



11 August 2023

SECURITIES AND EXCHANGE COMMISSION (SEC)
The SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Bel-Air, Makati City

Attention: Atty. Rachel Esther J. Gumtang-Remalante
Director
Corporate Governance and Finance Department

Re: *Definitive Information Statement*

Dear Director Gumtang-Remalante,

This is in reference to the electronic mail dated 10 August 2023 from the Corporate Governance and Finance Department-Licensing Division (CGFD-LD) addressed to Valley Golf & Country Club, Inc. ("Valley Golf"), directing Valley Golf to submit its Definitive Information Statement and Management Report together with the proxy forms in accordance with the following comments and recommendations in the checklist provided:

- (1) "As to the Notice of Meeting: Please comply with Rule 20.11.2.2. on the validation of proxy;
- (2) As to the Proxy Form: Please correlate with Notice of Meeting on the Validation of Proxy;
- (3) As to the General Information: Please correlate the "date on delinquent list as posted" as stated in the Notice of Meeting.
- (4) On Item 5, Directors & Executive Officers: (a) List the names, ages and citizenship of all directors, including independent directors, executive officers and all persons nominated or chosen to become such where required under Section 38 of the Code and SRC Rule 38.1 adopted thereunder; also provide the names of the incorporators in the case of an investment company:

Please identify the name of stockholder/s who nominated the candidates for Independent Director; and

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

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



Attach Certifications as to qualification of independent directors, namely: Ricky Libago; Michael Echavez and Robert John Barretto. Their qualifications are yet subject of validation by our Corporate Governance and Finance Department. We may still have comments on their qualifications upon receipt of CGD's comments."

Please be advised that Valley Golf has complied with the above directives, as follows:

COMMENTS/ RECOMMENDATIONS	PAGE REFERENCE
<p>Notice of Meeting</p> <p>1) Notice of Meeting: Please comply with Rule 20.11.2.2. on the validation of proxy</p>	<p>Valley Golf has revised the Notice of Agenda included in the Definitive Information Statement to comply with Rule 20.11.2.2. on the validation of proxy.</p> <p>The revised Notice of Agenda now states that the last day for validation of proxy forms is on September 19, 2023 at 5:00 P.M. , or five (5) days prior the annual stockholders meeting on September 24, 2023.</p>
<p>Proxy</p> <p>2) Proxy Form: Please correlate with Notice of Meeting on the Validation of Proxy;</p>	<p>Valley Golf has revised the Proxy Form to correlate with Notice of Meeting on the Validation of Proxy.</p> <p>The revised form state that validation of proxy forms is on September 19, 2023 at 5:00 P.M. , or five (5) days prior the annual stockholders meeting.</p>
<p>General Information</p> <p>3) General Information: Please correlate the "date on delinquent list as posted" as stated in the Notice of Meeting.</p>	<p>Valley Golf has revised page 2 item 1 (e) to correlate the "date on delinquent list as posted" as stated in the Notice of Meeting.</p>



	<p>The date has been revised to reflect delinquent list as of September 14, 2023.</p>
<p>Directors & Executive Officers</p> <p>4) Directors & Executive Officers: (a) List the names, ages and citizenship of all directors, including independent directors, executive officers and all persons nominated or chosen to become such where required under Section 38 of the Code and SRC Rule 38.1 adopted thereunder; also provide the names of the incorporators in the case of an investment company:</p> <p>Please identify the name of stockholder/s who nominated the candidates for Independent Director; and</p> <p>Attach Certifications as to qualification of independent directors, namely: Ricky Libago; Michael Echavez and Robert John Barretto. Their qualifications are yet subject of validation by our Corporate Governance and Finance Department. We may still have comments on their qualifications upon receipt of CGD's comments.</p>	<p>We inserted a statement on page 13 stating the nominees for independent directors, and who nominated said nominees.</p> <p>This information is also reflected in pages 30 to 32 of the Definitive Information Statement.</p> <p>We have attached as Annexes "C-4", "C-5" and "C-6" the Nomination Forms and Certifications as to qualifications of independent directors for the nominees for independent directors: Ricky Libago; Michael Echavez and Robert John Barretto. These documents are mentioned in page 32 of the Definitive Information Statement.</p>

Please find the attached Definitive Information Statement and Management Report and other Annexes in relation to the Annual Meeting of the Stockholders to be held on 24 September 2023. We trust you will find everything in order and in compliance with the electronic mail of the CGFD-LD dated 10 August 2023.

Thank you very much.

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 Don Celso S. Tuason Avenue, Antipolo City 1870 Philippines
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Very truly yours,

DAN L. SALVADOR III
General Manager
Valley Golf & Country Club, Inc.

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VALLEY GOLF &

ANTIPOLO CITY, PHILIPPINES
P.O. BOX 202 Q. PLAZA, CAINTA
TELS. 658-4901 TO 03, 658-4919 TO 20
FAX NO: 658-4918

COUNTRY CLUB, INC.

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

**INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:

Preliminary Information Statement

Definitive Information Statement

2. Name of Registrant as specified in its charter:

Valley Golf & Country Club, Inc.

3. Antipolo, Rizal, Philippines

Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number : 13951

5. BIR Tax Identification Code: 000-649-197

6.

Don Celso S. Tuason Avenue, Victoria Valley, Antipolo
City

1870

Address of principal office

Postal Code

7. Registrant's telephone number, including area code :

(02) 658-0079 / 658-0089

8. September 24, 2023, 4:00 p.m., Valley Golf Clubhouse

Date, time and place of the meeting of security holders

9. Approximate date on which the Information Statement is first to be sent or given to security holders August 16, 2023

10. In case of Proxy Solicitations :

Name of Person Filing the

Statement/Solicitor : Atty. Allan Jocson, in his capacity as Corporate Secretary

Address and Telephone

No. : c/o Valley Golf & Country Club, Inc., 658-0079 / 658-0086

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
<u>Common</u> <u>outstanding</u>	<u>1,594</u> <u>shares</u> <u>issued</u> <u>and</u>

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes _____ No x.

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:



ALLAN JOCSON
Corporate Secretary



NOTICE AND AGENDA OF ANNUAL MEETING OF STOCKHOLDERS

**TO: ALL STOCKHOLDERS
VALLEY GOLF & COUNTRY CLUB, INC.**

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. will be conducted in hybrid format (a combination of in-person and remote attendance) on September 24, 2023 at 4:00P.M. as provided for in the **Minutes of the Meeting dated July 15, 2023** wherein the **Board of Directors approved the conduct of the annual meeting in hybrid format.**

Voting by VGCCI stockholders of record *in absentia* will be through the Club's secure online voting facility or by appointing a proxy. The in-person meeting will be held at the Founders' Hall, Main Clubhouse, Valley Golf & Country Club, Don Celso Tuason Ave., Antipolo City and will be live streamed through an online live broadcast.

Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary. Stockholders who wish to attend in-person must email the Corporate Secretary at admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Stockholders intending to exercise the right to vote in absentia should notify Valley Golf by sending an e-mail to admin@valleygolf.com.ph and submit a fully accomplished and signed Letter of Intent (LOI) and Data Privacy Consent form.

Elections for Members of the Board shall likewise be held on Sept 20 (8:00 a.m.) up to Sept. 21, 2023 (5:00 p.m.) for members Voting In Person online and September 22, 2023 (from 8:00 a.m. to 5:00 pm) for those Voting by Proxy online.

AGENDA

1. Call to Order
2. Corporate Secretary's Certification of Service of Notice and Quorum
3. Approval of the Minutes of the Annual Meeting of Stockholders held on September 25, 2022
4. Matters arising from the Minutes and action taken.
5. Financial Report of the Treasurer
6. President's Report
7. Ratification of the President and Treasurer's Reports, Acts of the Board and Management (July 1, 2022 to June 30, 2023)

VALLEY GOLF AND COUNTRY CLUB, INC
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8. Appointment of External Auditor
9. Amendment of the Articles of Incorporation:
10. Amendment of the By-laws:
11. Election of Directors
12. Other Matters
13. Adjournment

WHO ARE QUALIFIED TO VOTE

The Board of Directors has fixed August 1, 2023 as the record date for the determination of the stockholders who are entitled to vote at said Annual Meeting. "Only stockholders in good standing shall have the right to vote and be voted upon x x x." (Article III, Sec. 8, Amended By-Laws). The stock and transfer book of the corporation will not be closed.

Only stockholders in good standing as of August 1, 2023 and not appearing in the Club's delinquent list as posted on September 14, 2023 shall be qualified to vote.

For voting purposes, each share of stock shall be entitled to one (1) vote. However, in electing the candidates for the Board of Directors, each shareholder shall be entitled to nine (9) cumulative votes.

A stockholder may appoint a proxy to represent him or her during the Annual Meeting, subject to the Rules and Procedures in the Verification/Authentication of Proxies as shown in Enclosure No. 4. All proxies submitted and registered on or before 5:00 P.M. of the record date, shall be the basis for determining the quorum.

Deadline for filing of proxy forms is at 5:00 PM of September 14, 2023. Proxy forms shall be validated as these are received by the Club, provided that the proxy forms are submitted to the Club on or before 5:00 P.M. of September 14, 2023. The last day for validation of proxy forms is on September 19, 2023 at 5:00 P.M.

WHO ARE QUALIFIED FOR ELECTION

Only those nominated in accordance with Article III, Section 8, Article IV, Section 1 - Paragraph 2 and Article IV, Section 5 of the Club's By-Laws, who satisfied the qualifications and passed the screening of the Nominating Committee, shall qualify for election to the Board of Directors.

Stockholders on record shall elect nine (9) Directors from the list of qualified candidates.

SCHEDULE OF VOTING, CANVASSING & ANNOUNCEMENT OF RESULT

VALLEY GOLF AND COUNTRY CLUB, INC
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September 20-21, 2023
(Wednesday – Thursday)

Voting in Person online from September 20
(8:00 a.m.) up to September 21, 2022 (5:00
p.m.)

September 23, 2022
(Friday)

Voting by Proxyholder online from 8:00 a.m.
to 5:00 pm

Voting for stockholders may only be done through the Online Voting System/Portal and not during the live stream broadcast.

An independent third-party entity will count and tabulate the votes cast in absentia through the Voting System/Portal. The Committee on Election will validate the voting results. The Committee on Election shall report the results of voting during the Meeting.

RULES OF THE MEETING

1. Stockholders' meeting will be under a hybrid set up. Stockholders will be allowed to personally attend the on-site meeting subject to limitation on the number of in-person participants as a safety precaution.

Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary.

Registration:

- Open your browser and type <https://www.valleygolfelection.com>, Supply the one-time passcode (that was sent to your email address) on the "Account Verification Form" and press Enter.
- Click Register and you will be redirected to a Google Form.
- Accomplish the required information and click *I agree with the Privacy notice of VGCC and click I consent to the processing of the above information in connection with VGCC's Annual Stockholders Meeting.*
- The following information and documentary requirements must be emailed to admin@valleygolf.com.ph to complete the registration:
 - For individual stockholder:
 - Valid government-issued ID with photo and signature (In JPG format)
 - A valid and active e-mail address
 - A valid and active contact number

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- For corporation:
 - A scanned copy of certification signed by a duly authorized officer of such corporation attesting to the authority of the representative to vote for and on behalf of the corporation (In JPG format)
 - A scanned copy of one (1) valid government-issued ID of the representative with photo and signature (In JPG format)
 - A valid and active e-mail address of the representative
 - A valid and active contact number of the representative
- In addition to the above, Stockholders who wish to attend in-person must email the Corporate Secretary at admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Livestream - Zoom Webinar

- i. Please go to <https://zoom.us/test> and click "Join".
 - ii. You will be given the option to "download and run Zoom" (if not yet installed previously, especially for mobile devices) or to "join from your browser" (recommended for desktop/laptop users).
 - iii. To join the webinar, click the link that the host provided or the one you received in the confirmation page after you registered. If the host sent a registration confirmation email, the link can also be found there.
2. Stockholders of record who have OTP will be provided a direct link to the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
 3. Stockholders are advised to ensure a stable internet connection during online registration, voting, and viewing of the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
 4. Items in the Agenda together with the questions, suggestions or comments sent through email by any stockholder including the results of the voting on every item in the Agenda will be presented sequentially during the meeting.
 5. The main page of the Club's website will provide a link to the recording of the whole meeting.
 6. Only the items in the Agenda and the results of the election will be taken up in the virtual meeting.
 7. The Board of Directors, members of the Committee on Election (Comelec), stockholders (and administrative support staff) will be present in the hybrid meeting.
 8. The link to audio and video recordings of the 2023 ASM livestream broadcast will be made available in the Club's website after the event.
 9. Stockholders may submit questions and comments including objections, if any, on any matter in the Agenda, on or before 5:00 p.m. on September 22, 2023 which will be posted with the

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corresponding replies thereto during the live stream of the 2023 Annual Stockholders Meeting (ASM).

10. Any questions or comments submitted and received after the deadline shall be answered directly by Management thru email to the stockholder concerned. Additional questions or comments may be sent to office of the president@valleygolf.com.ph
11. Mechanism for Information dissemination – The website will include a portion for “Frequently asked questions”. Stockholders are advised to visit the Frequently Asked Questions (FAQ) page prior to sending inquiries.

ATTY. ALLAN JOCSON
Corporate Secretary

Enclosures: 1) Minutes of the Stockholders Meeting on September 25, 2022; 2) Summary of all Board Resolutions; 3) Rules and Procedures in the Verification/Authentication of Proxies and Election of Directors; 4) List of Candidates; and 5) Calendar.

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

PROXY

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

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

Name	Agenda Item
	1. To approve the minutes of the 2022 Annual stockholders' meeting.
	2. To approve the Company's 2023 Annual Report and Audited Financial Statements.
	3. To confirm and ratify all acts and resolutions of the Board of Directors & Management (July 1, 2022 to June 30, 2023 inclusive).
	4. To appoint External Auditors.
	5. To cast votes for person/s to the 2023-2024 Board of Directors.
_____ or in the absence and/or non-attendance of my PROXY the Chairman of the Meeting.	Regular Directors
	1. Jose Arsenio Isidro D. Borromeo III
	2. Marvin A. Caparros
	3. Jose Ferdinand R. Guiang
	4. Eric R. Illescas
	5. Constantine L. Kohchet-Chua
	6. Edward P. Lim
	7. Luis G. Quiogue
	8. Rafael S. Raymundo
	9. Jose G. Razon
	10. Albert San Gabriel
	11. Rio Sesanando E. Venturanza
	Independent Directors:
	1. Robert John C. Baretto
	2. Michael T. Echavez
3. Ricky Libago	

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

Place/Date : _____

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

Name and Account Number of Shareholder : _____

Signature : _____

Number of Shares : _____

Witness : _____

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

VALIDATION OF PROXIES

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

LETTER OF INTENT AND DATA PRIVACY CONSENT

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

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

Signature of Stockholders

Account No.

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

PROXY

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

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

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

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

Place/Date : _____

Name and Account Number of Shareholder : _____

Signature : _____

Number of Shares : _____

Witness : _____

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

VALIDATION OF PROXIES

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

LETTER OF INTENT AND DATA PRIVACY CONSENT

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

Signature of Stockholders

Account No.

VALLEY GOLF & COUNTRY CLUB, INC.
Antipolo City
Philippines

The enclosed proxy is for use in voting at the Annual Meeting of Stockholders of the Valley Golf & Country Club, Inc. is scheduled to be conducted both on site and virtually via Live Streaming on September 24, 2023 at 4:00P.M. from Valley Golf and Country Club's principal office in Antipolo City, as provided for in SEC Memorandum Circular No. 6, series of 2020, and by Board Resolution on 15 July 2023. In view of the continuing COVID 19 pandemic, a maximum of only Fifty (50) stockholders shall be allowed to attend and vote on-site (on a first to reserve basis) while attendance and voting by stockholders shall also be allowed by remote communication.

Elections for Members of the Board shall likewise be held on September 20 (8:00 a.m.) up to September 21, 2023 (5:00 p.m.) for members Voting in Person online and September 22, 2023 (from 8:00 a.m. to 5:00 pm) for those Voting by Proxy.

PART I. INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Stockholders

- a) The stockholders' meeting is to be conducted both on-site and virtually via Live Streaming on September 24, 2023 at 4:00P.M. as provided for in the Minutes of the Meeting dated 15 July 2023, wherein the Board of Directors approved the conduct of meetings via remote communication in view of the lingering effects of the COVID-19 pandemic.
- b) Elections for Members of the Board shall likewise be held on September 20 (8:00 a.m.) up to September 21, 2023 (5:00 p.m.) for members Voting in Person online and September 22, 2022 (from 8:00 a.m. to 5:00 pm) for those Voting by Proxy.
- c) The complete mailing address of the principal office of the Company is **Valley Golf & Country Club, Inc., Don Celso S. Tuason Avenue, Victoria Valley, Antipolo City.**
- d) All Information statements and proxy forms shall be sent to all shareholders on 16 August 2023.

- e) The Board of Directors has fixed August 01, 2023 as the record date for the determination of the stockholders who are entitled to vote at said Annual Meeting. "Only stockholders in good standing shall have the right to vote and be voted upon x x x." (Article III, Sec. 8, Amended By-Laws). The stock and transfer book of the corporation will not be closed. Only stockholders in good standing as of August 01, 2023 and not appearing in the Club's delinquent list as posted on September 14, 2023 shall be qualified to vote.
- f) Please refer to the Notice and Agenda of the Annual Meeting including the Rules of the Meeting and the Guidelines for the September 24, 2023 Stockholders' Meeting which are attached herein as Annexes "A" and "B".

Item 2. Dissenters' Right of Appraisal

Pursuant to Title X, Sections 80 and 81 of the Revised Corporation Code of the Philippines, a stockholder has the right to dissent and demand payment of the fair value of his shares in the following instances:

- a) In case an amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any shares of any class, or of extending or shortening the term of corporate existence;
- b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code;
- c) In case of merger or consolidation; and
- d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

A stockholder must have voted against the proposed corporate action in order to avail himself of the appraisal right. The procedure for the exercise by a dissenting stockholder of his appraisal right is as follows:

- a) The dissenting stockholder shall make a written demand on the corporation within 30 days after the date on which the vote was taken for payment for the fair value of his shares. The failure of

the stockholder to make the demand within 30-day period shall be deemed a waiver on his appraisal right;

- b) If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of corresponding certificate(s) of stock within 10 days after demanding payment for his shares (Sec. 85), the fair value thereof; and
- c) Upon payment of the agreed or awarded price, the stockholder shall transfer his share to the corporation.

For the stockholders' meeting on 24 September 2023, the extension of the term of corporate existence to make it perpetual may give rise to the dissenter's appraisal right. The amendment is being effected to fully comply with the Revised Corporation Code, Securities Regulation Code, and other applicable SEC issuances.

Item 3. Interest of Certain Persons In or Opposition to Matters to be Acted Upon

No director or officer of the Company since the beginning of the last fiscal year, nominee for election as director, or associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office.

B. Control and Compensation Information

Item 4. Voting Securities and Principal Holders Thereof

Valley Golf and Country Club, Inc. is registered with the Securities and Exchange Commission under a single class of shares. Only common shares of no distinction are issued to shareholders whether natural persons or corporate entities.

Each of the outstanding 1,594 shares of record as of August 01, 2023, except those declared delinquent is entitled to vote/be elected at any stockholders' meeting.

Vote Required for Approval

Voting upon all questions at meetings of stockholders shall be made by holders of shares of stock, with each share of stock being counted as one vote.

Method by which Votes will be Counted

All matters subject to approval and election, except in cases where the law or by-laws provide otherwise, shall be decided by the plurality vote of stockholders in person or by proxy and entitled to vote thereat, a quorum being present. Cumulative voting shall be allowed for the election of directors of the Board as discussed below.

Voting Procedure

When proxies are properly dated, executed and returned, the shares they represent will be voted at the Annual Meeting in accordance with the instructions of the stockholder. If no specific instructions are given or when the proxy is endorsed in blank, or in favor of the chairman or presiding officer, the same shall be used only for purposes of establishing a quorum and will not be voted in favor of any candidate.

Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting and entitled to vote thereat, the vote of any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder/member voting, or in his name by his proxy if there be such proxy, and shall state the number of shares owned by him.

Only those nominated in accordance with Article III, Section 8, Article IV, Section 1 - Paragraph 2, and Article IV, Section 5 of the Club's By-Laws, who satisfied the qualifications and passed the screening of the Nominating Committee, shall qualify for election to the Board of Directors.

Stockholders on record shall elect nine (9) Directors (seven [7] regular and two [2] independent) from the list of qualified candidates.

As stated earlier, voting shall be done online. The schedule is as follows:

SCHEDULE OF VOTING, CANVASSING & ANNOUNCEMENT OF RESULT

September 20-21, 2023	Voting in Person online from September
(Wednesday - Thursday)	20 (8:00 a.m.)
	up to September 21, 2022 (5:00 p.m.)

September 22, 2023

(Friday)

Voting by Proxyholder and Attorneys-in-fact online from 8:00 a.m. to 5:00 p.m.

Voting for stockholders may only be done through the Online Voting System/Portal and not during the livestream broadcast.

An independent third-party entity will count and tabulate the votes cast in absentia through the Voting System/Portal. The Committee on Election will validate the voting results. The Committee on Election shall report the results of voting during the Meeting.

The following shall be the Rules and Guidelines of the Meeting, including the voting online procedure:

GENERAL GUIDELINES:

- a. Because of the lingering pandemic situation, only fifty (50) stockholders may attend on-site on a first to reserve basis while the rest can only attend the meeting by remote communication through an online live broadcast and exercise their right to vote in absentia through the Club's secure online voting system or by appointing a proxy.
- b. There will be audio and video recordings of the meeting.
- c. Stockholders intending to participate on-site or by remote communication and exercise the right to vote in absentia should notify Valley Golf by sending an e-mail to admin@valleygolf.com.ph and submit a fully accomplished and signed Letter of Intent (LOI) and Data Privacy Consent form.
- d. Each Stockholder will be given a One-Time Password (OTP) sent thru email in case he intends to participate by remote communication and exercise his right to vote in absentia
- e. All information and documents submitted online shall be subject to verification and validation by the Office of Membership and Internal Audit.

- f. After verification and validation, an e-mail confirmation will be sent by the Club.
- g. A notification for the opening of online voting system shall be sent to the stockholders.
- h. The procedures for online voting in absentia, and participation in the meeting through remote communication can be accessed through the Club's website, www.valleygolf.com.ph.
- i. Stockholders who have the issued OTP can vote in absentia and access the online livestreaming of the annual stockholders' meeting. Stockholders will not be able to vote through the Online Voting System/ Portal if they do not have the OTP.
- j. Stockholders intending to participate by appointing a proxy should submit their signed and/or accomplished proxy forms personally or online not later than 5:00 p.m. of September 18, 2022. All proxy forms shall be furnished to the Corporate Secretary.
- k. Stockholders who have no email address may submit their signed and/or proxy form (hard copies) at the Registration area.
- l. Only Stockholders who have submitted the information and registration requirements, completed the online registration process, received confirmation of their registration and received the OTP can vote and participate in the meeting through remote communication or vote in absentia.
- m. To protect the stockholder's privacy, personal data and information, identity, and rights as a stockholder, the Club **highly discourages** the use of an email address that does not belong to the stockholder. Please remember that the stockholder's log-in credentials to the Online Voting System/Portal and live stream invitation, as well as official communications from the Club will be sent to this email address hence, the Club advises the stockholder to use his active personal email address.

The Club likewise discourages the use of the following:

- Inactive email addresses
- Email addresses of family members
- Work emails

- Compromised emails or emails with two or more people having access

Conduct of the Stockholders' Meeting

Stockholders' meeting will be under a hybrid set up. Stockholders will be allowed to personally attend the on-site meeting subject to limitation on the number of in-person participants (fifty [50] persons on a first to reserve basis) as a safety precaution.

- a. Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary.

Registration:

- Open your browser and type <https://www.valleygolfelection.com>, Supply the one-time passcode (that was sent to your email address) on the "Account Verification Form" and press Enter.
- Click Register and you will be redirected to a Google Form.
- Accomplish the required information and click *I agree with the Privacy notice of VGCC and click I consent to the processing of the above information in connection with VGCC's Annual Stockholders Meeting.*
- The following information and documentary requirements must be emailed to admin@valleygolf.com.ph to complete the registration:
 - For individual stockholder:
 - Valid government-issued ID with photo and signature (in JPG format)
 - A valid and active e-mail address
 - A valid and active contact number
 - For corporation:
 - A scanned copy of certification signed by a duly authorized officer of such corporation attesting to the authority of the representative to vote for and on behalf of the corporation (in JPG format)
 - A scanned copy of one (1) valid government-issued ID of the representative with photo and signature (in JPG format)
 - A valid and active e-mail address of the representative

- A valid and active contact number of the representative
- In addition to the above, Stockholders who wish to attend in-person must email the Corporate Secretary at admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Livestream - Zoom Webinar

- Please go to <https://zoom.us/test> and click "Join".
 - You will be given the option to "download and run Zoom" (if not yet installed previously, especially for mobile devices) or to "join from your browser" (recommended for desktop/laptop users).
 - To join the webinar, click the link that the host provided or the one you received in the confirmation page after you registered. If the host sent a registration confirmation email, the link can also be found there.
- b. Stockholders of record who have OTP will be provided a direct link to the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
 - c. Stockholders are advised to ensure a stable internet connection during online registration, voting, and viewing of the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
 - d. Items in the Agenda together with the questions, suggestions or comments sent through email by any stockholder including the results of the voting on every item in the Agenda will be presented sequentially during the meeting.
 - e. The main page of the Club's website will provide a link to the recording of the whole meeting.
 - f. Only the items in the Agenda and the results of the election will be taken up in the virtual meeting.
 - g. The Board of Directors, members of the Committee on Election (Comelec), stockholders (and administrative support staff) will be present in the hybrid meeting.
 - h. The link to audio and video recordings of the 2023 ASM livestream broadcast will be made available in the Club's website after the event.
 - i. Stockholders may submit questions and comments including objections, if any, on any matter in the Agenda, on or before 5:00 p.m. of September 22, 2023 which will be posted with the corresponding replies thereto during the live stream of the 2023 Annual Stockholders Meeting (ASM).

- j. Any questions or comments submitted and received after the deadline shall be answered directly by Management thru email to the stockholder concerned. Additional questions or comments may be sent to office of the president@valleygolf.com.ph
- k. Mechanism for information dissemination – The website will include a portion for “Frequently asked questions”. Stockholders are advised to visit the Frequently Asked Questions (FAQ) page prior to sending inquiries.

Proxies

Both Online and Hard Copies of Proxies will be allowed.

- a. Stockholders may request for the Pre-numbered Proxy form. A stockholder can request a maximum of 20 proxy forms per day only before the office of the Human Resource Department.
- b. The member may choose to execute a proxy form in favor of another member to exercise his right to vote.
- c. Unless the reason for replacement is due to death or severe physical, mental or medical incapacity to discharge the representative's functions under the proxy, once the proxy form has been validated, the same shall be deemed final, without prejudice to the right of the Stockholder to personally appear to cancel the proxy form and cast his vote before his proxy or assignee shall have cast a vote on his behalf.
- d. After the proxy forms are properly accomplished, the same may be submitted at the Human Resource Department.
- e. If the proxy form is submitted with 2 or more named proxies for the election of the members of the Board of Directors, it will be invalid for voting and considered for quorum purposes only. If the proxy form is corrected before submission then it is valid. If a Stockholder signs 2 or more proxy forms in favor of 2 different persons and the 2 proxies submit both proxy forms signed by the same stockholder for the election of the members of the Board of Directors the proxies are invalid for voting and will be considered for quorum purposes only. This is without prejudice to the right of the stockholder to exercise his/her right to vote online either remote or in-person.
- f. In case of loss or destruction of the numbered proxy form, the stockholder concerned may request for a Replacement Proxy form. The stockholder

must submit a notarized affidavit of Request for Replacement Form citing the reason for the request.

- g. In case of a corporate stockholder, the person appearing before the Committee should be equipped with a duly notarized Secretary's Certificate showing that he is authorized to cause the cancellation of the subject proxy form.
- h. Once a Replacement Proxy Form has been issued, the Original Proxy form shall be automatically canceled and can no longer be used even if subsequently found.
- i. All Proxy forms submitted before the Human Resource Dept. will be subject to Internal Audit Procedure.

Online Voting Procedure

The Annual Stockholders Meeting (ASM) webcast uses an entirely different secure system. For cyber security purposes, the Online Voting System/Portal also uses a separate, secure system or platform.

- a. An electronic absentee ballot will be available upon login of all registered Stockholders in the front page portion of the website dedicated for the Stockholders Meeting. OTP is required for login in to the voting system. The Stockholder will receive his/her OTP thru the registered email while Proxyholders will be sent a separate OTP for voting thru Proxy. All agenda items in the Notice of the Stockholders' Meeting may be voted upon as follows:

- 1. For all items in the Agenda except the Election of Directors, the Stockholder/Proxyholder will click any of the following:

STEP 1: Click the link in the email sent to you containing your log-in credentials to access the ONLINE VOTING PORTAL. Alternatively, you may also click on the VOTE icon on the microsite.

STEP 2: Enter the log-in credentials provided and click LOGIN.

STEP 3: Vote on each agenda item. A brief description of each item for stockholder's approval is appended to the NOTICE OF MEETING.

Vote "Yes", "No", or "Abstain" on each agenda item for approval.

2. Voting for the Election of Directors

- a. Electronic Ballot for the Stockholder – the registered Stockholder shall indicate the number of votes for each candidate by following the step-by-step procedure on the ballot. The number of votes shall not exceed the number of shares owned by the stockholder multiplied by nine (9).
- b. Electronic Ballot for the Proxyholder – the registered Proxyholder shall indicate the number of votes for each candidate by following the step-by-step procedure on the ballot. The number of votes shall not exceed the number of valid proxies multiplied by nine (9).
- c. For the election of directors, vote for all nominees, withhold vote for any of the nominees or vote for certain nominees only.

3. Voting for Amendment by the General Manager

- a. Electronic Ballot for General Manager – the General Manager shall indicate the number of votes for the proposed amendments by following the procedure on the ballot. The number of votes shall not exceed the number of valid proxies. Vote Yes or No on the proposed amendments.

Note: The stockholder may vote such number of shares for as many persons as there are directors to be elected or cumulate such said shares and give one candidates as many votes as the number of directors to be elected multiplied by the number of shares owned, or distribute them on the same principle among as many candidates as may be seen fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholder multiplied by nine (9). The seven candidates for regular directors and the two candidates for independent directors with the most number of votes shall be declared elected.

STEP 4: Once you have reached the last of the agenda items and have made your votes, click on the **CONFIRM AND SUBMIT** button.

STEP 5: You will then be presented with a summary where you can review the votes you have casted. If you are satisfied, once again click the **CONFIRM AND SUBMIT** button. Once confirmed, the Stockholder/Proxyholder will no longer be allowed to make any changes in his ballot. You will also receive an email confirming that your votes have been submitted to the Club.

Note: a stockholder attending and participating in the ASM in multiple capacities must go through the voting process for each capacity. Stockholders must exert all effort in ensuring that their votes are proper prior to submitting the same.

STEP 6: The Stockholder/Proxyholder will logout from the system.

Note: A stockholder who personally casts his vote or votes through a proxy online shall be considered present for purposes of determining quorum even if he or his proxy does not join the webinar during the virtual stockholders' meeting itself.

- a. Stockholders who have not issued a proxy (or have decided to disregard the same) and wish to vote online will be counted for quorum purposes thru the authorization that will be confirmed before access is allowed in the voting system.
- b. An independent third-party entity will count and tabulate the votes cast in absentia through the Voting System/Portal.
- c. The Comelec shall validate the voting results and report the same to the Board during the Meeting.

For the full details, please refer to the Guidelines for the September 24, 2023 Stockholders' Meeting (see, Annex "B").

Abstentions with respect to any matter are treated as shares present or represented and entitled to vote for the purpose of determining whether the matter has been approved by the stockholders. Abstentions shall neither be for or against any issue. Shares as to which proxy authority has been withheld with respect to any matter are not deemed to be present or represented for purposes of determining whether stockholder approval of that matter has been obtained.

Atty. Joseph Joel R. Castillo (Chairman), Atty. Wendell V. Dimaculangan, and Atty. Mark Boncris Santos, as members of COMELEC, shall be the authorized persons to count the votes.

Cumulative Voting

A shareholder or his proxy may choose to vote the shares registered in his name in the stock books of the corporation for the nine (9) directors (7 regular and 2 independent) to be elected. He or his proxy may, however, opt

to cumulate said shares and give one candidate as many votes equivalent to the number of his shares multiplied by nine (9) or he may distribute the said number of votes among as many candidates as he may see fit. The discretion and authority to vote cumulatively are solicited and authorized in the Club's Standard Proxy Statement.

Security Membership of Management (As of August 01, 2023)

Title of Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership	Citizenship	Percent of Class
Ordinary	Rafael S. Raymundo	1 share	Filipino	Negligible
Ordinary	Jose Arsenio Isidro D. Borromeo III	1 share	Filipino	Negligible
Ordinary	Rio Sesinando E. Venturanza	1 share	Filipino	Negligible
Ordinary	Constantine L. Kohchet-Chua	1 share	Filipino	Negligible
Ordinary	Renato C. Balibag	1 share	Filipino	Negligible
Ordinary	Jose G. Razon	1 share	Filipino	Negligible
Ordinary	Marvin A. Caparros *	1 share	Filipino	Negligible
Ordinary	Jose Ferdinand R. Gulang	1 share	Filipino	Negligible
Ordinary	Nicanor Jorge *	1 share	Filipino	Negligible
Ordinary	Allan Jocson	1 share	Filipino	Negligible

Security Membership of Nominees

Title of Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership	Citizenship	Percent of Class
Regular Directors				
Ordinary	Constantine Kohchet-Chua	1 share	Filipino	Negligible
Ordinary	Jose Arsenio Isidro Borromeo	1 share	Filipino	Negligible
Ordinary	Rafael Raymundo	1 share	Filipino	Negligible
Ordinary	Jose Ferdinand R. Gulang	1 share	Filipino	Negligible
Ordinary	Eric Illescas	1 share	Filipino	Negligible
Ordinary	Marvin Caparros	1 share	Filipino	Negligible
Ordinary	Jose Razon	1 share	Filipino	Negligible
Ordinary	Rio Sesinando Venturanza	1 share	Filipino	Negligible
Ordinary	Edward Lim	1 share	Filipino	Negligible
Ordinary	Albert San Gabriel	1 share	Filipino	Negligible
Ordinary	Luis Quiogue	1 share	Filipino	Negligible
Independent Directors				
Ordinary	Ricky Libago	1 share	Filipino	Negligible
Ordinary	Michael Echavez	1 share	Filipino	Negligible
Ordinary	Robert John Barretto	1 share	Filipino	Negligible

Nominee for Independent Director Ricky Libago, was nominated by Alex Suarez. Nominee for Independent Director Michael Echavez was nominated by Levie Angeles. Nominee for Independent Director Robert John Barreto was nominated by Rafael Raymundo. This information can also be found in pages 30 to 32.

Security Ownership of Certain Record and Beneficial Owners of more than 5%

As of June 30, 2023, there are no individuals or single group that owns at least 5% of the company's securities.

Voting Trust Holders of 5% or more

As of this date, the Corporation is not aware of the existence of any voting trust holders of any proportion of the existing authorized capital stock.

Description of any arrangement which may result in a change in control of registrant if a change of control has occurred since the beginning of the last Fiscal Year:

There is no arrangement that may result in a change in management control of registrant since the beginning of the last Fiscal Year.

Item 5. Directors and Executive Officers

Incumbent Board of Directors, Executive Officers and Significant Employees of Valley Golf & Country Club, Inc.

