Code of the Phil & other Referral Codes and its Terms and Conditions.	
Title: VALLEY GOLF CLUB INC. / JOSE FERDINAND R. GUIANG	
Description: TWO-STOREY GOLF CART PARKING BUILDING	
Loc: LOT 1-B-A-1, VALLEY GOLF SUBD. / GOLF COURSE, BRGY. MUNTINLAW, DISTRICT 1, ANTIP	Use or Character of Occupancy: COMMERCIAL Group: E-1
Area: 1,950 SQM	Total Project Cost: 8,548,298.68
Nature of Construction: NEW CONSTRUCTION	
In Charge of Construction: (C) GEORGE P. BALLAD JR.	
Issued by: MELVIN Q. BALAGOT, CE, SE, MN BUILDING OFFICIAL	
TRANSMITTED OR REVOKED PURSUANT TO SECTIONS 207, 301, 302 AND 304 OF THE NATIONAL BUILDING CODE OF THE PHILIPPINES (EN 106)	

Republic of the Philippines City of Antipolo Province of Rizal	
OFFICE OF THE BUILDING OFFICIAL	
CERTIFICATE OF OCCUPANCY	
☒ FULL ☐ PARTIAL	
29010902 01/13/2025 R-4A-1332354 01/13/2025	Form Field: P-35.1 Official Receipt No.: 951 Date Paid: 01/13/2025
I hereby certify that the building/structure which has been designed and constructed conforms to the issued Building Code of the Philippines (EN 106)	
Name of Owner: VALLEY GOLF CLUB INC. / JOSE FERDINAND R. GUIANG	
Name of Project: TWO-STOREY GOLF CART PARKING BUILDING	
Date of Completion: 11/14/2024 Floor Area: 1,950 SQM	
Use or Character of Occupancy: COMMERCIAL Group: E-1	
Located at / Along: LOT 1-B-A-1, VALLEY GOLF SUBD. / GOLF COURSE, BRGY. MUNTINLAW, DISTRICT 1, ANTIPOL	
I hereby certify that the building/structure to enhance its architectural well-being, structural stability, ele g, electronics, interior design and fire-protective properties and shall not be occupied or used for purp and above.	
Date of Occupancy is hereby issued pursuant to Section 309 of the National Building Code of the Philip other Referral Codes.	
I hereby certify that the building/structure to enhance its architectural well-being, structural stability, ele g, electronics, interior design and fire-protective properties and shall not be occupied or used for purp and above.	
Issued by: MELVIN Q. BALAGOT, CE, SE, MN BUILDING OFFICIAL	
TRANSMITTED OR REVOKED PURSUANT TO SECTION 309 OF THE NATIONAL BUILDING CODE OF THE PHILIPPINES (EN 106)	

CONSTRUCTION OF PERIMETER FENCE

TWO-LEVEL CART PARKING PERMITS



REPAIR OF RIPRAP

COMMITTEE REPORT

ENGINEERING COMMITTEE



MAIN CLUBHOUSE RENOVATION



SOLAR PANEL PROJECT



ENERGIZATION AND DISTRIBUTION

COMMITTEE REPORT

REAL ESTATE

1. POLICY FRAMEWORK AND DOCUMENTED PROCESS CONTROLS:

1.A Unified Permit Application System

Developed and institutionalized standardized permit application forms for all real estate developments; Industrial, Residential, Utilities, and Commercial across the estate presented and approved by the Board dated April 26, 2025

Each form outlines documentary requirements, site inspection protocols, and clear accountability for property owners, tenants, and contractors, supporting regulatory compliance and efficient project monitoring

2. CONSTRUCTION BOND REFORM

Shifted from basic survey forms to detailed, category-specific construction bond release protocols, incorporating engineering/security clearances and photo documentation. This drove improvements in accountability, tracking, and financial controls.

Enforced construction/excavation bond rates and computation logic by property type (residential, commercial, industrial, utilities). Non-refundable portions and detailed cost breakdowns are now embedded in application workflows. This matrix is further validated through the “Tabulation of Fees per Category,” facilitating transparency and audit-readiness.

CATEGORY / TYPE	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	UTILITIES
EXCAVATION/DIGGING DEPOSIT	≤100 SQM: P50,000; 100 SQM: P100,000	P10,000 PER SQM (CAPPED AT P100,000)	P10,000 PER SQM OR P100,000 (WHICHEVER IS HIGHER)	P10,000 PER SQM OR P100,000 (WHICHEVER IS HIGHER)
UNDERGROUND INSTALLATION	P100,000 PER 500 METERS	P100,000 PER 500 METERS	P100,000 PER 500 METERS	P100,000 PER 500 METERS
AERIAL INSTALLATION	NOT APPLICABLE	P100,000 PER 500 METERS	P100,000 PER 500 METERS	P100,000 PER 500 METERS
POLE INSTALLATION	P100,000 PER POLE (THROUGH MERALCO)	P100,000 PER POLE	P100,000 PER POLE	P100,000 PER POLE
BOREHOLES	NOT APPLICABLE	P120,000 PER BOREHOLE PLUS SECURITY COST	P120,000 PER BOREHOLE PLUS SECURITY COST	P120,000 PER BOREHOLE PLUS SECURITY COST

3. CONSTRUCTION BOND MANAGEMENT AND RELEASE

3.A Standardized Construction Bond Release Protocol

Implemented a mandatory “Construction Bond/Deposit Release Form” for all projects, with final inspection, area verification, and multi-level sign-off (Controllers, Engineering, Security) required before refund. The process mandates a minimum 6-month retention post-completion, documentation of prior/after-construction site photos, and a compliance check against all community and engineering standards.

3.B Penalty and Clearance System

Incorporated a tiered penalty structure for site violations (first to third and succeeding offenses), with suspension periods for non-compliance. Both Engineering and Security clearances are required before any bond release, further minimizing risk and preventing unauthorized site activities.

COMMITTEE REPORT

REAL ESTATE

4. ADAPTATION OF RIGHT TO USE MODEL AND INNOVATIVE RIGHT OF WAY COMPUTATIONS

Successfully piloted a new “Right to Use” contractual model for commercial frontage (notably Prime Sports), replacing lump-sum ROW fees with fixed annual rentals for enhanced compliance and revenue predictability.

5. LEGAL AND ASSET PROTECTION

5.A Sitio Malaya Case (Civil Case No. 09-8769)

Achieved a final, executory decision in favor of Valley Golf, confirming property ownership and authorizing eviction of informal settlers.

Coordinated the Motion for Writ of Demolition, ensuring lawful reclamation of the Club’s titled asset.

Oversaw the ongoing implementation of relocation and amicable settlements with remaining families, with continuing legal counsel support.

5.B Sitio Mapandan Litigation (Accion Publiciana):

Advanced civil action for the recovery of Club property, including filing of joint affidavits, demand letters, and mediation attempts.

6. COMPLIANCE AND REGULATORY ALIGNMENT

6.A Industry Benchmarking

In the process of adopting best practices in ROW, referencing Civil Code, BIR Zonal Values, Supreme Court decisions, and peer club models.

6.B Security Audit of Payment Processing on Construction Permit

Flagged and escalated instances of possible tampering with official stamps and inconsistencies in building permit collections, reinforcing integrity in financial operations.

7. OPERATIONAL SUPPORT AND APPROVALS

7.A Contract & Settlement Extensions

Granted final settlement extension requests (e.g., Angelazharyl Padrique), with clear deadlines and Board ratification, demonstrating transparency and support for stakeholder obligations.

7.B Signage & Community Identity Management

Balanced estate branding and regulatory controls by acting on homeowners’ requests for signage while enforcing Club guidelines for location and design.

COMMITTEE REPORT

CORPORATE GOVERNANCE

1. EXECUTIVE SUMMARY

This year, the Corporate Governance Committee advanced institutional reforms and strengthened compliance across core areas, focusing on policy alignment with SEC requirements, ethical conduct, conflict of interest management, committee structure, benefits rationalization, and disciplinary protocols. The Committee maintained its role as a recommendatory and oversight body, driving clarity, transparency, and accountability.

2. SUBMISSION TO SEC OF AMENDED CORPORATE GOVERNANCE MANUAL

The Committee conducted a full review of the Corporate Governance Manual, aligning it with SEC regulations and addressing inconsistencies between the Club's by-laws and manual provisions (committee definitions, roles, and document control). The revised Manual adopted current SEC-based definitions and industry best practices.

FORMAL BOARD APPROVAL AND SUBMISSION

The Amended Corporate Governance Manual, dated October 19, 2024, was formally approved by the Board and submitted to the Securities and Exchange Commission as required.

Submission Details:

- 1.Document Type: SEC Form 17-C (Amendment)
- 2.Date of Submission: May 22, 2025
- 3.Period Covered: May 17, 2025
- 4.SEC Registration No.: 0000013951
- 5.Company Name: Valley Golf and Country Club, Inc.

3. REVIEW AND AMENDMENTS OF CORPORATE GOVERNANCE MANUAL

- Initiated a comprehensive review of the Manual of Corporate Governance, highlighting inconsistencies between club by-laws and manual provisions (e.g., committee definitions, roles, and version control)
- Adopted SEC-based definitions for key governance roles, clarifying "independent director," "executive/non-executive director," "internal control," "related party transaction," and "materiality thresholds" in line with external standards.
- Implemented a version control system on governance documents, mandating reference numbers and revision dates for audit traceability
- Launched an annual governance calendar and training schedule for directors and committee members.

3. CONFLICT OF INTEREST POLICY

- Restored and expanded the conflict of interest section previously removed, now requiring full written disclosure by all directors, committee members, and employees using a standardized form.
- Clarified definitions of direct, material, and potential interests to eliminate ambiguity.
- Mandated recusal from deliberations for any member with a declared conflict.
- Set sanctions for violations based on the gravity of the offense: reprimand, suspension, or removal.

4. COMMITTEE STRUCTURE AND MEMBERSHIP

Supported retention of at least one prior-year committee members per committee to ensure continuity and objectivity.

COMMITTEE REPORT

CORPORATE GOVERNANCE

5. DISCIPLINARY AND ETHICS OVERSIGHT

Addressed disciplinary cases, such as the matter involving Ms. Normita King, and recommended referral to the Ethics Committee for complex or repeated infractions, updating the Membership Handbook to clarify member and dependent responsibilities.

Supported sanctions proportionate to the severity of violations and stressed proper documentation and process.

7. RELATED PARTY TRANSACTIONS AND MATERIALITY

-Introduced thresholds requiring disclosure for contracts or purchases exceeding ₱500,000 and for related party transactions above ₱100,000.

-Enhanced documentation and board oversight over all high-value or related party dealings

8. REGULATORY COMPLIANCE

-Committed to timely submission of SEC Form 17C for director appointments/resignations, with assigned responsible officers and back-up protocols

-Reviewed regular NBI clearance requirements for directors.

9. TRAINING AND AWARENESS

Prioritized governance training for new and incumbent directors, emphasizing conflict of interest, committee roles, and ethical leadership

10. CLARIFICATION OF LINE COMMITTEE REFERENCES AND CHAIRMANSHIP CRITERIA

Raised to the Board for approval to ensure alignment with By-Laws and SEC best practices.

11. SEPARATION OF OVERSIGHT AND MANAGEMENT COMMITTEES

Submitted to the Board for evaluation, highlighting the need to prevent conflicts of interest and uphold governance integrity.

12. RATIONALIZATION AND LIMITATION OF GREEN FEE COUPONS

Elevated to the Board as part of the Committee's initiative to balance member benefits with financial sustainability and operational efficiency.

COMMITTEE REPORT

BIDS & AWARDS

I. EXECUTIVE SUMMARY

The BAC has successfully implemented transparent, competitive, and cost-effective procurement strategies covering major club requirements for the fiscal year of 2025.

All processes adhered to corporate governance standards and compliance protocols.

The Committee's forward-looking approach delivered savings, utilized to process innovations, and strengthened vendor partnerships.

Bidder	Technical Ranking	Financial/Costing Ranking	Duration	Compliance Rate
Richbuild	1	2	6 months	97%
FBARON	2	4	12 months	85%
Ragojos	3	5	7.5 months	80%
Evermount	4	3	6 months	75%
*Capable Builders	5	1	11 months	73%

*Note: Capable Builders' bid required VAT clarification, and lacked clear cost breakdowns.

- Richbuild Construction Corporation emerged as the highest technically ranked and among the most cost competitive, with a 97% compliance rate, the shortest duration, and a complete cost submission.
- Other bidders had either incomplete costing, lower compliance, or longer durations.
- Financial bids were opened for comparison only, in line with BAC protocol.

B. Procurement Result & Value for Money

- Final Contract Price: PHP 59,821,428.57 (VAT Exclusive)
- Awarded To: Richbuild Construction Corporation
- Duration: 6 months
- Terms: 30% down payment, progress billing, 10% retention, 18 months warranty on workmanship and materials
- Award Date: February 26, 2025

C. Key Value Drivers:

- Balanced technical superiority and cost effectiveness
- Rigorously documented evaluation and post-qualification
- Strict adherence to compliance, documentation, and transparency protocols

COMMITTEE REPORT

BIDS & AWARDS

STRATEGIC IMPACT

The BAC process secured competitive pricing, over PHP 22M lower than the highest bid, without compromising project timelines or technical standards.

II. KEY PROJECTS AND OUTCOMES

A. Golf Course Maintenance Services

Project: 3-Year Golf Course Maintenance Contract

Awarded To: BGC Philbuilder, Inc.

Process:

Invitation to bid released March 31, 2025; pre-bid conference held April 10, 2025.

Four qualified bidders attended; three submitted comprehensive bids.

Financial evaluation revealed BGC Philbuilder's alternative proposal (equipment acquisition) would generate club savings of up to PHP 21.1M per annum, enabling full equipment cost recovery within 2.89 years.

Board approval recommended for BGC Philbuilder's contract at PHP 3,551,477.27 monthly (net of VAT) with ongoing equipment deduction provisions.

STRATEGIC IMPACT

Shifted from a pure rental to an acquisition strategy, ensuring lower operating costs, asset buildup, and long-term reliability through Japanese-manufactured equipment. Preventive maintenance and risk management are fully embedded in the contract for operational continuity

B. Main Clubhouse - Rooftop Solar PV System

Project: Rooftop Solar PV System (Main Clubhouse)

Awarded To: Solaric Corporation

Contract Value: PHP 5,128,271.26

Process: BAC managed a competitive bidding and evaluation, culminating in the issuance of a Notice of Award (Dec 19, 2024) and Notice to Proceed (Jan 14, 2025).

Status: Completion due February 18, 2025. Payment milestones and retention provisions included for project assurance.

STRATEGIC IMPACT

Reduced long-term utility costs, advanced the Club's ESG commitments, and improved facility resilience

COMMITTEE REPORT

BIDS & AWARDS

C. Clubhouse CCTV System

Project: Supply and Installation of CCTV IP Camera and NVR System

Awarded To: MJBC Tech Solutions OPC

Contract Value: PHP 2,700,000.00

Process: Awarded December 19, 2024, with a Notice to Proceed issued January 14, 2025. Strict project timeline (30 days) enforced with a clear penalty clause for delay.