Name	Age	Citizenship	Position	Term of Office as Director/ Period Served
Rafael S. Raymundo	59	Filipino	President	3 yrs. 2020 - Present
Jose Arsenio Isidro D. Borromeo III	53	Filipino	Vice-President	3 yrs. 2020 - Present
Rlo Sesinando E. Venturanza	64	Filipino	Treasurer	3 yrs. 2021 - present
Constantine L. Kohchet-Chua	57	Filipino	Asst. Treasurer	3 yrs. 2021 - present
Renato C. Balibag	68	Filipino	Director	3 yrs. 2020 - Present
Jose G. Razon	67	Filipino	Director	3 yrs. 2021 - present
Marvin A. Caparros*	54	Filipino	Director	3 yrs. 2022 - present
Jose Ferdinand R. Gulang	58	Filipino	Director	3 yrs. 2022 - present

Nicanor S. Jorge*	56	Filipino	Director	3 yrs. 2022 – present
Allan Jocson	49	Filipino	Corporate Secretary	N.A.
Dan L. Salvador III	59	Filipino	General Manager	N.A.
Rosanna R. Arguelles	59	Filipino	Division Manager	N.A.
* Independent Director				

President Rafael S. Raymundo is a graduate of Bachelor of Science in Management from San Beda University. Mr. Raymundo is currently the President of Service One Corporation. Pres. Rafael S. Raymundo is a member of the Club since Sept. 2004 as Playing Rights Member and turned Proprietary on May 2009.

Vice President Jose Arsenio Isidro D. Borrromeo III is a graduate of Business Management from the Centennial College of Toronto Canada. Mr. Borrromeo was formerly the Country Manager of Learn Earn Own Trading Partners, Inc. Dir. Jose Arsenio Isidro D. Borrromeo III is a member of the Club since Sept. 2016 and he is currently the Chairman of the Membership, Security and Bids & Awards Committees.

Treasurer Atty. Rio Sestinando E. Venturanza graduated with a degree in Bachelor of Laws and Bachelor of Arts in Economics from the University of the Philippines. Atty. Venturanza is currently a Partner of Tan Venturanza Valdez Law Offices, Director of Palm Concepcion Power Corporation, Maugat Holdings Inc, Blue Panel Equities & Dev. Inc., T&V Realty Corporation, Juxtapose Ergo Consultus, Inc. and U.P. Law Class 82 Foundation Inc. He is also the Corporate Secretary of Sta Clara International Corporation, Meridian Securities Inc., Professional Parking & Management Corp. and ParkSecure Management Corp. Treasurer Atty. Rio Sestinando E. Venturanza is a member of the Club since July 7, 2000 as corporate representative and proprietary member since 2011. He is currently the Chairman of the Finance Committee and Legal Committee.

Asst. Treasurer Constantine L. Kohchet-Chua is a graduate of Bachelor of Science in Business Administration and Accountancy from the University of the Philippines and he is a CPA. Dir. Kohchet-Chua is currently the General Manager of K.C. Bros. Industrial Corp. Dir. Constantine L. Kohchet-Chua is a member of the Club since Jan. 8, 2011 and is currently the Chairman of the House and Engineering Committees.

Dir. Renato C. Balibag is a graduate of Bachelor of Science in Business Administration major in Marketing from University of the East and an MBA Candidate from Ateneo de Manila University. Dir. Balibag is currently the President/CEO of Wave Broadcasting Network, Inc. and President of Eastern Samar Construction Corporation. Dir. Renato C. Balibag is a member of the Club since May 2008. He is currently the Chairman of the Real Estate Committee.

Dir. Marvin A. Caparros is a graduate of Bachelor of Science major in Civil Engineering at the University of California Irvine (UCI) Los Angeles, CA, USA. Dir. Caparros is currently the CEO and President of R.S. Caparros Associates and Co, CEO and President of M.A. Caparros Management and Development Corporation, President of G.O.C.C. Board, Board Director of Construction and Project Management Association of the Phils., Vice President and Board Director of JAHAMA Base Foundation, Inc., Board of Director of Tradetek International, Los Angeles and Director for Golf of Mercedes Benz – Auto Nation Group, Inc. Dir. Marvin Caparros is a member of the Club since September 2001 as Playing Rights Member and turned Proprietary on July 2017. Dir. Caparros is currently the Chairman of the Sports & Games Committee.

Dir. Jose Ferdinand R. Guiang is a graduate of AB Economics from the Far Eastern University. Dir. Guiang is currently the President of JFG Construction and Trading Corp., President of Pharmazel, Inc., President of Genesis Homes Realty, Inc. and former Independent Director of Sta. Lucia Land. Dir. Jose Ferdinand Guiang is a member of the Club since May 2008. Dir Guiang is the Chairman of the Grounds Committee.

Dir. Nicanor Jorge is a graduate of Bachelor of Science in Economics and Masters in Business Administration. Dir. Jorge is currently a Member of the Board of Directors of The Basketball Efficiency Scientific Training Center, Inc. Dir. Nicanor Jorge is a member of the Club since April 2005. Dir. Jorge is the Chairman of the Audit Committee.

Dir. Jose G. Razon is a graduate of Bachelor of Science in Mining Engineering from the University of the Philippines. Dir. Razon is currently the Executive Vice President /Corporate Secretary of Razons Food Corporation. Dir. Jose G. Razon is a member of the Club since January 29, 2006 and He is the Chairman of the Administration Committee.

The Corporate Secretary of Valley Golf & Country Club is **Atty. Allan Jocson**. **Atty. Jocson** became a Proprietary member of Valley Golf since August 2018. He is currently a Partner in Sallan & Jocson Law Offices. He is a graduate of Bachelor of Laws in San Beda College of Law/Arellano Law Foundation (1999) and Bachelor of Arts Major in Political Science, De La Salle University (1994).

Mr. Dan L. Salvador III was born on June 5, 1964 and is now 59 years old. He was previously the General Manager of Valley Golf and Country Club and served as General Manager, consultant, manager, and director of various golf clubs in the country. Now, he is the General Manager of Valley Golf, starting 1 September 2021.

Mrs. Rosanna R. Arguelles was born on October 9, 1963 in Antipolo City and is now 59 years old; She is a CPA and a graduate of BSC with a major in Accounting at University of Santo Tomas. She was previously Chief Accountant of the Municipality

of Antipolo. She started her employment at Valley Golf in 1988 and is now the Division Manager of the Controller's Division.

Independent Directors¹

The following directors are considered Independent Directors as they are independent of management and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors:

1. Dir. Marvin Caparros;
2. Dir. Nicanor Jorge.

Dir. Marvin Caparros was nominated by Mr. Edward Lim; while Dir. Nicanor Jorge was nominated by Albertt San Gabriel. All the directors nominated are not related by consanguinity or affinity to the members/individuals who nominated them. Their Certificates of Qualification as Independent Directors as stated in the 17-C filed on 25 October 2022 are attached herein as Annex "C".

1. Dir. Marvin Caparros

Club Member since	: Playing Guest since September 2001	22 years
	Proprietary Member-July 2017	6 years
Date of Birth	: April 12, 1969	
Educ'l. Attainment/Profession	: BS in Civil Engineering- Univ. of California Irvine, Los Angeles, California	
Company Affiliation	: R.S. Caparros Associates and Co.	
Position	: CEO and President	
	M.A. Caparros Management and Development Corp. CEO and President	
	: G.O.C.C. Board President	

¹ Independent director: The Company has complied with the Guidelines set forth by SRC (Securities Regulation Code) Rule 38 regarding the Nomination and Election of Independent Director. The Company's By-Laws incorporate the procedures for the nomination and election of independent director/s in accordance with the requirements of the said Rule.

Other Work Experience	: Construction and Project Management Assn. of the Phils. Board Director	
	JAHAMA Base Foundation, Inc. Vice President and Board Director	
	Tradetek International, Los Angeles Board of Director	
	Golf of Mercedes Benz – Auto Nation Group, Inc. Director	
Committee Membership	Chairman, Sports and Games Committee	

2. Dir. Nicanor Jorge

Club Member since	: Propriety Member – April 2005	28 years
Date of Birth	: May 9, 1967	
Educ'l. Attainment/Profession	: Bachelor of Science in Economics and Masters in Business Administration	
Company Affiliation	: The Basketball Efficiency Scientific Training Center, Inc. Board of Director	
Committee Membership	: Chairman – Audit Committee	

The Valley Golf & Country Club, Inc. has independent nomination and election committees, which are, likewise, separate committees from each other. The **Nomination Committee** was created on 15 July 2023, and the following are the chairman and members of the said committee. The Club has proposed amendments to its By-Laws to comply with Rule 38 of the SRC.

Chairman - Vice President Jose Arsenio Isidro D. Borromeo III
Members - Dir. Marvin A. Caparros, Independent Dir.
Atty. Marcus Antonius T. Andaya
Atty. Conrad P. Cereno
Atty. Arlan N. Sallan

The **Election Committee** was created on 27 June 2023, with the following members:

Chairman - Atty. Joseph Joel R. Castillo

Members - Atty. Wendell V. Dimaculangan
Atty. Mark Boncris Santos

The nomination procedure is as follows: 1) the names of candidates for directors are submitted to the Club's Nomination Committee; 2) said committee then screens said candidates and determines their eligibility to run under the Club's Rules and By-laws; and 3) said committee then posts the names of the qualified candidates for directors.

In particular, the following procedure was observed:

The Board appointed a Nomination Committee of five (stockholders), one (1) of whom is an independent director and three (3) of whom are not Directors. The Nomination Committee sent notices to the Stockholders inviting them to submit the name/names of their nominees for the positions of Regular and Independent Directors for consideration and inclusion as candidate/s for election to the Board of Directors. The nominations should indicate the position to which the nominees are being nominated for. Stockholders were requested to submit their nominations together with the required documents to the Office of the President not later than 5:00 p.m. of August 1, 2023.

The Nomination Committee was mandated to nominate a minimum of 8 and maximum of 12 candidates for regular directors and minimum of 3 and maximum of 5 candidates for independent directors for election.

Only Stockholders in good standing may be nominated. However, the nominees should meet the additional qualifications set by the Board in accordance with the SEC issuances.

Significant Employees

Mr. Dan L. Salvador III was born on June 5, 1964 and is now 59 years old. He was previously the General Manager of Valley Golf and Country Club and served as General Manager, consultant, manager, and director of various golf clubs in the country. Now, he is the General Manager of Valley Golf, starting 1 September 2021.

Ms. Rosanna R. Arguelles was born on October 9, 1963 in Antipolo City and is now 59 years old; She is a CPA and a graduate of BSC with a major in Accounting at University of Santo Tomas. She was previously Chief

Accountant of the Municipality of Antipolo. She started her employment at Valley Golf in 1988 and is now the Division Manager of the Controller's Division.

Ms. Maria Cristina O. Santiago was born in Antipolo City on February 14, 1995. She is a graduate of Philippine School of Business Administration and passed the CPA licensure exam in May 2016. She is previously the Senior Internal Auditor of Siycha Group of Companies and an Associate of Pricewaterhouse Coopers. She started as the Internal Audit Head of Valley Golf and Country Club, Inc in December 2018 and is currently the Finance & Accounting Manager.

These are the General Manager, Division Manager and Department Manager and are considered the key personnel of the Club. The division and department managers as well as supervisors were previously given a yearly increase in salaries at a maximum of 7.5%. But in 2010, instead of giving annual increases, managers and supervisors were given performance bonuses - percentage from the audited net income. They also receive Christmas bonuses. All duties and responsibilities are ensured to be rotated to other supervisors within the department so there will be no monopoly of knowledge. The friendly atmosphere between management and supervisors and the benefits that the employees receive are factors that contribute to the sense of loyalty of the employees.

Election of Directors

The nine (9) candidates (seven [7] regular and two [2] independent) for election as directors at the Annual Meeting who will receive the highest number of affirmative votes will be elected and shall serve for a term of one (1) year.

Nominees'/Candidates' Profile (for Regular and Independent Directors)

1. Jose Arsenio Isidro "John" D. Borromeo III (Account No. 3140)			
		Regular	
Nominated by	:	Constantine Kohchet-Chua	
Date of Nomination	:	July 29, 2023	
Club Member since	:	Saturday, September 3, 2016	7

Date of Birth	: Tuesday, April 14, 1970	53 years old
Educ'l. Attainment/Profession	: Business Management	
Company Affiliation	: Semi Retired	
Work Experience	: Learn Earn Own Trading Partners Inc., Manila Phil (Country Manager)	2015-2018
	Sydcorn Wireless Corp., Markham, ON (Business Development Agent)	2005-2012
	Sydcorn Wireless Corp., Markham, ON (National Sales Manager)	2002-2005
Committee Chairmanship/Membership	: House Committee - Member	2017-2018 2020-2023
	Engineering & Construction Committee - Member	2018-2019
	21st DCT Committee - Member	2019-2020
	Grounds Committee - Member	2020-2021
	Membership Committee - Chairman	2020-2023
	Audit Committee - Member	2020-2021
	Grounds Committee - Chairman	2021-2022
	Security Committee - Chairman	2020-2023
	Bids & Awards Committee - Chairman	2022-2023
2. Marvin A. Caparros (Acct No. 1058)	Regular	
Nominated by	: Constantine Kohchet-Chua	
Date of Nomination	: July 29, 2023	
Club Member since	: Proprietary Member - July 26, 2017	6 years
	Playing Guest - September 15, 2001	22 years
Date of Birth	: April 12, 1969	53 years old
Educ'l. Attainment/Profession	: Bachelor of Science Major in Civil Engineering	1991
Company Affiliation	: R.S. Caparros Associates and Co.	
Position	: C.E.O & President	
Line of Business	:	

Other Work Experience	:	M.A. Caparros Management and Development Corporation	2020 to present
		C.E.O & President	
		G.O.C.C Board	2012 to present
		President	
		Construction and Project Management Association of the Phils	2020 to present
		Board Director	
		JAHAMA Base Foundation, Inc.	2018 to present
		Vice President and Board Director	
		Tradetek International, Los Angeles	1998 to present
		Board of Director	
		Mercedez Benz - Auto Nation Group, Inc.	2016 to present
		Director for Golf	
Committee Chairmanship/Membership		Engineering Committee - Member	2020-2021
		Sports & Games Committee - Member	2021-2022
		Engineering Committee - Vice Chairman	2022-2023
		Sports & Games Committee - Chairman	2022-2023
3. Jose Ferdinand R. Guiang (Accnt No. 2695)		Regular	
Nominated by	:	Angela Rozele M. Guiang	
Date of Nomination	:	July 27, 2023	
Club Member since	:	Proprietary Member - May 29, 2008	15 years
Date of Birth	:	March 3, 1965	58 years old
Educ'l. Attainment/Profession	:	AB Economics	
Company Affiliation	:	JFG Construction & Trading Corp. - President	
		Pharmazel, Inc. - President	
		Genesis Homes Realty, Inc. - President	

Other Work Experience	:	Sta Lucia Land, Inc. - Independent Director	
Committee Chairmanship/Membership	:	Grounds & Engineering Committee - Member	2011 - 2012 2013 - 2014
		Engineering Committee - Member	2021-2022
		Real Estate Committee - Member	2021-2022
		Sports and Games Committee - Member	2021-2022
		Grounds Committee - Chairman	2022-2023
4. Eric R. Illescas (Acct No. 2688)		Regular	
Nominated by	:	Renato C. Balibag	
Date of Nomination	:	July 29, 2023	
Club Member since	:	April 18, 2008	15 years
Date of Birth	:	April 25, 1957	66 years old
Educ'l. Attainment/Profession	:	Bachelor of Science in Mining Engineering / Civil Engineering	1979
Company Affiliation	:	Shakeys Restaurant Franchise	2011 to present
		CEO and President and Director	
		Hapchan Restaurant Franchise	2012 to present
		CEO and President	
		ASPEN Construction & Development Corp.	2009 to present
		CEO and President	
		ILLESCAS Realty & Development Corp.	2009 to present
		CEO and President	
		ASHDOD, Inc.	2018 to present
		CEO and President	
		Samgyupsalamat Restaurant Franchise	2023 to present
		CEO and President	
Other Work Experience	:		
Committee Membership	:	Finance Committee - Member	2021-2022
		Finance Committee - Member	2017-2018
		Engineering Committee - Member	2022-2023

5. Constantine L. Kohchet-Chua (Account No. 2795)		Regular	
Nominated by	:	Jose Arsenio Isidro Borromeo III	
Date of Nomination	:	July 29, 2023	
Club Member since	:	January 08, 2011	12 years
Date of Birth	:	January 13, 1966	57 years old
Educ'l. Attainment/Profession	:	B.S. in Business Administration And Accountancy (UP Diliman)	1983-1988
Company Affiliation	:	K.C. Bros. Industrial Corp.	April 1998 to present
Position	:	General Manager	
		Evolution Electric Cars Ph	Dec. 2020 to present
		Managing Director	
		Geely Fairview	June 2021 to present
		Director	
Other Work Experience	:	K.C. Bros. Industrial Corp. (Sales Manager/Co-Operations Manager)	May 1990-Mar. 1998
		Acumen Brand Strategy Consultant (Affiliate Consultant)	June 2014-December 2014
		The Big Advantage, Inc. (Managing Director)	Sept. 2004-Mar. 2007
		CAL Computer Schools-Del Monte Av., Inc. (Managing Director)	Apr.1998-Dec. 2014
		Procter & Gamble, Phils - Brand Marketing Department (Assistant Brand Manager)	Dec. 1989-Apr. 1990
		Procter & Gamble, Phils - Sales Department (Sales Trainee)	Oct. 1989-Nov. 1989
		Procter & Gamble, Phils - Brand Marketing Department (Brand Assistant)	June 1988-Sept. 1989
Committee Membership	:	House Committee - Member	2020-2022
		Grounds Committee - Member	2022-2023
		Finance Committee - Vice Chairman	2022-2023
		Sports and Games Committee - Chairman	2021-2022
		House Committee - Chairman	2022-2023
		Engineering Committee - Chairman	2022-2023

6. Rafael "Chino" S. Raymundo (Account No. 7150)		
		Regular
Nominated by	:	Jose Arsenio Isidro Borrromeo III
Date of Nomination	:	July 29, 2023
Club Member since	:	Playing Guest - Sept. 14, 2004
		4 year
		Proprietary Member - May 2009
		14 years
Date of Birth	:	Tuesday, August 27, 1963
		59 years old
Educ'l. Attainment/Profession	:	Bachelor of Science in Management
Company Affiliation	:	Service One Corporation
Position	:	President
Line of Business	:	
Committee Membership		
		Sports & Games Committee - Member
		2018-2020
		Member - Sports & Games Committee (Appointed as the Chairman of Federation)
		2014-2016
		21st DCT Committee - Member
		2019-2020
		Audit Committee - Member
		2020-2021
		House Committee - Chairman
		2020-2022
		Engineering & Construction Committee - Chairman
		2021-2022
7. Jose G. Razon (Account No. 7356)		
		Regular
Nominated by	:	Dennis Ramon Guanio
Date of Nomination	:	July 29, 2023
Club Member since	:	Proprietary Member - April 14, 2013
		10 years
		Playing Guest - January 29, 2006
		3 years
Date of Birth	:	December 20, 1955
		67 years old
Educ'l. Attainment/Profession	:	BS - Mining Engineering - UP Diliman
		1970-1976
Company Affiliation	:	Razons Food Corporation
		present
Position	:	Executive Vice President
		Alupro Inc. - President
		2003-2006
		Rinaldi Structal Fabrication, Inc. - VP Marketing
		2001-2002
		Altech Fabrication - VP Operation/Marketing
		1989-2001

	Hooven Comacco - Sales Manager	1977-1989
	Concrete Aggregates Inc. - Sales Supervisor	1976-1977
Committee Membership	House Committee - Member	2014-2015
	Admin Committee - Member	2021-2022
	Engineering & Construction Committee - Member	2021-2022
	Bids & Awards Committee - Member	2021-2022
	Audit Committee - Chairman	2021-2022
	Admin Committee - Chairman	2022-2023
	Audit Committee - Member	2022-2023
8. Rio Sesnando E. Venturanza (Account No. 1771)	Regular	
Nominated by	Enrique Yusingco	
Date of Nomination	July 31, 2023	
Club Member since	Proprietary Member - February 5, 2011	12 years
	Corporate Representative - July 7, 2000	11 years
Date of Birth	July 16, 1958	65 years old
Educ'l. Attainment/Profession	Bachelor of Laws - University of the Philippines	1982
	Bachelor of Arts in Economics - University of the Philippines	1978
Company Affiliation	Tan Venturanza Valdez Law Offices - Partner	Present
	Palm Concepcion Power Corp - Director	
	Blue Panel Equities and Development Inc. - Director	
	T&V Realty Corporation - Director	
	UP Law Class 82 Foundation Inc. - Director	
	Sta Clara International Corporation - Corporate Secretary	
	Meridian Securities Inc. - Corporate Secretary	

	Professional Parking and Management Corp. - Corporate Secretary	
	Park Secure and Management Corporation - Corporate Secretary	
Other Work Experience	Qulson Makalintal Barot and Torres Law Firm - Associate	
	Tan & Federis Law offices - Associate	
	Great Pacific Life Assurance Co. - Legal Assistant	
	Department of Labor and Employment - Legal Researcher	
	Philippine National oil Company - Labor Attorney	
	Free Legal Aid Group - Member	
Committee Membership	Corporate Secretary	2016-2019
	Legal Committee - Chairman	2019-2021
	Committee on Election - Chairman	2020
	Real Estate Committee - Member	2018
	Bids and Awards Committee - Member	2019-2020 2021-2022
	House Committee - Member	2020-2023
	Finance Committee - Chairman	2021-2023
	Legal Committee - Chairman	2021-2023
9. Edward P. Lim (Acct No. 7505)	Regular	
Nominated by	: Constantine Kohchet-Chua	
Date of Nomination	: 8/1/2023	
Club Member since	: July 27, 2010	13 years
Date of Birth	: April 21, 1966	57 years old
Educ'l. Attainment/Profession	: BS - Industrial Mgt-Eng.	1988
Company Affiliation	: Elsinore Office Furniture Systems, Inc.	2006-present
	President	
	One Leved Holding Corporation	2014-present
	President/ Chairman	

Other Work Experience	:		
Committee Membership	:	Membership Committee - Member	2022-2023
10. Luis Quiogue (Accnt No. 1392)		Regular	
Nominated by	:	Frederico Feliciano	
Date of Nomination	:	8/1/2023	
Club Member since	:	Proprietary Member - March 19, 2014	9 years
		Playing Guest - March 2002	
Date of Birth	:	7/13/1954	69 years old
Educ'l. Attainment/Profession	:	A.B Economics - Ateneo de Manila	1986
Company Affiliation	:	Ramcar Group of Companies - Vice President	2017 to present
		Board of Directors - Member	2015-2018
		Sports & Games Committee - Chairman	2015-2016
		Trust Fund Committee - Chairman	2016-2019
	:	Trust Fund Committee - Chairman	2021-2022
	:	Real Estate Committee - Chairman	2017-2018
11. Albert San Gabriel (Accnt No. 2868)		Regular	
Nominated by	:	Jaime Victor Santos	
Date of Nomination	:	August 1, 2023	
Club Member since	:	June 12, 2012	
Date of Birth	:	May 14, 1971	
Educ'l. Attainment/Profession	:	Bachelor of Science in Economics - California State Polytechnic University, Pomona	1989-1994
Company Affiliation	:	ACASA Properties Corp. - President	2018 to present
	:	Board of Directors - Member	2017-2022
	:	House Committee - Chairman	2017-2019
	:	Bids & Awards Committee - Chairman	2018-2019
	:	House Committee - Member	2012-2013
	:	Membership Committee - Member	2013-2015

	:	Adhoc on the Improvement of the North - Member	2015-2016
	:	Sports & Games Committee - Member	2016-2017
	:	Grounds Committee - Member	2021-2022
12. Robert John Barreto (Acct No. 7596)		Independent	
Nominated by	:	Rafael Raymundo	
Date of Nomination	:	8/1/2023	
Club Member since	:	Proprietary Member - August 29, 2013	9 years
		Playing Guest - November 27, 2007	
Date of Birth	:	November 12, 1980	42 years old
Educ'l. Attainment/Profession	:	BS Marketing - PSBA	1999
Company Affiliation	:	Gonzap Cars - Part Owner	
		Jobs 4 U Mnapower Services - HR/Operations Manager	
		Foods 4 U - Vice President	
		RRE Commercial Building - Managing Director	
Committee Membership	:	Administration Committee - Member	2022-2023
		House Committee - Member	2014
		14th DCT Committee - Vice Chairman	2013
		Sports & Games Committee - Member	2020-2021
		Sports & Games Committee - Member	
		House Committee - Member	2021-2022
13. Michael Echavez (Acct No. 2692)		Independent	
Nominated by	:	Levie Angeles	
Date of Nomination	:	Proprietary Member- April 18, 2008	
Club Member since	:	Playing Guest - January 9, 2002	
Date of Birth	:	7/16/1964	
Educ'l. Attainment/Profession	:	BS Mechanical Eng'g. - DLSU	

Company Affiliation	:	Amazigrace Globa Manpower Inc. - Managing Partner	May 2016 to present
		Ace Trader Equipment Sales Corp. - Director	November 2018 to present
Committee Membership	:	House Committee -Chairman	2013-2016
		DCT Committee - Member	2012-2013
		House Committee - Adviser	2012-2013
		House Committee - Member	2020-2022
		Engineering Committee - Member	2021-2022
		Administration Committee - Member	2022-2023
14. Ricky Libago (Acct No. 3334)		Independent	
Nominated by	:	Alex Suarez	
Date of Nomination	:	August 1, 2023	
Club Member since	:	Proprietary Member - October 10, 2019	3 years
Date of Birth	:	November 12, 1964	58 years old
Educ'l. Attainment/Profession	:	B.S in Sanitary Engineering - National University	1992-1993
		B.S. In Civil Engineering - Xavier University-Ateneo de Cagayan	1986-1991
Company Affiliation	:	The Archetectural Centre Club, Inc. - President	Feb. 2002 to present
Committee Membership	:	N/A	

None of the above nominees for election as director have been involved in any legal proceedings. The Nomination Forms and Certifications as to qualification of Independent Directors of the three (3) nominees for Independent Directors are attached as Annexes "C-4", "C-5" and "C-6".

Family Relationships

As of the filing of this report, management is not aware of any relationship (up to the fourth civil degree), either by consanguinity or affinity among the directors, executives, officers or members nominated to be directors.

Certain Relationships and Related Transactions

The Company has no known related party transactions other than those described in Note 24 (Related Party Disclosures) of the Notes to the Financial Statements (see Annex "H").

Involvement in Certain Legal Proceedings

The directors and executive officers or control persons of the registrant have not been involved during the past five (5) years in any of the following events which would be material to an evaluation of their ability or integrity to manage, to wit:

- a) Any bankruptcy petition filed by or against business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Legal Proceedings

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

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

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

On 10 November 2015, the Supreme Court rendered its decision denying the Club's petition for review and affirming the Court of Appeals decision. On 16 February 2016, Valley Golf filed its Motion for Reconsideration. However, this was denied by the Supreme Court in its Notice dated 16 March 2016 which we received on 25 May 2016. An Entry of Judgment has been issued and hence, the decision has become final and executory. On 30 April 2018, undersigned counsel received a Motion for Issuance of Writ of Execution filed by the plaintiffs' counsel. We then filed on 11 May 2018 a Comment/Manifestation to the motion stating that while Valley Golf intends to comply with the Decision dated 05 August 2008 of the Court of Appeals which has already become final and executory, its compliance should be in accordance with law and consistent also with Valley Golf's own rules and procedures regarding

stock ownership, transfer of shares and approval of membership and playing rights. The court in its Order dated 21 May 2018 has already granted the plaintiffs' Motion for Issuance of Writ of Execution. To forestall any inconvenience to Valley Golf and ensure orderly compliance with the Court of Appeals' decision, we met with plaintiffs' counsel on 30 May 2018 to explain to them the rules and procedures regarding stock ownership, transfer of shares and approval of membership and playing rights and inquired if plaintiffs are willing to accept a playing right instead of a golf share.

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

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

While the case was pending with the Court of Appeals, Valley Golf authorized its counsel to negotiate with the Plaintiffs' counsel for a settlement where a monetary amount will be paid to the Heirs of Dr. Reyes in lieu of a share of stock. After some discussions, the Plaintiffs' counsel informed Valley Golf's counsel that the former are willing to accept a payment of Php1.6 million pesos as full and final settlement of the case. Valley Golf will no longer issue to them a share of stock. A Compromise Agreement has been signed and the amount of Php1.6 million pesos paid to the heirs of Dr. Reyes. The Compromise Agreement was already filed with the Regional Trial Court of Makati (the court of origin) for its approval. Once the same is approved, a Manifestation shall also be filed with the Court of Appeals.

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

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

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

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

Manifestation with Motion, seeking that they be allowed to present their own evidence which was denied by the court after Valley Golf filed its opposition.

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

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

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

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

On 10 September 2019, Valley Golf's counsel received the Decision of the Court of Appeals which affirmed the Decision dated 16 July 2015 and Order dated 24

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

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

As the records of the case were already remanded back to the Regional Trial Court, on 19 January 2021, we filed a motion for issuance of writ of execution of the judgment. On 18 February 2021, some of the defendants filed an Opposition claiming that the mandatory requirements of Republic Act No. 7279, such as adequate relocation, should be complied with as they claimed to be underprivileged and homeless citizens. On 24 May 2021, we filed a Reply *Ad Cautelam* with Motion to Admit opposing the arguments of the defendants as they never raised before in their Answer that they are underprivileged and homeless citizens as defined by Republic Act No. 7279.

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

Beginning March 2023, Valley Golf commenced discussions with the Local Government of Cainta through its Mayor, the Hon. Maria Elenita Nieto, to seek assistance from the Local Government Unit to implement the decision of the Regional Trial Court. Thereafter, Valley Golf was informed by the Cainta LGU that resettlement lots will be provided for the settlers on the property and that the Urban Poor Administration Office (UPAO) will take the lead in relocating the settlers. A General Assembly was held with the settlers along with LGU officers last 14 June 2023 and it was agreed that the settlers will start vacating the property within 15 days from 19 June 2023. Complete vacation of the property should be accomplished within 60 days from 19 June 2023. Valley Golf will assist in providing some carpentry materials for some of the settlers to rebuild their houses on the relocation site. However, only a few of the settlers have vacated the property as of the agreed deadline. Should the settlers still fail to comply with the agreement to voluntarily vacate the property,

Valley Golf will consider implementing the Writ of Execution of the Decision of the the RTC Antipolo.

3. ***Jose B. Tayawa vs. Valley Golf & Country Club, Inc. , Jaime Victor Santos, Wilfredo G. Manahan, Albert G. Que, Leopoldo M. Garcia, and Albert D.G. San Gabriel***
(SCC Case No. 19-003, Regional Trial Court, Branch 70, Binangonan, Rizal)

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

The dispute arose when the Board of Directors imposed upon plaintiff the penalty of suspension for one (1) year. As stated in the Notice of Suspension, the grounds for suspension was for acts of cheating, in particular, for knowingly, deliberately and with intent to make a mockery of the election of the directors submitting to Valley Golf and using without the authority of the authorized signatory of Solid State Multi Product Corporation the Request for Duplicate/New Proxy Form (RFD) as well as replacement proxies of Solid State for one candidate, as the authorized signatory of Solid State himself certified that he only signed one set of proxies in favour of another candidate.

In his Complaint, plaintiff alleges that he did not commit any forgery or cheating or submission of an unauthorized proxy and hence, he should not have been suspended. He argues that even assuming that there was sufficient evidence of wrong doing on his part, the penalty of one (1) year suspension against him is harsh, oppressive and confiscatory since the Board of Directors has no authority to increase the penalty recommended by the Membership Committee. He also claims that there was no complaint against him to begin with and assuming there was, the complainant was not called upon to confirm the truthfulness and veracity of his complaint. He

added that the defendant board members merely assumed the same and on the basis of their faulty reasoning and assumption, held that plaintiff cheated or has submitted an unauthorized proxy. Plaintiff claims that on procedural and substantive grounds, the Suspension Order should be declared null and void.

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

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

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

Defendants also denied the claims for moral damages, exemplary damages as well as attorney's fees for lack of any factual or legal bases. Defendants also claim that there is no basis for the court to grant plaintiff's prayer for a Writ of Preliminary Mandatory Injunction as he has not demonstrated any injury that is incapable of pecuniary estimation and no clear and unmistakable right on his part that was violated when he was suspended by defendant Board members.

As counterclaim, individual defendants claim that by reason of the filing of this baseless, unwarranted complaint against them, considering that they were only performing their duties as directors to defend the interest, honor and integrity of the

corporation's election process, they have suffered serious anxiety, sleepless nights, besmirched reputation thereby entitling each of them to claim the amount of Five Hundred Thousand Pesos (Php500,000.00) as and by way of moral damages. And because of the malicious filing of the case which is devoid of any merit, defendant VGCCI was compelled to engage the service of counsel for which plaintiff should be held liable to pay Php175,000.00 acceptance fee, appearance fees of Php10,000.00 (partner) and Php7,500.00 (associate) for every appearance, pleading fees from Php10,000.00 to Php50,000.00, milestone fees and other litigation costs and costs of suit.

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

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

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

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

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

Thereafter, Valley Golf presented four (4) witnesses to testify on defenses and counterclaim of defendants and adopted testimonies of its witnesses during the preliminary injunction proceedings. Valley Golf intends to present 2 or 3 more witnesses. The next settings for this case are on 09 August 2023 and 13 September 2023 for continuation of presentation of evidence by the defendants.

4. ***Valley Golf and Country Club, Inc. (represented by Rosanna Arguelles) vs. Jetrick Nelson Tamayo***
(For Other Deceits, pending before Office of the Provincial Prosecutor of Rizal)

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

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

5. ***In Re: Petition for Issuance of New Owner's Duplicate Copy of Original Transfer Certificate of Title No. 140578 in lieu of the Lost One***
(LRC Case No. 21-7784, Regional Trial Court of Antipolo)

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

On 6 April 2019, RealtyPro & Diligence, Inc. (hereinafter referred to as "RealtyPro") was hired by Valley Golf to survey lots in the VGCCI Complex. After the

conduct of the survey, Realtypro reported to the Real Estate Committee of Valley Golf that during the course of its investigation of Lot 16 Block 1 (a parcel of land covered by Transfer Certificate of Title No. 140582), they identified that one of the boundary lots is Lot 12 Block 1 and the same is registered in the name of Valley Golf.

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

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

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

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

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

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

6. Valley Golf and Country Club, Inc. (formerly, Valley Golf Club, Inc.) versus Hon. Margarete A.B. Daus-Aspacio, in her capacity as Acting Presiding Judge of the Municipal Trial Court in Cities, Branch 4, Sheriff Ma. Wilma A. Coronado, and Ramoncito G. Tagle (SCA Case No. 22-1806, Regional Trial Court of Antipolo)

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

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

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

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

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

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

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

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

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

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

In the Petition, Valley Golf prayed that:

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

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

On 27 July 2022, we filed on behalf of Valley Golf an Urgent Ex-Parte Motion for Issuance of a Temporary Restraining Order and To Set Case for Hearing on the Issuance of the Writ of Preliminary Injunction praying that a Temporary Restraining Order (TRO) be issued enjoining respondent Ramoncito Tagle from closing,

obstructing of fencing off Valley Golf's Sumulong Highway Gate at Don Celso Tuason Avenue; from selling the subject property during the pendency of this case, as well as demolishing, damaging or defacing Valley Golf's concrete and ball signages at Sumulong Highway near Don Celso Tuason Avenue. The motion also prayed that the case be set for hearing on Valley Golf's prayer for issuance of the Writ of Preliminary Injunction.

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

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

On 21 October 2022, Valley Golf through counsel filed a Motion for Reconsideration arguing that it had no plain, speedy and adequate remedy in the ordinary course of law since the MTCC Antipolo Court already prohibited interventions and the filing of additional third party pleadings and motions. Valley Golf also argued that there is still an imminent threat to sell and/or close parts of the property of Valley Golf which necessitated the urgent Petition for Certiorari and Prohibition.

In its Order dated 06 December 2022 (received on 03 January 2023), the Regional Trial Court denied Valley Golf's Motion for Reconsideration prompting it to file a Notice of Appeal to the Court of Appeals on 17 January 2023. Based on the latest inquiry, the case has been raffled to the 15th Division of the Court of Appeals and its status is "for completion". Valley Golf's counsel has yet to receive the Order from the Court of Appeals to file Appellant's Brief.

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

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

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

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

As of this report, Valley Golf has yet to file its Answer as the date for the same is not yet due.

Item 6. Compensation of Directors and Executive Officers

Executive Compensation

General

The President, Vice-President, Treasurer, Asst. Treasurer and all members of the Board do not receive any salary or any monetary compensation as such.

As Corporate Secretary, **Atty. Allan Jacson** receives fourteen (14) green fee coupons per month (plus four (4) additional coupons per attendance on special board meetings or other appearances) as compensation for performing his duties as such.