STRATEGIC IMPACT

Upgraded club security, increased asset protection, and aligned with latest risk management requirements

III. PROCESS INNOVATION AND GOVERNANCE

-All major projects were subjected to competitive public bidding, with complete documentation, pre-bid conferences, and technical/financial evaluations.

-All awards and contracts executed in compliance with Club policy, procurement standards, and documentary requirements.

-The BAC implemented alternative bid evaluation and acquisition strategies to maximize long-term value.

-Vendor Management, wherein, preventive maintenance, warranty, insurance, and risk-sharing provisions are standard across contracts.

-All major contract awards endorsed for Board approval with supporting documentation.

CONCLUSION:

The BAC has delivered on its mandate to drive value, transparency, and operational reliability through strategic procurement and contract management.

The Committee remains committed to process innovation and prudent stewardship, aligned with the Club's strategic and compliance objectives.

Valley Golf & Country Club, Inc.
(A Nonprofit Organization)

Financial Statements
June 30, 2025 and 2024
and Years Ended June 30, 2025, 2024
and 2023

and

Independent Auditor's Report



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, 2025 and 2024, 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, 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at June 30, 2025 and 2024, and its financial performance and its cash flows for each of the three years in the period ended June 30, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

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 PFRS Accounting Standards, 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 Nos. 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 Nos. 34-2020 and 15-2010 in Note 26 to the financial statements are 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.

Marco Rene A. Barredo

Marco Rene A. Barredo

Partner

CPA Certificate No. 116783

Tax Identification No. 214-999-478

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-160-2025, December 18, 2024, valid until December 17, 2027

PTR No. 10465269, January 2, 2025, Makati City

September 19, 2025



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

	June 30	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱121,733,955	₱108,994,941
Short-term investments (Note 5)	–	21,529,278
Trade and other receivables (Note 6)	31,179,737	32,914,650
Other current assets (Note 7)	10,828,213	9,051,340
Total Current Assets	163,741,905	172,490,209
Noncurrent Assets		
Property and equipment (Note 8)	294,176,772	278,002,730
Investment properties (Note 9)	73,562	73,562
Trust fund (Note 10)	5,427,060	5,186,530
Deferred tax assets - net (Note 22)	9,210,365	8,256,368
Other noncurrent assets (Note 11)	26,334,651	3,979,579
Total Noncurrent Assets	335,222,410	295,498,769
TOTAL ASSETS	₱498,964,315	₱467,988,978
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Trade and other payables (Note 12)	₱61,743,937	₱77,808,179
Members' deposits and others (Note 13)	25,661,375	23,637,412
Contract liabilities - current (Note 14)	21,636,295	10,995,980
Total Current Liabilities	109,041,607	112,441,571
Noncurrent Liabilities		
Contract liabilities - noncurrent (Note 14)	20,535,093	20,913,359
Security deposits (Notes 17 and 18)	1,240,000	1,336,078
Retirement benefit obligation (Note 24)	11,031,011	9,571,349
Total Noncurrent Liabilities	32,806,104	31,820,786
Total Liabilities	141,847,711	144,262,357
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	141,142,832	107,752,849
Total Members' Equity	357,116,604	323,726,621
TOTAL LIABILITIES AND MEMBERS' EQUITY	₱498,964,315	₱467,988,978

See accompanying Notes to Financial Statements.



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

STATEMENTS OF INCOME

	Years Ended June 30		
	2025	2024	2023
REVENUES			
Revenue from contracts with customers (Note 16)	₱237,857,438	₱228,061,656	₱206,976,023
Rentals (Note 18)	25,349,854	23,714,557	22,701,459
Interest income (Notes 4, 5, 10, and 18)	2,217,129	1,405,601	611,952
Gain on change in fair value of financial assets at FVPL	—	624,320	394,304
Gain on disposal of property and equipment (Note 8)	—	108,106	573,214
	265,424,421	253,914,240	231,256,952
COST AND EXPENSES			
Cost of services (Note 19)	194,710,522	195,008,061	177,725,539
General and administrative expenses (Note 20)	34,443,375	30,225,122	24,600,299
Interest expense (Notes 18, 24, and 25)	673,828	675,334	527,353
	229,827,725	225,908,517	202,853,191
EXCESS OF REVENUES OVER EXPENSES BEFORE INCOME TAXES	35,596,696	28,005,723	28,403,761
PROVISION FOR (BENEFIT FROM) INCOME TAXES (Note 22)	398,430	(6,585,238)	(883,140)
EXCESS OF REVENUES OVER EXPENSES	₱35,198,266	₱34,590,961	₱29,286,901

See accompanying Notes to Financial Statements.



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

	Years Ended June 30		
	2025	2024	2023
EXCESS OF REVENUES OVER EXPENSES	₱35,198,266	₱34,590,961	₱29,286,901
OTHER COMPREHENSIVE LOSS			
<i>Item not to be reclassified to profit or loss in subsequent periods:</i>			
Re-measurement losses on defined benefit obligation (Note 24)	(2,411,044)	(1,228,122)	(796,815)
Income tax effect	602,761	307,031	—
	(1,808,283)	(921,091)	(796,815)
TOTAL COMPREHENSIVE INCOME	₱33,389,983	₱33,669,870	₱28,490,086

See accompanying Notes to Financial Statements.

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

	Years Ended June 30		
	2025	2024	2023
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			
Balances at beginning of year	107,752,849	74,082,979	45,592,893
Excess of revenues over expenses	35,198,266	34,590,961	29,286,901
Other comprehensive losses	(1,808,283)	(921,091)	(796,815)
Total comprehensive income	33,389,983	33,669,870	28,490,086
Balance at end of year	141,142,832	107,752,849	74,082,979
TOTAL MEMBERS' EQUITY	₱357,116,604	₱323,726,621	₱290,056,751

See accompanying Notes to Financial Statements.