The aggregate compensation paid or incurred during the last three fiscal years and estimated to be paid in the ensuing fiscal year to the President and executive officers of the Club are as follows:

SUMMARY COMPENSATION TABLE

Name	Position	Fiscal Year	Salary/month	13th month	Bonus
Dan L. Salvador	General Manager	2021	130,000.00		

		2022	150,000.00	43,452.05	
65,000.00		2023	200,000.00	150,000.00	75,000.00
Rosanna R. Arguelles	Division Manager Controller	2021	89,517.00	89,517.00	
44,758.50		2022	91,743.54	89,517.00	
44,758.50		2023	94,352.00	91,743.54	34,610.50
Maria Cristina T. Odon	F & A Mngr.	2023	55,524.00	32,984.36	14,026.71

Aside from the aforementioned compensation, the Club officers do not receive any other form of remuneration.

Compensation of Directors

The directors of the Club do not get compensation and/or per diem directly or indirectly, pursuant to Art. IV, Sec. 2 of the By-laws.

There are no outstanding warrants or options held by directors and officers. There are no actions to be taken with regard to the election, any bonus or profit-sharing, change in pension/retirement plan, granting of or extension of any options, warrants, or rights to purchase any securities.

Item 7. Independent Public Accountants

The ratification of the independent auditors for the Club for the current year will require the affirmative vote of a majority of the shares of the Club's shares of stock present or represented and entitled to vote at the Annual Meeting. The Board of Directors recommends the accounting firm of Sycip Gorres Velayo & Co. (an SEC-accredited accounting firm) as the retained accounting firm for the Club, that being the same firm that has been retained by the Club for the last/most recently-completed fiscal year.

Representatives of Sycip Gorres Velayo & Co. are expected to be present at the stockholders' meeting and will have the opportunity to make a statement if they desire to do so, and are likewise expected to be available to respond to appropriate questions. There has been no recent change in and disagreement with accountants on accounting and financial disclosure.

During the registrant's three (3) most recent fiscal years (up to June 2019), there was a change in the handling partners of the Club's

principal/independent accounting firm. The previous independent accounting firm (Uy Singson Abella) was replaced on 23 September 2012, by Sycip Gorres Velayo & Co., as principal accountant which audited the financial statements of the Club for the years ended June 30, 2013 up to 2019. The handling partner was Mr. Jose Pepito E. Zabat III from 2013 to 2016. For fiscal year 2017 and 2018 the handling partner was Mr. Alexis Benjamin C. Zaragoza III. For the current Fiscal Year 2019 the handling partner is Mr. Peter John R. Ventura. The change in external auditor was approved by the Board of Directors in their regular meeting held on May 19, 2012 and the appointment was approved during the Regular Stockholders' Meeting on September 22, 2013.

The regular changes of external auditor as well as the handling partners are in compliance with Revised Securities Regulation Code Rule 68, No. 3, B, (ix), (2019) as well as the Code of Ethics for Professional Accountants in the Philippines on Rotation of External Auditors and lead engagement partners at least or no more than every five (5) years, and has been reflected in a current report submitted to the SEC (The most recent Audited Financial Statement submitted with the SEC was signed by Sycip Gorres Velayo & Co.'s Partner, Mr. Peter John R. Ventura). Moreover, there was no related disagreement regarding said transfer of account or other auditing/accounting issues.

Finally, in connection with the compliance with the manual on good governance, the following independent-minded and reputable officers/members of Valley Golf and Country Club, Inc. were appointed as Chairman and members of the **Audit Committee** to wit:

- | | | |
|------------------------------|---|---------------|
| a. Dir. Nicanor S. Jorge | - | Chairman |
| b. Mr. Albert DG San Gabriel | - | Vice Chairman |
| c. Dir. Jose G. Razon | - | Member |
| d. Mr. Daniel Dumlao | - | Member |
| e. Mr. Federico Feliciano | - | Member |
| f. Mr. Donald Joseph Macomb | - | Member |
| g. Mr. Renato Mercado | - | Member |
| h. Mr. Jason Sy | - | Member |

External Audit Fees

The external audit fees for fiscal years 2022, and 2023 are as follows:

**FY 2023-Sycip Gorres Velayo & Co.
Professional Fees-**

Regular Audit	P440,000.00
Out of Pocket Expenses	<u>73,072.00</u>
	513,072.00
Vat	<u>61,568.64</u>
Total	P574,640.64

FY 2022 - Sycip Gorres Velayo & Co.

Professional Fees –	400,000.00
Regular Audit	
Out of Pocket Expenses	<u>61,671.00</u>
	461,671.00
VAT	<u>55,400.52</u>
Total	517,071.52

Income Tax Preparation Fiscal Year 2023 - Sycip Gorres Velayo & Co.

Professional Fees-	
Special Audit	P122,452.00
Out of Pocket	
Expenses	18,367.80
Vat	<u>7,300.20</u>
Total	P148,120.00

Income Tax Preparation Fiscal Year 2022 - Sycip Gorres Velayo & Co.

Professional Fees-	
Special Audit	P122,452.00
Out of Pocket	
Expenses	18,367.80
Vat	<u>7,300.20</u>
Total	P148,120.00

Item 8. Compensation Plans

Not Applicable. There are no plans for directors' compensation.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

Not applicable. No authorization or issuance of securities other than for exchange was made.

Item 10. Modification or Exchange of Securities

Not applicable. No modification or exchange of securities was made.

Item 11. Financial and Other Information

There were no significant changes in and disagreements with accountants on accounting and financial disclosure.

For Discussion on Compliance with Leading Practice of Corporate Governance see **Annex "D"**. For Management Report (Annual Report to Stockholders) see **Annex "E"**. For Management Discussion Analysis, see **Annex "F"**. For Management's Responsibility for Financial Statements, see **Annex "G"**. For the company's Audited Financial Statements and Quarterly Report (SEC Form 17-Q) for the First Quarter of the year 2019, see **Annexes "H"**, and **"H-1"**, respectively.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

Not applicable. The Club did not enter into any merger, consolidation or acquisition.

Item 13. Acquisition or Disposition of Property

The Club purchased the following heavy equipment:

Item	Date Purchased	Acquisition Cost	Amount Paid
1 unit Long Arm Backhoe SANY Excavator Supplier: ZWN Philippines, Inc.	January 2022	P5,700,000.00 (gross)	Downpayment: PhP1,140,000.00; Balance payable in 24 PDCs
20 Units Tempo Golf Cart, 2-	December 23, 2022	P6,720,000.00	Downpayment: 30%

seater (Club Car) White Supplier: SJK- GUAHAN, INC.			Balance payable in 4 PDCs
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The Club made no other acquisition or disposition of property.

Item 14. Restatement of Accounts

Not applicable. No restatement of accounts was made.

C. OTHER MATTERS

Item 15. Action with Respect to Reports

As per agenda, a reading and disposition of the annual meetings shall be held.

Likewise, the ratification of the acts of the Board of Directors and Management pertaining to matters affecting the budget, appointment of personnel and the appropriation of funds will require the affirmative vote of a majority of the shares of the Club's shares of stock present or represented and entitled to vote at the annual meeting.

No other matters that would require approval of the stockholders were raised.

Item 16. Matters Not Required To Be Submitted

No matters not required to be submitted for approval of the stockholders were raised.

Item 17. Amendment of Charter, By-Laws or Other Documents

There are proposed amendments to the Articles of Incorporation and By Laws of Valley Golf and Country Club, Inc. approved by the Board of Directors for ratification by the stockholders, as follows and underlined:

ARTICLES OF INCORPORATION:

ARTICLE II. SECONDARY PURPOSES

To buy, lease or otherwise acquire, own, hold and dispose of, such real and personal property as may be necessary, advantageous or convenient in the conduct of its business; to develop, improve, subdivide any properties owned by the corporation; **to offer and/or sell its proprietary shares to the public as may be allowed by the Securities and Exchange Commission under existing laws and its implementing rules and regulations;** and generally, to do and perform all such acts and things, and to exercise such powers as are ordinarily done, performed and exercised by social and athletic clubs and associations.

ARTICLE III

That the place where the principal office of the corporation is to be established or located is **Main Clubhouse, Valley Golf & Country Club, Inc., Don Celso S. Tuason Avenue, Victoria Valley, Barangay Munting Dilaw, Antipolo, Rizal, Philippines.**

ARTICLE IV

That said corporation **shall have perpetual existence.**

ARTICLE VI

That the number of directors of said corporation shall be **Eleven (11)** and that the names and residences of the Directors of the corporation who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

ARTICLE VII

That the capital stock of said corporation is Sixteen Million Two Hundred Thousand Pesos (PhP16,200,000.00) divided into One Thousand Eight Hundred (1,800) **common** shares of the par value of Nine Thousand Pesos (PhP9,000) each (as amended on September 13, 1981).

Said shares of stock shall be owned by and the interest thereof accrue only to the registered owner thereof, who, aside from his rights as shareholder, may in addition, and subject to such rules and regulations as may be promulgated by, screening and approval of the Board of Directors, be issued a regular membership card that would entitle him to all the rights and privileges that are extended to all holders of regular membership cards for the use and enjoyment of the facilities and premises of the Club.

The stock certificates shall be issued within sixty (60) business days from the date of their full payment. Any person who owns or buys a share shall be qualified before the actual sale or transfer of the share or certificate.

Shareholders shall have the right to share in the assets of the corporation upon its dissolution or liquidation.

BY-LAWS

ARTICLE IV – DIRECTORS

Section 1. Board of Directors – The business and property of the Club shall be managed by a Board **of Directors whose number shall be as provided for in the Articles of Incorporation, of which at least twenty percent (20%) shall be Independent Directors. Directors shall serve for a term of one (1) year.** No Director can serve consecutively for more than **five (5) years.**

No more than sixty (60) days prior to the annual meeting of stockholders, the President with the approval of the Board of Directors, shall appoint a **Nomination Committee of five (5) stockholders, one of whom shall be an Independent Director. Three (3) of the members shall not be Directors.** The said Nomination Committee shall prepare, sign and post at least **twenty-one (21) days** before the annual meeting, a list of not less than **ten (10) candidates for the Regular Directors and three (3) candidates for the Independent Directors** for the Board of Directors for the ensuing year; **Provided that no stockholder may run for both independent and regular director positions at the same time.**

The **Nomination Committee shall promulgate the guidelines and criteria to govern the conduct of the nomination of candidates for both regular and independent directors and** shall evaluate all candidates to ensure compliance with the required qualifications. **After the nomination, the Nomination Committee shall prepare a Final List of Candidates for both regular and independent directors, which list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement. The name of the person or group of persons who recommended the nomination of both the regular and independent director shall be identified in such Information Statement including any relationship with the nominee. The Final List of the qualified candidates nominated for regular and independent directors shall also** be included in the notice of the annual meeting that is sent out to each stockholder. **Only nominees whose names appear in the Final List of Candidates shall be eligible for election as regular and independent directors. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.**

Section 3. Board Meeting – The regular meeting of the Board or Directors shall be held once a month at such time and place as shall be determined by the Board. Special meetings of the Board may be called by the President, or upon written petition of

three (3) members. Notice of Board Meetings shall be served on each director at least three (3) days before the meeting, unless notice is waived by all the Directors present. Directors who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate. Directors cannot attend or vote by proxy at board meetings.

ARTICLE V - OFFICERS

Section 1. Designation – Majority of all the Board of Directors at its first meeting shall elect as Executive Officers of the Club a President, a Vice-President, a Treasurer, a Secretary, a Compliance Officer and such other administrative officers as it may deem proper.

Section 2. Qualification – All Executive Officers of the Club must be incumbent directors, with the exception on the Secretary and the Compliance Officer who must, however, be residents and citizens of the Philippines.

Section 4. Compensation – The compensation and working conditions of officers of the Club who are not directors, including the Corporate Secretary and the Compliance Officer, shall be fixed by the Board. Directors acting as such, or as officers of the Club including members of standing or special committees, shall receive no salaries or fees, whatsoever for their services.

Section 5. Duties and Responsibilities – The duties and responsibilities of the different officers of the Club are as follows:

- a) The President – The President shall preside at all meetings and shall sign the membership certificate of the Club. He shall be the chief executive officer of the Club and have general supervision of the business affairs and property of the Club and over its several agents and employees, with authority to hire said employee, and dispenses with their services subject to confirmation by the Board of Directors. He shall sign contracts on behalf of the Club and shall see that all orders and resolutions of the Board are carried into effect. In addition to the above duties expressly vested in him by these By-Laws, he shall do and perform such acts and duties as from the time to time may be assigned to him by the Board of Directors.
- b) The Vice-President – In the absence or disability of the President, the Vice-President shall exercise all the powers and discharge all the duties of the President. The Vice-President shall, in addition, have such powers and duties as may, from time to time be conferred on him by the Board.
- c) The Treasurer – The Treasurer, except as otherwise provided by the Board of Directors, shall have the custody of all moneys, securities and values of the Club that come into his possession, and shall keep regular books of accounts. He shall

deposit said moneys, securities and values in such banking institutions as may be designated, from time to time by the Board of Directors, subject to withdrawal therefrom on the signature of such officers of the Club as the board may, by resolution, designate. He shall perform all other duties incident to his office and all that are properly required on him by the Board of Directors. He shall furnish a bond conditioned upon the faithful performance of his duties, if and when required so to do by the Board of Directors; the amount of said bond to be determined and fixed by the said Board.

- d) The Secretary – The Secretary shall issue notices of all meetings, shall keep their minutes, shall have charge of the seal and corporate books; shall countersign the certificate of stock and sign such other instruments as required such signature, and shall make such reports and perform such other duties as are incident to his office or are properly required of him by the Board of Directors.
- e) **The Compliance Officer -- The Compliance Officer, who shall not be a member of the Board of Directors, shall monitor compliance with the provisions and requirements of the Club's Amended Manual of Corporate Governance and shall perform all the duties and responsibilities as provided therein.**

ARTICLE VI – COMMITTEES

Section 3. Other Standing Committees required for purposes of Corporate Good Governance – In addition to the committees mentioned under Sections 1 and 2 of this Article, the Club shall also have such committees as required by its Amended Manual on Corporate Good Governance including:

- a) **Nomination Committee**
- b) **Audit Committee**
- c) **Corporate Governance Committee**

The Nomination Committee's composition and functions shall be as provided for in Section 1 of Article IV (Directors) of these Amended By-Laws as well as in the Club's Amended Manual of Corporate Governance. The composition and functions of the Audit and Corporate Governance Committees shall follow the Club's Amended Manual of Corporate Governance and applicable laws.

ARTICLE VII – MEMBERSHIP

Section 1. Classification – Membership in the Club shall be classified into (a) Proprietary (b) Playing Guest (c) Honorary (d) Social **and (e) Lifetime.**

- a) A Proprietary Member is any person who is the registered stockholder of at least one (1) share of stock of the Club whose membership had been previously approved as hereinafter provided. In case the proprietary member is a juridical person it shall be entitled to designate its representative who shall exercise all the rights and privileges of membership including the right to vote, under terms and conditions specified for such membership.²
- b) An Honorary Member is any person who has been conferred playing rights by the Board of Directors under terms and conditions specified for such membership.
- c) A Playing Guest is any person who is the assignee of the playing rights of a share of stock registered in the name of another person.
- d) A Social Member is a natural or juridical person who has been granted the privilege of using the facilities of the club except the golf course under the terms and conditions specified for such membership.
- e) A Lifetime Member is any person who has been conferred playing rights by the Board of Directors under terms and conditions specified for such membership.

Section 3. Should the Board of Directors increase the stipulated monthly dues and other assessments of the Club. It shall submit to the Securities and Exchange Commission a report under oath of the increase in fees and the rationale for such increase within thirty (30) business days from the date of approval by the Board of Directors. The Club shall notify the members of any increase in fees upon the Board's approval of the increase and cause the posting of proper notices and other communications on the charging of fees on bulletin or electronic boards situated at conspicuous place/s at the Club.

The amendment is made to include another classification in the Corporation's membership, Lifetime. It also includes the provision regarding any increase in the stipulated monthly dues and other assessments of the Corporations should be reported to the SEC and the Club's members.

For reference as to the specific amendments, attached are the proposed amendments to the Articles of Incorporation and By-Laws as Annex "J" and "J-1", respectively.

The abovementioned amendments are being made for the corporation to fully comply with the Revised Corporation Code, Securities Regulation Code, and other applicable SEC issuances.

² Approved by the Board of Directors during its regular meeting on May 20, 2023.

Item 18. Other Proposed Action

The registrant presently contemplates no action to be taken with respect to any other matter not specifically referred to in the preceding items.

Item 19. Voting Procedures

Voting Procedure

When proxies are properly dated, executed and returned, the shares they represent will be voted at the Annual Meeting in accordance with the instructions of the stockholder. If no specific instructions are given or when the proxy is endorsed in blank, said proxy will be deemed given in favor of the chairman or presiding officer. The same shall be used only for purposes of establishing a quorum and will not be voted in favor of any candidate.

Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting and entitled to vote thereat, the vote of any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder/member voting, or in his name by his proxy if there be such proxy, and shall state the number of shares owned by him.

Abstentions with respect to any matter are treated as shares present or represented and entitled to vote for the purpose of determining whether the matter has been approved by the stockholders. Abstentions shall neither be for nor against any issue. Shares as to which proxy authority has been withheld with respect to any matter are not deemed to be present or represented for purposes of determining whether stockholder approval of that matter has been obtained.

To be elected as directors, the nominees must garner the plurality of votes. The top seven nominees for regular directors and top two nominees for independent voted shall be elected as directors.

The voting is made by ballot and the votes are counted based on the number of shares held and voted by the voter (who may also be holding proxy statements that entitle him to make proxy votes). Each share (represented by the holder or thru proxy) is entitled to one vote to approve or disapprove resolutions, and up to nine (9) votes (cumulative voting) to elect nine (9) directors.

For the online-voting procedure, please refer again to pages 10 to 13 of this Report as well as Annex "B", Guidelines for the September 25, 2022 Stockholders' Meeting.

Vote Required for Approval

Voting upon all questions at meetings of stockholders shall be made by shares of stock with each share of stock being counted as one vote.

Method by which Votes will be Counted

All matters subject to voter approval and election, except in cases where the law or by-laws provide otherwise, shall be decided by the plurality votes of stockholders in person or by proxy and entitled to vote thereat, a quorum being present. Cumulative voting shall be allowed for the election of directors of the Board as discussed below.

Cumulative Voting

A shareholder or his proxy may choose to vote the shares registered in his name in the stock books of the corporation for the nine (9) directors to be elected. He or his proxy may, however, opt to cumulate said shares and give one candidate as many votes equivalent to the number of his shares multiplied by three (3) or he may distribute the said number of votes among as many candidates as he may see fit. The discretion authority to vote cumulatively is solicited and authorized in the Club's Standard Proxy Statement.

The right to exercise cumulative voting has been recognized under the existing by-laws of the registrant and may be exercised without any required condition precedent.

PART II. INFORMATION REQUIRED IN A PROXY FORM

(See attached Proxy Forms, Annexes "I" and "I-1" hereof)

Item 1. Identification

The name of the proxy should be indicated in the blank provided. The stockholder's name or "N.A." shall be indicated in the blank if the proxy is intended only to be counted for quorum purposes.

Item 2. Instruction

The proxy shall be authorized to represent the stockholder at the annual general meeting and any postponements or adjournments thereof and in his stead to vote on all matters arising from the agenda (except the sale or disposition, total or partial, of the corporate assets).

Item 3. Revocability of Proxy

A stockholder giving the proxy has the power to revoke it at any time by giving written notice to the COMELEC before the object of the proxy shall have been consummated or by voting in person.

Item 4. Persons Making the Solicitation

Solicitation Procedure

Solicitation of proxies shall commence on 21 August 2023, and shall continue until 14 September 2023 at 5:00 p.m.

In view of the holding of the meeting by remote communication and online voting, the Solicitation Procedure to be followed for this Meeting shall be that as stated in page 8 of this Report. Please also refer to **Annex "B"**, Guidelines for the September 24, 2023 Stockholders' Meeting.

The stockholders are given a choice as to whose favor the proxy will be given. Said choices include, the nominees for the position of Club directors, the incumbent members of the Board or any active stockholder of the Club. Should the stockholder concerned decide to sign the proxy without a proper designation, he is then advised that said proxy will be deemed in favor of the chairman and that the same shall be considered solely for the purpose of establishing a quorum and shall not be voted in favor of any candidate. As of the filing of this proxy statement the registrant has not received any information, in writing or otherwise that any action intended to be taken by the registrant will be opposed by any director or member of the club. Such, however, is not conclusive that there will be no opposition to any of the actions that may be undertaken by the registrant.

Only stockholders of record on the books of the Club at the close of business hours on 01 August 2023 will be entitled to vote at the Annual Meeting. However, delinquent members shall not be qualified to vote. Presence in person or by proxy of a majority of the shares of stocks

outstanding on the record date is required for a quorum. As of close of business, on 01 August 2023, there are 1,594 issued and outstanding shares.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

Valley Golf does not have any transactions with or involving a company or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of the total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

Valley Golf does not have transactions with promoters.

Valley Golf does not have a parent company or a subsidiary company.

PART III. SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Antipolo City on 10 August 2023.

Issuer : **VALLEY GOLF AND COUNTRY CLUB, INC.**

UNDERTAKING:

THE CLUB SHALL PROVIDE, FREE OF CHARGE, A COPY OF THIS PROXY STATEMENT/REGISTRANT'S ANNUAL REPORT, TO MEMBERS WHO ARE NOT DELINQUENT, UPON FILING OF A WRITTEN REQUEST WITH THE OFFICE OF THE PRESIDENT, MR. RAFAEL S. RAYMUNDO AT "VALLEY GOLF & COUNTRY CLUB, INC., DON CELSO S. TUASON AVENUE, VICTORIA VALLEY, ANTIPOLLO CITY, TELEPHONE NUMBER 658-49-01. AT THE DISCRETION OF MANAGEMENT, A CHARGE IS LIMITED TO REASONABLE EXPENSES INCURRED BY THE REGISTRANT IN FURNISHING SUCH EXHIBITS.



RAFAEL S. RAYMUNDO
Principal Executive Officer/
President



RIO SESINANDO E. VENTURANZA
Principal Financial Officer/
Treasurer



ALLAN BOCSON
Corporate Secretary



DAN L. SALVADOR III
General Manager/Compliance Officer



ROSANNA R. ARGUELLES
Comptroller/Head Controllers Division



MARIA CRISTINA O. SANTIAGO
Principal Accounting Officer/
Finance & Accounting Manager

Certification

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

- 1) That I have caused this Definitive Information Statement (SEC Form 20IS) to be prepared on behalf of **VALLEY GOLF & COUNTRY CLUB, INC.**
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company **VALLEY GOLF & COUNTRY CLUB, INC.** will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this AUG 10 2023 day of ANTIPOLO CITY, 20 .



DAN L. SALVADOR III

General Manager/Compliance Officer

SUBSCRIBED AND SWORN to before me this AUG 10 2023 day of , 20 , in ANTIPOLO CITY City, Philippines.



ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC

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

Roll of Attorneys No. 27541

MCLE Compliance No. VII-0023686

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

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

NOTARY PUBLIC

Doc No.
Page No.
Book No.
Series of 2023



NOTICE AND AGENDA OF ANNUAL MEETING OF STOCKHOLDERS

**TO: ALL STOCKHOLDERS
VALLEY GOLF & COUNTRY CLUB, INC.**

ANNEX " A "

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. will be conducted in hybrid format (a combination of in-person and remote attendance) on September 24, 2023 at 4:00P.M. as provided for in the Minutes of the Meeting dated July 15, 2023 wherein the Board of Directors approved the conduct of the annual meeting in hybrid format.

Voting by VGCCI stockholders of record *in absentia* will be through the Club's secure online voting facility or by appointing a proxy. The in-person meeting will be held at the Founders' Hall, Main Clubhouse, Valley Golf & Country Club, Don Celso Tuason Ave., Antipolo City and will be live streamed through an online live broadcast.

Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary. Stockholders who wish to attend in-person must email the Corporate Secretary at admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Stockholders intending to exercise the right to vote in absentia should notify Valley Golf by sending an e-mail to admin@valleygolf.com.ph and submit a fully accomplished and signed Letter of Intent (LOI) and Data Privacy Consent form.

Elections for Members of the Board shall likewise be held on Sept 20 (8:00 a.m.) up to Sept. 21, 2023 (5:00 p.m.) for members Voting in Person online and September 22, 2023 (from 8:00 a.m. to 5:00 pm) for those Voting by Proxy online.

AGENDA

1. Call to Order
2. Corporate Secretary's Certification of Service of Notice and Quorum
3. Approval of the Minutes of the Annual Meeting of Stockholders held on September 25, 2022
4. Matters arising from the Minutes and action taken.
5. Financial Report of the Treasurer
6. President's Report

VALLEY GOLF AND COUNTRY CLUB, INC
Don Celso S. Tuason Ave. Antipolo City 1870 Philippines
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www.valleygolf.com.ph
E-mail: info@valleygolf.com.ph



7. Ratification of the President and Treasurer's Reports, Acts of the Board and Management (July 1, 2022 to June 30, 2023)
8. Appointment of External Auditor
9. Amendment of the Articles of Incorporation:
10. Amendment of the By-laws:
11. Election of Directors
12. Other Matters
13. Adjournment

WHO ARE QUALIFIED TO VOTE

The Board of Directors has fixed August 1, 2023 as the record date for the determination of the stockholders who are entitled to vote at said Annual Meeting. "Only stockholders in good standing shall have the right to vote and be voted upon x x x." (Article III, Sec. 8, Amended By-Laws). The stock and transfer book of the corporation will not be closed.

Only stockholders in good standing as of August 1, 2023 and not appearing in the Club's delinquent list as posted on September 14, 2023 shall be qualified to vote.

For voting purposes, each share of stock shall be entitled to one (1) vote. However, in electing the candidates for the Board of Directors, each shareholder shall be entitled to nine (9) cumulative votes.

A stockholder may appoint a proxy to represent him or her during the Annual Meeting, subject to the Rules and Procedures in the Verification/Authentication of Proxies as shown in Enclosure No. 4. All proxies submitted and registered on or before 5:00 P.M. of the record date, shall be the basis for determining the quorum.

Deadline for filing of proxy forms is at 5:00 PM of September 14, 2023. Proxy forms shall be validated as these are received by the Club, provided that the proxy forms are submitted to the Club on or before 5:00 P.M. of September 14, 2023. The last day for validation of proxy forms is on September 19, 2023 at 5:00 P.M.

WHO ARE QUALIFIED FOR ELECTION

Only those nominated in accordance with Article III, Section 8, Article IV, Section 1 - Paragraph 2 and Article IV, Section 5 of the Club's By-Laws, who satisfied the qualifications and passed the screening of the Nominating Committee, shall qualify for election to the Board of Directors.

Stockholders on record shall elect nine (9) Directors from the list of qualified candidates.

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SCHEDULE OF VOTING, CANVASSING & ANNOUNCEMENT OF RESULT

September 20-21, 2023 (Wednesday – Thursday)	Voting in Person online from September 20 (8:00 a.m.) up to September 21, 2022 (5:00 p.m.)
September 23, 2022 (Friday)	Voting by Proxyholder online from 8:00 a.m. to 5:00 pm

Voting for stockholders may only be done through the Online Voting System/Portal and not during the live stream broadcast.

An independent third-party entity will count and tabulate the votes cast in absentia through the Voting System/Portal. The Committee on Election will validate the voting results. The Committee on Election shall report the results of voting during the Meeting.

RULES OF THE MEETING

1. Stockholders' meeting will be under a hybrid set up. Stockholders will be allowed to personally attend the on-site meeting subject to limitation on the number of in-person participants as a safety precaution.

Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary.

Registration:

- Open your browser and type <https://www.valleygolfelection.com>, Supply the one-time passcode (that was sent to your email address) on the "Account Verification Form" and press Enter.
- Click Register and you will be redirected to a Google Form.
- Accomplish the required information and click *I agree with the Privacy notice of VGCC and click I consent to the processing of the above information in connection with VGCC's Annual Stockholders Meeting.*
- The following information and documentary requirements must be emailed to admin@valleygolf.com.ph to complete the registration:
 - o For individual stockholder:

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- Valid government-issued ID with photo and signature (in JPG format)
- A valid and active e-mail address
- A valid and active contact number
- For corporation:
 - A scanned copy of certification signed by a duly authorized officer of such corporation attesting to the authority of the representative to vote for and on behalf of the corporation (in JPG format)
 - A scanned copy of one (1) valid government-issued ID of the representative with photo and signature (in JPG format)
 - A valid and active e-mail address of the representative
 - A valid and active contact number of the representative
- In addition to the above, Stockholders who wish to attend in-person must email the Corporate Secretary at admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Livestream - Zoom Webinar

- i. Please go to <https://zoom.us/test> and click "Join".
 - ii. You will be given the option to "download and run Zoom" (if not yet installed previously, especially for mobile devices) or to "join from your browser" (recommended for desktop/laptop users).
 - iii. To join the webinar, click the link that the host provided or the one you received in the confirmation page after you registered. If the host sent a registration confirmation email, the link can also be found there.
2. Stockholders of record who have OTP will be provided a direct link to the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
 3. Stockholders are advised to ensure a stable internet connection during online registration, voting, and viewing of the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
 4. Items in the Agenda together with the questions, suggestions or comments sent through email by any stockholder including the results of the voting on every item in the Agenda will be presented sequentially during the meeting
 5. The main page of the Club's website will provide a link to the recording of the whole meeting.

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6. Only the Items in the Agenda and the results of the election will be taken up in the virtual meeting.
7. The Board of Directors, members of the Committee on Election (Comelec), stockholders (and administrative support staff) will be present in the hybrid meeting.
8. The link to audio and video recordings of the 2023 ASM livestream broadcast will be made available in the Club's website after the event.
9. Stockholders may submit questions and comments including objections, if any, on any matter in the Agenda, on or before 5:00 p.m. on September 22, 2023 which will be posted with the corresponding replies thereto during the live stream of the 2023 Annual Stockholders Meeting (ASM).
10. Any questions or comments submitted and received after the deadline shall be answered directly by Management thru email to the stockholder concerned. Additional questions or comments may be sent to office of the president@valleygolf.com.ph
11. Mechanism for Information dissemination – The website will include a portion for "Frequently asked questions". Stockholders are advised to visit the Frequently Asked Questions (FAQ) page prior to sending inquiries.



ATTY. ALLAN JOCSON
Corporate Secretary

Enclosures: 1) Minutes of the Stockholders Meeting on September 25, 2022; 2) Summary of all Board Resolutions; 3) Rules and Procedures in the Verification/Authentication of Proxies and Election of Directors; 4) List of Candidates; and 5) Calendar.

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ANNEX " B "

GUIDELINES FOR THE SEPTEMBER 24, 2023 STOCKHOLDERS MEETING

The 2023 Annual Stockholders' Meeting (ASM) of VALLEY GOLF & COUNTRY CLUB, INC. (or "Club") is scheduled on September 24, 2023 at 4:00 PM (Manila Time).

As part of the Club's initiative to continuously promote shareholder rights while closely monitoring the lingering public health impact of the coronavirus outbreak (COVID-19) in the country and adhering to all pertinent directives and advisories from the government, its various agencies and health authorities, we are pleased to inform our stockholders that VALLEY GOLF & COUNTRY CLUB, INC. will be conducting its 2023 Annual Stockholders' Meeting (ASM) in person and/or via remote/ communication as authorized and provided for in SEC Memorandum Circular No. 6, series of 2020. The Board of Directors of the Club has approved a resolution authorizing the stockholders to participate in the 2023 ASM in person and/or via remote communication and exercise their right to vote in absentia from the safety and comfort of their own homes.

1. GENERAL GUIDELINES:

- 1.1. The Notice of the Stockholders' Meeting and attachments (Minutes of the 2022 Stockholders' Meeting, Summary of Board Resolutions, Rules for the Election of Directors, List of Candidates, Annual Report and Calendar) will be sent to all Stockholders on record as of August 16, 2023 thru email. The Notice and the attached documents shall likewise be posted on the front page of the Club website and can be accessed by any proprietary member by logging in to our website using his/her account number and password.

NOTICE AND AGENDA OF ANNUAL MEETING OF STOCKHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of VALLEY GOLF & COUNTRY CLUB, INC. will be conducted in hybrid format (a combination of in-person and remote attendance) on September 24, 2023 at 4:00P.M. as provided for in the Minutes of the Meeting dated July 15, 2023 wherein the Board of Directors approved the conduct of the annual meeting in hybrid format.

Voting by VGCCI stockholders of record *in absentia* will be through the Club's secure online voting facility or by appointing a proxy. The in-person meeting will be held at the Founders' Hall, Main Clubhouse, Valley Golf & Country Club, Don Celso Tuason Ave., Antipolo City and will be live streamed through an online live broadcast.

Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary. Stockholders who wish to attend in-person must email the Corporate Secretary at

admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Stockholders intending to exercise the right to vote *in absentia* should notify Valley Golf by sending an e-mail to admin@valleygolf.com.ph and submit a fully accomplished and signed Letter of Intent (LOI) and Data Privacy Consent form.

Elections for Members of the Board shall likewise be held on Sept 20 (8:00 a.m.) up to Sept. 21, 2023 (5:00 p.m.) for members Voting in Person online and September 22, 2023 (from 8:00 a.m. to 5:00 pm) for those Voting by Proxy online.

AGENDA

1. Call to Order
 2. Corporate Secretary's Certification of Service of Notice and Quorum
 3. Approval of the Minutes of the Annual Meeting of Stockholders held on September 25, 2022
 4. Matters arising from the Minutes and action taken.
 5. Financial Report of the Treasurer
 6. President's Report
 7. Ratification of the President and Treasurer's Reports, Acts of the Board and Management (July 1, 2022 to June 30, 2023)
 8. Appointment of External Auditor
 9. Amendment of the Articles of Incorporation:
 10. Amendment of the By-laws:
 11. Election of Directors
 12. Other Matters
 13. Adjournment
-
- 1.2. There will be audio and video recordings of the meeting.
 - 1.3. Stockholders intending to participate by remote communication and exercise the right to vote in absentia should notify Valley Golf by sending an e-mail to admin@valleygolf.com.ph and submit a fully accomplished and signed Letter of Intent (LOI) and Data Privacy Consent form.
 - 1.4. Each Stockholder will be given a One Time Password (OTP) sent thru email. in case he intends to participate by remote communication and exercise his right to vote in absentia
 - 1.5. All information and documents submitted online shall be subject to verification and validation by the Office of Membership and Internal Audit.
 - 1.6. After verification and validation, an e-mail confirmation will be sent by Club.
 - 1.7. A notification for the opening of online voting system shall be sent to the stockholders.
 - 1.8. The procedures for online voting in absentia, and participation in the meeting through remote communication can be accessed through the Club's website, www.valleygolf.com.ph.
 - 1.9. Stockholders who have the issued OTP can vote in absentia and access the online livestreaming of the annual stockholders' meeting. You will not be able to vote through the Online Voting System/ Portal if you do not have the OTP

- 1.10. Stockholders intending to participate by appointing a proxy should submit their proxy forms online not later than 5:00 p.m. on September 14, 2023
- 1.11. Stockholders who have no email address may submit their proxy (hard copies) at the Registration area.
- 1.12. Only Stockholders who have submitted the information and registration requirements, completed the online registration process, received confirmation of their registration and received the OTP can vote and participate in the meeting through remote communication or vote in absentia.
- 1.13. To protect your privacy, personal data and information, identity, and rights as a stockholder, the Club **highly discourages** the use of an email address that does not belong to you. Please remember that your log-in credentials to the Online Voting System/Portal and live stream invitation, as well as official communications from the Club will be sent to this email address hence, we advise that you use your own active personal email address.

The Club likewise discourages the use of the following:

- Inactive email addresses
- Email addresses of family members
- Work emails
- Compromised emails or emails with two or more people having access

2. CONDUCT OF THE STOCKHOLDERS' MEETING

- 2.1 Stockholders' meeting will be under a hybrid set up. Stockholders will be allowed to personally attend the on-site meeting subject to limitation on the number of in-person participants as a safety precaution.

Stockholders who wish to participate in the meeting, whether in-person or remotely, must register at the VGCCI 2023 ASM website <www.valleygolfelection.com> and email supporting documents listed therein to admin@valleygolf.com.ph on or before September 19, 2023. All documents submitted will be subject to verification and validation by the Corporate Secretary.