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

STATEMENTS OF CASH FLOWS

	Years Ended June 30		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of revenues over expenses before income taxes	₱35,596,696	₱28,005,723	₱28,403,761
Adjustments for:			
Depreciation and amortization (Notes 8, 9 and 11)	20,247,480	21,208,125	20,967,046
Interest income (Notes 4, 5, 10 and 18)	(2,217,129)	(1,405,601)	(611,952)
Service cost (Note 24)	1,219,653	1,245,730	1,342,592
Interest expense (Notes 18, 24 and 25)	673,828	675,334	527,353
Write-off of property and equipment (Note 8)	511,301	—	—
Provision for allowance for inventory obsolescence (Note 7)	97,469	259,438	—
Gain on change in fair value of financial assets at FVPL (Note 10)	—	(624,320)	(394,304)
Gain on disposal of property and equipment (Notes 8 and 16)	—	(108,106)	(573,214)
Loss on derecognition of property and equipment (Notes 8 and 20)	—	—	131,371
Operating income before working capital changes	56,129,298	49,256,323	49,792,653
Decrease (increase) in:			
Trade and other receivables	1,734,913	(9,540,841)	(9,411,993)
Other current assets	(2,624,008)	(372,822)	(471,304)
Increase (decrease) in:			
Trade and other payables	(16,064,242)	18,770,756	29,568,154
Members' deposits and others	2,023,964	4,156,053	1,239,387
Contract liabilities	10,262,048	17,502,294	3,000,460
Security deposits	(109,514)	500,000	—
Net cash generated from operations	51,352,459	80,271,763	73,717,357
Contributions to plan assets (Note 24)	(2,831,427)	(1,832,100)	(1,998,654)
Interest received	2,217,129	1,374,615	514,947
Interest paid	—	—	(15,853)
Net cash flows from operating activities	50,738,161	79,814,278	72,217,797
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of:			
Property and equipment (Note 8)	(36,753,147)	(43,470,880)	(38,119,519)
Software cost (Note 11)	(653,374)	(2,009,217)	—
Placements of:			
Trust fund invested in time deposits (Note 10)	(5,427,060)	(5,186,530)	—
Short-term investments (Note 5)	—	(21,529,278)	—
Proceeds from disposals of:			
Short-term investments (Note 5)	21,529,278	—	—
Trust fund invested in time deposits (Note 10)	5,186,530	—	—
Trust fund invested in UITF (Note 10)	—	5,186,530	—
Financial assets at FVPL (Note 10)	—	10,809,104	—
Property and equipment (Note 8)	—	149,107	573,214
Decrease (increase) in other noncurrent assets (Note 11)	(21,881,374)	2,821,621	(3,171,621)
Net cash flows used in investing activities	(37,999,147)	(53,229,543)	(40,717,926)
CASH FLOWS FROM A FINANCING ACTIVITY			
Payment of short-term borrowing (Note 25)	—	—	(236,946)
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,739,014	26,584,735	31,262,925
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	108,994,941	82,410,206	51,147,281
CASH AND CASH EQUIVALENTS AT END OF YEAR			
(Note 4)	₱121,733,955	₱108,994,941	₱82,410,206

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. 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, 2025 and 2024 and for each of the three years in the period ended June 30, 2025 on September 19, 2025.

2. Material Accounting Policy Information

Basis of Preparation

The financial statements of the Club have been prepared on a historical cost basis, except for the financial assets at FVPL 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 (PFRS) Accounting Standards.

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, 2024. The Club has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Adoption of these pronouncements did not have any impact on the financial statements of the Club.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

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, 2025

- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after July 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after July 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

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*

Financial Assets

Initial Recognition and Measurement of Financial Assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost and FVPL.

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 FVPL, 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, 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.

The Club's financial assets are in the nature of financial assets at amortized cost.

Subsequent Measurement of Financial Assets

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortized cost

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, short-term investments, trade and other receivables, trust fund and refundable deposit presented in "Other noncurrent assets" in the statements of financial position (see Notes 4, 5, 6, 10 and 11).

Impairment of Financial Assets

The Club recognizes an allowance for expected credit losses (ECLs) for all financial asset not held at FVPL. 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, cash equivalents 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.

For refundable deposits, the Club calculates ECLs at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months, rather than the life of the asset. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs.

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.

Financial Liabilities

Initial Recognition and Measurement of Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, 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's financial liabilities are in the nature of amortized cost. The Club has no financial liabilities at FVPL and derivative instruments as at June 30, 2025 and 2024.

Subsequent Measurement - 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.

The Club's financial liabilities at amortized cost includes trade and other payables excluding statutory payables, members' deposit and others and security deposits (see Notes 12, 13, 17 and 18).

Fair Value Measurement

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.

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:

Category	Number of Years
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, net of accumulated impairment losses, if any. 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

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.

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 pertain to a fee charged by the Club to its concessionaires in exchange for the right granted to the latter 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.

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.

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.

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 based on the percentage of non-VATable revenues over the total revenue.

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.

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. Material Accounting Judgments, Estimates, and Assumptions

The preparation and fair presentation of the accompanying financial statements in compliance with PFRS Accounting Standards 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 on its investment properties. 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 amounted to ₱25,349,854,25,349,854, ₱23,714,557, and ₱22,701,459 in 2025, 2024 and 2023, 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 ₱31,179,737 and ₱32,914,650 net allowance for ECL of ₱1,942,614 and ₱1,613,395 as at June 30, 2025 and 2024, respectively (see Note 6).

Estimation of Useful Lives of Property and Equipment

The Club estimates the useful lives of property and equipment excluding land, based on the period over which the Club's property and equipment are expected to be available for use. The estimated useful lives of property and equipment 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 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, 2025 and 2024, there were no changes made in the estimated useful lives of the Club's property and equipment. The carrying amount of property and equipment amounted to ₱294,176,772 and ₱278,002,730 as at June 30, 2025 and 2024, respectively (see Note 8).

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 ₱11,031,011 and ₱9,571,349 as at June 30, 2025 and 2024, 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 ₱9,280,287 and ₱8,651,750 as at June 30, 2025 and 2024, respectively (see Note 22).

Temporary deductible differences for which no deferred tax asset was recognized amounted to ₱13,758,907 and ₱14,453,402 as at June 30, 2025 and 2024, respectively (see Note 22).

4. Cash and Cash Equivalents

	2025	2024
Cash on hand	₱175,000	₱145,703
Cash in banks	34,828,161	76,098,721
Cash equivalents	86,730,794	32,750,517
	₱121,733,955	₱108,994,941

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 ₱439,156, ₱1,024,951 and ₱598,227 in 2025, 2024 and 2023, respectively.



5. Short-term investments

Short-term investments pertain to time deposits with maturities of more than three (3) months but less than one year and earn interest at the respective short-term placement rates.

Movements in short-term investments are as follows:

	2025	2024
Beginning balance	₱21,529,278	₱—
Placements	—	21,529,278
Disposals	(21,529,278)	—
Ending balance	₱—	₱21,529,278

The peso-denominated short-term investments earn an interest at a rate of 5.50% per annum in 2024 and 2025 and have maturity of 119-120 days.

Interest income from short-term investments earned amounted to ₱1,529,439, ₱366,925 and nil in 2025, 2024 and 2023, respectively.

6. Trade and Other Receivables

	2025	2024
Members	₱23,366,646	₱25,649,740
Others	9,755,705	8,878,305
	33,122,351	34,528,045
Less allowance for ECLs	1,942,614	1,613,395
	₱31,179,737	₱32,914,650

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.

The movement in allowance for ECLs are as follows:

	2025	2024
Balances at beginning of year	₱1,613,395	₱1,725,845
Provision (Note 20)	329,219	—
Reversal (Note 20)	—	(112,450)
Balances at end of year	₱1,942,614	₱1,613,395



7. Other Current Assets

	2025	2024
Supplies inventories at NRV	₱3,200,845	₱3,647,381
Less allowance for inventory obsolescence	409,478	312,009
	2,791,367	3,335,372
Prepayments	3,743,475	2,781,437
Advances on purchases	3,770,043	1,858,564
Creditable withholding tax (CWT)	503,328	1,075,967
Others	20,000	—
	₱10,828,213	₱9,051,340

Supplies inventories include gasoline and oil stocks, grounds materials, office, shop and maintenance supplies and construction materials. Cost of inventories valued at NRV amounted to ₱3,200,845 and ₱3,647,381 as at June 30, 2025 and 2024, respectively.

The movements in the allowance for inventory obsolescence are as follows:

	2025	2024
Balances at beginning of year	₱312,009	₱52,571
Provision during the year (Note 20)	97,469	259,438
Balances at end of year	₱409,478	₱312,009

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

Advances on purchases pertain to the Club's advances on materials to be used for golf tournaments.

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.