2.1.1 Registration:

- Open your browser and type <https://www.valleygolfelection.com>, Supply the one-time passcode (that was sent to your email address) on the "Account Verification Form" and press Enter.
- Click Register and you will be redirected to a Google Form.
- Accomplish the required information and click *I agree with the Privacy notice of VGCC and click I consent to the processing of the above information in connection with VGCC's Annual Stockholders Meeting.*
- The following information and documentary requirements must be emailed to admin@valleygolf.com.ph to complete the registration:
 - For individual stockholder:
 - Valid government-issued ID with photo and signature (in JPG format)
 - A valid and active e-mail address
 - A valid and active contact number

- For corporation:
 - A scanned copy of certification signed by a duly authorized officer of such corporation attesting to the authority of the representative to vote for and on behalf of the corporation (in JPG format)
 - A scanned copy of one (1) valid government-issued ID of the representative with photo and signature (in JPG format)
 - A valid and active e-mail address of the representative
 - A valid and active contact number of the representative
- In addition to the above, Stockholders who wish to attend in-person must email the Corporate Secretary at admin@valleygolf.com.ph to be counted for in-person attendance. Kindly note that in-person attendance will be limited to the first fifty (50) Stockholders who registered via email as set forth above.

Livestream - Zoom Webinar

- 2.1.1. Please go to <https://zoom.us/test> and click "Join".
- 2.1.2. You will be given the option to "download and run Zoom" (if not yet installed previously, especially for mobile devices) or to "join from your browser" (recommended for desktop/laptop users).
- 2.1.3. To join the webinar, click the link that the host provided or the one you received in the confirmation page after you registered. If the host sent a registration confirmation email, the link can also be found there.
- 2.2. Stockholders of record who have OTP will be provided a direct link to the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
- 2.3. Stockholders are advised to ensure a stable internet connection during online registration, voting, and viewing of the live stream broadcast of the 2023 Annual Stockholders Meeting (ASM).
- 2.4. Items in the Agenda together with the questions, suggestions or comments sent through email by any stockholder including the results of the voting on every item in the Agenda will be presented sequentially during the meeting
- 2.5. The main page of the Club's website will provide a link to the recording of the whole meeting.
- 2.6. Only the items in the Agenda and the results of the election will be taken up in the virtual meeting.
- 2.7. The Board of Directors, members of the Committee on Election (Comelec), stockholders (and administrative support staff) will be present in the hybrid meeting.
- 2.8. The link to audio and video recordings of the 2023 ASM livestream broadcast will be made available in the Club's website after the event.
- 2.9. Stockholders may submit questions and comments including objections, if any, on any matter in the Agenda, on or before 5:00 p.m. on September 22, 2023 which will be posted with the corresponding replies thereto during the live stream of the 2023 Annual Stockholders Meeting (ASM).
- 2.10. Any questions or comments submitted and received after the deadline shall be answered directly by Management thru email to the stockholder concerned. Additional questions or comments may be sent to office of the president@valleygolf.com.ph

- 2.11. Mechanism for information dissemination – The website will include a portion for “Frequently asked questions”. Stockholders are advised to visit the Frequently Asked Questions (FAQ) page prior to sending inquiries.

3. PROXIES

3.1. Proxies.

- 3.1.1. Stockholders may request for the Pre-numbered Proxy form. A stockholder can request a maximum of 20 proxy forms per day only before the office of the Human Resource Department.
 - 3.1.2. The member may choose to execute a proxy form in favor of another member to exercise his right to vote.
 - 3.1.3. Unless the reason for replacement is due to death or severe physical, mental or medical incapacity to discharge the representative's functions under the proxy, once the proxy form has been validated, the same shall be deemed final, without prejudice to the right of the Stockholder to personally appear to cancel the proxy form and cast his vote before his proxy or assignee shall have cast a vote on his behalf.
- 3.2. After the proxy forms are properly accomplished, the same may be submitted at the Human Resource Department.
 - 3.3. If the proxy form is submitted with 2 or more names proxies for the election of the members of the Board of Directors, it will be invalid for voting and considered for quorum purposes only. If the proxy form is corrected before submission then it is valid. If a Stockholder signs 2 or more proxy forms in favor of 2 different persons and the 2 proxies submit both proxy forms signed by the same stockholder for the election of the members of the Board of Directors the proxies are invalid for voting and will be considered for quorum purposes only. This is without prejudice to the right of the stockholder to exercise his/her right to vote online either remote or in-person.
 - 3.4. In case of loss or destruction of the numbered proxy form, the stockholder concerned may request for a Replacement Proxy form. The stockholder must submit a notarized affidavit of Request for Replacement Form citing the reason for the request.
 - 3.5. In case of a corporate stockholder, the person appearing before the Committee should be equipped with a duly notarized Secretary’s Certificate showing that he is authorized to cause the cancellation of the subject proxy form.
 - 3.6. Once a Replacement Proxy Form has been issued, the Original Proxy form shall be automatically canceled and can no longer be used even if subsequently found.
 - 3.7. All Proxy forms submitted before the Human Resource Dept. will be subject to Internal Audit Procedure.

4. ONLINE VOTING PROCEDURE

- 4.1 The Annual Stockholders Meeting (ASM) webcast uses an entirely different secure system. For cyber security purposes, the Online Voting System/Portal also uses a separate, secure system or platform.
- 4.2 An electronic absentee ballot will be available upon login of all registered Stockholders in the front page portion of the website dedicated for the Stockholders Meeting. OTP is required for login in the voting system. The Stockholder will receive his/her OTP thru the registered email while Proxyholders will be sent a separate OTP for voting thru Proxy. All agenda items in the Notice of the Stockholders' Meeting may be voted upon as follows:
- 4.3 For all items in the Agenda except the Election of Directors, the Stockholder/Proxyholder will click any of the following:

STEP 1: Click the link in the email sent to you containing your log-in credentials to access the ONLINE VOTING PORTAL. Alternatively, you may also click on the VOTE icon in the microsite.

STEP 2: Enter the log-in credentials provided and click LOGIN.

STEP 3: The stockholders may vote on amendment online and each agenda item. A brief description of each item for stockholder's approval is appended to the NOTICE OF MEETING.

4.3.1. Voting for the Election of Directors by Stockholders and Proxyholders

Vote "Yes", "No", or "Abstain" on each agenda item for approval.

- 4.3.1.1. Electronic Ballot for the Stockholder – the registered Stockholder shall indicate the number of votes for each candidate by following the step-by-step procedure on the ballot. The number of votes shall not exceed the number of shares owned by the stockholder multiplied by nine (9).
- 4.3.1.2. Electronic Ballot for the Proxyholder – the registered Proxyholder shall indicate the number of votes for each candidate by following the procedure on the ballot. The number of votes shall not exceed the number of valid proxies multiplied by nine (9).
- 4.3.1.3. For election of directors, vote for nine nominees, withhold vote for any of the nominees, or vote for certain nominees only.

4.3.2. Voting for Amendment by the General Manager.

- 4.3.2.1. Electronic Ballot for General Manager – the General Manager shall indicate the number of votes for the proposed amendments by following the procedure on the ballot. The number of votes shall not exceed the number of valid proxies. Vote Yes or No on the proposed amendments.

Note: The stockholder may vote such number of shares for as many persons as there are directors to be elected or cumulate such said shares and give one candidate as many votes as the number of directors to be elected multiplied

by the number of shares owned, or distribute them on the same principle among as many candidates as may be seen fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholder multiplied by nine (9). The seven candidates for regular directors and the two candidates for independent directors with the most number of votes shall be declared elected.

STEP 4: Once you have reached the last of the agenda items and have made your votes, click on the **CONFIRM AND SUBMIT** button.

STEP 5: You will then be presented with a summary where you can review the votes you have casted. If you are satisfied, once again click the **CONFIRM AND SUBMIT** button. Once confirmed, the Stockholder/Proxyholder will no longer be allowed to make any changes in his ballot. You will also receive an email confirming that your votes have been submitted to the Club.

Note: a stockholder attending and participating in the ASM in multiple capacities must go through the voting process for each capacity. Stockholders must exert all effort in ensuring that their votes are proper prior to submitting the same.

STEP 6: The Stockholder/Proxyholder will logout from the system.

Note: A stockholder who personally casts his vote or votes through a proxy online shall be considered present for purposes of determining quorum even if he or his proxy does not join the webinar during the virtual stockholders' meeting itself.

- 4.4 Stockholders who have not issued a proxy (or have decided to disregard the same) and wish to vote online will be counted for quorum purposes thru the authorization that will be confirmed before access is allowed in the voting system.
- 4.5 An independent third-party entity will count and tabulate the votes cast in absentia through the Voting System/Portal.
- 4.6 The Comelec shall validate the voting results and report the same to the Board during the Meeting.

4.7 Schedule of Voting

September 20-21, 2023 (Wednesday- Thursday)	Stockholders online voting from Sept. 20 (8:00 a.m.) up to Sept. 21, 2023 (5:00 p.m.)
September 22, 2023 (Friday)	Voting by Proxyholders online from 8:00 a.m. to 5:00 p.m.

Voting by the stockholders can only be done exclusively through the Online Voting System/Portal stated above and not during the live stream broadcast on September 24, 2023

5 OTHER MATTERS TO ADDRESS ADMINISTRATIVE, TECHNICAL AND LOGISTICAL ISSUES.

- 5.1 The Club is not responsible for the reliability, stability, or the speed of the hardware and software of the computer or device being used by the stockholder, nor shall the Club be responsible for the connection, speed, and stability of the internet connection of the computer or device of the stockholder when using the Online Voting System, and Livestream Broadcast of the 2023 Annual Stockholders Meeting (ASM).
- 5.2 The Club has taken all necessary steps and precautions within its power to ensure the security of the Online Voting System and Livestream Broadcast. This notwithstanding, should the Club detect any unauthorized third-party access, intrusion, interference, and/or Interruption with said systems, which in the sole determination of the Club poses a risk of disclosure of personal and private data or may result in a breach of data privacy laws and regulations, the Club reserves the right to immediately disable any of the systems without prior notice.

ALLAN JOCSON
Corporate Secretary

Valley Golf and Country Club, Inc.

From: ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>
Sent: Wednesday, 26 October 2022 3:03 PM
To: info@valleygolf.com.ph
Subject: Re: CGFD_VALLEY GOLF & COUNTRY CLUB, INC._SEC FORM 17-C_Independent Directors and Committees_26 October 2022

ANNEX " C "

Your report/document has been **SUCCESSFULLY ACCEPTED** by ICTD. (Subject to Verification and Review of the Quality of the Attached Document) Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in **PORTABLE DOCUMENT FORMAT (PDF) Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, ICA-QR, ICA-AR, 23-A, 23-B, I-ACGR, ACGR, Monthly Reports, Quarterly Reports, Letters, OPC(ALTERNATE NOMINEE), GIS-G, 52-AR, IHAR, AMLA-CF, NPM, NPAM, BP-FCLC, CHINESEWALL, 39-AR, 36-AR, PNFS, MCG, S10/SEC-NTCE-EXEMPT, through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail. eFAST or over-the-counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ELECTRONIC FILING AND SUBMISSION TOOL (eFAST)** such as: AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please go to SEC website:

<https://apps010.sec.gov.ph>

For your information and guidance.

Thank you and keep safe.

Certification

I, DAN L. SALVADOR III, the General Manager/Compliance Officer of VALLEY GOLF & COUNTRY CLUB, INC., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number 13081 and with principal office at Don Celso S. Tusson Victoria Valley Antipolo City, on oath state:

- 1) That I have caused this Current Report (SEC Form 17-C) for the period ended October 22, 2022 to be prepared on behalf of VALLEY GOLF & COUNTRY CLUB, INC.
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company VALLEY GOLF & COUNTRY CLUB, INC. will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this OCT 26 2022 day of ANTIPOLO CITY, 2022.



DAN L. SALVADOR III
Affiant



ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Calinta, Taytay, Rizal
Until December 31, 2022
Roll of Attorneys No. 27541
MCLE Compliance No. VI-0017458
IBP No. 181520; Jan. 03, 2022
PTR No. 8236789; Jan. 03, 2022 Antipolo Cit

Doc No. 57
Page No. 29
Book No. 59
Series of 2022

SECURITIES AND EXCHANGE COMMISSION

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported): 22 October 2022
2. SEC Identification Number : 13951
3. BIR Tax Identification No.: 000-649-197
4. Exact name of issuer as specified in its charter: VALLEY GOLF & COUNTRY CLUB,
INC.
5. Province, country or other jurisdiction of incorporation: Antipolo, Rizal, Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office/ Postal Code: Don Celso S. Tuason Ave. Victoria Valley,
Antipolo, Rizal 1870
8. Issuer's telephone number, including area code: (632) 658-4901 to 03 / (632) 658-4920 /
(632) 658-0079 to 89
9. Former name or former address, if changed since last report: Not Applicable
10. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Stock</u>	<u>1,594 shares outstanding</u>

11. Indicate the item numbers reported herein: Item 4

ITEM 4. RESIGNATION, REMOVAL, ELECTION OR APPOINTMENT OF REGISTRANT'S DIRECTORS OR OFFICERS.

In compliance with the Manual of Corporate Governance, the Board of Directors in their Regular meeting last October 22, 2022, approved the following appointments

1. Dir. Nicanor S. Jorge as Chairman of the Audit Committee
2. Dir. Jose G. Razon as Chairman of the Compensation/Remuneration Committee
3. The following Directors were appointed Independent Directors of Valley Golf & Country Club, Inc.
 - a. Dir. Marvin A. Caparros
 - b. Dir. Nicanor S. Jorge

Attached are the Certification of the Independent Directors.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VALLEY GOLF & COUNTRY CLUB, INC.
Issuer

25 October 2022
Date

By:



DAN L. SALVADOR
Compliance Officer/General Manager

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **MARVIN A. CAPARROS**, Filipino, of legal age and with address at 8 Switzerland St. Loyala Grand Villas, Quezon City after having been sworn in accordance with law, hereby depose and state that:

1. I am the Independent Director of VALLEY GOLF AND COUNTRY CLUB, INC. ("VGCCI")
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Valley Golf & Country Club, Inc.	Director	2022 - 2025
M.A. Caparros Management and Development Corporation	C.E.O & President	2020 - Present
G.O.C.C Board	President	2012 - Present
Construction and Project Management Association of the Phils	Board of Director	2020 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of VGCCI, as provided for in Section 38 of the Securities Regulation Code and its implementing Rules and Regulations.
4. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.
5. I shall inform the Corporate Secretary of VGCCI of any changes in the abovementioned information within five days from its occurrence.


Done this OCT 26 day of 2022 at ANTIPOLO CITY



MARVIN A. CAPARROS
Affiant

SUBSCRIBED AND SWORN to before me in ANTIPOLO CITY this 26 day of 2022 by Marvin Caparros personally appeared to me with TIN: 121-593-517 known to me who is the same person who signed before me the foregoing Certification of Independent Director and acknowledged that he executed the same.

Doc. No. 37
Page No. 10
Book No. 13
Series of 2022.


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2022
Roll of Attorneys No. 27541
MCLE Compliance No. VI-0017458
IBP No. 181520; Jan. 03, 2022
PTR No. 8236289; Jan. 03, 2022 Antipolo City

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **NICANOR S. JORGE**, Filipino, of legal age and with address at 35 Scout Lozano St. Barangay Laging Handa, Quezon City after having been sworn in accordance with law, hereby depose and state that:

- 1. I am the Independent Director of **VALLEY GOLF AND COUNTRY CLUB, INC.** ("VGCCI")
- 2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Valley Golf & Country Club, Inc.	Director	2022 - 2025
The Basketball Efficiency Scientific Training Center, Inc.	Member, Board of Directors	2017 - Present


- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of VGCCI, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.
- 4. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.
- 5. I shall inform the Corporate Secretary of VGCCI of any changes in the abovementioned information within five days from its occurrence.

Done this OCT 26 2022 day of ANTIPOLO CITY 2022 at ANTIPOLO CITY


NICANOR S. JORGE
Affiant

SUBSCRIBED AND SWORN to before me in ANTIPOLO CITY this OCT 26 2022 day of _____ 2022 by **NICANOR S. JORGE** personally appeared to me with TIN 128-967-539, known to me who is the same person who signed before me the foregoing Certification of Independent Director and acknowledged that he executed the same.

Doc. No. 393
Page No. 49
Book No. 69
Series of 2022.


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2022
Roll of Attorneys No. 27541
MCLE Compliance No. VI-0017458
IBP No. 181520; Jan. 03, 2022
PTR No. R2167891; Jan. 03, 2022 Antipolo City

From:
Sent:
To:
Subject:

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>
Thursday, 20 July 2023 1:24 PM
info@valleygolf.com.ph
Re: CGFD_VALLEY GOLF & COUNTRY CLUB, INC._SEC FORM 17-C_NOMINATION COMMITTEE-_20 JULY 2023

ANNEX "

Thank you for reaching out to ictdsubmission@sec.gov.ph!

Your submission is subject for Verification and Review of the Quality of the Attached Document only for Secondary Reports. The Official Copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order through the SEC Express at <https://secexpress.ph/>. For further clarifications, please call (02) 8737-8888.

----- NOTICE TO
COMPANIES -----

Please be informed of the reports that shall be filed only through ictdsubmission@sec.gov.ph.

Pursuant to SEC MC Circular No. 3 s 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (pdf) through email at ictdsubmission@sec.gov.ph such as the following SECONDARY REPORTS:

1. 17-A 6. ICA-QR 11. IHAR 16. 39-AR 21. Monthly Reports
2. 17-C 7. 23-A 12. AMLA-CF 17. 36-AR 22. Quarterly Reports
3. 17-L 8. 23-B 13. NPM 18. PNFS 23. Letters
4. 17-Q 9. GIS-G 14. NPAM 19. MCG 24. OPC (Alternate Nominee)
5. ICASR 10. 52-AR 15. BP-FCLC 20. S10/SEC-NTCE-EXEMPT

Further, effective 01 July 2023, the following reports shall be submitted through <https://efast.sec.gov.ph/user/login>.

1. FORM MC 18 7. Completion Report
2. FORM 1 - MC 19 8. Certificate-SEC Form MCG- 2009
3. FORM 2- MC 19 9. Certificate-SEC Form MCG- 2002, 2020 ETC.
4. ACGR 10. Certification of Attendance in Corporate Governance
5. I-ACGR 11. Secretary's Certificate Meeting of Board Directors (Appointment)
6. MRPT

Please be informed that the submission of the abovementioned eleven (11) reports through the ictdsubmission@sec.gov.ph shall no longer be accepted. For further information, please access this link Notice for guidance on the filing of reports:

Likewise, the following reports shall be filed through the Electronic Filing and Submission Tool (eFAST) at <https://efast.sec.gov.ph/user/login> :

1. AFS 7. IHFS 13. SSF
2. GIS 8. LCFS 14. AFS with Affidavit of No Operation
3. BDFS 9. LCIF 15. AFS with NSPO Form 1,2, and 3
4. FCFS 10. OPC_AO 16. AFS with NSPO Form 1,2,3 and 4,5,6
5. FCIF 11. PHFS 17. FS - Parent
6. GFFS 12. SFFS 18. FS - Consolidated

For the submission and processing of compliance in the filing of Memorandum Circular No. 28 Series of 2020, please visit this link – <https://apps010.sec.gov.ph/>

COVER SHEET

1 3 9 5 1

S.E.C. Registration Number

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

C L U B , I N C .

(Company's Full Name)

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

V I C T O R I A V A L L E Y , A N T I P O L O ,

R I Z A L

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

ROSANNA R. ARGUELLES

Contact Person

8658-4901

Company Telephone Number

0 6

Month

3 0

Day

Fiscal Year

SEC Form 17-C

FORM TYPE

09 4th Sunday

Month Day

Annual Meeting

Secondary License Type, if Applicable

C G F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Owning at Least One Board Lot

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

Certification

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


- 1) That I have caused this Current Report (SEC Form 17-C) for the period ended July 15, 2023 to be prepared on behalf of **VALLEY GOLF & COUNTRY CLUB, INC.**
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company **VALLEY GOLF & COUNTRY CLUB, INC.** will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this JUL 20 2023 day of _____, 20_____.

JUL 20 2023
SUBSCRIBED AND SWORN TO BEFORE ME
THIS ___ DAY OF ___ AT ANTIPOLO CITY
AFFIANT EXHIBITING TO ME HIS/HER GOV'T
VALID ID NOTED BELOW HIS NAME


DAN L. SALVADOR III
Affiant

Doc. No. 324
Page No. 68
Book No. 65
Series of: 1023


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

SECURITIES AND EXCHANGE COMMISSION

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported): 15 July 2023
2. SEC Identification Number : 13951
3. BIR Tax Identification No.: 000-649-197
4. Exact name of issuer as specified in its charter: VALLEY GOLF & COUNTRY CLUB,
INC.
5. Province, country or other jurisdiction of incorporation: Antipolo, Rizal, Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office/ Postal Code: Don Celso S. Tuason Ave. Victoria Valley,
Antipolo, Rizal 1870
8. Issuer's telephone number, including area code: (632) 8658-4901 to 03 / (632) 8658-4920
9. Former name or former address, if changed since last report: Not Applicable
10. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Stock</u>	<u>1,594 shares outstanding</u>

11. Indicate the item numbers reported herein: Item 9

ITEM 9. OTHER EVENTS

In compliance with the Manual of Corporate Governance, the Board of Directors in their Regular meeting last July 15, 2023, approved the appointment of the following members of the Nomination Committee for the September 24, 2023 Stockholders' Meeting and Election of the Board of Directors:

Nomination Committee:

1. Vice President Jose Arsenio Isidro D. Borromeo III
2. Dir. Marvin A. Caparros – Independent Director
3. Atty. Marcus Antonius T. Andaya
4. Atty. Conrad P. Cereno
5. Atty. Arlan N. Sallan

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VALLEY GOLF & COUNTRY CLUB, INC.
Issuer

July 19, 2023
Date

By:



DAN L. SALVADOR III
Compliance Officer/General Manager

Valley Golf and Country Club, Inc.

From: ICTD Submission <ictdsubmission@canned.response@sec.gov.ph>
 Sent: Tuesday, 27 June 2023 3:05 PM
 To: info@valleygolf.com.ph
 Subject: Re: CGFD_Valley Golf & Country Club Inc_SEC Form 17-C_Commission on Elections_ 27June2023

Thank you for reaching out to ictdsubmission@sec.gov.ph

Your submission is subject for Verification and Review of the Quality of the Attached Document only for Secondary Reports. The Official Copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order through the SEC Express at <https://secexpress.ph/>. For further clarifications, please call (02) 8737-8888.

----- NOTICE TO
 COMPANIES -----

Please be informed of the reports that shall be filed only through ictdsubmission@sec.gov.ph.

Pursuant to SEC MC Circular No. 3 s 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (pdf) through email at ictdsubmission@sec.gov.ph such as the following SECONDARY REPORTS:

1. 17-A 6. ICA-QR 11. IHAR 16. 39-AR 21. Monthly Reports
2. 17-C 7. 23-A 12. AMLA-CF 17. 36-AR 22. Quarterly Reports
3. 17-L 8. 23-B 13. NPM 18. PNFS 23. Letters
4. 17-Q 9. GIS-G 14. NPAM 19. MCG 24. OPC (Alternate Nominee)
5. ICASR 10. 52-AR 15. BP-FCLC 20. S10/SEC-NTCE-EXEMPT

Further, effective 01 July 2023, the following reports shall be submitted through <https://efast.sec.gov.ph/user/login>.

1. FORM MC 18 7. Completion Report
2. FORM 1 - MC 19 8. Certificate-SEC Form MCG- 2009
3. FORM 2- MC 19 9. Certificate-SEC Form MCG- 2002, 2020 ETC.
4. ACGR 10. Certification of Attendance in Corporate Governance
5. I-ACGR 11. Secretary's Certificate Meeting of Board Directors (Appointment)
6. MRPT

Please be informed that the submission of the abovementioned eleven (11) reports through the ictdsubmission@sec.gov.ph shall no longer be accepted. For further information, please access this link Notice for guidance on the filing of reports:

Likewise, the following reports shall be filed through the Electronic Filing and Submission Tool (eFAST) at <https://efast.sec.gov.ph/user/login> :

1. AFS 7. IHFS 13. SSF
2. GIS 8. LCFS 14. AFS with Affidavit of No Operation
3. BDFS 9. LCIF 15. AFS with NSPO Form 1,2, and 3
4. FCFS 10. OPC_AO 16. AFS with NSPO Form 1,2,3 and 4,5,6
5. FCIF 11. PHFS 17. FS - Parent
6. GFFS 12. SFFS 18. FS -- Consolidated

COVER SHEET

1 3 9 5 1
S.E.C. Registration Number

V A L L E Y G O L F & C O U N T R Y
C L U B , I N C .
(Company's Full Name)

D O N C E L S O S . T U A S O N A V E .
V I C T O R I A V A L L E Y , A N T I P O L O ,
R I Z A L
(Business Address: No. Street/City/Province)

ROSANNA R. ARGUELLES
Contact Person

658-4901
Company Telephone Number

0 6 3 0
Month Day
Fiscal Year

SEC Form 17-C
FORM TYPE

09 4th Sunday
Month Day
Annual Meeting

Secondary License Type, if Applicable

C G F D
Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders
Owning at Least One Board Lot

Total Amount of Borrowings
 Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

Certification

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

- 1) That I have caused this **Current Report (SEC Form 17-C) for the period ended June 27, 2023** to be prepared on behalf of **VALLEY GOLF & COUNTRY CLUB, INC.**
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company **VALLEY GOLF & COUNTRY CLUB, INC.** will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this JUN 27 2023 day of **ANTIPOLO CITY**


20 JUN 27 2023
**SUBSCRIBED AND SWORN TO
BEFORE ME THIS _____ DAY OF _____
IN ANTIPOLO CITY AFFIANT
EXHIBITING TO HIS / HER GOV'T
VALID ID NOTED BELOW HIS NAME**



DAN L. SALVADOR III
Affiant

SES. 39- 8294606-2

Doc No. 81
Page No. 18
Book No. 65
Series of 2023


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2024
Roll of Attorneys No. 27841
MCLE Compliance No. VII-0023686
IBP No. 256227; Dec. 30, 2022, RSM
PTR No. 8675432; Jan. 03, 2023 Antipolo City

SECURITIES AND EXCHANGE COMMISSION

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported): 27 June 2023
2. SEC Identification Number : 13951
3. BIR Tax Identification No.: 000-649-197
4. Exact name of issuer as specified in its charter: VALLEY GOLF & COUNTRY CLUB,
INC.
5. Province, country or other jurisdiction of incorporation: Antipolo, Rizal, Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office/ Postal Code: Don Celso S. Tuason Ave. Victoria Valley,
Antipolo, Rizal 1870
8. Issuer's telephone number, including area code: (632) 658-4901 to 03 / (632) 658-4920 /
(632) 658-0079 to 89
9. Former name or former address, if changed since last report: Not Applicable
10. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Stock</u>	<u>1,594 shares outstanding</u>

11. Indicate the item numbers reported herein: Item 9

ITEM 9. OTHER EVENTS

In compliance with the Manual of Corporate Governance, the Board of Directors in their Regular meeting last June 26, 2023 approved the appointment of the following members of the Committee on Elections for the September 24, 2023 Stockholders' Meeting and Election of the Board of Directors:

Committee on Elections:

1. Atty. Joseph Joel R. Castillo - Chairman
2. Atty. Wendell V. Dimaculangan - Member
3. Atty. Mark Boncris Santos - Member

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VALLEY GOLF & COUNTRY CLUB, INC.

Issuer

June 27, 2023

Date

By:



DAN L. SALVADOR III

Compliance Officer/General Manager

Valley Golf and Country Club, Inc.

From: ICTD Submission - ictdsubmission@sec.gov.ph
Sent: Tuesday, 3 January 2023 3:46:11M
To: info@valleygolf.com.ph
Subject: Re: CGFD-VALLEY GOLF AND COUNTRY CLUB INC., SEC FORM 17C-ITEM 9 - OTHER EVENTS 03 JANUARY 2023

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD. (Subject to Verification and Review of the Quality of the Attached Document) Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) Secondary Reports such as: 17-A, 17-C, 17-L, 17-Q, ICASR, ICA-QR, ICA-AR, 23-A, 23-B, I-ACGR, ACGR, Monthly Reports, Quarterly Reports, Letters, OPC(ALTERNATE NOMINEE),GIS-G, 52-AR, IHAR,AMLA-CF,NPM,NPAM, BP-FCLC, CHINESEWALL, 39-AR,36-AR, PNFS, MCG, S10/SEC-NTCE-EXEMPT, through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail, eFAST or over-the-counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the ELECTRONIC FILING AND SUBMISSION TOOL (eFAST) such as: AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please go to SEC website:

<https://apps010.sec.gov.ph>

For your information and guidance.

Thank you and keep safe.

COVER SHEET

1 3 9 5 1
S.E.C. Registration Number

V A L L E Y G O L F & C O U N T R Y
C L U B I N C .
(Company's Full Name)

D O N C E L S O S . T U A S O N A V E .
V I C T O R I A V A L L E Y , A N T I P O L O .
R I Z A L
(Business Address: No. Street/City/Province)

ROSANNA R. ARGUELLES
Contact Person

658-4901
Company Telephone Number

0 6 3 0
Month Day
Fiscal Year

SEC Form 17-C
FORM TYPE

09 4th Sunday
Month Day
Annual Meeting

Secretary License Type, if Applicable

C G F D
Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders
Owning at Least One Board Lot

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number
Document ID

LCU

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

Certification

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

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

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20_____.



DAN L. SALVADOR III
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME
THIS JAN 03 2023 AT
ANTIPOL CITY AFFIANT EXHIBITING
TO ME NUMBER _____

DOC. NO. 25
PAGE NO. 1
BOOK NO. 1
SERIES OF 202 2

ATTY. ALBINO E. PARAYADA
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
IBP NO. 248473/10-7-2022
ROLL NO. 53950
MCLENO. VII-0015985/4-14-18
PTR NO. 8073603/1-3-ANTIPOL

SECURITIES AND EXCHANGE COMMISSION

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported): 03 January 2023
2. SEC Identification Number : 13951
3. BIR Tax Identification No.: 000-649-197
4. Exact name of issuer as specified in its charter: VALLEY GOLF & COUNTRY CLUB,
INC.
5. Province, country or other jurisdiction of incorporation: Antipolo, Rizal, Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office/ Postal Code: Don Celso S. Tuason Ave. Victoria Valley,
Antipolo, Rizal 1870
8. Issuer's telephone number, including area code: (632) 658-4901 to 03 / (632) 658-4920 /
(632) 658-0079 to 89
9. Former name or former address, if changed since last report: Not Applicable
10. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Stock</u>	<u>1,594 shares outstanding</u>

11. Indicate the item numbers reported herein: Item 9 – Other Events

ITEM 9.

In compliance with the Manual of Corporate Governance, the following are the members of the Audit Committee and Compensation Committee

1. The composition of the Audit Committee is as follows:

- a) Dir. Nicanor S. Jorge – Chairman
- b) Mr. Albert DG. San Gabriel – Vice-Chairman
- c) Dir. Jose G. Razon – Member
- d) Mr. Daniel Dumlao - Member
- e) Mr. Federico Feliciano – Member
- f) Mr. Donald Joseph Macomb – Member
- g) Mr. Renato Mercado - Member
- h) Mr. Jason Sy – Member

2. The composition of the Compensation Committee is as follows:

- a) Dir. Jose G. Razon – Chairman
- b) Dir. Renato C. Balibag – Vice-Chairman
- c) Mr. Robert John Barretto – Member
- d) Mr. Errol Collado – Member
- e) Mr. Michael Echavez – Member
- f) Ms. Cecile Esguerra – Member
- g) Mr. Dennis Ramon Guanio – Member
- h) Mr. Jose Basilio Leonardo – Member
- i) Atty, Pedro H. Maniego – Member
- j) Mr. Romeo Robles - Member

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VALLEY GOLF & COUNTRY CLUB, INC.

Jan. 3, 2023

Issuer

Date

By:



DAN L. SALVADOR III

Compliance Officer/General Manager

Re: Nomination for Election to the Board of Directors

It is my pleasure to nominate RICKY LIBAGO with 3334
Membership Account Number, as candidate for election to the position of

Regular

Independent Director of Valley Golf & Country Club, Inc.

I hereby certify that RICKY LIBAGO meets the following requirements for a Regular/Independent Director:

- a. He/ She has one (1) share of stock recorded in his/her name for at least three (3) years at the time of nomination and shall continue to own a share during his/her term of office. (If the nominee has been a member of a standing committee for at least one (1) year, or a playing guest or corporate representative for at least two (2) years, the three-year requirement will be reduced to one (1) year.
- b. He/ She is a college graduate or has sufficient experience in managing the business to substitute for such formal education or he has been engaged or exposed to the business of the corporation for at least five (5) years, for Independent Director
- c. He/ She is more than twenty-one (21) years old.
- d. He/ She is an active Proprietary member of good standing with no delinquent account/s, who has not assigned the playing right of his/her share of stock upon his/her nomination, has committed in writing not to assign said playing right during his/her incumbency if elected.
- e. He/ She has sufficient time and is willing to share his/her professional and executive expertise.
- f. He/ She has no official record of grave and serious misconduct that merited Club membership suspension and has not been convicted in any criminal case;
- g. He/ She is mentally and physically fit to serve as member of the Board for one (1) year. The nominating committee may request a medical certification that the nominee is mentally and physically fit.
- h. He/ She has proven to possess integrity and probity.
- i. He/ She is assiduous.
- j. He/ She possesses all the qualifications and none of the disqualifications listed in the By-laws, the Guidelines of the Nomination Committee and the Amended Manual of Corporate Governance.

Attached hereto are the following documents:

1. Resume with 2x2 Photo;
2. Duly accomplished Acceptance Form (Notarized);
3. Duly Accomplished Certificate of Qualifications (Notarized)*

*for independent directors only.


ALEX SUAREZ
PROPOSER

Acct. No. 2527

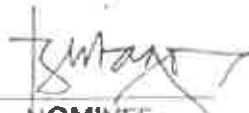
CONFORME TO NOMINATION AS DIRECTOR

I, RICKY LIBAEO, of legal age, Filipino, married/single, and a resident of _____, have read the Nomination Form in which my name was submitted as candidate for

Regular

Independent Director and I have no objections to such nomination.


I also certify that the documents attached and submitted in such Nomination Form are true and correct.


NOMINEE

Acct. No. 3334

SUBSCRIBE AND SWORN TO before me this AUG 01 2023 at MAKATI CITY, Philippines. Affiant, exhibited to me his Community Tax Certificate No. _____ issued at _____ on _____.

Doc. No. 38
Page No. 39
Book No. 31
Series of DM


ATTY. JOSHUA P. LAPUZ
Notary Public Makati City
Until Dec. 31, 2023
Appointment No. M-014-(2022-2023)
PTR No. 9563523 Jan. 3, 2023 / Makati
IBP Lifer No. 04897 Roll No. 45790
NCLC Compliance No. VII-0016370
Issued on April 25, 2022
G/F Fedman Bldg., 174 Salcedo St
Legaspi Village, Makati City

CERTIFICATION OF INDEPENDENT DIRECTOR

I, RICKY LIBAGO, Filipino, of legal age and a resident of _____ after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Valley Golf & Country Club Inc.;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
The Architectural Club Center, Inc (ACCIC)	PRESIDENT	2022 TO PRESENT
EMPIRE ESTATE HOLDINGS INC	EXECUTIVE VICE PRESIDENT	2009 TO APRIL 2023

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Valley Golf & Country Club provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of Valley Golf & Country Club other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
NONE		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NONE		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from the (head of the agency/department) to be an independent director in Valley Golf & Country Club, Inc. pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of Valley Golf & Country Club, Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this AUG 01 2023 day of MAKATI CITY at _____.




 Affiant

AUG 01 2023

SUBSCRIBED AND SWORN to before me this _____ day of _____ at MAKATI CITY Affiant personally appeared before me and exhibited to me his/her _____ issued at _____ on _____.

Doc. No. 289 :
 Page No. 391 :
 Book No. 135 :
 Series of 100 :


ATTY. JOSHUA P. LAPUZ
 Notary Public Makati City
 Until Dec. 31, 2023
 Appointment No. M-819-(2022-2023)
 PTR No. 950723 Jan. 3, 2023 / Makati
 IBP Lifetime No. 04447 Roll No. 45790
 MCLC Compliance No. VII-K016370
 Issued on April 06, 2022
 G/F Fedaan Bldg., 159 Saavedra St
 Legaspi Village, Makati City

Re: Nomination for Election to the Board of Directors

It is my pleasure to nominate MICHAEL ECHAVEZ with 2092 Membership Account Number, as candidate for election to the position of

- Regular
- Independent Director of Valley Golf & Country Club, Inc.