8. Property and Equipment

2025								
	Land	Land Improvements	Building and Structures	Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	Total
Cost:								
Balances at beginning of year	₱9,329,463	₱342,920,895	₱122,665,849	₱49,147,068	₱4,937,491	₱44,251,094	₱11,907,781	₱585,159,641
Additions	—	121,250	—	6,295,301	2,410,714	—	27,925,882	36,753,147
Disposals	—	—	—	(486,948)	—	—	—	(486,948)
Transfers	—	13,726,344	—	—	—	—	(13,726,344)	—
Write-off	—	—	—	—	—	—	(511,301)	(511,301)
Balances at end of year	9,329,463	356,768,489	122,665,849	54,955,421	7,348,205	44,251,094	25,596,018	620,914,539
Accumulated depreciation:								
Balances at beginning of year	—	186,211,593	46,961,268	37,509,071	4,937,491	31,537,488	—	307,156,911
Depreciation (Notes 19 and 20)	—	7,774,686	4,915,594	3,794,685	100,441	3,482,398	—	20,067,804
Disposals	—	—	—	(486,948)	—	—	—	(486,948)
Balances at end of year	—	193,986,279	51,876,862	40,816,808	5,037,932	35,019,886	—	326,737,767
Net book values	₱9,329,463	₱162,782,210	₱70,788,987	₱14,138,613	₱2,310,273	₱9,231,208	₱25,596,018	₱294,176,772

2024								
	Land	Land Improvements	Building and Structures	Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	Total
Cost:								
Balances at beginning 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
Additions	—	—	—	3,099,754	—	9,035,936	31,335,190	43,470,880
Disposals	—	—	—	(1,424,569)	(125,137)	(410,712)	—	(1,960,418)
Transfers	—	17,331,994	6,672,666	—	—	—	(24,004,660)	—
Balances at end of year	9,329,463	342,920,895	122,665,849	49,147,068	4,937,491	44,251,094	11,907,781	585,159,641
Accumulated depreciation:								
Balances at beginning of year	—	178,444,366	42,350,215	34,729,356	5,062,415	27,586,082	—	288,172,434
Depreciation (Notes 19 and 20)	—	7,767,227	4,611,053	4,163,283	213	4,362,118	—	20,903,894
Disposals	—	—	—	(1,383,568)	(125,137)	(410,712)	—	(1,919,417)
Balances at end of year	—	186,211,593	46,961,268	37,509,071	4,937,491	31,537,488	—	307,156,911
Net book values	₱9,329,463	₱156,709,302	₱75,704,581	₱11,637,997	₱—	₱12,713,606	₱11,907,781	₱278,002,730



In 2025 there were ongoing projects such as renovation of main club house, road reblocking of Don Celso Tuazon avenue and other facilities upgrades recorded under construction in progress. These projects will be completed in 2026.

In 2025, the Club written-off construction in progress amounting to ₱511,301.

The Club opened an auction sale of various fixed assets. The Club disposed various property and equipment for ₱149,107 and ₱573,214 which resulted to a gain on disposal of ₱108,106 and ₱573,214 presented in statements of income in 2024, and 2023, respectively. In 2023, the Club also derecognized various property and equipment which resulted to a loss on derecognition amounted to ₱131,371 (see Note 20).

The cost of fully depreciated property and equipment still used in operations amounted to ₱177,815,206 and ₱166,345,354 as at June 30, 2025 and 2024, respectively.

9. Investment Properties

	2025		
	Building	Land	Total
Cost:			
Balances at beginning and end of year	₱53,718,366	₱73,562	₱53,791,928
Accumulated depreciation:			
Balances at beginning and end of year	53,718,366	–	53,718,366
Net book values	₱–	₱73,562	₱73,562

	2024		
	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	53,706,312	–	53,706,312
Depreciation (Notes 19 and 20)	12,054	–	12,054
Balances at end of year	53,718,366	–	53,718,366
Net book values	₱–	₱73,562	₱73,562

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 18, 2025, 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 ₱103,628,900 and ₱25,476,000 respectively.

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 1, 2024, 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 ₱100,268,100 and ₱26,642,000, respectively.

The market value of the investment properties as of 2025 and 2024 were valued using the market approach for land and cost approach for building. Market approach consider the prices for transactions of identical or similar assets that have occurred recently in the market. Cost approach an estimate is made on the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.



Rental income earned from investment property amounted to ₱548,446, ₱334,109 and ₱305,404 in 2025, 2024 and 2023 (see Note 18). Direct expenses related to investment properties consist mainly of depreciation amounting to nil, ₱12,054 and ₱38,264 in 2025, 2024 and 2023, respectively. No indirect expenses incurred related to investment properties in 2025, 2024 and 2023.

10. Trust Fund and Financial Assets at FVPL

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".

Movements in trust fund invested in time deposits are as follows:

	2025	2024
Beginning balance	₱5,186,530	₱–
Placement	5,427,060	5,186,530
Disposal	(5,186,530)	–
Ending balance	₱5,427,060	₱5,186,530

On May 12, 2024, the Club disposed the investments in UITF classified as financial assets at FVPL and trust fund amounting to ₱10,809,104 and ₱5,186,530, respectively.

On May 21, 2024, the Club placed an investment in a peso-denominated short-term investments which earn an interest at a rate of 5.50% per annum and have maturity of 120 days. This was classified as trust fund.

Interest income earned from the trust fund invested in time deposits amounted to ₱248,534 in 2025 and nil in 2024 and 2023.

11. Other Noncurrent Assets

	2025	2024
Advances to suppliers and contractors	₱20,863,588	₱52,000
Computer software	3,651,980	3,178,282
Refundable deposit	1,819,083	749,297
	₱26,334,651	₱3,979,579



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:

	2025	2024
Cost:		
Balance at beginning	₱6,547,720	₱4,538,503
Additions	653,374	2,009,217
Balance at end of year	7,201,094	6,547,720
Accumulated amortization:		
Balance at beginning of year	3,369,438	3,077,261
Amortization (Notes 19 and 20)	179,676	292,177
Balance at end of year	3,549,114	3,369,438
Net book value	₱3,651,980	₱3,178,282

Refundable deposit pertains to deposits to utility companies.

12. Trade and Other Payables

	2025	2024
Trade	₱14,342,134	₱24,288,708
Organizations and cooperative	23,907,222	32,680,368
Accrued expenses	13,855,264	4,293,571
Statutory liabilities	6,296,103	6,155,007
Concessionaires	2,522,433	3,922,185
Others	820,781	6,468,340
	₱61,743,937	₱77,808,179

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

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.

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.

Statutory payables mainly consist of VAT and withholding tax payables which are settled within 30 days.

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

Other payables mainly consist of tournament deposits and unearned surcharges.



13. Members' Deposits and Others

	2025	2024
Cash deposits	₱19,018,450	₱17,040,450
Due to former members	6,352,574	6,332,408
Security deposit	290,351	264,554
	₱25,661,375	₱23,637,412

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.

14. Contract Liabilities

	2025	2024
Membership dues paid in advance (Note 16)	₱9,875,429	₱9,119,400
Tournament deposit	9,749,461	282,714
Right-of-way fees paid in advance	1,595,381	1,396,416
Others	416,024	197,450
	₱21,636,295	₱10,995,980

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

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

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:

	2025	2024
Right-of-way fees paid in advance	₱22,130,474	₱22,309,775
Less current portion	1,595,381	1,396,416
Noncurrent portion	₱20,535,093	₱20,913,359

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



15. Capital Stock

Details of the Club's common shares as of June 30, 2025 and 2024 are as follows:

	Shares	Amount
Common shares - ₱9,000 par value		
Authorized shares	1,800	₱16,200,000
Issued	1,594	14,346,000

16. Revenue from Contracts with Customers

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

	2025	2024	2023
Nature of services			
Membership dues	₱72,233,531	₱70,940,126	₱70,791,176
Sports and recreation	45,559,767	39,508,414	33,147,816
Assessment for road maintenance	42,713,046	36,829,374	28,335,713
Corporate services	34,775,803	35,576,613	30,919,171
Revenue from special events	20,235,874	23,212,387	25,192,101
Concessionaires' fee (Note 17)	7,183,852	8,210,940	7,393,161
Patronage fees	3,984,053	3,196,635	3,540,265
Surcharge	1,366,232	695,056	864,988
Others	9,805,280	9,892,111	6,791,632
	₱237,857,438	₱228,061,656	₱206,976,023
	2025	2024	2023
Timing of revenue recognition			
Services transferred overtime	₱225,341,556	₱215,959,025	₱195,177,609
Goods transferred at a point in time	12,515,882	12,102,631	11,798,414
	₱237,857,438	₱228,061,656	₱206,976,023

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 ₱9,875,429 and ₱9,119,400 as at June 30, 2025 and 2024, respectively (see Note 14). Members' dues paid in advance is considered as a contract liability of the Club to its members.

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



17. Concessionaires' Fees

	2025	2024	2023
Food and beverage services	₱5,928,279	₱6,360,151	₱5,875,815
Retail services	1,239,412	1,728,701	1,517,346
Spa and massage services	16,161	122,088	—
	₱7,183,852	₱8,210,940	₱7,393,161

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 10% of the gross sales per month plus VAT, 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 deposit was included under "Security deposits" in the statements of financial position in 2025 and 2024.

The concessionaire fee recognized from DIGI amounted to ₱1,214,698, ₱1,228,338 and ₱994,571 in 2025, 2024 and 2023, 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. 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. Upon signing of the contract, GKO shall be required to remit refundable security deposit in the amount of ₱500,000. The deposit was included under "Security deposits" in the statements of financial position 2025 and 2024. Upon expiration of the contract on October 31, 2024, the negotiation to renew the contract is still ongoing with both parties as of June 30, 2025. During the negotiation, GKO continues to provide the services to the Club.

The concessionaire fee recognized from GKO amounted to ₱2,354,719, ₱2,239,245 and ₱2,419,996 in 2025, 2024 and 2023, 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. Upon signing of the contract, NMSFGI shall remit a security deposit amounting to ₱500,000 which is refundable not later than 30 days from the termination of the contract. The deposit was included under "Security deposits" in the statements of financial position 2025 and 2024, respectively.



The concessionaire fee recognized from NMSFGI amounted to ₱2,358,862, ₱2,892,568 and ₱2,461,248 in 2025, 2024 and 2023, 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 ₱70,000 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 agreement was further extended on January 1, 2024 until December 31, 2026.

The concessionaire fees from Pacsport Phils, Inc. amounted to ₱1,239,412, ₱1,728,701 and ₱1,517,346 in 2025, 2024 and 2023, respectively.

Spa and Massage Services

Four M's Spa and Wellness Center was awarded the concession to operate a spa and massage outlet inside the Clubhouse to serve the members, guests and dependents, exclusively. The agreement provides that the concessionaire shall pay a fee of 10% of their gross sales per month exclusive of VAT. The agreement is for a period of three (3) years from 2023 to 2026. In December 2024, the concession agreement was terminated.

The concessionaire fees from Four M's Spa amounted to ₱16,161, ₱122,088 and nil in 2025, 2024 and 2023, respectively.

18. Rentals

	2025	2024	2023
Golf cart rental	₱15,393,860	₱13,651,838	₱13,034,934
Golf cart storage	6,533,786	6,467,614	5,961,189
Venue and room fee	1,261,447	1,369,889	1,563,304
Locker rental	1,007,238	1,030,364	1,023,725
Communication cell site (Note 9)	548,446	334,109	305,404
Driving range	474,525	423,822	506,646
Others	130,552	436,921	306,257
	₱25,349,854	₱23,714,557	₱22,701,459

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 ₱401,786 representing one (1) year advance rental and six (6) months security deposits which is presented under “Trade and other payables” in 2025.

The future minimum rental commitment under this operating lease as at June 30, 2025, 2024 and 2023 are as follows:

	2025	2024	2023
Within one (1) year	₱521,978	₱474,525	₱431,387
More than one (1) year but not more than five (5) years	2,664,748	2,422,499	2,202,272
More than five (5) years	1,765,367	2,529,594	3,224,346
	₱4,952,093	₱5,426,618	₱5,858,005

The excess of principal amount of the refundable security deposits over its fair value, at inception date of operating lease, is presented under “Security deposits” in the statements of financial position amounting to nil and ₱96,078 as at June 30, 2025 and 2024, respectively. The current portion under “Trade and other payables” amounted to nil and ₱73,201 as of June 30, 2025 and 2024, respectively. Straight-line amortization of deferred rent amounted to nil in 2025 and ₱13,725 in 2024 and 2023.

Interest expense from the amortization of security deposit amounted to ₱13,436, ₱12,408, and ₱15,853 in 2025, 2024 and 2023, respectively.

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, 2025, 2024 and 2023 are as follows:

	2025	2024	2023
Within one (1) year	₱305,404	₱305,404	₱305,404
More than one (1) year but not more than five (5) years	381,755	687,159	992,563
	₱687,159	₱992,563	₱1,297,967

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, 2025 are as follows:

	2025	2024	2023
Within one (1) year	₱267,857	₱267,857	₱267,857
More than one (1) year but not more than five (5) years	1,339,286	1,339,286	1,339,286
More than five (5) years	133,929	401,786	669,643
	₱1,741,072	₱2,008,929	₱2,276,786

19. Cost of Services

	2025	2024	2023
Outside services	₱62,456,919	₱60,103,238	₱57,386,637
Personnel cost (Note 21)	31,281,576	26,749,137	24,194,357
Club events	22,120,226	23,412,479	20,576,874
Utilities	19,934,069	18,681,444	17,555,083
Depreciation and amortization (Notes 8, 9, and 11)	19,866,186	20,728,997	20,648,776
Repairs and maintenance	16,550,026	7,157,395	5,693,752
Supplies	11,435,513	19,415,045	15,173,055
Taxes and licenses	2,479,190	3,337,258	3,337,258
Others	8,586,817	15,423,068	13,159,747
	₱194,710,522	₱195,008,061	₱177,725,539

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

	2025	2024	2023
Outside services	₱12,115,700	₱5,291,005	₱3,258,007
Personnel cost (Note 21)	8,985,383	9,410,505	9,480,376
Taxes and licenses	3,738,846	2,866,341	3,532,653
Board members' meetings	2,709,464	2,252,560	1,641,252
Bank charges	1,654,923	931,523	1,120,870
Supplies	1,114,038	1,641,425	1,006,486
Utilities	669,582	795,202	776,439
Depreciation and amortization (Notes 8, 9, and 11)	381,294	479,128	318,270
Provision for (reversal of) ECL (Note 6)	329,219	(112,450)	—
Repairs and maintenance	122,265	—	—

(Forward)



	2025	2024	2023
Provision for inventory obsolescence (Note 7)	₱97,469	₱259,438	₱52,571
Loss on derecognition of property and equipment (Note 8)	—	—	131,371
Sundries	2,525,192	6,410,445	3,282,004
	₱34,443,375	₱30,225,122	₱24,600,299

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

21. Personnel Costs

	2025	2024	2023
Cost of services (Note 19):			
Salaries and wages	₱22,030,372	₱20,603,395	₱18,835,048
Employee benefits	8,373,225	5,149,158	4,285,235
Service cost (Note 24)	877,979	996,584	1,074,074
	31,281,576	26,749,137	24,194,357
General and administrative (Note 20):			
Salaries and wages	6,799,352	7,769,919	7,863,206
Employee benefits	1,844,357	1,391,440	1,348,652
Service cost (Note 24)	341,674	249,146	268,518
	8,985,383	9,410,505	9,480,376
	₱40,266,959	₱36,159,642	₱33,674,733

22. Income Taxes

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

	2025	2024	2023
Current	₱749,666	₱237,379	₱834,224
Deferred	(351,236)	(6,822,617)	(1,717,364)
	₱398,430	(₱6,585,238)	(₱883,140)

- a. The Club's provision for current income tax pertains to MCIT in 2025 and 2024 and RCIT in 2023.