I hereby certify that MICHAEL ECHAVEZ meets the following requirements for a Regular/Independent Director:

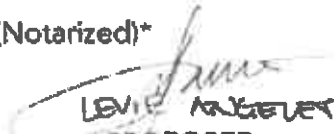
- a. He/ She has one (1) share of stock recorded in his/her name for at least three (3) years at the time of nomination and shall continue to own a share during his/her term of office. (If the nominee has been a member of a standing committee for at least one (1) year, or a playing guest or corporate representative for at least two (2) years, the three-year requirement will be reduced to one (1) year.
- b. He/ She is a college graduate or has sufficient experience in managing the business to substitute for such formal education or he has been engaged or exposed to the business of the corporation for at least five (5) years, for Independent Director
- c. He/ She is more than twenty-one (21) years old.
- d. He/ She is an active Proprietary member of good standing with no delinquent account/s, who has not assigned the playing right of his/her share of stock upon his/her nomination, has committed in writing not to assign said playing right during his/her incumbency if elected.
- e. He/ She has sufficient time and is willing to share his/her professional and executive expertise.
- f. He/ She has no official record of grave and serious misconduct that merited Club membership suspension and has not been convicted in any criminal case;
- g. He/ She is mentally and physically fit to serve as member of the Board for one (1) year. The nominating committee may request a medical certification that the nominee is mentally and physically fit.
- h. He/ She has proven to possess integrity and probity.
- i. He/ She is assiduous.
- j. He/ She possesses all the qualifications and none of the disqualifications listed in the By-laws, the Guidelines of the Nomination Committee and the Amended Manual of Corporate Governance.

VALLEY GOLF AND COUNTRY CLUB, INC.
SHERRY M. ZANO
Date: 8/1/23 Time: 2:41 pm

Attached hereto are the following documents:

1. Resume with 2x2 Photo;
2. Duly accomplished Acceptance Form (Notarized);
3. Duly Accomplished Certificate of Qualifications (Notarized)*

*for independent directors only.


LEVIE ANGELES
PROPOSER
Acct. No. 7344

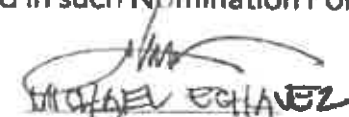
CONFORME TO NOMINATION AS DIRECTOR

I, MICHAEL ECHAVEZ, of legal age, Filipino, married/single, and a resident of 9 SAN JOSE ST. KAPITOLYO PASIG CITY have read the Nomination Form in which my name was submitted as candidate for

Regular


Independent Director and I have no objections to such nomination.

I also certify that the documents attached and submitted in such Nomination Form are true and correct.


MICHAEL ECHAVEZ
NOMINEE
Acct. No. 2692

SUBSCRIBE AND SWORN TO before me this 01 AUG 2023 at PASIG CITY Philippines. Affiant, exhibited to me his Community Tax Certificate No. TIN 101-905-753 issued at PASIG on FEB 1, 2010.

Doc. No. 382
Page No. 78
Book No. 28
Series of 2023


ATTY. ROLANDO A. BERNALES
Pasig, San Juan, Fatcos. M.M.
Appointment No. 26, Until December 31, 2024
686-B Shaw Blvd., Kapitolyo, Pasig City
PTR No. 8132646, January 03, 2023
IBP LM No. 013853, Roll No. 64646
MCLE VII-00203360, Valid until April 14, 2025

CERTIFICATION OF INDEPENDENT DIRECTOR

I, MICHAEL ECUMART, Filipino, of legal age and a resident of 9 DAL JARJE ST. MARTINO BASK, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Valley Golf & Country Club Inc.;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):


COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
AMAZIGRACE GLOBAL MANPOWER MANAGEMENT	MANAGING PARTNER	7 YRS 2014 - Present
ACE TRADES EQUIPT SALES	DIRECTOR	2018 - Present
CHOICE CUT INT.	PROPRIETOR	2009 - Present
CRUISE LENDING VENTURES	CORP. SEC.	1993 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Valley Golf & Country Club provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of Valley Golf & Country Club other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
NA		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):


OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
NA		



SHERRY MANZANO
 Date: 8/1/23 Time: 2:41 PM


6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from the (head of the agency/department) to be an independent director in Valley Golf & Country Club, Inc. pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as Independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of Valley Golf & Country Club, Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this 01 AUG 2023 day of 2023, at PASIG CITY.


MICHAEL ECHAVEZ
 Affiant

SUBSCRIBED AND SWORN to before me this 01 AUG 2023 day of 2023 at PASIG CITY affiant personally appeared before me and exhibited to me his/her TIN 101-905-753 issued at PASIG CITY on FEB 4, 2010.

Doc. No. 381 :
 Page No. 78 :
 Book No. 728 :
 Series of 2423 :


ATTY. ROLANDO A. BERNALES
 Atty. Gen. Juan, Palencia, M.M.
 Appointed: 11.03.2023, Until December 31, 2024
 668 B Show Blvd., Kapitolyo, Pasig City
 PFR No. 8132546, January 03, 2023
 IDP LM No. 013853, Roll No. 64646
 JACLE VII-00203360, Valid until April 14, 2025

Re: Nomination for Election to the Board of Directors

It is my pleasure to nominate ROBERT JOHN BARRETT with 7196
Membership Account Number, as candidate for election to the position of

Regular

Independent Director of Valley Golf & Country Club, Inc.

I hereby certify that ROBERT JOHN BARRETT meets the following requirements for a Regular/Independent Director:

- a. He/ She has one (1) share of stock recorded in his/her name for at least three (3) years at the time of nomination and shall continue to own a share during his/her term of office. (If the nominee has been a member of a standing committee for at least one (1) year, or a playing guest or corporate representative for at least two (2) years, the three-year requirement will be reduced to one (1) year.
- b. He/ She is a college graduate or has sufficient experience in managing the business to substitute for such formal education or he has been engaged or exposed to the business of the corporation for at least five (5) years, for Independent Director
- c. He/ She is more than twenty-one (21) years old.
- d. He/ She is an active Proprietary member of good standing with no delinquent account/s, who has not assigned the playing right of his/her share of stock upon his/her nomination, has committed in writing not to assign said playing right during his/her incumbency if elected.
- e. He/ She has sufficient time and is willing to share his/her professional and executive expertise.
- f. He/ She has no official record of grave and serious misconduct that merited Club membership suspension and has not been convicted in any criminal case;
- g. He/ She is mentally and physically fit to serve as member of the Board for one (1) year. The nominating committee may request a medical certification that the nominee is mentally and physically fit.
- h. He/ She has proven to possess integrity and probity.
- i. He/ She is assiduous.
- j. He/ She possesses all the qualifications and none of the disqualifications listed in the By-laws, the Guidelines of the Nomination Committee and the Amended Manual of Corporate Governance.

VALLEY GOLF & COUNTRY CLUB, INC.



Sherry Mazzano

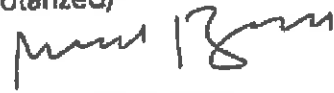
SHERRY MAZZANO

Date: 8/1/2013 , time: 4:21 PM

Attached hereto are the following documents:

1. Resume with 2x2 Photo;
2. Duly accomplished Acceptance Form (Notarized);
3. Duly Accomplished Certificate of Qualifications (Notarized)*

*for independent directors only.



PROPOSER

Acct. No. 7150

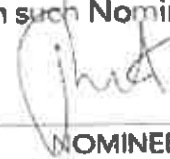
CONFORME TO NOMINATION AS DIRECTOR

I, ROBERT JOHN C. BARRETO, of legal age, Filipino, married/single, and a resident of 43 F ANTONIO ST. BAMBANG, PASIG CITY, have read the Nomination Form in which my name was submitted as candidate for

Regular

Independent Director and I have no objections to such nomination.

I also certify that the documents attached and submitted in such Nomination Form are true and correct.



NOMINEE


Acct. No. 7596

AUG 01 2023

ANTIPOLO CITY

SUBSCRIBE AND SWORN TO before me this _____ at _____, Philippines. Affiant, exhibited to me his Community Tax Certificate No. _____ issued at _____ on _____.

Doc. No. 46
Page No. 11
Book No. 76
Series of 2023


ATTY. ALBINO E. PARANA
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
IBP NO. 242473/10-7-2022
RDLL NO. 53950
MCL NO. 11-0015785/4-14-25
PTR NO. 8673603/1-3-23 ANTIPOLO

CERTIFICATION OF INDEPENDENT DIRECTOR

I, ROBERT JOHN C. BARRETO, Filipino, of legal age and a resident of 43 F. ANTONIO ST., BARABANG, PASIG CITY after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Valley Golf & Country Club Inc.;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
<u>RRE COMMERCIAL BANK</u>	<u>MANAGING DIRECTOR</u>	

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Valley Golf & Country Club provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of Valley Golf & Country Club other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
<u>N/A</u>		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
<u>N/A</u>		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required permission from the (head of the agency/department) to be an independent director in Valley Golf & Country Club, Inc. pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of Valley Golf & Country Club, Inc. of any changes in the abovementioned information within five days from its occurrence.

Done, this _____ day of _____ at _____



 Affiant

SUBSCRIBED AND SWORN to before me this AUG 01 2023 day of _____ at ANTIPOLO CITY, affiant personally appeared before me and exhibited to me his/her _____ issued at _____ on _____

Doc. No. 97 ;
 Page No. 11 ;
 Book No. 16 ;
 Series of 1612 ;

ATTY. ALBINO E. PARAYALAN
NOTARY PUBLIC
 UNTIL DECEMBER 31, 2024
 IBP NO. 248473/10-7-2022
 ROLL NO. 53950
 MCLE NO. 11-0015985/4-14-25
 PTR NO. 2673603/1-3-23 ANTIPOLO

PART IV – CORPORATE GOVERNANCE**ITEM 13 – CORPORATE GOVERNANCE**

(a.) The evaluation system established by the company to measure or determine the level of compliance of the Board of Directors and top-level management with its Manual of Corporate Governance.

1. Initially, the Club adopted the Corporate Governance Self-Rating System Form.
2. In compliance with SEC Memorandum Circular No. 12 Series of 2021, the Club submitted last June 23, 2022 the Annual Corporate Governance Report for the period Jan. – Dec. 2021
3. Valley Golf has a Business Plan and Annual Budget. Management conducts a monthly review of compliance with the action plan. Every month a Management Report is submitted during the Board Meeting which contains the status report of the business plan and the comparative financial statement against the budget to reflect the variances. Included also is a monthly highlight of the financial report with detailed explanations on the variances of the actual figures as compared to the budget.

(b.) Measures being undertaken by the company to fully comply with the adopted leading practices on good corporate governance.

1. The Audit Committee and the Finance Committee meet with the External Auditors regarding the annual examination of the financial statements of the Club and the operations of the Club.
2. The Club has a Membership Handbook and a Personnel Manual that contain policies, procedures and implementing guidelines on dealing with members and employees.
3. The President submits a monthly Management Report to the Board of Directors.
4. The Board of Directors had appointed the members of the Nomination Committee, Compensation and Remuneration Committee, Ethics Committee, Corporate Governance Committee and Audit Committee to comply with their respective duties and responsibilities as provided for in the Manual of Good Corporate Governance.
5. The Board of Directors had appointed an External Auditor and hired Internal Auditors in compliance with the Manual of Good Corporate Governance.
6. The Club's annual report is disseminated to all members to inform them of the results of the operations of the Club and the activities of the Board for the fiscal year.
7. The Board of Directors has created several committees to ensure compliance with the Club's Code of Corporate Governance. Among the committees created are the Management Committee, House Committee, Membership Committee, Finance Committee, Sports and Games Committee, Nomination Committee, Grounds & Engineering Committee,

Administration Committee, Legal Committee, Real Estate Committee, Security Committee and Election Committee.

8. During the Fiscal year 2022, the following Members of the Board of Directors and Compliance Officer attended the Seminar on Corporate Governance:

The following Members of the Board of Directors attended the Webinar on Corporate Governance Orientation Program held on February 23 – 24, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Dir. Constantine L. Kohchet-Chua
2. Dir. Rafael S. Raymundo
3. Dir. Jose G. Razon

Atty. Rio Sesanando E. Venturanza attended the Webinar on the New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021 via Zoom at the Center for Global Best Practices Foundation.

The following Corporate Secretary and Compliance Officer/General Manager attended the Webinar on Corporate Governance Orientation Program held on June 29 - 30, 2022 via Zoom conducted by the Institute of Corporate Directors:

1. Atty. Allan Jocson – Corporate Secretary
2. Mr. Dan L. Salvador III – Compliance Officer/General Manager

The following Members of the Board of Directors attended the Webinar on New Code of Corporate Governance for Public Companies and Registered Issuers on January 12, 2021, via Zoom at the Center for Global Best Practices Foundation.

3. Dir. Jose Arsenio Isidro D. Borromeo III
4. Dir. Renato C. Ballbag

The following Members of the Board of Directors attended the Seminar on Corporate Governance Orientation Program on November 19, 2019, at the Institute of Corporate Directors, Makati Diamond Residences, Makati City, Metro Manila

1. Dir. Carlo J. Carpio
2. Dir. Reginald Benjamin V. San Pedro

Dir. Pablito Gregore attended the Seminar on Code of Ethics & Good Governance on Nov. 26, 2013 at the Philippine Institute of Certified Public Accountants, Training Room, PICPA Bldg., 700 Shaw Boulevard, Mandaluyong City, Philippines.

(c.) Any deviation from the company's Manual of Corporate Governance. It shall include a disclosure of the name and position of the person/s involved, and the sanction/s imposed on said individual

There is no deviation from the Manual of Corporate Governance of Valley Golf & Country Club, Inc.

(d) Any plan to improve corporate governance of the company

In compliance with SEC Memorandum Circular No. 24 Series of 2019, requiring the submission of the Revised Manual on Corporate Governance, the Board of Directors approved on July 22, 2020, the new Manual of Corporate Governance of Valley Golf and was submitted electronically on July 25, 2020.

In compliance with SEC Memorandum Circular No. 19 Series of 2020, the Amended Manual of Corporate Governance signed by the Chairman of the Board and Compliance Officer was submitted electronically on September 25, 2020

MANAGEMENT REPORT

ANNEX " E "

Management reports that as of the end of the fiscal year, the value of the Club's shares has reached a high of 2.5million per share and still is on the upward swing. The Club's financial report shows a net excess of revenues over expenses of P10.35 million. The Club expresses its appreciation to its members for the continuous support during the time that the Club increased its monthly dues which has not been done for the past 11 years.

The Club re-hired its General Manager, Mr. Dan L. Salvador III who has proved to be a great part of all the achievements the Club had this year.

In its effort to provide its members a world-class golf and recreational facilities, the Club has undertaken the following projects:

1. Completion of the construction of the two-storey cart garage which can accommodate 650 private golf carts
2. Completion of the Phase 1 of our Zoysia Infusion Project at the South Course.
3. Completion of the swimming pool complex and cabana
4. Completion of the renovation of our Men's Locker room.
5. Completion of the renovation of our Ladies Locker room, complete with sauna.
6. Construction of another toilet near the lower veranda.
7. Finished construction of the lower veranda kitchen to ensure our members will be served hot meals in the morning.
8. Addressed the irrigation system with the rehabilitation of North and South Pumping Station
9. Repair and maintenance work of the North Clubhouse
10. Installation of LED Fairway lights to ensure that those who teed off late can still finish their round of golf
11. Installation of handrails at its fairways for the safety of its members and guests.

To ensure continuity of all the plans and programs of the Board, the Board approved charters for each committee in compliance with the corporate governance framework as it encompasses every aspect of management, from management, action plans, internal controls, performance measurement and corporate disclosure.

The Club also took care of the welfare of its employees by providing career developments to boost the morale of its employees. Management has undertaken Effective Workplace Relationship Seminar for its Supervisors and Managers. Likewise, thru the generosity of one of its members and the assistance of the Antipolo City Health Department, the Club was able to facilitate covid booster program for our employees, caddies, and service providers.

As of this writing, the Club has already started the 50CMD Sewage Treatment Plant and Soil Protection Works.

The Club shall continue to embark on further improvements which includes the following:

- Reblocking of the DCT Avenue
- Structural Retrofitting Works
- Main and North Clubhouse Toilet Renovation
- Golf Cart Path Repair
- Purchasing of Long Arm Backhoe
- Additional Canopy Works at Two Level Golf Cart Parking
- Construction of a Fine Dining Restaurant at Upper Veranda

The Club's financial performance for the fiscal year ending June 30, 2022 is reflected in the Audited Financial Report which shows a net excess of revenues over expenses of P10.35 Million. The Chief Financial Officer was tasked to ensure that the Club has the much-needed funds to complete all on-going projects started during the pandemic and are due for completion this fiscal year. The Chief Financial Officer is pleased to report that the Club was able to finance its major projects for the year including the 2-level golf cart garage, swimming pool complex, Phase 1 of zoysia infusion at the South Course and the renovation of the ladies locker room, hallway and pro-shop.

The Club's financial recovery started this year with the easing up of restrictions and opening up of the Club to accompanied guests and tournaments. This was despite the Board of Directors' resolve early this year to maintain exclusivity of the Club by not accepting walk-in guests despite its negative effect on revenues. Strategic financial strategies and collaborative efforts of the Board of Directors and management resulted in the decision to finally increase the members' monthly dues after 11 years in order to maintain the financial stability of the Club.

Gross Revenues for the Fiscal Year 2022 amounted to P162.44 Million or an increase of P21.46 Million which is up by 15% from last year's figure of P140.98 Million. The increase in the Club's membership dues effective April 1, 2022 resulted in a positive increment of P3.49 Million a month. Likewise, revenues from Green Fees (P18.49 Million), Road Users' Fees (P15.25 Million), Golf Cart Rental (P14.9 Million), Membership Fee/Transfer Fee (12.23 Million) and Service Charge (P10.33 Million) have contributed significantly to the uptick in its revenues.

However, with more members and guests playing, the 100% opening of the Club's facilities and the rising cost of supplies, Expenses likewise ballooned by P20.29 Million for a total of P151.51 Million for Fiscal Year 2022. This is 15.46% up from last Fiscal Year's figure of P131.22 Million. This was fanned by the drastic increase in inflation rate (from 3.7% in FY 2021 to 6.1% in FY 2022), dramatic rise in fuel costs, and the recent Wage Order adjustment. Nevertheless, the substantial increase in the Club's operating cost can still be considered manageable considering the better than expected improvement in its revenues. The Board and Management will simply continue their policy and practice to prioritize expenses and defer expenditures on items that lack urgency and importance.

In terms of Cash Flow, the Club's Cash and Cash Equivalents including investment in UITF as of June 30, 2022 is P 61.27 Million. Worth noting is that in spite of several drawbacks and unexpected capital expenditures, the Treasury was able to finance P45.87

Million of Capex and still maintain the Club's liquidity. As a general principle, the Club prioritized its capital expenditures and projects, and saw to it that funds are available before the start of any project.

The Club is proud to report the impressive market performance of the Club's shares of stock in 2022 which has seen its value rise from P1.6 Million in 2021 to P2.75 Million, not including Transfer Fees. Needless to say, the continuing improvements in the Club's golf courses, the consistent and systematic upgrading of Club facilities for the exclusive enjoyment of its members, their dependents and guests and the Club's stable financial position have contributed greatly to the over 70% rise in the value of the Club's shares in a span of less than one year.

For the Club's on-going concerns and to keep up with technology the Club shall soon be introducing an innovative registration system for the convenience of its members and guests and to improve controls on transactions in its restaurants and tee-houses as well as green fee and rental payments. The Club will use digital wallets and online payments to provide wider payment options for its members and guests.

Several projects are in the pipeline for implementation in the next Fiscal Year such as the Sewerage Treatment Plant, re-blocking of certain portions of the Don Celso Tuason Ave., installation of solar panels to save on ever increasing power cost, Phase 2 of the Zoysia Infusion Project and Renovations in the Main Clubhouse. The Treasury is committed to support these priority projects and safeguard the Club's assets while strictly adhering to the Club's budget and procurement policies.

OPERATIONAL AND FINANCIAL INFORMATION

(1) Market Information

The principal competitors near our area of operations are two privately owned golf Courses, Forest Hills Golf and Country Club located in Cogen, Antipolo City and Eastridge Golf & Country Club in Binangonan and one public course, Sun Valley Golf Course. These courses are relatively new and are still building up their membership base, whereas, Valley Golf having been in the business for 60 years old is already proud Golf Club with its roster of respectable membership. Valley Golf's luscious greens and fairways are still the best in the area and very well maintained. The rainforest trees in our courses that have matured through the years have provided a canopy on the fairways and its majestic beauty is something that other golf courses cannot duplicate. The friendly atmosphere and the camaraderie of the entire membership and employees are what make our golf course unique. Eastridge has an 18-hole golf course and Forest Hills has a 36-hole golf course but Valley Golf's greens, fairways, trees, sand traps and meandering rivers will always make the difference. Each golf course may have its own unique characteristics but Valley Golf's design and intriguing South Course is something that has always attracted the enthusiasm of golfers. The challenging contour of the courses will always make one's round of golf an enjoyable and unforgettable experience Valley Golf's all weather South Course has already made its impact on the members and their guests.

Our competitors are marketing their new facilities and in anticipation of this, Valley Golf rehabilitated the South Course into an all-weather golf course. We have completed phases 1 and 2 of the renovation of our Main Clubhouse including the Men's locker room, the restaurant/veranda area, and the offices to keep up with the modern trends in interior design while still maintaining the unique architecture of our clubhouse. Finally, Valley Golf is more

stable than our competitors because our focus now is maintenance and constant improvement. Moreover, our Stockholders' Equity has long been built up unlike our competitors who are still selling shares of stock to augment their capital.

(2) Market Price & Dividends

The prevailing market price of the Valley Golf & Country Club, Inc., share as of June 30, 2022 is P2,200,000.00 per share plus transfer fee amounting to 200,000.00 (based on GG&A Club Shares published Advertisements) compared to its value of PhP1,600,000.00 per share sometime June of 2021. The increase in the market price has been influenced by the prevailing national economic situation. Contributory to such increase in value was the infrastructure improvements around the Club, i.e., wider road and increased vehicular traffic. Shares have been transacted in a very sporadic manner. Share transactions remain unpredictable.

Being a non-profit corporation, the country club does not declare dividends in the event that operations should become profitable. Instead, all earnings of the country club are reinvested to ensure better service and facilities to its golfing members.

The top 20 shareholders are as follows:

	Stockholder	No. of Shares Owned	Amount subscribed	% Ownership	Citizenship
1	Fenestram Corporation	16	135,000.00	0.94%	FILIPINO
2	G7 Philippine Printing Corp.	15	99,000.00	0.69%	FILIPINO
3	Pae Ventures, Inc	6	54,000.00	0.38%	FILIPINO
4	Manila Electric Co.	5	45,000.00	0.31%	FILIPINO
5	Solid State Multi-Prod. Corp.	5	45,000.00	0.31%	FILIPINO
6	Squires Bingham Co., Inc.	5	45,000.00	0.31%	FILIPINO
7	Madrigal, Vicente/Gerardo A.S.	4	36,000.00	0.25%	FILIPINO
8	Metropolitan Bank & Trust Co.	4	36,000.00	0.25%	FILIPINO
9	Philippine National Bank	4	36,000.00	0.25%	FILIPINO
10	Reliable Electric Co., Inc.	4	36,000.00	0.25%	FILIPINO
11	Tres Primos Development Corp.	4	36,000.00	0.25%	FILIPINO
12	Cheok, Edward N.	3	27,000.00	0.19%	FILIPINO
13	Co, Val Constantine L.	3	27,000.00	0.19%	FILIPINO
14	Dee C. Chuan & Sons, Inc.	3	27,000.00	0.19%	FILIPINO
15	First Phil. Holding Corp.	3	27,000.00	0.19%	FILIPINO
16	Severo A. Tuason & Co.Inc.	3	27,000.00	0.19%	FILIPINO
17	Tuason, Severo J.	3	27,000.00	0.19%	FILIPINO
18	Carmona, Manuel Y.	2	18,000.00	0.13%	FILIPINO
19	Metropolitan Insurance Co.	2	18,000.00	0.13%	FILIPINO
20	Phil. Long Distance Tel Co.	2	18,000.00	0.13%	FILIPINO

(3) Dividends

Valley Golf does not declare cash or any other form of dividends in favor of its stockholders. Consequently, there are no restrictions imposed that would limit the payment of dividends on common shares as no dividends are declared in the first place.

(4) Recent Sale of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction

There are no sale of unregistered securities or recent issuances of Securities by Valley Golf constituting an exempt transaction.

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

1. PLAN OF OPERATION

OBJECTIVES:

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

ACTION PLAN:

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

2. MANAGEMENT DISCUSSION AND ANALYSIS

The results of operations for the Fiscal Year ending June 30, 2022 is reflected in the Audited Financial Reports. Gross Revenue from Operations amount to Php162.44 Million or an increase of Php21.46 Million from last year's figure of Php140.98 Million. Operating Expenses however increased from Php131.22 Million in 2021 to Php151.51 Million in 2022 or a increase of Php20.29 Million or 15.46%. Excess of revenue over expenses for the year amount to Php10.35 Million or an increase of Php0.93 Million from last year's figure of Php9.42 Million.

Gross Revenues for the Fiscal Year 2022 amounted to P162.44 Million or an increase of P21.46 Million which is up by 15% from last year's figure of P140.98 Million. The increase in our membership dues effective April 1,2022 resulted in a positive increment of P3.49 Million a month. Likewise, revenues from Green Fees (P18.49 Million), Road Users' Fees (P15.25 Million), Golf Cart Rental (P14.9 Million), Membership Fee/Transfer Fee (12.23 Million) and Service Charge (P10.33 Million) have contributed significantly to the uptick in our revenues.

However, with more members and guests playing, the 100% opening of our facilities and the rising cost of supplies, Expenses likewise ballooned by P20.29 Million for a total of P151.51 Million for Fiscal Year 2022. This is 15.46% up from last Fiscal Year's figure of P131.22 Million. This was fanned by the drastic increase in inflation rate (from 3.7% in FY 2021 to 6.1% in FY 2022), dramatic rise in fuel costs, and the recent Wage Order adjustment. Nevertheless, the substantial increase in the Club's operating cost can still be considered manageable considering the better than expected improvement in our revenues. The Board and Management will simply continue their

policy and practice to prioritize expenses and defer expenditures on items that lack urgency and importance.

During the year the Treasury was able to finance our major projects for the year including the 2-level golf cart garage, swimming pool complex, Phase 1 of zoysia infusion at the South Course and the renovation of the ladies locker room, hallway and pro-shop.

In the Audited Financial Reports our Current Ratio for Fiscal Year 2022 (this ratio represents the liquidity of the Club or the available current assets to settle the current liabilities) is 1.42% which is slightly lower than our current ratio rate last year of 1.8%. This is due to investment of funds in capex of P45.87 Million.

Cash flow wise our cash & cash equivalents and short-term investment as of June 30, 2021 is P61.27 Million. Our receivables from Members' Accounts decreased by Php1.73 Million which is the result of intensified collection campaign as well as providing on-line payment options for the convenience of our members. Our total assets as of June 30, 2022 is Php329.56 Million.

The market value of our shares of stock has reached Php 5.5 Million plus transfer fee of P200,000. Our keen business decisions, the continuing development of our golf courses and the upward trend of the golf clubs' market are contributing factors for our achievement. The Board is committed in its effort to maintain the steady increase in the market value of our shares of stock. The scheme to return the exclusivity of the Club but at the same time introducing alternative revenue sources to cushion the financial impact is another factor that contributed to the increase in market value of the shares. During the year the Club no longer accepts walk-in guests as part of the plan to retain the exclusivity of the Club and for safety protocol.

Valley Golf has no liquidity problems on its operations and projects and does not anticipate any liquidity problems in the future. All interest payments are being paid on due date and funds are available for the termination of loans when the need arises. All trade payables are paid based on the credit terms.

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

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

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

There are no material commitments for capital expenditures.

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

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

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

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

Current Ratio	=	<u>Current Assets</u> <u>Current Liabilities</u>	
		As of June 30, 2022	As of June 30, 2021
Current Assets		84,254,043.00	83,466,683.00
Current Liabilities		59,342,364.00	46,374,156.00
Current Ratio		1.42	1.80

This above ratio indicates that the Club is less liquid as compared to last year. The principal reason for the decrease in liquidity ratio is the increase in Trade and Other Payables by P7.78 Million or 48.6% due to payables for the downpayment for the purchase of 20 units golf carts, payables to the grounds maintenance provider, supplier of sand for the zoysia infusion project and remittances to concessionaires.

2. **ACID TEST RATIO** – the ratio is an indicator of whether the Club has sufficient short-term assets to cover its short-term liabilities. This ratio is more useful in certain situations than the Current Ratio, also known as the working capital ratio, since it ignores assets such as inventory, which may be difficult to quickly liquidate.

Acid Test Ratio	=	<u>Current Assets Less Inventory</u> <u>Current Liabilities</u>	
		As of June 30, 2022	As of June 30, 2021
Current Assets less Inventory		80,465,937.00	79,869,420.00
Current Liabilities		59,342,364.00	46,374,156.00
Acid Test Ratio		1.35	1.72

The amount of Current Assets less Inventory for Fiscal year 2022 increased to P80.46 Million from P79.87 Million in 2021 or an increase of P0.60 Million, whereas the Current Liabilities increased by P12.97 Million. The decrease in the ratio indicates that the Club is more liquid in FY 2021 than in FY 2022.

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

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

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

	As of June 30, 2022	As of June 30, 2021
Long-Term Liabilities	8,655,057.00	5,584,101.00
Total Members' Equity	261,566,665.00	253,904,262.00
Long Term Debt to Equity Ratio	.03	.02

The increase in the Long-Term Debt Ratio from .02 in FY 2021 to .03 in FY 2022 indicates the increase in the long-term debt by P3.07 Million in relation to the equity of the Club.

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

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

	As of June 30, 2022	As of June 30, 2021
Total Liabilities	67,997,421.00	51,958,257.00
Total Assets	329,564,086.00	305,862,519.00
Debt to Total Assets Ratio	0.21	0.17

Liabilities for the year increased by P16.04 Million, while assets increased by P23.70 Million thereby increasing the ratio. The increase in assets is greater than the

Increase in liabilities, therefore there are more assets to settle the outstanding liabilities of the Club.

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

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

	As of June 30, 2022	As of June 30, 2021
Total Members' Equity	261,566,665.00	253,904,262.00
Total Assets	329,564,086.00	305,862,519.00
Asset to Equity Ratio	0.79	0.83

The ratio decreased from 0.83 in FY 2021 to 0.79 in FY 2022, the lower the ratio the higher the leverage and comparatively more financial risk on the part of the Club. For the Fiscal year 2022, there were less the stockholders funds that were invested in the assets of the Club.

4. **DEBT TO EQUITY RATIO** - the ratio is used to evaluate a company's financial leverage. It is a measure of the degree to which a company is financing its operation through debt versus wholly-owned funds. More specifically, it reflects the ability of shareholders equity to cover all outstanding debts in the event of a business downturn.

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

	As of June 30, 2022	As of June 30, 2021
Total Liabilities	67,997,421.00	51,956,257.00
Total Members' Equity	261,566,665.00	253,904,262.00
Debt to Equity Ratio	0.26	0.20

This shows that in Fiscal Year 2022 the ratio increased and thus the total liabilities comprise a higher percentage of the total stockholders' equity. This resulted from the increase in Trade and other payables by P7.78 Million, Members Deposits by P1.35 Million and Contract Liabilities by P3.60 Million. On the other hand the Retained Earnings increased due to Excess of Revenue over Expenses of P7.66 Million for Fiscal Year 2022.

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

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

	As of June 30, 2022	As of June 30, 2021
Total Assets	329,564,086.00	305,862,519.00
Total Members' Equity	261,566,665.00	253,904,262.00
Asset to Equity Ratio	1.26	1.20

The Total Assets increased by P23.70 Million in Fiscal Year 2022 while the Stockholders' Equity increased by P7.66 Million thus the ratio increased, therefore more of the assets were funded by shareholders than funded by debt.

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

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

	As of June 30, 2022	As of June 30, 2021
EBIT	10,928,878.00	9,750,845.00
Interest Expense	35,549.00	0
Interest Rate Coverage Ratio	307.43	0

The ratio indicates that the Club can easily pay the interest in its outstanding debt with a very high ratio of 307.43.

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

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

	As of June 30, 2022	As of June 30, 2021
Net Income (Loss)	10,354,885.00	9,422,193.00
Total Members' Equity	261,566,665.00	253,904,262.00
Return on Equity	0.04	0.04

The operations for Fiscal Year 2022 resulted to a net income of P10,354,885.00 thus the Return on Equity Ratio is 0.04 which is the same in previous fiscal year. Each peso of Members' Equity generated an income of 0.04 in FY 2022.

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

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

	As of June 30, 2022	As of June 30, 2021
Net Income/ (Loss)	10,354,885.00	9,422,193.00
Average Total Assets	329,564,086.00	305,862,519.00
Return on Assets	0.03	0.03

Operations for Fiscal Year 2022 resulted to a net income of P10,354,885.00 as compared to net income of P9,422,193.00 in Fiscal year 2021 or an increase of P932,692. The Total Assets however increased by P24.70 Million. The ratio is the same for both fiscal years.

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

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

	As of June 30, 2022	As of June 30, 2021
Net Income/ (Loss)	10,354,885.00	9,422,193.00
Total Revenue	162,442,487.00	140,976,489.00
Net Profit Margin	6.37%	6.68%

Net income for the Fiscal Year 2022 is P10,354,885.00 with a Net profit Margin of 6.37% as compared to Fiscal Year 2021 Net profit margin of 6.68%, this year's profit margin is lower by 0.31%

10. OTHER RATIOS

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

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

	As of June 30, 2022	As of June 30, 2021
Net Income/ (Loss)	10,354,885.00	9,422,193.00
Common Shares Outstanding	1,594	1,594
Debt to Total Assets Ratio	6,496.16	5,911.04

For the Fiscal Year ended June 30, 2022 the Net Income per share is P6,496.16 as compared to Fiscal Year ended June 30, 2021 figure of P5,911.04 or higher by P585.12. Net income for the year is P10,354,885.00 or an increase of P932,692 from the net income of P9,422,193.00 for the fiscal year ended June 30, 2021.

The following are the details of the operations of the Club for the year 2022

A. OPERATING RESULTS

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

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

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

to 495 units in 2022. The Swimmingpool was recently inaugurated and opened for use of the members and their guests that resulted in the increase in the Swimmingpool Fee. Miscellaneous Income increased due to increase in Venue Fee, Rental of Globe Tower, sales of gasoline and charged utilities to concessionaires, sale of scrap, illegally parked golf carts and surcharge.

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

Personnel Expenses increased from P27,677,244 in 2021 to P30,027,451 in 2022 or an increase of P2,350,207 or 8.49%. Salaries and Wages increased by P1,623,170 because of the salary increases for the rank & file employees as per CBA Agreement and Wage Order, salary increases for the Dept. Managers and Supervisors and hiring of the General Manager and Golf Director. Overtime increased by P460,603, Meal Allowance decreased by P100,870, Vacation and Sick leave increased by P64,257, Bonus & Gratuity increased by P114,081 and Training and Seminar increased by P102,955. Hazard Pay for the Club Nurse increased by P104,540. Allowance of the Committee Secretaries decreased by P28,000, Covid 19 Supplementary Allowance increased by P3,000, Pag-Ibig Contribution decreased by P7,250, SSS, PHIC & ECC increased by P92,592 and Retirement Benefit Expense decreased by P82,101.

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

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

Outside Services increased from P40,065,870 in 2021 to P45,460,303 in 2022 or a increase of P5,394,432 or 13%. Retainers Fee decreased by P1,361,859. Legal Fees increased by P401,444, Laundry Services by 172,662, Maintenance Crew by P1,597,385, Audit Fees increased by P75,554, Security Services by P1,440,427 and Golf Course Maintenance by P3,068,800.