- 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:

	2025	2024	2023
Income tax at the statutory rate	₱8,899,174	₱7,001,431	₱7,100,940
Income tax effects of:			
Nontaxable revenues	(27,011,707)	(27,669,806)	(28,950,694)
Nondeductible expenses	17,741,250	13,688,632	21,680,010
Movement of unrecognized deferred tax assets	1,324,049	898,554	(465,263)
Interest income subject to final tax	(554,336)	(504,049)	(248,133)
	₱398,430	(₱6,585,238)	(₱883,140)

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

	2025	2024
Deferred tax assets:		
Advance collections on fees and other dues	₱5,653,704	₱5,613,187
Retirement benefit obligation	2,757,753	2,392,837
Past service cost	822,577	645,726
Unearned rent	46,253	—
	9,280,287	8,651,750
Deferred tax liabilities:		
Rent receivable	69,922	390,765
Interest income from accretion	—	4,617
	69,922	395,382
	₱9,210,365	₱8,256,368

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

	2025	2024
Balances at beginning of year	₱8,256,368	₱1,126,720
Benefit from deferred tax during the year recognized in:		
Profit or loss	351,236	6,822,617
OCI	602,761	307,031
Balances at end of year	₱9,210,365	₱8,256,368

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:

	2025	2024
NOLCO	₱10,419,770	₱12,290,619
Allowance for ECLs	1,942,614	1,613,395
Allowance for inventory losses	409,478	312,009
MCIT	987,045	237,379
	₱13,758,907	₱14,453,402



As at June 30, 2025, the movement in the Club's NOLCO 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	As at June 30, 2024	Addition	Applied	As at June 30, 2025
2024	2025-2027	12,290,619	—	(P1,870,849)	P10,419,770

As at June 30, 2025, 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, 2024	Addition	Applied	As at June 30, 2025
2025	2026-2028	P—	P749,666	P—	P749,666
2024	2025-2027	237,379	—	—	237,379
		P237,379	P749,666	P—	P987,045

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 which represent short-term and retirement benefits are as follows:

	2025	2024	2023
Short-term benefits	P4,321,933	P3,723,903	P3,636,362
Retirement benefits	408,989	857,068	876,469
	P4,730,922	P4,580,971	P4,512,831

Key management personnel include the officers and managers of the Club.

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:

	2025	2024	2023
Beginning balance	3,241	2,682	2,100
Additions during the year	12,000	5,000	5,000
Issuances during the year	(4,604)	(4,441)	(4,418)
Ending balance	10,637	3,241	2,682



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.

On January 16, 2024, these green fee rates are changed ranging from ₱1,000 to ₱4,500 during weekdays, and ₱1,600 to ₱5,500 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.

Defined benefit cost expense recognized in the statements of income:

	2025	2024	2023
Service cost (Note 21)	₱1,219,653	₱1,245,730	₱1,342,592
Net interest expense:			
Interest cost on benefit obligation	1,634,063	1,691,249	1,701,201
Interest income on plan assets	(973,671)	(1,028,323)	(1,189,701)
Defined benefit cost	₱1,880,045	₱1,908,656	₱1,854,092

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

	2025	2024	2023
Actuarial losses (gains):			
Experience adjustments	₱1,615,291	₱1,647,152	(₱51,565)
Changes in financial assumptions	466,871	(823,969)	595,399
Changes in demographic assumptions	—	(55,686)	81,325
	2,082,162	767,497	625,159
Return on plan assets excluding the amount included in net interest cost	328,882	460,625	171,656
Re-measurement losses on defined benefit obligation	₱2,411,044	₱1,228,122	₱796,815



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

	2025	2024
Balances at beginning of year	₱3,382,906	₱2,461,815
Re-measurement losses on defined benefit obligation – net of tax	1,808,283	921,091
Total amount recognized in OCI	₱5,191,189	₱3,382,906

Movements in retirement benefit obligation in 2025 and 2024 are as follows:

	2025	2024
Balances at beginning of year	₱9,571,349	₱8,266,671
Retirement benefit expense	1,880,045	1,908,656
Contributions paid	(2,831,427)	(1,832,100)
Remeasurement losses recognized in OCI	2,411,044	1,228,122
Balance at end of year	₱11,031,011	₱9,571,349

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

	2025	2024
Balances at beginning of year	₱24,280,276	₱27,190,494
Benefits paid from plan assets	(3,314,042)	(6,614,694)
Interest cost	1,634,063	1,691,249
Current service cost	1,219,653	1,245,730
Net actuarial loss (gain) due to:		
Experience adjustments on plan liabilities	1,615,291	1,647,152
Changes in financial assumptions	466,871	(823,969)
Changes in demographic assumptions	–	(55,686)
Balances at end of year	₱25,902,112	₱24,280,276

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

	2025	2024
Balances at beginning of year	₱14,708,927	₱18,923,823
Interest income on retirement plan assets	973,671	1,028,323
Actual contributions	2,831,427	1,832,100
Actual return excluding amount included in net interest cost	(328,882)	(460,625)
Benefits paid	(3,314,042)	(6,614,694)
Balances at end of year	₱14,871,101	₱14,708,927

Retirement obligation as reported in the statement of financial position:

	2025	2024
Present value of benefit obligation	₱25,902,112	₱24,280,276
Fair value of retirement plan assets at end of year	(14,871,101)	(14,708,927)
	₱11,031,011	₱9,571,349



The major categories of plan assets are as follows:

	2025	2024
Deposit in banks	₱770,154	₱1,770,735
Investment in government securities	7,264,722	5,776,253
Investment in shares of stock	4,137,936	2,947,009
Other securities and debt instruments	2,294,638	2,865,744
Unit investment in trust fund	210,532	1,247,742
Accrued interest receivable	135,658	140,996
Other receivables	77,957	—
Accrued trust fees and other payables	(20,496)	(39,552)
	₱14,871,101	₱14,708,927

Deposit in banks includes regular savings.

Investments in government securities consist of retail treasury bonds that bear interest ranging from 2.625% to 8.625% in 2025 and 2024 and will mature on various dates starting August 2023 to October 2037.

Investments in shares of stock consists of listed shares in the Philippines Stock Exchange carried at fair value.

Other securities and debt instruments pertain to ‘due from Bangko Sentral ng Pilipinas’ and ‘time certificate of deposit’.

Other 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:

	2025	2024
Discount rate	6.45%	6.73%
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
2025		
Discount rates	+1%	(₱1,605,647)
	-1%	1,788,158
Salary increase rate	+1%	₱1,814,248
	-1%	(1,656,558)



	Increase (decrease)	Effect on defined benefit obligation
2024		
Discount rates	+1%	(₱1,492,303)
	-1%	1,659,614
Salary increase rate	+1%	₱1,688,504
	-1%	(1,543,482)

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

	2025	2024
Year 1	₱1,254,738	₱1,908,520
Year 2	5,451,575	3,441,705
Year 3	1,706,940	2,627,202
Year 4	543,434	3,033,479
Year 5	4,979,066	498,097
Year 6 - 10	22,148,959	22,915,107

The average duration of the defined benefit obligation is 6.6 years and 6.5 years as at June 30, 2025 and 2024, respectively.