Sundries increased from P10,720,108 in 2021 to P12,859,067 in 2022 or an increase of P2,138,959 or 20%. Taxes and Licenses decreased by P374,003 and Insurance by P28,242. Board, Committee and Stockholders Meeting increased by P100,258, Ads & Publication by P18,954, Marketing Expenses

by P89,286, Promotional and Industrial by P72,889, Bank Charges by P344,256, Self-insurance expense by P88,157 and Miscellaneous by P1,811,545.

B. BALANCE SHEET ACCOUNTS

1. Cash and cash equivalents – decreased from P51,715,093 in 2021 to P51,147,281 in 2022 or a decrease of P567,812 or 1.10%. Decrease resulted from Net cash generated from operating activities amounting to P45.34 Million which is higher by P7.30 Million from last year's P38.04 Million. Net cash flow used in investing activities amount to P46.14 Million due to increase in additions to property and equipment of P35.89 Million and other noncurrent assets of P0.19 Million. Cash and Cash Equivalents and the beginning of the year is P51.72 Million less the Net decrease in cash is P0.57 Million, Cash at the end of the year is P51.15 Million.
2. Trade and other receivables – increased from P13,731,908 in 2021 to P113,861,275 in 2022 or an increase of P129,367 or 0.94%. Increase was due to decrease in Members account by P1.73 Million and increase in Other Receivables by P1.56 Million.
3. Debt instruments at fair value – represents the short term investment of the funds from operations in UITF in the amount of P10.12 Million.
4. Other current assets – increased from P7,994,765 in 2021 to P9,124,722 in 2022 or an increase of P1,129,957 or 14.13%. Increase resulted from increase in supplies inventory by P190,843, prepayments by P83,494 and others by P811,076.
5. Property and equipment – increased from P215,385,047 in 2021 to P238,125,202 in 2022 or a increase of P22,740,155 or 10.56%. Additions for the Year 2022 includes on-going construction of 2-level golf cart garage P24,684,557.19, Purchase of Backhoe Loader P3,750,000.00, Construction of Gazebo at swimmingpool complex P3,311,441.45, On-going Zoysia Grass Infusion P3,295,476.27, Renovation of Ladies Locker room, Hallway and Proshop P3,023,842.28, Hardscape at swimming pool complex P2,116,940.87, Nursery at the South Course P1,030,418.52, Purchase of L-300 Vehicle P868,000.00, On-going Accounts Receivable System P545,000.00, On-going construction of Cabana P501,678.11, Landscaping at swimmingpool complex P429,600.00, Online Voting System Program P377,551.02 and Toilet at the Lower Veranda P328,800.00. However, the Accumulated Depreciation increased by P15,562,930 thus the Property and Equipment increased.
6. Investment properties – went down from P214,565 in 2021 to P123,880 in 2022 or a decrease of P90,685 or 42.26%. Depreciation for the fiscal year 2022 for the North clubhouse is P90,685.

7. Deferred tax asset – there is no deferred tax asset for June 30, 2022 as compared to the amount for year ended June 30, 2021 of P226,570. There is no deferred tax assets recognized from the deductible temporary difference as it is not probable that sufficient taxable profit will be available to allow the benefit of the deferred tax asset to be utilized.
8. Other non-current assets – increased from P1,758,125 in 2021 to P2,204,716 in 2022 or an increase of P446,591 or 25.40%. Increase is due to Computerization Project in the amount of P447,591..
9. Trade and other payables – increased from P16,006,859 in 2021 to P23,792,555 in 2022 or an increase of P7,785,696 or 48.64%. increase was due to increase in Accounts Payable by P0.20 Million, Accounts Payable Others by P 0.88 Million, Retention Payable by P2.09 Million, Due to Concessionaires by P1.09 Million, Vat Payable by P0.43 Million, Accrued and other expenses by P0.24 Million, Due to organizations, lessors and cooperative by P2.37 Million and Other Payables by P 0.48 Million.
10. Members' Deposits and Credit Balances went up from P16,888,951 in 2021 to P18,237,703 in 2022 or an increase of P1,348,752 or 7.99%. Increase resulted from refundable cash deposits from members and Credit balances of former members.
11. Contract Liabilities increased from P7,809,771 in 2021 to P11,406,585 in 2022 or an increase of P3,596,814 or 46.06%. Increase was due to advance payments made by the members to avail of the 1 month discount promo of the Club upon payment of 1 year monthly dues with an increase in 2022 in the amount of P3.62 Million.
12. Retirement benefit obligation –increased from P5,446,848 in 2021 to P7,614,418 in 2022 or an increase of P2,167,570 or 39.79% due to remeasurement gains of the retirement plan as per actuarial valuation.
13. Other Noncurrent liabilities – increased from P137,253 in 2021 to P863,528 in 2022 or an increase of P726,275 or 529.15% due to Refundable Security deposit of P0.74 Million from the concessionaire.
14. Members' Equity –increased from P253,904,262 in 2021 to P261,566,665 in 2022 or an increase of P7,662,403 or 3.02% due to the increase in the accumulated excess of revenues over expenses by P7.66 Million.

Fiscal Year 2021

A. OPERATING RESULTS

1. Revenues – revenues increased from P139,704,498 in 2020 to P140,976,489 in 2021 or an increase of P1,271,993 or 1%. Significant sources of the increase in revenue are Golf Cart rental by P4,876,691, Monthly Dues by P976,976, Transfer Fee by P5,699,600, Service Charge by P3,051,932.

Road Users Fee by P6,407,957 and Assessment for Road Maintenance by P1,853,747. Revenue sources that decreased during the year are Green Fee by P8,773,553, Concessionaires Fees by P1,939,902, Locators Fees by P363,393, Self Insurance Fee by P446,220, Service Fee from Guests by P281,341, Tournament Fee by P1,318,697 and Miscellaneous Income by P2,797,716

Golf cart rental increased due increase in number of rentals from 12,906 in FY 2020 to 19,842 in FY 2021 or an increase of 6,936 rentals due to implementation of mandatory golf cart for guests and one cart one user rule. Monthly Dues increased due to increase in Playing Rights members and Associate Dependents. Transfer Fee increased mainly due to increase in rate from P112,000 to P200,000 for third party market and from P11,200 to P20,000 for first degree effective Jan. 1, 2021. Service Charge increased due to increase in rate of Initial Service Charge from P75,000 to P150,000 and Renewal Fee from P30,000 to P80,000 (new member) or P50,000 (previous member) effective Jan. 1, 2021. Road Users Fee increased due to increase in the passing thru rate from P50.00 to P100.00 effective Feb. 1, 2021 and increase in number of deliveries. Assessment for Road Maintenance increased due to increase in number of sales of car stickers and stricter implementation of no sticker no entry policy.

Decrease in Green Fee is due to the decrease in total number of non-member golfers who played in our courses from 17,780 guests in 2020 to 6,807 in 2021 brought about by the Covid 19 Pandemic quarantine restrictions wherein only accompanied guests are allowed to play and closure of the operations of the Club for one month last April 2021 in accordance with IATF Guidelines. Green Fee rates however increased effective Jan 2021 at the South Course Weekday by P150 and Weekend P200 and at the North Course Weekday by P150 and Weekends by P300. Concessionaires Fees from the F & B Concessionaires decreased because of the decrease in sales of the restaurants that resulted from the decrease in guests and restrictions in the dining activities as well as the closure of the Club last April 2021. Locators Fees decreased due to the Board Resolution to cancel the implementation of the monthly Locators Fee and all deliveries will pay the Road Users Fee. Both the Self Insurance Fee and Service Fee from Guests decreased due the restrictions on the acceptance of guests to accompanied guests only and non-acceptance of Walk-in players. In compliance with IATF Guidelines all private and Club tournaments were not allowed therefore resulting to the decrease in Tournament Fee. Miscellaneous Income decreased due to decrease in sale of gasoline and utility charges to the concessionaires.

2. Cost and Expenses - For the fiscal year 2021 the total cost of services and general and administrative expenses amount to P131,225,644 or a decrease of P23,768,561 or 15% from previous year's figure of P154,994,205

Personnel Expenses decreased from P29,334,697 in 2020 to P27,677,244 in 2021 or a decrease of P1,657,453 or 6%. Salaries and Wages decreased by P800,527.65 because of the resignation of the Golf Director, retirement of

other positions without replacements and the salary of the General Manager recorded as Outside Services. Overtime decreased by P769,983, Meal Allowance decreased by P127,853, 13th month Pay decreased by P97,564, Vacation and Sick leave decreased by P116,245, Bonus & Gratuity decreased by P41,086 and Training and Seminar decreased by P47,280.42. Hazard Pay for the Club Nurse increased by P50,300, Allowance of the Committee Secretaries increased by P10,000, Covid 19 Supplementary Allowance increased by P21,000, Pag-Ibig Contribution increased by P550, SSS, PHIC & ECC increased by P5,394 and Retirement Benefit Expense increased by P255,843.

Supplies increased from P18,354,808 in 2020 to P18,810,748 in 2021 or an increase of P455,940 or 2%. Stationeries and office supplies increased by P112,798, Repairs & Maintenance increased by P1,475,251, Janitorial supplies increased by P359,880, Medical and Dental supplies increased by P233,047, Motorpool and Ground supplies increased by P28,996 and Miscellaneous supplies increased by P1,200,333. Gasoline and Oil Supplies decreased by P403,610, Toilet and cleaning supplies decreased by P989,462, Service supplies decreased by P540,553. Swimming pool supplies decreased by P104,898, Linen supplies decreased by P845,110 and Uniforms decreased by P70,732

Utilities decreased from P14,673,327 in 2020 to P8,682,534 in 2021 or a decrease of P5,990,793 or 41%. Electricity decreased by P4,360,838, Communication by P91,227 and Water by P1,538,728.

Outside Services decreased from P42,377,884 in 2020 to P40,065,870 in 2021 or a decrease of P2,312,014 or 5%. Retainers Fee decreased by P118,935, Legal Fees by P980,682, Laundry Services by P907,957 and Maintenance Crew by P4,104,385. Audit Fees increased by P55,622, Security Services by P1,895,534 and Golf Course Maintenance by P1,848,790

Sundries decreased from P18,270,256 in 2020 to P10,720,107 in 2021 or a decrease of P7,550,148 or 41%. Taxes and Licenses decreased by P548,986, Transportation & travel by P19,347, Insurance by P22,302, Board, Committee and Stockholders Meeting by P173,223, Ads & Publication by P126,564, Marketing Expenses by P200,000, Promotional and Industrial by P162,410, Bank Charges by P161,009, Tournament expenses by P4,190,571 and Miscellaneous by P1,958,258. Self-insurance expense increased by P12,967.

B. BALANCE SHEET ACCOUNTS

1. Cash and cash equivalents – increased from P34,087,111 in 2020 to P51,715,093 in 2021 or an increase of P17,627,982 or 52%. Increase resulted from Net cash generated from operating activities amounting to P38.04 Million which is higher by P32.81 Million from last year's P5.23 Million. Net cash flow used in investing activities amount to (P20.41) Million due to increase in short term investment of P10 Million, Additions to property

and equipment of P9.98 Million and other noncurrent assets of P0.45 Million. Cash and Cash Equivalents and the beginning of the year is P34.09 Million plus the Net increase in cash is P17.63 Million, Cash at the end of the year is P51.72 Million.

2. Trade and other receivables – decreased from P16,967,794 in 2020 to P13,731,908 in 2021 or a decrease of P3,255,886 or 19.17%. Decrease was due to decrease in Members account by P1.89 Million and Other Receivables by P1.37 Million.
3. Debt instruments at fair value – represents the short term investment of the funds from operations in UITF in the amount of P10.02 Million.
4. Other current assets – decreased from P8,618,146 in 2020 to P7,994,765 in 2021 or a decrease of P623,381 or 7.23%. Decrease resulted from decrease in supplies inventory by P247,411, prepayments by P76,214 and others by P354,066.
5. Property and equipment – decreased from P228,695,886 in 2020 to P215,385,047 in 2021 or a decrease of P13,310,839 or 5.82%. Additions for the Year 2021 includes the Construction in Progress – Swimming pool in the amount of P3.96 Million, Construction in Progress – Golf Cart Garage amounting to P3.97 Million, Construction in Progress – Swimming pool Cabana in the amount of P0.50 Million and Ground tools and service machinery and equipment of P1 Million. However, the Accumulated Depreciation increased by P23.29 Million thus the Property and Equipment decreased.
6. Investment properties – went down from P349,053 in 2020 to P214,565 in 2021 or a decrease of P134,488 or 38.53%. Depreciation for the fiscal year 2021 for the North clubhouse is P134,488.
7. Deferred tax asset – amount for year ended June 30, 2021 is P226,570. This figure is arrived at deducting the Provision for deferred tax during year in the amount of P140,521 and the Other Comprehensive Income of P317,900 from the balance at the beginning of the year of P684,991.
8. Other non-current assets – increased from P1,334,964 in 2020 to P1,758,125 in 2021 or an increase of P423,161 or 31.69%. Increase is due to Computerization Project in the amount of P658,561 and Advances to Suppliers of P52,000 less Advances to Suppliers Non-Current of P295,400.00.
9. Trade and other payables – decreased from P16,276,250 in 2020 to P16,006,859 in 2021 or a decrease of P269,391 or 1.65%. Decrease was due to decrease in Accounts Payable by P1.83 Million, Accrued Expenses by P0.28 Million and Vat Payable by P26,323 whereas Accounts Payable Others increased by P0.37 Million, Concessionaires by P0.38 Million and Payable to Organizations, Lessors and Cooperative by P1.11 Million

10. Members' Deposits and Others went up from P15,484,520 in 2020 to P16,888,951 in 2021 or an increase of P1,404,431 or 9.07%. Increase resulted from refundable cash deposits from members, Credit balances of former members and advance payments made by the members to avail of the 1 month discount promo of the Club upon payment of 1 year monthly dues.
11. Retirement benefit obligation –decreased from P7,976,808 in 2020 to P5,446,848 in 2021 or a decrease of P2,529,960 or 31.72% due to decrease in the present value of benefit obligation as per actuarial valuation.
12. Members' Equity –increased from P242,712,820 in 2020 to P253,904,262 in 2021 or an increase of P11,191,442 or 4.61% due to the increase in the accumulated excess of revenues over expenses by P11.19 Million.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Antipolo on AUG 03 2023

VALLEY GOLF & COUNTRY CLUB, INC.

By:


RAFAEL S. RAYMUNDO
 Principal Executive Officer/
 President


RIO SESINANDO E. VENTURANZA
 Principal Financial Officer/
 Treasurer


ALLAN JOCSON
 Corporate Secretary


DAN L. SALVADOR III
 General Manager/Compliance
 Officer


ROSANNA R. ARGUELLES
 Comptroller/Head Controllers
 Division


MARIA CRISTINA O. SANTIAGO
 Principal Accounting Officer/
 Finance & Accounting Manager


AUG 03 2023

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2023
affiants exhibiting to me their valid ID's, as follows:

Name

Rafael S. Raymundo	TIN. 107-444-146
Rio Sesinando E. Venturanza	TIN. 100-699-738
Alian Jocson	TIN 205-687-949
Dan L. Salvador III	TIN 106-096-808
Rosanna R. Arguelles	PRC ID No. 069065
Maria Cristina Santiago	TIN. 453-506-856-000

Doc. No. 437
Page No. 8^k
Book No. 65
Series of 2023


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipala City, Cainta, Tertiary, Mind
Until December 31, 2024
Roll of Attorneys No. 27641
MCLC Compliance No. VII-0023686
IRP No. 296227, Dec. 30, 2022, BSM
PTR No. 0678482, Jan. 03, 2023 Antipala City



ANNEX " G "


STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS'

The management of *Valley Golf & Country Club, Inc.* is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the year ended June 30, 2022 and 2021, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Club's financial reporting process. The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders or members. SyCip, Gorres, Velayo & Co., the independent auditors appointed by the stockholders or members has audited the financial statements of the Club in accordance with Philippine Standards on Auditing, and in their report to the stockholders or members, have expressed their opinion on the fairness of presentation upon completion of such audit.



CARLO MARIA J. CARPIO
Chairman of the Board/President
TIN 152-516-875


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

Signed this 27 SEP 2022 day of _____

SUBSCRIBED AND SWORN TO before me this 27 SEP 2022 at ANTIPOLO CITY
Affiant exhibiting to me his/her Tax Identification Number as indicated above.

Doc. No. SC
Page No. 11
Book No. 65
Series of 2022


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2022
Roll of Attorneys No. 27541
MCLE Compliance No. VI-0017458
IBP No. 181529, Jan. 03, 2022
PTR No. 82342191, Jan. 03, 2022 Antipolo City

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

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



STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN

The Management of *Valley Golf & Country Club, Inc.* is responsible for all information and representations contained in the Annual Income Tax Return for the year ended June 30, 2022. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended June 30, 2022 and the accompanying Annual Income Tax Return are in accordance with the books and records of *Valley Golf & Country Club, Inc.* complete and correct in all material respects. Management likewise affirms that:

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



CARLO MARIA CARRIO
Chairman of the Board/President
TIN 152-516-875


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

Signed this 27 SEP 2022 day of _____

SUBSCRIBED AND SWORN TO before me this 27 SEP 2022 at ANTIPOLO CITY
Affiant exhibiting to me his/her Tax Identification Number as indicated above.

Doc. No. 77
Page No. 14
Book No. 60
Series of 2022


ATTY. HONORATO J. DE LEON JR.
NOTARY PUBLIC
For Antipolo City, Cainta, Taytay, Rizal
Until December 31, 2022
Roll of Attorneys No. 27541
MCLE Compliance No. VI-0017458
IBP No. 181520; Jan. 03, 2022

VALLEY GOLF AND COUNTRY CLUB, INC. PTR No. 4236289; Jan. 03, 2022 Antipolo City
Don Celso S. Tuason Avenue, Antipolo City 1870 Philippines
Telephone: 86584901 to 03


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




Republic of the Philippines
 Department of Finance
 Bureau of Internal Revenue

For BIR Use Only BOM/None

BIR Form No. 1702-RT January 2018 (REVISED) Page 1		Annual Income Tax Return For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate. Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". The Codes MUST be filed with the BIR and are listed by the taxpayer.		1702-RT-01/18ENCE-PH	
1 For <input type="radio"/> Calendar <input checked="" type="radio"/> Fiscal 2 Year ended (MM/20YY) 09/2022	3 Amended Return? <input checked="" type="radio"/> Yes <input type="radio"/> No	4 Short Period Return? <input type="radio"/> Yes <input checked="" type="radio"/> No	5 Alphabetic Tax Code (ATC) 10088 Minimum Corporate Income Tax (MCIT) 10010 DOMESTIC CORPORATION IN GENERAL		
Part I - Background Information					
6 Taxpayer Identification Number (TIN) 000 - 648 - 197 - 000		7 RDO Code 045			
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) VALLEY GOLF AND COUNTRY CLUB INC					
9A Registered Address (Indicate complete registered address) DON CELSO S TUASON AVENUE VICTORIA VALLEY REAL					
9B Zipcode 1870					
10 Date of Incorporation/Organization (MM/DD/YYYY)				09/14/1988	
11 Contact Number 8884818			12 Email Address rtdcsa@vgtc.com.ph		
13 Method of Deductions <input checked="" type="radio"/> Itemized Deductions (Section 34 (A-J), NRC) <input type="radio"/> Optional Standard Deduction (OSD) - 40% of Gross Income (Section 34(L), NRC as amended by RA No. 9804)					
Part II - Total Tax Payable (Do NOT enter Centavo)					
14 Total Income Tax Due (Overpayment) (From Part IV Item 43)					170,312
15 Less: Total Tax Credits/Payments (From Part IV Item 55)					1,055,351
16 Net Tax Payable (Overpayment) (From 14 Less Item 15) (From Part IV Item 56)					(885,039)
Add Penalties					
17 Surcharge					0
18 Interest					0
19 Compromise					0
20 Total Penalties (Sum of Items 17 to 19)					0
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)					(885,039)
If Overpayment, mark "X" one box only. (Once the choice is made, the same is irrevocable)					
<input checked="" type="radio"/> To be refunded <input type="radio"/> To be issued a Tax Credit Certificate (TCC) <input type="radio"/> To be carried over as tax credit next year/quarter					
(We declare under the penalties of perjury that this annual return has been made in good faith, verified facts, and to the best of our knowledge and belief, in true and correct accord with the provisions of the National Internal Revenue Code, its amendments, and its regulations issued under authority thereof. If Adversely Represented, attach certification letter and indicate TPN)					
Signature over printed name of President/Principal Officer/Authorized Representative				Signature over printed name of Treasurer/Assistant Treasurer	
Title of Signatory PRESIDENT	TIN 100880738	Title of Signatory TREASURER	TIN 100880738	22 Number of Attachments 4	
Part III - Details of Payment					
Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount	
23 Cash/Bank Debit Memo				0	
24 Check				0	
25 Tax Debit Memo				0	
26 Others (Specify Below)				0	
Machine Validation/Revenue Official Receipts Details (If not filed with an Authorized Agent Bank)				Name of receiving Office/RAS and Date of Receipt (RO's Signature/Bank Teller's Initial)	

BIR Form No. 1702-RT January 2018 (ENCS) Page 3		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate		 1702-RT 01/18/ENCS P3	
Taxpayer Identification Number (TIN)			Registered Name		
000 649 197 000			VALLEY GOLF AND COUNTRY CLUB INC		
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheets, if necessary)					
1 Amortization					0
2 Bad Debt					0
3 Charitable Contributions					0
4 Depreciation					0
5 Depreciation					185,382
6 Entertainment, Amusement and Recreation					0
7 Fringe Benefits					0
8 Interest					0
9 Losses					0
10 Pension Trust					0
11 Rental					0
12 Research and Development					0
13 Salaries, Wages and Allowances					4,278,814
14 SRS, GRS, FRS, Health, HEMP and Other Contributions					234,044
15 Taxes and Licenses					4,870,327
16 Transportation and Travel					0
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (Specify below. Add additional sheets, if necessary)					
a Janitorial and Messangerial Services					0
b Professional Fees					1,146,528
c Security Services					0
d BANK CHARGES					393,077
e COMMUNICATION LIGHT AND WATER					304,129
f FUEL AND OIL					15,000
g OFFICE SUPPLIES					605,102
h TRASHING AND SEMINAR					82,970
i OTHERS					2,122,861
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17) (To Part IV Item 34)					14,664,683
Schedule II - Special Allowable Itemized Deductions (Attach additional sheets, if necessary)					
Description		Link Basis	Amount		
1			0		
2			0		
3			0		
4			0		
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4) (To Part IV Item 35)					0

BIR Form No. 1702-RT January 2018 (ENC3) Page 4	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01H6NCS (1)	
Taxpayer Identification Number (TIN) 000 - 049 - 107 - 000		Registered Name VALLEY GOLF AND COUNTRY CLUB INC	
Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)			
1 Gross Income (From Part IV Item 13)	0		
2 Less: Other Allowable Normal Deductions (From Part VI Schedule I Item 18)	0		
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 3A)	0		
Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Concessions; 48 Concessions or Less drop down; 50 or more round up)			
Net Operating Loss		B) NOLCO Applied Previous Year	
Year Incurred	A) Amount		
4	0	0	
5 2020	10,380,857	8,854,823	
6	0	0	
7	0	0	
Continuation of Schedule IIIA (Item numbers continue from table above)			
C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) (E = A Less (B + C + D))	
4	0	0	
5	2,576,748	1,158,083	
6	0	0	
7	0	0	
8 Total NOLCO (Sum of lines 4D to 7D) (To Part IV, Item 10)	2,576,748	0	
Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)			
Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2021	0	188,131	188,131
2 2020	0	88,000	88,000
3	0	0	0
Continuation of Schedule IV (Item numbers continue from table above)			
D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Years (G = C Less (D + E + F))
1	0	0	188,131
2	0	0	88,000
3	0	0	0
Total Excess MCIT Applied (Sum of lines 1F to 3F) (To Part IV Item 4F)			
Schedule V - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheets, if necessary)			
1 Net Income/Loss per books	10,028,878		
Add: Non-deductible Expenses/ Taxable Other Income			
2 NON-DEDUCTIBLE EXPENSES PURSUANT TO G.R. 228539	87,836,488		
3 OTHERS	1,158,217		
4 Total (Sum of lines 1 to 3)	79,708,270		
Less: A) Non-Taxable Income and Income Subjected to Final Tax			
5 NON-TAXABLE REVENUES PURSUANT TO G.R. 228539	76,062,751		
6 OTHERS	467,170		
7 Total (Sum of lines 5 and 6)	76,529,921		
8 Taxable Income (Line 4 Less Line 7)	3,178,349		
9.1 NON-DEDUCTIBLE RETIREMENT BENEFIT EXPENSE	468,800		
9.2 NON-DEDUCTIBLE INTEREST EXPENSE	38,840		
9.3 NON-DEDUCTIBLE PROVISION FOR DOUBTFUL ACCOUNT	814,488		
4 Total (Sum of lines 1 to 3)	79,708,270		
Less: A) Non-Taxable Income and Income Subjected to Final Tax			
5 NON-TAXABLE REVENUES PURSUANT TO G.R. 228539	76,062,751		
6 OTHERS	467,170		
7 Total (Sum of lines 5 and 6)	76,529,921		
8 Taxable Income (Line 4 Less Line 7)	3,178,349		
9.1 NON-TAXABLE RENT ADJUSTMENT FOR PAS 17	101,838		
9.2 INTEREST INCOME SUBJECT TO FINAL WITH-HELDING	118,892		
9.3 UNREALIZED GAIN FROM DEBT INSTRUMENT AT P/TP	140,884		
9.4 NON-TAXABLE ACCRETION OF RENT INCOME	13,728		
9.5 NET ADVANCE COLLECTIONS ALREADY SUBMITTED TO	88,263		

B) Special Deductions	
NET OPERATING LOSS CARRY OVER	2,978,749
	0
9 Total (Sum of Items 8 to 9)	79,708,270
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)	0



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**REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE**

FILING REFERENCE NO.

TIN	000-549-197-000
Name	VALLEY GOLF AND COUNTRY CLUB INC
RDO	045
Form Type	1702
Reference No.	462200049970431
Amount Payable (Over Remittance)	-883,019.00
Accounting Type	F - Fiscal
For Tax Period	06/30/2022
Date Filed	09/29/2022
Tax Type	IT

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

Financial Statements
June 30, 2022 and 2021
and Years Ended June 30, 2022, 2021
and 2020

and

Independent Auditor's Report

H.

SGV
Building a better
working world

A member firm of Ernst & Young Global Limited

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, 2022 and 2021, 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, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at June 30, 2022 and 2021, and its financial performance and its cash flows for each of the three years in the period ended June 30, 2022 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

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

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

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

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

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

SGVFS167638

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.



- 3 -

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

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

SYCIP GORRES VELAYO & CO.

Peter John R. Ventura

Peter John R. Ventura

Partner

CPA Certificate No. 0113172

Tax Identification No. 301-106-741

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

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

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

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

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

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

PTR No. 8854381, January 3, 2022, Makati City

September 3, 2022

SGVFS167638

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

	June 30	
	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	P51,147,281	P51,715,093
Trade and other receivables (Note 5)	13,861,275	13,731,908
Debt instruments at fair value through profit or loss (Note 9)	10,120,765	10,024,917
Other current assets (Note 6)	9,124,722	7,994,765
Total Current Assets	84,254,043	83,466,683
Noncurrent Assets		
Property and equipment (Note 7)	238,125,202	215,385,047
Investment properties (Note 8)	123,880	214,565
Trust fund (Note 9)	4,856,245	4,811,529
Deferred tax assets - net (Note 22)	-	226,570
Other noncurrent assets (Note 10)	2,204,716	1,758,125
Total Noncurrent Assets	245,310,043	222,395,836
TOTAL ASSETS	P329,564,086	P305,862,519
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Trade and other payables (Note 11)	P23,792,555	P16,006,859
Members' deposits and others (Note 12)	18,237,703	16,888,951
Contract liabilities (Note 13)	11,406,585	7,809,771
Provision for probable claims (Note 14)	5,668,575	5,668,575
Short-term borrowing (Note 25)	236,946	-
Total Current Liabilities	59,342,364	46,374,156
Noncurrent Liabilities		
Retirement benefit obligation (Note 24)	7,614,418	5,446,848
Deferred tax liabilities - net (Note 22)	177,111	-
Other noncurrent liabilities (Notes 17 and 18)	863,528	137,253
Total Noncurrent Liabilities	8,655,057	5,584,101
Total Liabilities	67,997,421	51,958,257
Members' Equity		
Capital stock (Note 15)	14,346,000	14,346,000
Contributions in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over expenses (Note 15)	45,592,893	37,930,490
Total Members' Equity	261,566,665	253,904,262
TOTAL LIABILITIES AND MEMBERS' EQUITY	P329,564,086	P305,862,519

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

	Years Ended June 30		
	2022	2021	2020
REVENUES			
Revenue from contracts with customers (Note 16)	₱141,185,352	₱122,163,041	₱123,666,014
Rentals (Note 18)	20,986,983	18,645,114	15,343,492
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	140,564	36,877	-
Interest income (Notes 4, 9 and 18)	129,588	131,457	694,990
	162,442,487	140,976,489	139,704,496
COST AND EXPENSES			
Cost of services (Note 19)	129,583,939	111,594,261	131,011,939
General and administrative expenses (Note 20)	21,894,121	19,620,289	23,971,691
Interest expense	35,549	11,094	10,575
	151,513,609	131,225,644	154,994,205
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE INCOME TAXES	10,928,878	9,750,845	(15,289,709)
PROVISION FOR INCOME TAXES (Note 22)	573,993	328,652	1,908,635
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	₱10,354,885	₱9,422,193	(₱17,198,344)

y

SGVFS167638

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

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended June 30		
	2022	2021	2020
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	₱10,354,885	₱9,422,193	(₱17,198,344)
OTHER COMPREHENSIVE INCOME (LOSS)			
Re-measurement gains (losses) on defined benefit obligation (Note 24)	(2,692,482)	2,087,149	(5,196,438)
Income tax effect	-	(317,900)	1,558,931
	(2,692,482)	1,769,249	(3,637,507)
TOTAL COMPREHENSIVE INCOME (LOSS)	₱7,662,403	₱11,191,442	(₱20,835,851)

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

STATEMENTS OF CHANGES IN MEMBERS' EQUITY

	Years Ended June 30		
	2022	2021	2020
CAPITAL STOCK (Note 15)	₱14,346,000	₱14,346,000	₱14,346,000
CONTRIBUTIONS IN EXCESS OF PAR VALUE	201,627,772	201,627,772	201,627,772
ACCUMULATED EXCESS OF REVENUES OVER EXPENSES (Note 15)			
Balances at beginning of year	37,930,490	26,739,048	47,574,899
Excess (deficiency) of revenues over expenses	10,354,885	9,422,193	(17,198,344)
Other comprehensive income (loss)	(2,692,482)	1,769,249	(3,637,507)
Total comprehensive income (loss)	7,662,403	11,191,442	(20,835,851)
Balance at end of year	45,592,893	37,930,490	26,739,048
TOTAL MEMBERS' EQUITY	₱261,566,665	₱253,904,262	₱242,712,820

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

STATEMENTS OF CASH FLOWS

	Years Ended June 30		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess (deficiency) of revenues over expenses before income taxes	P10,928,878	P9,750,845	(P15,289,709)
Adjustments for:			
Depreciation and amortization (Notes 7, 8 and 10)	23,417,865	23,455,146	25,040,564
Interest expense	35,549	11,094	10,575
Movements in:			
Retirement benefit obligation	(524,912)	(442,811)	(865,209)
Provision for probable claims	-	(142,094)	4,790,929
Gain on sale of property and equipment and investment properties (Notes 7 and 16)	(371,572)	(2,250)	(320,536)
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	(140,564)	(36,877)	-
Interest income (Notes 4, 9 and 18)	(129,588)	(131,457)	(694,990)
Operating income before working capital changes	33,215,656	32,461,596	12,671,624
Decrease (increase) in:			
Trade and other receivables	(128,414)	3,295,247	(2,896,754)
Other current assets	(1,300,269)	435,250	1,015,076
Increase (decrease) in:			
Trade and other payables	7,785,696	(269,391)	(8,238,582)
Contract liabilities	3,596,814	645,256	409,326
Members' deposits and others	2,088,752	1,404,431	1,936,563
Net cash generated from operations	45,258,235	37,972,389	4,897,253
Interest received	114,910	78,371	639,987
Interest paid	(35,549)	(11,094)	(10,575)
Net cash flows generated from operating activities	45,337,596	38,039,666	5,526,665
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment (Note 7)	(45,872,069)	(9,983,686)	(17,926,910)
Decrease (increase) in:			
Debt instruments at fair value through profit or loss (Note 9)	-	(10,000,000)	-
Trust fund	-	19,046	(44,822)
Other noncurrent assets	(641,857)	(449,294)	(541,000)
Proceeds from sale of property and equipment (Note 7)	371,572	2,250	320,536
Net cash flows used in investing activities	(46,142,354)	(20,411,684)	(18,192,196)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availment of short-term borrowing	694,400	-	-
Payment of short-term borrowing	(457,454)	-	-
Net cash flows generated from financing activities	236,946	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(567,812)	17,627,982	(12,665,531)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	51,715,093	34,087,111	46,752,642
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P51,147,281	P51,715,093	P34,087,111

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

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

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

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

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

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

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

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

The Club's Board of Directors (BOD) approved the issuance of the financial statements as at June 30, 2022 and 2021 and for each of the three years in the period ended June 30, 2022 on September 3, 2022.

2. Summary of Significant Accounting Policies

Basis of Preparation

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

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The financial statements provide comparative information in respect of the previous period.

Statement of Compliance

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

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except that the Club has adopted the following amendments to existing standards starting July 1, 2021. Adoption of these pronouncements did not have any impact on the Club's financial position or performance.

- Amendment to PFRS 16, y
- Amendments to PFRS 9, Philippine Accounting Standard (PAS) 39, PFRS 7, PFRS 4 and PFRS 16, -

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.

- Amendments to PFRS 3, y
- Amendments to PAS 16, -
- Amendments to PAS 37, -
- 2018-2020 Cycle
 - Amendments to PFRS 1, y
 - Amendments to PFRS 9, -
 - Amendments to PAS 41, x
- Amendments to PAS 12, y x
- Amendments to PAS 8,
- Amendments to PAS 1 and PFRS Practice Statement 2,
- Amendments to PAS 1, y
- PFRS 17, y
- Amendments to PFRS 10, y - and PAS 28,

Current versus Non-current Classification

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

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;

- Expected to be realized within 12 months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

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

ng period.

current.

Assets and liabilities.

ts are short-term, highly liquid investments
1 original maturities of three months or less
nt risk of changes in value.

financial asset of one entity and a financial

requently measured at amortized cost, fair
=VTPL

depends on the financial asset's contractual
for managing the financial assets. With the
cant financing component the Club initially
of financial assets not at FVTPL, transaction
financing component or for which the Club
raction price determined under PFRS 15.

at amortized cost or FVOCI, it needs to give
nd interest (SPPI) on the principal amount
; and is performed at an instrument level.

refers to how it manages its financial assets
rmines whether cash flows will result from
sets, or both. Financial assets classified and
el with the objective to hold financial assets
ssets classified and measured at FVOCI are
olding to collect contractual cash flows and

All other assets are classified as non

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents
that are readily convertible to known amounts of cash wit
from dates of acquisition and that are subject to insignific

Financial Instruments

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

Initial Recognition and Measurement of Financial Assets

Financial assets are classified, at initial recognition, as su
value through other comprehensive income (FVOCI) and

The classification of financial assets at initial recognition
cash flow characteristics and the Club's business model
exception of trade receivables that do not contain a signif
measures a financial asset at its fair value plus, in the case
costs. Trade receivables that do not contain a significant
has applied the practical expedient are measured at the tra

In order for a financial asset to be classified and measured
rise to cash flows that are solely payments of principal ;
outstanding. This assessment is referred to as the SPPI tes

The Club's business model for managing financial assets
in order to generate cash flows. The business model dete
collecting contractual cash flows, selling the financial as
measured at amortized cost are held within a business mo
in order to collect contractual cash flows while financial ;
held within a business model with the objective of both t
selling.

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

The Club's financial assets are in the nature of financial assets at amortized cost and financial assets at FVTPL. The Club has no financial assets at FVOCI as at June 30, 2022 and 2021.

Subsequent Measurement of Financial Assets

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

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

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

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

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

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

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

Impairment of Financial Assets

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

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

is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

For trade and other receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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.

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.

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
- c) 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.

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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 in the statement of income.

Derecognition of Financial Assets

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

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

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

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

Initial Recognition and Measurement of Financial Liabilities

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

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

The Club has no financial liabilities at FVTPL and derivative instruments as at June 30, 2022 and 2021.

Subsequent Measurement of Financial Liabilities

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

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

Derecognition of Financial Liabilities

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

Offsetting of Financial Instruments

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

Fair Value Measurement

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

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

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

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

Inventories

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

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

Property and Equipment

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

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

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

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

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

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

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

Investment Properties

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

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

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

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

Computer Software

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

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

Impairment of Property and Equipment, Investment Properties and Computer Software

The Club assesses at each reporting date whether there is an indication that a nonfinancial asset may be impaired. If any such indication exists, the Club makes a formal estimate of recoverable amount. The nonfinancial asset's estimated recoverable amount is the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other nonfinancial assets or group of nonfinancial assets, in which case the recoverable amount is assessed as part of the cash

generating unit to which it belongs. Where the carrying amount of the nonfinancial asset exceeds its estimated recoverable amount, the nonfinancial asset is considered impaired and is written down to its estimated recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the nonfinancial asset. Fair value less costs to sell is the amount obtainable from the sale of the nonfinancial asset or cash-generating unit in an arm's-length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the nonfinancial asset.

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

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

Capital Stock

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

Accumulated Excess of Revenue Over Expenses

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

Revenue from Contracts with Customers

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

The following are the Club's performance obligations:

Membership dues 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.

- 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 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.

- a. Discount on green fees are provided to guests when they purchase coupons which may be redeemed at a later date. Upon redemption, the green fee revenue recognized is net of the discount.

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

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

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.

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

Surcharge on past due accounts are penalties charged to members with delinquent accounts for over 45 days from the statement or cut-off date of the later 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

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).

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.

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

Interest Income

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

Cost and Expenses

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

Leases

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.

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

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

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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.

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

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

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

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

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

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

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

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

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

Provisions

Provisions are recognized when the Club has a present obligation (legal and constructive) as a result of a past event: it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect

of the time value of money is material, provisions are made by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

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

Contingencies

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

Events After the Reporting Date

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

3. Significant Accounting Judgments, Estimates, and Assumptions

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

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

Judgments

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

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

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

Rental income pertaining to these leases for the years ended June 30, 2022, 2021 and 2020 amounted to ₱20,986,983, ₱18,645,114, and ₱15,343,492 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.

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 ₱13,861,275 and ₱13,731,908 as at June 30, 2022 and 2021, respectively. Allowance for ECL amounted to ₱1,725,845 and ₱2,030,111 as at June 30, 2022 and 2021, respectively (see Note 5).

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

As at June 30, 2022 and 2021, there were no changes made in the estimated useful lives of the Club's property and equipment and investment properties. The carrying amount of property and equipment as at June 30, 2022 and 2021 amounted to ₱238,125,202 and ₱215,385,047, respectively (see Note 7). The carrying amount of investment properties as at June 30, 2022 and 2021 amounted to ₱123,880 and ₱214,565, respectively (see Note 8).

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 ₱7,614,418 and ₱5,446,848 as at June 30, 2022 and 2021, respectively (see Note 24).

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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 ₱165,976 and ₱528,722 as at June 30, 2022 and 2021, respectively (see Note 22).

Temporary deductible differences for which no deferred tax asset was recognized amounted to ₱11,326,079 and ₱11,349,984 as at June 30, 2022 and 2021, respectively (see Note 22).

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

the future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

The Club has provision for probable claims amounting to ₱5,668,575 as at June 30, 2022 and 2021 (see Note 14).

4. Cash and Cash Equivalents

	2022	2021
Cash on hand	₱120,000	₱120,000
Cash in banks	28,534,761	27,138,925
Cash equivalents	22,492,520	24,456,168
	₱51,147,281	₱51,715,093

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 ₱115,863, ₱111,387 and ₱636,443 for the years ended June 30, 2022, 2021 and 2020, respectively.

5. Trade and Other Receivables

	2022	2021
Members	₱9,806,531	₱11,540,158
Others	5,780,589	4,221,861
	15,587,120	15,762,019
Less allowance for ECL	1,725,845	2,030,111
	₱13,861,275	₱13,731,908

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

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

As at June 30, 2022, and 2021, the aging analysis of trade and other receivables are as follows:

	2022	2021
Not more than 30 days outstanding	₱6,389,614	₱9,236,735
Beyond 30 days outstanding:		
31-60 days	488,819	894,091
61-90 days	509,386	769,181
Over 90 days	8,199,301	4,862,012
	₱15,587,120	₱15,762,019

The movements in allowance for ECLs are as follows:

	2022	2021
Balances at beginning of year	₱2,030,111	₱2,030,111
Provision (Note 20)	614,492	-
Reversal	(918,758)	-
Balances at end of year	₱1,725,845	₱2,030,111

6. Other Current Assets

	2022	2021
Supplies inventory at NRV	₱3,788,106	₱3,597,263
Prepayments	2,585,721	2,502,227
Creditable withholding tax (CWT)	883,019	838,475
Others	1,867,876	1,056,800
	₱9,124,722	₱7,994,765

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

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

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

Others pertain to advances on purchases and deferred input VAT.

7. Property and Equipment

	2022							Total
	Land	Land Improvements	Building and Structures	Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost:								
Balances at beginning of year	P9,400,307	P319,277,831	P57,488,137	P37,266,003	P5,333,006	P32,494,648	P9,827,400	P471,087,332
Additions	-	315,196	491,970	6,936,379	-	868,800	37,268,524	45,872,669
Disposals/dercognition	-	-	(4,053,923)	(1,142,932)	(93,298)	(2,278,831)	-	(7,568,984)
Transfer	-	-	14,293,088	-	-	-	(14,203,088)	-
Balances at end of year	9,400,307	319,593,027	68,129,272	43,059,450	5,239,708	31,083,817	32,884,836	599,190,417
Accumulated depreciation:								
Balances at beginning of year	-	156,510,389	41,741,070	29,314,436	5,332,793	22,803,597	-	255,702,285
Depreciation (Notes 19 and 20)	-	12,384,235	2,119,233	4,099,250	-	4,529,196	-	23,131,914
Disposals/dercognition	-	-	(4,053,923)	(1,142,932)	(93,298)	(2,278,831)	-	(7,568,984)
Balances at end of year	-	168,834,624	39,806,380	32,270,754	5,239,495	25,053,962	-	271,165,115
Net book values	P9,400,307	P150,698,403	P28,322,892	P10,788,696	P213	P6,029,855	P32,884,836	P128,025,202

	2021							Total
	Land	Land Improvements	Building and Structures	Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost:								
Balances at beginning of year	P9,400,307	P318,965,480	P57,224,630	P36,620,649	P5,333,006	P32,700,005	P1,488,254	P461,732,331
Additions	-	-	-	1,068,682	-	-	8,915,004	9,983,686
Disposals	-	-	-	(423,328)	-	(205,357)	-	(628,685)
Transfers	-	312,351	263,507	-	-	-	(575,858)	-
Balances at end of year	9,400,307	319,277,831	57,488,137	37,266,003	5,333,006	32,494,648	9,827,400	471,087,332
Accumulated depreciation:								
Balances at beginning of year	-	143,757,605	39,738,360	25,995,683	5,332,793	18,211,804	-	233,056,445
Depreciation (Notes 19 and 20)	-	12,752,784	2,002,710	3,741,881	-	4,797,150	-	23,294,525
Disposals	-	-	-	(423,328)	-	(205,357)	-	(628,685)
Balances at end of year	-	156,510,389	41,741,070	29,314,436	5,332,793	22,803,597	-	255,702,285
Net book values	P9,400,307	P162,767,442	P15,747,067	P7,951,567	P213	P9,691,051	P9,827,400	P215,385,047

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On March 26, 2022, the Club open an auction sale of golf cart, gym equipment and transportation equipment. Proceeds and gain from the sale of these fully depreciated property and equipment amounted to ₱371,572 (see Note 16).

In 2021, the Club sold a fully depreciated golf cart. Proceeds and gain from the sale of golf cart amounted to ₱2,250 (see Note 16).

In 2020, the Club sold five (5) units of golf carts that is fully depreciated. Proceeds and gain from the sale of golf carts amounted to ₱320,536 (see Note 16).

The cost of fully depreciated property and equipment still used in operations amounted to ₱109,870,704 and ₱116,320,059 as at June 30, 2022 and 2021, respectively.

8. Investment Properties

	2022		
	Building	Land	Total
Cost:			
Balances at beginning and end of year	₱53,718,366	₱73,562	₱53,791,928
Accumulated depreciation:			
Balances at beginning of year	53,577,363	—	53,577,363
Depreciation (Notes 19 and 20)	90,685	—	90,685
Balances at end of year	53,668,048	—	53,668,048
Net book values	₱50,318	₱73,562	₱123,880
	2021		
	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	53,442,875	—	53,442,875
Depreciation (Notes 19 and 20)	134,488	—	134,488
Balances at end of year	53,577,363	—	53,577,363
Net book values	₱141,003	₱73,562	₱214,565

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated July 7, 2022, the fair value of the land with aggregate land area of 9,055 sqm. and building with total floor area of 2,271 sqm., amounted to ₱141,227,700 and ₱30,526,000, respectively.

Based on the appraisal report submitted by Top Consult, Inc., independent appraiser, dated June 24, 2021, the fair value of the land with aggregate land area of 9,055 sqm. and building with total floor area of 2,271 sqm., amounted to ₱99,205,800 and ₱30,526,000, respectively.

Rental income earned from investment property amounted to ₱305,404 in 2022, 2021 and 2020 (see Note 18). Direct expenses related to investment properties consist mainly of amortization amounting to ₱90,685, ₱134,488 and ₱2,562,894 in 2022, 2021 and 2020, respectively.

9. Trust Fund and Debt Instrument at FVTPL

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

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

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

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

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

	2022	2021
Debt instrument at FVTPL	₱10,120,765	₱10,024,917
Trust fund	4,856,245	4,811,529
	₱14,977,010	₱14,836,446

Movement in debt instruments at FVTPL are as follows:

	2022	2021
Beginning balance	₱14,836,446	₱-
Additions	-	14,799,569
Changes in fair value	140,564	36,877
Ending balance	₱14,977,010	₱14,836,446

The valuation gains due to changes in fair value as of June 30, 2022 and 2021 are allocated as follows:

	Fair Value at June 30, 2021	Unrealized gains	Fair value at June 30, 2022
Trust fund	₱4,811,529	₱44,716	₱4,856,245
Debt instrument at FVTPL	10,024,917	95,848	10,120,765
	₱14,836,446	₱140,564	₱14,977,010

	Cost at February 19, 2021	Unrealized gains	Fair value at June 30, 2022
Trust fund	₱4,799,569	₱11,960	₱4,811,529
Debt instrument at FVTPL	10,000,000	24,917	10,024,917
	₱14,799,569	₱36,877	₱14,836,446

Interest income recognized and realized for the trust fund amounted to nil, ₱6,345 and ₱44,822 for the years ended June 30, 2022, 2021 and 2020, respectively.

10. Other Noncurrent Assets

	2022	2021
Computer software	₱1,403,419	₱955,828
Refundable deposit	749,297	750,297
Advances to suppliers	52,000	52,000
	₱2,204,716	₱1,758,125

Refundable deposit pertains to deposits to utility companies.

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

Advances to suppliers relate to the installation of new pump and purchase of various equipment. The movement of computer software is as follows:

	2022	2021
Cost:		
Balance at beginning and end of year	₱3,545,646	₱2,860,952
Additions	642,857	684,694
Balance at end of year	4,188,503	3,545,646
Accumulated amortization:		
Balance at beginning of year	2,589,818	2,563,685
Amortization (Notes 19 and 20)	195,266	26,133
Balance at end of year	2,785,084	2,589,818
Net book value	₱1,403,419	₱955,828

11. Trade and Other Payables

	2022	2021
Trade	₱6,403,255	₱3,227,664
Accrued expenses	5,349,972	5,110,740
Organizations and cooperative	7,467,580	5,096,455
Concessionaires	2,503,394	1,412,377
VAT payable	821,765	391,212
Others	1,246,589	768,411
	₱23,792,555	₱16,006,859

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

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

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

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

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

12. Members' Deposits and Others

	2022	2021
Cash deposits	₱10,330,000	₱9,145,000
Due to former members	7,642,338	7,477,891
Security deposit	265,365	266,060
	₱18,237,703	₱16,888,951

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

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

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

13. Contract Liabilities

	2022	2021
Membership dues paid in advance (Note 16)	₱9,950,500	₱6,331,200
Green fee coupons	1,246,664	1,254,788
Tournament deposit	160,009	139,009
Others	49,412	84,774
	₱11,406,585	₱7,809,771

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

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

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

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

14. Provision for Probable Claims

Movements in this account are as follows:

	2022	2021
Balances at beginning of year	P5,668,575	P5,810,669
Reversals	-	(142,094)
Balances at end of year	P5,668,575	P5,668,575

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

15. Members' Equity

Capital Stock

Details of the Club's common shares as of June 30, 2022 and 2021 are as follows:

	Shares
Common shares - P9,000 par value	
Authorized shares	1,800
Issued	1,594

Accumulated Excess of Revenues Over Expenses

	2022	2021
Accumulated excess of revenues over expenses	P47,257,893	P36,903,008
Other comprehensive income (loss) (Note 24):		
Beginning balance	1,027,482	(741,767)
Re-measurement gains (losses) on defined benefit obligation	(2,692,482)	1,769,249
Ending balance	(1,665,000)	1,027,482
Total	P45,592,893	P37,930,490

16. Revenue from Contracts with Customers

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

	2022	2021	2020
Nature of services			
Membership dues	₱57,423,318	₱53,934,260	₱52,957,284
Assessment for road maintenance	23,706,765	23,288,728	15,390,417
Corporate services	22,561,454	19,777,872	11,026,339
Sports and recreation	19,459,569	11,358,990	20,965,399
Patronage fees	3,952,245	3,885,024	3,594,094
Concessionaires' fee (Note 17)	3,493,824	2,412,288	4,129,714
Revenue from special events	2,364,767	1,802,900	8,591,704
Surcharge	768,108	729,074	560,172
Sale of properties (Note 7)	371,572	2,250	320,536
Others	7,083,730	4,971,655	6,130,355
	₱141,185,352	₱122,163,041	₱123,666,014
	2022	2021	2020
Timing of revenue recognition			
Services transferred overtime	₱132,599,603	₱115,134,405	₱115,061,498
Goods transferred at a point in time	8,585,749	7,028,636	8,604,516
	₱141,185,352	₱122,163,041	₱123,666,014

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 ₱9,950,500 and ₱6,331,200 as at June 30, 2022 and 2021, respectively. Members' dues paid in advance is considered as a contract liability of the Club to its members.

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

Assessment for road maintenance are toll fees charged by the Club to users of the Club's main road, Don Celso S. Tuason Avenue. A specified fix rate is charged for different type of motor vehicles.

Sports and recreation arise from green fees which are generated from the use of the Club's golf courses. The Club has two golf courses: the North and South course. The North course is open to its members, their guests, and walk-in customers while the South course is open to its members and their guests only.

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

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

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

17. Concessionaires' Fees

	2022	2021	2020
Food and beverage services	₱2,266,505	₱1,434,859	₱3,374,760
Retail services	1,227,319	977,429	725,972
Spa and barbershop services	-	-	28,982
	₱3,493,824	₱2,412,288	₱4,129,714

Concession agreements entered into by the Club are shown below:

Food and Beverage Services

a) Jay-j's Food Management, Inc. (JFMI), a local food concessionaire and the Club entered into a concession agreement whereby JFMI manages the food and beverage operations of the Club located at the North Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 7% plus VAT of the monthly gross sales including special functions contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club which serves as a security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from August 1, 2016 up to July 31, 2019. On June 15, 2019, the contract was extended for a period of three (3) months, starting from August 1, 2019 up to October 31, 2019. The contract was further extended for short-term periods until July 31, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. In December 2020, the contract was expanded, on a temporary basis, to include the main clubhouse starting January 1, 2021 until such time a new concessionaire for the main clubhouse is engaged. On May 28, 2022, the BOD approved the recommendation of the House Committee for the non-renewal of JFMI's contract as a concessionaire at the North Clubhouse. On May 31, 2022, the BOD released a formal notice of termination for the main clubhouse concession effective July 31, 2022.

The concessionaire fee recognized from JFMI amounted to ₱984,740, ₱760,125 and ₱1,073,659 in 2022, 2021 and 2020, respectively.

b) Anix's House of Kare-kare (AHK), a local food concessionaire, and the Club entered into a concession agreement whereby AHK manages the food and beverage operations of the Club at the Main Clubhouse. The agreement also provides that the concessionaire shall pay a fee of 7% plus VAT of the monthly gross sales for the first six (6) months of operations and 10% plus VAT of the monthly gross sales for the succeeding months or ₱100,000 whichever is higher including catering services contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club which serves as a security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from January 20, 2017 up to January 19, 2020, subject to renewal at the option of the Club under such terms and conditions to

be mutually agreed by the parties. The agreement was extended on January 20, 2020 until June 30, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. The contract was further extended to last until December 22, 2020 and was not renewed subsequently. This extension revised the concessionaire fee to 7% plus VAT of the monthly gross sales.

The concessionaire fee recognized from AHK amounted to nil, ₱445,272 and ₱2,301,102 in 2022, 2021 and 2020, respectively.

- c) Doturak International Group, Inc. (DIGI), a local food concessionaire, and the Club entered into a concession agreement whereby DIGI manages the food and beverage operations of the Club at the Tee House. The agreement provides that the concessionaire shall pay a basic minimum rental of ₱40,000 or 5% of the gross sales per month inclusive of VAT for the duration of the COVID pandemic situation, whichever is higher. Beginning on the first day of the month following the government announcement of the liftings of all alert levels in Rizal province or the gross sale reaching ₱2,000,000 a month whichever comes first, DIGI shall pay a concession fee of 10% plus VAT or ₱40,000, whichever is higher. The agreement is for a period of five (5) years starting January 1, 2021 (the "Initial Term") renewable for another two (2) years at the option of DIGI (the "Extended Term"). The agreement may be renewed or extended at the end of the initial and extended terms as the parties may mutually agree upon. Upon execution of the agreement, DIGI agrees to provide for a ₱240,000 refundable security deposit.

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

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

The concessionaire fee recognized from GKO amounted to ₱780,574 in 2022.

Retail Shop

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

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

The concessionaire fees from PacSPORT Phils, Inc. amounted to ₱1,227,319, ₱977,429 and ₱725,972 in 2022, 2021 and 2020, respectively.

18. Rentals

	2022	2021	2020
Golf cart rental	₱14,900,957	₱13,720,361	₱8,843,670
Golf cart storage	3,789,831	3,220,457	3,139,648
Locker rental	920,084	891,391	946,098
Driving range	505,961	505,961	432,119
Venue and room fee	414,361	-	942,009
Communication cell site (Note 8)			

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, 2022, 2021 and 2020 are as follows:

	2022	2021	2020
Within one (1) year	₱305,404	₱305,404	₱305,404
More than one (1) year but not more than five (5) years	1,297,967	1,527,020	1,527,020
More than five (5) years	–	76,351	381,755
	₱1,603,371	₱1,908,775	₱2,214,179

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, 2022 are as follows:

	2022
Within one (1) year	₱300,000
More than one (1) year but not more than five (5) years	1,500,000
More than five (5) years	1,050,000
	₱2,850,000

19. Cost of Services

	2022	2021	2020
Outside services	₱43,131,926	₱37,054,304	₱37,925,988
Depreciation and amortization (Notes 7, 8, and 10)	23,061,566	23,177,151	24,748,395
Personnel cost (Note 21)	21,289,117	20,859,157	22,479,363
Supplies	19,027,951	8,645,016	9,868,403
Utilities	12,809,010	8,332,710	14,068,617
Repairs and maintenance	4,236,571	9,028,382	7,551,955
Club events	1,394,951	1,802,900	6,090,755
Others	4,632,847	2,694,641	8,278,463
	₱129,583,939	₱111,594,261	₱131,011,939

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

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

20. General and Administrative Expenses

	2022	2021	2020
Personnel costs (Note 21)	₱8,738,334	₱6,818,086	₱6,855,334
Taxes and licenses	4,938,961	5,312,964	5,861,950
Outside services	2,328,376	3,011,566	4,451,897
Supplies	1,014,950	1,129,130	925,054
Board members' meetings	829,297	684,297	857,520
Bank charges	756,105	999,930	1,160,939
Utilities	615,451	349,824	604,711
Provision for ECL (Note 5)	614,492	-	243,212
Depreciation and amortization (Notes 7, 8, and 10)	356,299	277,995	292,169
Others	1,701,856	1,036,497	2,718,905
	₱21,894,121	₱19,620,289	₱23,971,691

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

21. Personnel Costs

	2022	2021	2020
Cost of services (Note 19):			
Salaries and wages	₱16,146,963	₱15,628,063	₱17,220,703
Employee benefits	3,967,935	3,989,911	4,230,384
Retirement benefit expense (Note 24)	1,174,219	1,241,183	1,028,276
	21,289,117	20,859,157	22,479,363
General and administrative (Note 20):			
Salaries and wages	6,843,837	5,171,193	5,196,329
Employee benefits	1,594,974	1,332,233	1,387,281
Retirement benefit expense (Note 24)	299,523	314,660	271,724
	8,738,334	6,818,086	6,855,334
	₱30,027,451	₱27,677,243	₱29,334,697

22. Income Taxes

The composition of provision for income taxes is:

	2022	2021	2020
Current	₱170,312	₱188,131	₱55,090
Deferred	403,681	140,521	1,853,545
	₱573,993	₱328,652	₱1,908,635

- a. The Club's provision for current income tax pertains to MCIT in 2022, 2021, and 2020.
- 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:

	2022	2021	2020
Income tax at the statutory rate	₱2,732,220	₱2,437,711	(₱4,586,913)
Income tax effects of:			
Nondeductible expenses	16,909,614	17,175,421	21,243,136
Nontaxable revenues	(19,215,588)	(17,978,816)	(19,379,290)
Movement of unrecognized deferred tax assets	211,854	(1,267,012)	3,006,141
Interest income subject to final tax	(64,107)	(38,652)	(204,379)
Derecognition of advance payments of membership dues	-	-	1,829,940
	₱573,993	₱328,652	₱1,908,635

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

	2022	2021
Deferred tax assets:		
Allowance for ECL	₱153,623	₱507,528
Advanced payments from members for other dues	12,353	21,194
	165,976	528,722
Deferred tax liabilities:		
Rent receivable	(339,178)	(298,766)
Interest income from accretion	(3,909)	(3,386)
	(343,087)	(302,152)
	(₱177,111)	₱226,570

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

	2022	2021
Balances at beginning of year	₱226,570	₱684,991
Provision for deferred tax during the year recognized in:		
Profit or loss	(403,681)	(140,521)
OCI	-	(317,900)
Balances at end of year	(₱177,111)	₱226,570

financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

A summary of major account balances with related parties follows:

Key Management Personnel Compensation

Compensation of key management personnel amounted to ₱3,226,557, ₱2,104,188 and ₱2,083,175 in 2022, 2021 and 2020, respectively, which represent short-term benefits.

Complimentary Club Coupons and House Guests Privileges

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

	2022	2021	2020
Beginning balance	120	46	365
Additions during the year	4,440	2,720	2,000
Issuances during the year	(2,460)	(2,646)	(2,319)
Ending balance	2,100	120	46

On March 1, 2020 these green fee rates are ranging from ₱1,421 to ₱2,221. On January 16, 2021, these green fee rates are changed ranging from ₱1,700 to ₱2,500.

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

24. Retirement Benefit Obligation

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

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

Retirement benefits expense recognized in the statements of income:

	2022	2021	2020
Service cost	₱1,192,627	₱1,300,611	₱1,131,772
Net interest cost:			
Interest cost on benefit obligation	1,144,456	928,724	1,158,222
Interest income on plan assets	(863,341)	(673,492)	(989,994)
Retirement benefit expense	₱1,473,742	₱1,555,843	₱1,300,000

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

	2022	2021	2020
Actuarial losses (gains):			
Changes in financial assumptions	(P2,128,165)	(P1,517,134)	P3,290,567
Experience adjustments	2,489,236	(513,168)	356,365
Changes in demographic assumptions	744,246	—	1,058,641
	<u>1,105,317</u>	<u>(2,030,302)</u>	<u>4,705,573</u>
Return on plan assets excluding the amount included in net interest cost	1,587,165	(56,847)	490,865
Re-measurement losses (gains) on defined benefit obligation	P2,692,482	(P2,087,149)	P5,196,438

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

	2022	2021
Balances at beginning of year	(P1,027,482)	P1,059,667
Actuarial loss (gain)	1,105,317	(2,030,302)
Return on assets excluding amount included in net interest cost	1,587,165	(56,847)
Total amount recognized in OCI	P1,665,000	(P1,027,482)

Movements in retirement benefit obligation in 2022 and 2021 are as follows:

	2022	2021
Balances at beginning of year	P5,446,848	P7,976,808
Retirement benefit expense	1,473,742	1,555,843
Contributions paid	(1,998,654)	(1,998,654)
Remeasurement losses (gains) recognized in OCI	2,692,482	(2,087,149)
Balance at end of year	P7,614,418	P5,446,848

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

	2022	2021
Balances at beginning of year	P26,492,044	P27,395,976
Current service cost	1,192,627	1,300,611
Interest cost	1,144,456	928,724
Net actuarial loss (gain) due to:		
Changes in demographic assumptions	2,489,236	(513,168)
Changes in financial assumptions	(2,128,165)	(1,517,134)
Experience adjustments on plan liabilities	744,246	—
Benefits paid from plan assets	(4,119,553)	(1,102,965)
Balances at end of year	P25,814,891	P26,492,044

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

	2022	2021
Balances at beginning of year	₱21,045,196	₱19,419,168
Interest income on retirement plan assets	863,341	673,492
Actual contributions	1,998,654	1,998,654
Actual return excluding amount included in net interest cost	(1,587,165)	56,847
Benefits paid	(4,119,553)	(1,102,965)
Balances at end of year	₱18,200,473	₱21,045,196

Retirement obligation as reported in the statement of financial position:

	2022	2021
Present value of benefit obligation	₱25,814,891	₱26,492,044
Fair value of retirement plan assets at end of year	(18,200,473)	(21,045,196)
	₱7,614,418	₱5,446,848

The major categories of plan assets are as follows:

	2022	2021
Deposit in banks	₱1,258,859	₱4,827,592
Investment in government securities	8,671,714	11,494,165
Other securities and debt instruments	3,812,561	803,344
Investment in trust fund	982,174	150,000
Investment in shares of stock	3,287,598	3,679,680
Accrued interest receivable	109,493	174,544
Other receivables	198,814	107,391
Accrued trust fees and other payables	(120,741)	(191,520)
	₱18,200,472	₱21,045,196

Deposit in banks includes regular savings.

Investments in government securities consist of retail treasury bonds that bear interest ranging from 2.375% to 6.125% in 2022 and 5.0% to 11.1% in 2021 and will mature on various dates starting July 2013 to October 2037.

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

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

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

	2022	2021
Discount rate	6.59%	4.32%
Future salary increases	4.00%	3.00%

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
2022		
Discount rates	+1%	(P1,490,704)
	-1%	1,667,364
Salary increase rate	+1%	P1,694,113
	-1%	(1,539,778)
2021		
Discount rates	+1%	(P1,460,955)
	-1%	1,638,188
Salary increase rate	+1%	P1,643,537
	-1%	(1,492,337)

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

	2022	2021
Year 1	P2,602,193	P4,360,138
Year 2	6,608,833	2,623,365
Year 3	1,722,953	5,860,924
Year 4	3,218,591	1,663,429
Year 5	2,447,066	2,910,090
Year 6 - 10	13,797,716	10,928,507

The average duration of the defined benefit obligation is 6.1 years and 5.8 years as at June 30, 2022 and 2021, respectively.

The Club's latest actuarial valuation report was as of June 30, 2022.

25. Financial Instruments

Financial Risk Management Objectives and Policies

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

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

Credit risk 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:

	2022	2021
Cash in banks and cash equivalents	P51,027,281	P51,595,093
Trade and other receivables	13,861,275	13,731,908
Debt instrument at FVTPL	10,120,765	10,024,917
Trust fund	4,856,245	4,811,529
	P79,865,566	P80,163,447

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

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

With respect to credit risk for these financial assets, the Club's maximum exposure equals to the carrying amount of these instruments. The Club has impaired financial assets amounting to P1,725,845 and P2,030,111 as at June 30, 2022 and 2021, respectively (see Note 5).

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

2022	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	0.2600%	0.4400%	0.9671%	2.8291%	4.7943%	100%	
Estimated total gross carrying amount at default	P2,560,510	P3,829,104	P488,819	P609,186	P6,839,952	P1,359,349	P15,587,120
Expected credit loss	P1,657	P16,848	P4,727	P10,336	P327,928	P1,359,349	P1,725,845

2021	Days past due						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
Expected credit loss rate	0.3832%	0.6439%	1.4045%	2.9061%	6.3405%	100%	
Estimated total gross carrying amount at default	P3,190,879	P3,770,276	P1,879,172	P1,852,557	P1,569,394	P1,699,741	P15,762,019
Expected credit loss	P12,227	P24,277	P26,393	P53,837	P213,136	P1,699,741	P2,030,111

y

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, 2022 and 2021, based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Club's financial assets in order to provide a complete view of the Club's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

As at June 30, 2022

	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
At amortized cost:						
Trade and other payables:						
Trade payables	₱2,451,433	₱3,951,822	₱-	₱-	₱-	₱6,403,255
Accrued expenses	2,769,964	857,066	207,136	240,636	1,275,170	5,349,972
Others*	3,865,150	725,521	463,622	185,984	5,214,113	10,454,390
Members deposits and others	18,237,703	-	-	-	-	18,237,703
Short-term borrowing	-	-	-	-	236,946	236,946
Refundable deposits under *	-	-	-	-	740,000	740,000
	₱27,324,250	₱5,534,409	₱670,758	₱426,620	₱7,466,229	₱41,422,266

At amortized cost:						
Cash and cash equivalents	₱28,664,761	10,712,715	₱-	₱11,779,805	₱-	₱51,147,281
Trade and other receivables:						
Trade receivables	2,622,287	6,872,891	-	-	-	9,495,178
Others	4,872,879	293,218	-	-	-	5,166,097
Debt instrument at FVTPL	10,120,765	-	-	-	-	10,120,765
Trust fund	-	-	-	-	4,856,245	4,856,245
	₱46,270,692	₱17,878,824	₱-	₱11,779,805	₱4,856,245	₱79,985,566

x y

As at June 30, 2021

	On demand	Less than 30 Days	30 to 60 days	61 to 90 days	More than 91 Days	Total
At amortized cost:						
Trade and other payables:						
Trade payables	₱2,411,796	₱815,868	₱-	₱-	₱-	₱3,227,664
Accrued expenses	4,432,988	136,878	133,174	135,900	271,800	5,110,740
Others*	1,146,467	244,254	96,603	328,252	5,067,329	6,882,935
Members deposits and others	16,888,951	-	-	-	-	16,888,951
	₱24,880,202	₱1,197,000	₱229,777	₱464,152	₱5,339,129	₱32,110,260

At amortized cost:						
Cash and cash equivalents	₱27,258,925	₱-	₱-	₱24,436,168	₱-	₱51,715,093
Trade and other receivables:						
Trade receivables	2,713,983	6,796,864	-	-	-	9,510,847
Others	4,093,274	128,587	-	-	-	4,221,861
Debt instrument at FVTPL	10,024,917	-	-	-	-	10,024,917
Trust fund	-	-	-	-	4,811,529	4,811,529
	₱44,091,099	₱6,924,651	₱-	₱24,436,168	₱4,811,529	₱80,283,447

x y

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.

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Fair Value Measurements

The following provides the fair value measurement hierarchy of the Club's assets and liabilities as at June 30, 2022 and 2021:

	Date of Valuation	Total	Fair Value Measurement		
			Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets for which fair values are disclosed					
(Note 8)	2022	P171,753,700	P-	P-	P171,753,700
	2021	P129,731,800	P-	P-	P129,731,800
Assets measured at fair value					
(Note 9)	2022	P10,120,765	P10,120,765	P-	P-
	2021	P10,024,917	P10,024,917	P-	-
(Note 9)	2022	P4,856,245	P4,856,245	P-	P-
	2021	P4,811,529	P4,811,529	P-	P-

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, 2022 and 2021, 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.

y

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.

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

Capital Management

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

	2022	2021
Capital stock	P14,346,000	P14,346,000
Contributions in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over costs and expenses	45,592,893	37,930,490
	P261,566,665	P253,904,262

No changes were made in the objectives, policies or processes for the years ended June 30, 2022 and 2021.

26. Supplementary Information under Revenue Regulations (RR) 34-2020 and 15-2010

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.

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 2022:

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	P90,113,940	P10,813,673
Exempt sales	23,151,730	-
	P113,265,670	10,813,673

ii. Input VAT

Balance at July 1, 2021	P-
Current year's domestic purchases/payments for:	
Domestic purchases of services	3,534,756
Goods other than for resale or manufacture	672,530
Capital goods exceeding P1,000,000	-
	4,207,286
Applied against output tax	(4,207,286)
Balance at June 30, 2022	P-

b. Withholding Taxes

Expanded withholding taxes	₱2,396,180
<u>Withholding taxes on compensation and benefits</u>	<u>185,668</u>
	<u>₱2,581,848</u>

c. Other Taxes and Licenses

Real estate taxes	₱3,922,565
<u>Local business tax</u>	<u>1,016,396</u>
	<u>₱4,938,961</u>

d. Tax Assessments

The Club did not receive any final tax assessments in 2022, nor did it have tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the administration of BIR.

Valley Golf and Country Club, Inc.

From: ICTD Submission: ictdsubmission@sec.gov.ph
Sent: Saturday, 13 May 2023 9:37 AM
To: info@valleygolf.com.ph
Subject: Re: QCFD_Valley Golf & Country Club, Inc SEC Form 17Q, 13 May 2023

ANNEX "H-1."

Thank you for reaching out to ictdsubmission@sec.gov.ph. Your submission is subject for Verification and Review of the Quality of the Attached Document only for **Secondary Reports**. Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order from receipt through the SEC Express System at <https://secexpress.ph/>. Or you may call 8737-8888 for further clarifications.

NOTICE

Please be informed that selected reports should be filed through **ELECTRONIC FILING AND SUBMISSION TOOL (EFAST)**. <https://dfss-ost.sec.gov.ph/user/login>

such as: AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

Further, pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in **PORTABLE DOCUMENT FORMAT (PDF)** Secondary Reports such as:

17-A, 17-C, 17-L, 17-Q, ICASR, ICA-QR, ICA-AR, 23-A, 23-B, I-ACGR, ACGR, Monthly Reports, Quarterly Reports, Letters, OPC(ALTERNATE NOMINEE), GIS-G, 52-AR, IHAR, AMLA-CF, NPM, NPAM, BP-FCLC, CHINESEWALL, 39-AR, 36-AR, PNFS, MCG, S10/SEC-NTCE-EXEMPT, through email at

ictdsubmission@sec.gov.ph

FOR MC28, please go to SEC website:

<https://apps010.sec.gov.ph>

For your information and guidance.

Thank you and keep safe.

CERTIFICATION

I, **DAN SALVADOR III**, General Manger/Compliance Officer of **VALLEY GOLF & COUNTRY CLUB, INC.** with SEC registration number 13951 with principal office at **Don Celso S. Tusson Victoria Valley Antipolo City**, on oath state:


1. That on behalf of Valley Golf & Country Club, Inc., I have caused this **Quarterly Report (SEC Form 17-Q)** for the period ended **December 31, 2022** to be prepared;
2. That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
3. That the company Valley Golf & Country Club, Inc will comply with the requirements set forth on the SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
4. That I am fully aware that the documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hands this MAY 11 2023 day of _____.