The Club's latest actuarial valuation report was as of June 30, 2025.

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 and refundable deposit, which arise directly from its operations. The Club also has short-term investments, investments in financial assets at FVPL 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:

	2025	2024
Cash in banks and cash equivalents	₱121,558,955	₱108,849,238
Short-term investments	—	21,529,278
Trade and other receivables	31,179,737	32,914,650
Trust fund	5,427,060	5,186,530
Refundable deposit	1,819,083	749,297
	₱159,984,835	₱169,228,993

Impairment of financial assets

The Club's financial assets that are subject to the ECL model:

- cash and cash equivalents
- short-term investments
- trade and other receivables
- trust fund
- refundable deposit

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.

While cash and cash equivalents, short-term investments, trust fund and refundable deposit are also subject to the impairment requirements of PFRS 9, the identified impairment loss were immaterial.

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:

2025	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	0.0002%	0.0011%	0.0059%	0.0268%	0.0300%	100%	
Estimated total gross carrying amount at default	₱19,680,526	₱4,941,284	₱1,928,215	₱885,788	₱3,745,486	₱1,941,052	₱33,122,351
Expected credit loss	₱33	₱56	₱113	₱237	₱1,123	₱1,941,052	₱1,942,614

2024	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	0.0004%	0.0019%	0.0096%	0.0409%	0.0271%	100%	
Estimated total gross carrying amount at default	₱16,664,323	₱5,457,999	₱2,483,228	₱2,744,926	₱5,567,218	₱1,610,351	₱34,528,045
Expected credit loss	₱74	₱104	₱238	₱1,122	₱1,506	₱1,610,351	₱1,613,395

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, 2025 and 2024, 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.

	2025					
	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
<i>Financial liabilities</i>						
Trade and other payables:						
Trade payables	₱14,342,134	₱—		₱—	₱—	₱14,342,134
Accrued expenses	—	13,855,264	—	—	—	13,855,264
Others*	27,250,436	—	—	—	—	27,250,436
Members deposits and others	25,661,375	—	—	—	—	25,661,375
Security deposits	—	—	—	—	1,240,000	1,240,000
	₱67,253,945	₱13,855,264	₱—	₱—	₱1,240,000	₱82,349,209
<i>Financial assets</i>						
Cash and cash equivalents	₱35,003,161	₱64,061,353	₱22,669,441	₱—	₱—	₱121,733,955
Trade and other receivables:						
Trade receivables	11,499,245	9,924,787	—	—	—	21,424,032
Others	9,755,705	—	—	—	—	9,755,705
Trust fund	—	—	—	—	5,427,060	5,427,060
Refundable deposits	—	—	—	—	1,819,083	1,819,083
	₱56,258,111	₱73,986,140	₱22,669,441	₱—	₱7,246,143	₱160,159,835

*Excludes statutory liabilities amounting to ₱6,296,103

	2024					
	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
<i>Financial liabilities</i>						
Trade and other payables:						
Trade payables	₱18,721,365	₱—	₱290,011	₱35,694	₱5,241,638	₱24,288,708
Accrued expenses	—	764,828	177,390	232,482	3,118,871	4,293,571
Others*	37,402,318	—	—	—	5,668,575	43,070,893
Members deposits and others	23,637,412	—	—	—	—	23,637,412
Security deposits	—	—	—	—	1,390,000	1,390,000
	₱79,761,095	₱764,828	₱467,401	₱268,176	₱15,419,084	₱96,680,584
<i>Financial assets</i>						
Cash and cash equivalents	₱76,244,424	₱684,353	₱1,108,311	₱30,957,853	₱—	₱108,994,941
Short-term deposits	21,529,278	—	—	—	—	21,529,278
Trade and other receivables:						
Trade receivables	7,079,976	17,065,685	—	—	—	24,145,661
Others	3,712,530	5,056,459	—	—	—	8,768,989
Trust fund	—	—	—	—	5,186,530	5,186,530
Refundable deposits	—	—	—	—	749,297	749,297
	₱108,566,208	₱22,806,497	₱1,108,311	₱30,957,853	₱5,935,827	₱169,374,696

*Excludes statutory liabilities amounting to ₱6,155,007

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, the Club made payments on short term borrowing amounted to ₱236,946. Interest expense from the Loan Agreement amounted to nil in 2025 and 2024 and ₱3,644 in 2023, respectively.



Fair Value Measurements

The following provides the fair value measurement hierarchy of the Club's assets and liabilities as at June 30, 2025 and 2024:

	Date of Valuation	Fair Value Measurement			
		Total	Quoted Prices	Significant	Significant
			in Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Assets for which fair values are disclosed					
<i>Investment Properties</i>	2025	₱129,104,900	₱—	₱—	₱129,104,900
	2024	₱126,910,100	₱—	₱—	₱126,910,100

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, 2025 and 2024, 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, short-term investments, trade and other receivables, trust fund, refundable deposits, trade and other payables, security deposits 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.

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.

	2025	2024
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	141,142,832	107,752,849
	₱357,116,604	₱323,726,621

No changes were made in the objectives, policies or processes for the years ended June 30, 2025 and 2024.



26. Supplementary Information under Revenue Regulations (RR) Nos. 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 2025:

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	₱159,070,058	₱19,088,407
Exempt sales	108,445,849	—
	<u>₱267,515,907</u>	<u>₱19,088,407</u>

ii. Input VAT

Balance at July 1, 2024	₱—
Current year's domestic purchases/payments for:	
Domestic purchases of services	4,615,794
Goods other than for resale or manufacture	3,977,902
	<u>8,593,696</u>
Input vat allocable to exempt sales	(1,340,890)
Applied against output tax	<u>(7,252,806)</u>
Balance at June 30, 2025	<u>₱—</u>

b. Withholding Taxes

Expanded withholding taxes	₱2,946,746
Withholding taxes on compensation and benefits	756,056
	<u>₱3,702,802</u>



c. Other Taxes and Licenses

Real estate taxes	₱4,114,534
Business permits	1,792,816
Others	310,686
	<u>₱6,218,036</u>

d. Tax Assessments

On June 28, 2025, the Company settled deficiency taxes on value-added tax, income tax, expanded withholding tax, and documentary stamp tax for the taxable year 2021 amounting to ₱3,024,331, including penalties.

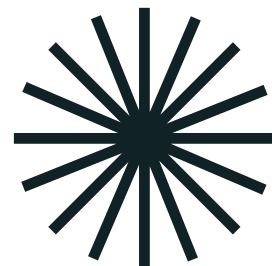




About Us

Nestled in the scenic hills of Antipolo, Rizal, Valley Golf & Country Club, Inc. is a premier private, non-stock, non-profit golf club established in 1958. Founded by visionary businessmen led by the late Don Celso S. Tuason, the Club was created to promote and foster the gentleman's game of golf in the Philippines.

Spanning over 90 hectares, Valley Golf features two championship courses—the iconic South Course, which has hosted the Philippine Open and the Southeast Asian Games, and the picturesque North Course, known for its island green and panoramic fairways. The Club also boasts world-class facilities, including two clubhouses, a two-level driving range, swimming pools, function rooms, and dining areas.



With a proud tradition of excellence and sportsmanship, Valley Golf continues to be a cornerstone of Philippine golf, guided by its commitment to heritage, community, and continuous improvement.