Dan L. Salvador III
SEC ID No. 35-329466-2
Affiant

SUBSCRIBED AND SWORN to before me this MAY 11 2023 day of ANTIPOLO CITY



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

Doc. No. 66
Page No. 14
Book No. 64
Series of: 2023

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC
RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended : **March 31, 2023**
2. Commission identification number : **13951**
3. BIR Tax Identification No. : **000-849-197**
4. Exact name of issuer as specified in its charter : **VALLEY GOLF & COUNTRY CLUB, INC.**
5. Province, country or other jurisdiction of
Incorporation or organization : **Antipolo City, Rizal**
6. Industry Classification Code : _____ (SEC Use Only)
7. Address of issuer's principal office : **Don Celso S. Tuason Avenue Victoria
Valley Rizal**
8. Issuer's telephone numbers, including area code : **(02) 858-4901 to 03; (02) 858-0088**
9. Former name, former address and former fiscal
Year, if changed since last report : **Not Applicable**
10. Securities registered pursuant to Section 8 and
12 of the Code, or Sections 4 and 8 of the RSA
- Title of each class : **Common Stock-P9,000 par value**
- Number of Shares Outstanding : **1,594**
- Amount of Debt Outstanding : **None**
11. Are any or all of the securities listed on a
Stock Exchange? **Yes () No (X)**
12. Indicate by check mark whether the registrant:
- (a) Has filed all reports required to be filed by
Section 17 of the Code and SRC Rule 17
thereunder or Sections 11 of the RSA and
RSA Rule 11(a)-1 thereunder, and Sections 28
And 141 of the Corporation Code of the
Philippines, during the preceding twelve (12)
Months (or for such shorter period the registrant
was required to file such reports) **Yes (X) No ()**
- (b) Has been subject to such filing requirements
For the past ninety (90) days **Yes () No (X)**

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

	Unaudited	Audited by SGV & Co.
	MAR 2023	JUNE 2022
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	56,721,770	51,147,281
Trade and other receivables-net (Note 5)	27,369,130	13,861,275
Debt instrument at fair value through profit o	10,530,970	10,120,765
Other current assets (Note 6)	10,482,472	9,124,722
Total Current Assets	105,084,342	84,254,043
Noncurrent Assets		
Property and equipment-net (Note 7)	252,905,783	238,125,202
Investment properties-net (Note 8)	88,630	123,880
Trust Fund (Note 9)	4,856,245	4,856,245
Deferred Tax Asset (Note 22)	165,976	0
Other non-current assets (Note 10)	2,129,891	2,204,716
Total Noncurrent Assets	260,146,525	245,310,043
TOTAL ASSETS	365,230,866	329,564,086
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Trade and other payables (Note 11)	28,805,428	23,792,555
Members' deposits and others (Note 12)	19,377,585	18,237,703
Contract Liabilities (Note 13)	17,878,440	11,408,585
Accrued provision for probable claims (Note	5,688,575	5,688,575
Short term borrowing	0	236,946
Total Current Liabilities	71,830,038	59,342,364
Noncurrent Liabilities		
Retirement benefit obligation (Note 24)	7,285,428	7,614,418
Deferred tax liabilities	343,067	177,111
Other noncurrent liabilities	123,528	863,528
Total Noncurrent Liabilities	7,752,042	8,655,057
Total Liabilities	79,582,081	67,997,421
Members' Equity (Note 15)		
Capital Stock	14,346,000	14,346,000
Contribution in excess of par value	201,627,772	201,627,772
Accumulated excess of revenues over expenses	69,675,013	45,592,893
Total Members' Equity	285,648,785	261,566,665
TOTAL LIABILITIES AND MEMBERS' EQUITY	365,230,866	329,564,086
	0	0

VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Corporation)
STATEMENTS OF COMPREHENSIVE INCOME
For the Quarters Ended March 31, 2023 and 2022

	2023	2022	2023	2022
	JUL-MAR	JUL-MAR	JAN-MAR	JAN-MAR
REVENUES				
Revenue from contracts with customers (Note 18)	159,875,316	99,968,383	88,222,099	38,491,042
Rentals (Note 18)	16,804,181	16,285,029	5,650,128	5,085,391
Interest income (Notes 4 & 8)	291,251	93,049	78,772	14,823
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	410,204.01	109,979.99	238,719	34,184
Total Revenue	177,380,931	116,476,441	74,189,718	43,605,250
COST AND EXPENSES				
Cost of services (Note 19)	132,813,252	89,854,282	52,891,025	30,841,850
General and administrative (Note 20)	20,485,555	18,421,237	8,916,233	5,857,887
	153,298,807	108,275,529	61,807,258	36,700,117
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE INCOME TAXES	24,082,124	9,200,912	14,383,459	7,005,433
PROVISION FOR (BENEFIT FROM) INCOME TAXES	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	24,082,124	9,200,912	14,383,459	7,005,433
Income/Loss for the quarter	24,082,124	9,200,912		
No. of shares	1,594	1,594		
EARNINGS PER SHARE	15.108	5.772		
EARNINGS PER SHARE	15.108	5.772		

EPS=net income /(loss)/ outstanding common shares

There are no diluted earnings per share

VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Corporation)
SCHEDULE OF COST AND EXPENSES
For the Quarters Ended March 31, 2023 and 2022

	2023 JUL-MAR	2022 JUL-MAR	2023 JAN-MAR	2022 JAN-MAR
PERSONNEL:				
Salaries, contributions and allowances	21,669,228	19,651,994	7,638,910	6,912,175
Retirement benefit expense	1,170,000	1,170,000	390,000	380,000
Bonus and gratuity	1,501,300	1,384,182	511,333	398,700
	24,340,528	22,206,176	8,540,243	7,700,875
SUPPLIES:				
Repairs and maintenance	7,571,378	7,264,419	3,099,078	2,634,555
Operating supplies	4,514,128	3,240,223	1,934,763	1,125,488
Gasoline & oil	1,763,581	3,390,053	668,477	1,166,375
Stationery and office supplies	1,334,220	998,149	508,896	360,106
Uniforms	501,578	564,406	14,616	16,779
Dental and medical	494,484	977,169	186,936	554,395
	16,179,348	16,432,419	6,412,766	5,877,698
UTILITIES:				
Electricity	10,088,658	6,565,458	3,796,012	2,530,614
Communication	594,439	728,832	188,407	231,651
Water	2,058,735	1,725,264	791,863	612,355
	12,741,832	9,019,554	4,778,082	3,374,620
OUTSIDE SERVICES:				
Retainer's fee	480,591	611,337	217,191	65,111
Legal fees	1,470,101	692,071	378,379	183,997
Audit fees	412,200	434,119	137,400	144,706
Security services	12,331,851	8,100,033	4,074,259	2,610,313
Laundry services	791,070	37,516	247,974	9,240
Maintenance crew	4,767,747	1,466,017	1,714,569	485,926
Golf course maintenance	24,730,560	20,387,200	8,775,360	7,091,200
	44,984,121	31,728,293	16,545,132	10,590,484
SUNDRIES:				
Taxes and Licenses	5,064,951	3,678,370	1,568,168	1,303,011
Board and members' meetings	1,280,831	670,109	430,820	181,736
Insurance	411,760	418,755	135,543	124,474
Advertisements and publication	58,545	60,772	-	8,500
Bank charges	1,488,207	978,400	668,054	332,329
Dues & registration fees	65,426	53,895	60,500	42,879
Promotional & Industrial	431,994	78,723	150,342	19,908
Self Insurance Expense	442,079	291,808	224,928	161,536
Tournament	17,243,518	500	13,583,632	500
Christmas Fund Expenses	1,791,385		2,564	
Grand Raffle Expenses	5,600,958		2,000,958	
Miscellaneous	5,263,708	3,051,143	861,779	1,033,755
	39,123,361	9,280,475	19,807,309	3,208,628
Depreciation and Amortization	16,925,973	17,591,103	4,722,725	5,838,292
FINANCE COST	3,844	17,508	-	9,210
GRAND TOTAL COST & EXPENSES	153,296,807	106,275,529	59,806,257	36,599,817

/s/cepjumar

VALLEY GOLF & COUNTRY CLUB, INC.
(A Nonprofit Corporation)
INTERIM STATEMENTS OF CASH FLOWS
For the Quarters Ended March 31, 2023 & 2022

	2023	2022
	JUL-MAR	JUL-MAR
OPERATING ACTIVITIES		
Excess of revenues over expenses before income tax	24,082,124	9,200,912
Adjustments for:		
Depreciation (Note 19 and 20)	15,925,973	17,591,103
Provision for retirement benefit	(1,496,990)	(328,991)
Unrealized gain on financial assets at fair value through profit or loss	(410,204)	
Working capital adjustments:		
(Increase) decrease in:		
Trade and other receivables	(13,507,855)	(5,428,031)
Prepayments and other current assets	(1,337,750)	(1,656,317)
Increase (decrease) in:		
Trade and other payables	5,112,873	9,406,636
Members' deposits and credit balances	1,139,892	617,180
Accrued provision for probable claims	0	0
Contract Liabilities	6,471,855	4,195,875
Income Tax paid		
Net cash flows from operating activities	36,977,918	33,696,368
INVESTING ACTIVITIES		
Additions to:		
Property and equipment (Note 7)	(30,809,120)	(37,359,245)
Investment Property (Note 8)	0	68,014
(Increase) decrease in trust funds	0	0
(Increase) decrease in Deferred tax Asset	165,976	
(Increase) decrease in Deferred tax Liability	(165,976)	
(Increase) decrease in other non-current assets	74,825	(309,438)
Proceeds from sale of property and equipment	0	0
Net cash flows used in investing activities	(30,734,295)	(37,600,669)
FINANCING ACTIVITIES		
Proceeds from sale of shares of stocks	0	0
Payments of short-term loans-net	236,946	0
Net cash flows (used in) financing activities	(236,946)	0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,006,677	(4,002,302)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	61,715,093	61,715,093
CASH AND CASH EQUIVALENTS AT END OF QUARTER	66,721,770	47,712,791

VALLEY GOLF & COUNTRY CLUB, INC.
(A NonProfit corporation)
STATEMENT OF CHANGES IN MEMBERS' EQUITY
For the Quarters ended March 31, 2023 and 2022

	2023	2022
	MAR	MAR
CAPITAL STOCK (Note 15)		
Issued and outstanding		
Balance at beginning of year	14,346,000	14,346,000
Issuance of shares during the quarter	-	-
Balance at end of quarter	14,346,000	14,346,000
Subscribed		
Balance at beginning of year	-	-
Subscriptions during the quarter	-	-
Subscription paid during the quarter	-	-
Subscription cancelled during the quarter	-	-
Balance at end of quarter	-	-
	14,346,000	14,346,000
CONTRIBUTIONS IN EXCESS OF PAR VALUE		
Balance at beginning of year	201,627,772	201,627,772
Premium on shares issued during the quarter-net	-	-
Premiums on subscription cancelled during the quarter	-	-
Balance at end of quarter	201,627,772	201,627,772
TREASURY SHARES		
Balance at beginning of year	-	-
Repurchased/ Buyback fr Stockholders	-	-
Balance at end of quarter	-	-
ACCUMULATED EXCESS OF REVENUE AND MEMBERS' SUPPORT OVER EXPENSES (Note 15)		
Balance at beginning of year	47,257,888	36,903,005
Excess (deficiency) of revenue and members' support over expenses	24,082,124	9,200,912
Other Comprehensive Income/Loss	(1,684,999)	1,027,482
Balance at end of quarter	69,675,013	47,131,399
TOTAL MEMBERS' EQUITY	285,648,785	283,105,171

VALLEY GOLF & COUNTRY CLUB, INC.

(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Valley Golf & Country Club, Inc. (the Club) was organized in the Philippines and registered with the Securities and Exchange Commission (SEC) on May 14, 1958 as a nonprofit corporation for a term of 50 years up to 2008. The Club's corporate life was extended for another 50 years from May 15, 2008 as confirmed and ratified by the stockholders on November 18, 2007 and approved by the SEC on April 29, 2008.

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 was exempt from payment of income tax on income derived from social, recreational, and athletic activities on a nonprofit basis provided that no part of the Club's income shall inure to the benefit if any of its members, trustees and officers under Section 30 (E) of the Tax Reform Act of 1997.

On August 3, 2012, the Bureau of Internal Revenue (BIR) issued RMC-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 (SC) 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 (a) constitute as "income of recreational clubs from whatever source" that are "subject to income tax", and b) form part of the "gross receipts of recreational clubs" that are "subject to VAT". Since then, the Club stopped collecting 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 Avenue, Victoria Valley, Antipolo City.

2. Summary of Significant Accounting Policy

Basis of Preparation

The financial statements have been prepared on historical cost basis, except for the debt instrument at fair value through profit or loss (FVTPL) and trust fund which are measured at fair value. The financial statements are presented in Philippine peso, the Club's functional and presentation currency. All amounts are rounded off to the nearest peso, except when otherwise indicated. The financial statements provide comparative information in respect of the previous period.

Statement of Compliance

The interim financial reports have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies and Disclosures

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 new accounting pronouncements starting July 1, 2020. Adoption of these pronouncements did not have any significant impact on the Club's financial position or performance unless otherwise indicated.

- Amendments to PFRS 3, Business Combinations, Definition of a Business

- Amendments to PFRS 7, Financial Instruments: Disclosure and PFRS 9, Financial Instruments, Interest Rate Benchmark Reform
- Amendments to Philippine Accounting Standard (PAS 1, Presentation of Financial Statements, and PAS 8, Accounting Policies, Changes In Accounting Estimates and Errors, Definition of Material)
- Conceptual Framework for Financial Reporting issued on March 29, 2018
- Amendments to PFRS 16, COVID-19 related Rent Concessions

Standards and Interpretations issued but not yet effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Club does not expect that the future adoption of the said pronouncements to 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, 2021

- Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, Interest Rate Benchmark Reform-Phase 2

Effective beginning on or after July 1, 2022

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

Effective beginning on or after July 1, 2023

- Amendments to PAS 1, Classification of Liabilities as Current or Non-current
- PFRS 17, Insurance Contracts

Deferred effectivity

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

Summary of Significant Accounting Policies

Current versus non-current classification

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

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

All other assets are classified as noncurrent.

A liability is current when:

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

The Club classifies all other liabilities as noncurrent.

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

Cash and Cash Equivalents

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

Financial Instruments

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

Financial Assets

Initial Recognition and Measurement of Financial Assets

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

The classification of financial assets at initial recognition depends on the financial assets contractual cash flow characteristics and the Club's business model for managing the financial assets. With the exception of trade receivables that do not contain a significant financing component the Club initially measures a financial asset at its fair value plus, in the case of financial assets not at FVTPL, transactions costs.

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

The Club's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

The Club's financial assets are in the nature of financial assets at amortized cost and financial assets are FVTPL. The Club has no financial assets at FVTPL as of September 30, 2021 and no financial assets at FVOCI as of September 30, 2021.

Subsequent Measurement of Financial Assets

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

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

Financial assets at amortized cost (debt instruments)

The Club measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

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

The Club's financial assets at amortized cost includes cash and cash equivalents, trade and other receivables and Trust Fund.

Financial assets at FVTPL

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

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

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

Impairment of Financial Assets

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

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

For cash in bank and cash equivalents, short-term deposits under "Other current assets" account and trust fund, the Club applies the low credit risk simplification. 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 a financial asset in default when contractual payments are more than 30 days past due.

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

credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Definition of Default

The following are the criteria:

- 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)

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.

Credit-impaired financial assets

Evidence that a financial asset is credit-impaired includes observable data about the following events.

- significant financial difficulty of the issuer or the borrower
- a breach of contract, such as a default or past due event
- 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
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties

The Club implements a policy on its receivables, wherein members who are delinquent or those with accounts that are past due for a certain period are reported to the BOD. The respective shares 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 in the statement of income.

Derecognition of Financial Assets

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

Financial liabilities (including interest bearing loans and borrowings) pertain to issued financial liabilities or their components that are neither held for trading nor designated as at FVPL upon the inception of the liability and contain contractual obligations to deliver cash or another financial asset

to the holder or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

All loans and borrowings are initially recognized at the fair value of the consideration received less directly attributable debt issuance cost. Debt issuance costs are amortized using the EIR method and unamortized debt issuance costs are included and offset against the related carrying value of the loan in the statement of financial position.

This accounting policy applies primarily to the Club's 'trade and other payables', 'members' deposit and others'.

Derecognition of Financial Assets and Liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

Financial liabilities

Initial Recognition and Measurement of Financial Liabilities

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

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

The Club has no financial liabilities at FVTPL and derivative instruments at the moment.

Subsequent Measurement of Financial Liabilities

Loans and borrowings and Payables

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

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fair Value Measurement

The Club measures financial instruments and non-financial assets at fair value at each financial reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

Fair value hierarchy

- 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 lower-level input that is significant to the fair value measurement is unobservable.

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.

Inventories

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

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

Property and Equipment

Property and equipment, except for land, are stated at cost less accumulated depreciation and accumulated 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 and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and accumulated impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Depreciation is computed on the straight-line method over their estimated useful lives as follows:

Land improvements	3-50 years
Building and structures	5-50 years
Ground tools and service machinery and equipment	3-10 years
Furniture, fixtures and equipment	3-10 years
Transportation equipment	5 years

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

The residual values and estimated useful lives of property and equipment are reviewed and adjusted, if appropriate, at the end of each reporting period to ensure consistency with the expected pattern of economic benefits from items of property and equipment.

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

Fully depreciated assets that are still used in operations continue to be carried in the accounts.

Investment Property

Investment property, which consists of land and building held for rentals or capital appreciation or both, is stated at cost for land and at cost less accumulated depreciation and impairment in value for building. The cost of the asset 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.

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 profit or loss. 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 comprehensive 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 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.

Trust Fund

Trust Fund pertains to short-term deposits for which the use is restricted to the daily operations of the Club.

Impairment of Property and Equipment, Investment Properties and Computer Software

The Club assesses at the end of each reporting period to identify indications that property and equipment and other non-financial assets may be impaired or, an impairment loss previously recognized no longer exists or may have decreased. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is the higher of its net selling price and value in use. 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 time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit).

An impairment loss is recognized in the statement of income whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized with respect to cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro-rata basis, except that the carrying value of an asset should not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. A reversal of impairment loss is limited to the asset's carrying

amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are recognized in the statements of income.

Capital Stock

Capital stock is measured at par value for all shares issued.

Contribution in Excess of Par Value

Amount of contribution in excess of par value is accounted for as an additional paid-in-capital. Additional paid-in-capital also arises from additional capital contribution from the members.

Accumulated Excess of Revenue Over Expenses

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

Revenue from Contracts with Customers

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

Revenue Recognition (prior to adoption of PFRS 15)

Revenues from contracts with customers is recognized when control of the goods or services are transferred to the customers at an amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods or services. The Club 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

Members' dues pertain to monthly members' 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

-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.

-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.

(i) Variable Consideration

-Discount on green fees are provided to guests when they purchase coupons which may be redeemed at a later date. Upon redemption, the green fee revenue recognized is net of the discount.

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 member's transactions. This includes transfer fees and service charge on playing guests. Transfer fees are transaction fees for transfers of member's shares of stocks. Service charges on playing guests are transactions 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

Corporate services pertain to fees charged by the Club to its concessionaires in exchange for the right granted for processing member's transactions. 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. Revenues are recognized overtime upon determination of the expired and unconsumed portion of the minimum required purchase of food & beverage, subject to the Club's policy. Any advance payments are recorded under "Contract liabilities" account in the statement of financial position.

Sale of Properties

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

Surcharge on Past Due Accounts

Surcharge on past due accounts are penalties charged to members with delinquent accounts for over 45 days from the statement or cut-off date of the later 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 payments.

Contract Balances

Receivables

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

Contract assets

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

Contract Liabilities

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

Interest Income

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

Cost and Expenses

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

Leases

Determination of Whether an Arrangement Contains a Lease

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Club as a Lessor

Leases where the Club does not transfer substantially all the risk and benefits of ownership of the asset are classified as operating leases. Lease income is accounted for on a straight-line basis over the lease terms and is included in profit or loss 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.

Defined benefit costs comprise the following:

- Service cost-include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expenses in statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These are calculated periodically by independent qualified actuaries.
- Net interest on the net defined benefit liability or asset-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 is recognized as expense or income in statement of income.
- Re-measurements of net defined benefit liability or asset-comprises 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). These 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 refund for the plan or reduction 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.

Income Taxes

Current Income Tax

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

Deferred Income Tax

Deferred income tax is provided, using 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 income 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 differences 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 income tax assets is reviewed at the end of each reporting period and reduced 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 asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

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

Value Added Tax (VAT)

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

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

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

Provisions

Provisions are recognized for liabilities of uncertain timing or amount when the Club has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where 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 and any provision is presented in the statement of income, net of any reimbursement.

Contingencies

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

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Events After the Reporting Date

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

3. Significant Accounting Judgments and Estimates

The preparation and fair presentation of the accompanying financial statements in compliance with PFRS requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes thereto. The judgments and estimates used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of 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 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 accounts 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 therefore it is an agent in these contracts.

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

Operating Lease-Club as Lessor

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

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.

Estimation of Provision for Expected Credit Losses (ECLs) of Trade and Other Receivables

The Club uses a provision matrix to calculate ECLs for its trade and other receivables. The 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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Estimation of useful lives of property and equipment and investment properties

The Club estimates the useful lives of property and equipment and investment properties based on the period over which the Club's property and equipment and investment properties are expected to be available for use. The estimated useful lives of property and equipment and investment properties are reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, the Club's estimation of the useful lives of property and equipment and investment properties are based on collective assessment of industry practice, internal technical evaluation and experience with similar assets.

For the period under review, there were no changes in the estimated useful lives of the Club's property and equipment and investment properties.

Determining Retirement Benefit Costs

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuation. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, turnover rate and future pension increases. In determining the appropriated discount rate, management considers the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as at end of 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 increased are based on expected future inflation rates for the Philippines.

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 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.

Provision and Contingencies

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

The Club has accrued provision for possible claims amounting to P5.67 million as of March 31, 2023.

4. Cash and Cash Equivalents

This account consists of:

	As of Mar. 2023
Cash on hand and in banks	44,864,744.74
Time deposits	<u>11,857,024.97</u>
	<u>56,721,769.71</u>

Cash in banks earns interest at the respective bank deposit rates. Short-term investments have varying maturities of up to 90 days and earn interest at the respective short-term deposit rates.

5. Trade and Other Receivables

The composition of this account follows:

	As of Mar. 2023
Members	20,505,229.81
Others	<u>8,589,745.04</u>
	29,094,974.85
Allowance for doubtful accounts	<u>(1,725,844.93)</u>
	<u>27,369,129.92</u>

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

Other receivables mainly pertain to the share of the establishments for the security services and electricity and access roads around the Club, advances made to officers and employees and receivables from concessionaires and various organizations.

The movement in allowance for ECL/allowance for impairment loss are as follows:

Balance at beginning of year	1,725,844.93
Provision	0
Write-off	<u>0</u>
Balance at end of quarter	<u>1,725,844.93</u>

6. Other Current Assets

This account is composed of the following:

	As of Mar. 2023
Recoverable input value added tax-net	1,845,002.03
Supplies inventory	5,253,899.38
Others	<u>3,363,770.87</u>
	10,462,472.28

Recoverable input value added tax pertains to accumulated input tax on purchases of goods and services, which can be applied against future output tax.

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

Other current assets pertain to creditable withholding taxes, prepaid medical expenses, prepaid insurance premiums and other prepayments.

7. Property and Equipment

The changes in the property and equipment accounts are summarized below.

	Land	Land Improvements	Building and Structures	2023 Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	Total
Cost Balances at begin	9,400,307	318,559,027	68,129,272	43,059,450	3,235,708	31,083,827	70,804,886	506,302,417
Additions	-	-	679,422	8,285,100	-	6,000,000	17,587,842	30,562,364
Disposals/derecognition	-	-	-	-	-	-	-	-
Transfer	-	-	506,307	-	-	-	(806,537)	-
Balances at end of year	9,400,307	319,559,027	69,415,216	48,344,550	3,235,708	37,083,827	49,815,961	539,892,586
Accumulated depreciation	-	169,500,000	16,306,180	22,272,754	3,235,437	26,033,972	-	271,291,493
Depreciation (Notes 19 and 20)	-	7,664,318	1,794,228	3,301,778	-	2,994,506	-	15,895,107
Disposals/derecognition	-	-	-	-	-	-	-	-
Balances at end of year	-	177,164,318	41,541,165	25,572,532	3,235,437	28,641,556	-	216,185,008
Net book values	9,400,307	142,394,709	27,874,051	19,772,018	211	8,442,271	49,815,961	252,307,578

	Land	Land Improvements	Building and Structures	2022 Ground Tools and Service Machinery and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	Total
Cost Balances at begin	9,400,307	319,277,831	57,488,337	37,258,885	5,388,006	32,494,848	9,827,400	471,887,332
Additions	-	315,196	491,970	6,986,879	-	868,080	57,260,524	45,872,669
Disposals/derecognition	-	-	(4,083,823)	(1,142,982)	(98,298)	(2,278,831)	-	(7,584,934)
Transfer	-	-	14,301,585	-	-	-	(14,301,585)	-
Balances at end of year	9,400,307	319,593,027	68,129,272	43,059,450	5,289,708	31,083,817	32,884,886	506,302,417
Accumulated depreciation	-	156,510,583	41,741,079	29,934,456	3,332,793	32,808,367	-	235,792,285
Depreciation (Notes 19 and 20)	-	12,410,301	2,339,233	4,088,290	-	4,529,195	-	29,356,919
Disposals/derecognition	-	-	(4,058,923)	(1,142,982)	(38,298)	(2,278,831)	-	(7,584,934)
Balances at end of year	-	168,920,300	39,996,389	22,779,754	3,294,495	25,058,662	-	271,291,493
Net book values	9,400,307	150,672,727	28,132,883	18,788,696	215	6,025,155	32,884,886	235,010,924

8. Investment Properties

The composition of this account follows:

2022

Cost	North Clubhouse	Land	Total
July 1	53,718,366.46	73,562.74	53,791,929.20
Disposals	-	-	-
Mar 31	53,718,366.46	73,562.74	53,791,929.20
Accumulated Depreciation			
July 1	53,668,048.27	-	53,668,048.27
Depreciation	35,250.56	-	35,250.56
Mar 31	53,703,298.83	-	53,703,298.83
Net Book Value	15,067.63	73,562.74	88,630.37

Based on the latest appraisal reports submitted by Top Consult, Inc., independent appraiser, dated July 7, 2022, the fair value of the land with an aggregate land area of 9,055 sqm. and building with total floor area of 2,271 sqm., amounted to P141,227,700 and P30,526,000, respectively.

Based on the latest appraisal reports submitted by Top Consult, Inc., independent appraiser, dated June 24, 2021, the fair value of the land with an aggregate land area of 9,055 sqm. and building with total floor area of 2,271 sqm., amounted to P99,205,800 and P30,526,000, respectively.

Rental income earned from investment property consists of lease of north clubhouse's rooftop to a local communications company (Smart Communications, Inc.) to be used as cell site under certain conditions. Direct expenses related to investment properties consist mainly of amortization.

9. Trust Fund

Pursuant to the resolution passed by the stockholders 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 3.5 million, in leading universal banks in the country.

The stockholders' 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. The September 12, 1982 stockholders' resolution was amended on May 21, 1989 as follows: "That the proceeds of the sale of any real property of the Club or shares of stock to be used for capital expenditure and other infrastructure project shall not form part of the Valley Golf Trust Fund. However, any excess thereof shall form part of the Valley Golf Trust Fund."

On February 19, 2021, the Club invested a total of P14.8 million in UITF. The investment consists of the Club's trust fund, originally invested in time deposits amounting to P4.8 million and additional investment amounting to P10.0 million.

10. Other Noncurrent Assets

The composition of this account follows:

As of Mar. 2023

Computer Software Cost	3,643,501.93
Amortization	<u>(2,954,216.28)</u>
Net carrying amount	689,285.65
Programs In Progress	832,219.64
Others	<u>608,385.86</u>
	<u>2,129,891.15</u>

Computer software licenses are amortized on a straight-line basis over three years. Amortization expense amounted to P112,755.11 for the 3rd quarter.

Miscellaneous deposits mainly pertain to deposits with utility companies. The carrying amounts of the deposits are regarded as its amortized cost since the timing of the refund or settlement of the deposits could not be reasonably estimated.

11. Trade and Other Payables

The composition of this account follows:

	As of Mar. 2023
Accrued Expenses	3,016,276.52
Trade	6,785,681.15
Organizations and cooperative	9,799,638.44
Concessionaires	1,667,834.00
Others	<u>7,635,997.87</u>
	<u>28,905,427.98</u>

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

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

Organizations and cooperative are loans and advances by the employees from the association and obligations to other organizations.

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

Other payables mainly consist of deposits, withholding tax payable, unearned revenues and refundable digging deposits and retention payable.

12. Members' Deposits and Others

The breakdown of the account follows:

	As of Mar. 2023
Cash deposit	12,220,450.00
Due to former members	6,151,780.93
Security Deposit	<u>1,005,364.50</u>
	<u>19,377,595.43</u>

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.

Credit balances of former members consist mainly of proceeds from auction sale of shares & payable to former members.

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

13. Contract Liabilities / Membership Dues Paid In Advance

	As of Mar. 2023
Membership dues paid in advance	10,408,662.50
Tournament Deposit	299,189.29
Green Fee coupons	685,928.04
Others	<u>6,484,660.00</u>
	<u>17,878,439.83</u>

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

Tournament deposits pertain to advance payments for an upcoming golf tournament.

Green Fee Coupons are issued to PrimeSports which operated a driving range facility within the Club at a discounted rate. The coupons are issued at different prices. These coupons are sold to Korean guests by PrimeSports.

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

Prior to adoption of PFRS 15, the tournament deposit, green fee coupons and other advance payment are presented as part of "Trade and other payables".

14. Accrued Provision for Probable Claims

Accrued provision for probable claims pertains to the estimated liability to resolve various probable claims against the Club. Any payment of actual claims against the Club requires the approval of the BOD.

The information usually required by PAS 37, Provision, Contingent Liabilities and Contingent Assets, is not disclosed on the ground that it can be expected to prejudice the outcome of these lawsuits, claims, arbitration and assessments.

15. Member's Equity

The details of capital stock are shown below.

	As of Mar. 2023 Shares	As of Mar. 2023 Amount
Common shares-9,000 par Authorized-1,800 shares Issued		
Balance at beginning of year	1,594	14,346,000
Additions during the quarter	0	0
Balance at end of quarter	1,594	14,346,000

Subscribed		
Balance at beginning of year	0	0
Subscriptions during the quarter	0	0
Subscriptions paid during the quarter	0	0
Balance at end of quarter	0	0
Treasury Share	0	0
TOTAL	<u>1,584</u>	<u>14,346,000</u>

Accumulated Excess of Revenues Over Expenses

Accumulated excess of revenues over expenses	P 71,340,012.01
Other Comprehensive Income (loss):	
Item not to be reclassified to profit or loss in subsequent periods:	
Beginning Balance	(1,664,998.90)
Re-measurement gains (losses) on defined Benefit obligation	0
	<u>P 69,675,013.11</u>

16. Revenue from Contracts with Customers

As of Mar. 31, 2023

Nature of Services	
Membership Dues	52,934,826.90
Corporate Services	23,491,849.76
Sports and Recreation	23,197,105.94
Assessment for Road Maintenance	22,116,291.57
Revenue from Special Events	24,706,478.51
Concessionaires Fee (Note 17)	5,308,041.49
Patronage Fees	2,631,766.19
Surcharge	616,165.35
Others	<u>4,872,790.07</u>
	159,875,315.78

Membership dues and assessments are collected by the Club from its members primarily to cover expenses related to the maintenance and are utilized for improvement 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.

Corporate services are collected from service charge and transfer fees.

Sports and recreation arise from green fees which are generated from the use of the Club's golf courses—the North and South. For now, both courses are open only to the Club's members, their dependents and guests.

Assessment for road maintenance are toll fees charged by the Club to users of the Club's main road, Don Celso S. Tuason Avenue. A specified fixed rate is charged for different types of motor vehicles.

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

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

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

Others pertain to income earned by the Club such as sale of scraps, clamping fee, right of way, etc.

17. Concessionaires' Fees

This account consists of fees charged to the concessionaires/service providers:

	As of Mar. 31, 2023
Food and beverage services	4,227,873.92
Retail services shop	1,080,167.57
Spa services	-
	<u>5,308,041.49</u>

Concession agreements entered by the Club are shown below.

Food and Beverage Services

- a) New Mandarin Sky Food Group, Inc (NMSFG), a local food concessionaire and the Club entered into a concession agreement on October 1, 2022 whereby NMSFG shall provide quality and healthy food and drinks, and render related services during special occasions including, but not limited to, functions, tournaments, and programs at reasonable prices at the food outlet located inside the Owners's premises. The contract is for a period of five (5) years from October 1, 2022 to September 30, 2027 subject to renewal upon mutual agreement of Owner and Concessionaire. NMSFG shall pay a fee of ten percent (10%) of the gross sales per month exclusive of the 12% value added tax.
- b) Jay-j's Food Management, Inc. (JFMI), a local food concessionaire and the Club entered into a concession agreement whereby JFMI manages the food & beverage operations of the Club located at the North Clubhouse. Said concessionaire shall pay a fee of 7% plus vat of the monthly gross sales including special functions contracted for the members and guest and to purchase one (1) share of stock. The share of stock is pledged to the Club as security deposit to answer for any damages or expenses incurred. The agreement is for a period of three (3) years from August 1, 2016 to July 31, 2019. On June 15, 2019, the contract was extended for a period of three (3) months, starting from August 1, 2019 up to October 31, 2019. The contract was further extended for short-term periods until July 31, 2020. On July 18, 2020, the BOD approved the contract extension for three (3) months after the end of the community quarantine. In December 2020, the contract was expanded, on a temporary basis, to include the main clubhouse starting January 1, 2021 until such time a new concessionaire for the main clubhouse is engaged. To date, JFMI's contract was no longer renewed effective September 30, 2022.
- c) Golf Kitchen OPC, local food concessionaire and the Club entered into a concession agreement on November 1, 2021 whereby GKOPCI operates the coffee lounge and restaurant of the Club at the Main Clubhouse. The agreement also provides that GKOPCI shall pay a fee of 5% of its gross monthly sales, exclusive of value added tax, local tax and service charge during the period of this covid 19 pandemic. After the covid 19 pandemic or once gross sales has reached two million pesos a month whichever comes first, GKOPCI, shall pay a concessionaire's fee of P10% of the gross sales per month exclusive of the 12% value added tax, local tax and service charge.
- c). Daturak 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 also provides that the concessionaire shall pay a concession fee of 5% plus VAT of the monthly gross sales for the duration of the Covid pandemic situation. Beginning on the first day of the month following the lifting of all alert levels in Rizal province or the gross sales reaching P2 Million a month whichever comes first, concessionaire shall pay a concession fee of 10% plus Vat. The concession Fee shall in no case be less than Forty

Thousand (P40,000.00) a month. The agreement is for a period of five (5) years starting January 1, 2021.

d. **Retail Shop**

A local company was awarded the concession to operate a retail sales outlet, referred to as Pacsports Phils. Inc., inside the Clubhouse to serve exclusively the members, guests and dependents. In consideration for operating the Shop, the Club charges a basic minimum monthly rental of P70, 000 or 15% of their gross sales per month inclusive of value added tax whichever is higher. The new agreement shall become effective on January 1, 2021 and shall remain valid until December 31, 2023. The period may be extended upon mutual agreement.

18. Rentals

	As of Mar. 2023
Golf cart rental	9,676,408.12
Golf Cart Storage Fee	4,421,218.82
Venue and room fee	1,179,732.14
Locker rental	773,426.88
Pulcart rental	0
Driving range	294,127.20
Communication cell site (Note 8)	429,847.68
Others	<u>29,400.00</u>
	<u>16,804,160.84</u>

Golf carts, pull carts and locker pertain to rental fees charged to members and guests. The Club provides pull carts to its members and guests in exchange for a rental fee for every play of golf. Rentals of golf carts are for the use of the golf carts provided by the Club for its members and guests. Rentals of lockers are for the use of the Club's locker rooms.

Golf cart storage pertains to storage fees charged to members for safekeeping the golf carts in parking station 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 P25,000, inclusive of VAT, subject to a 10% escalation starting on the third (3rd) year. As part of the agreement, the lessee shall pay P450,000 representing one (1) year advance rental and six (6) months security deposit.

The excess of principal amount of the refundable security deposits over its fair value, at inception date of operating lease, is presented under "Other noncurrent liability" and its current portion under "Trade and other payables" in the statement of financial position.

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 Php15,000, 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 ten (10) years which took effectivity on October 1, 2017 and expiring on September 30, 2027.

19. Cost of Services

	As of Mar. 31, 2023
Outside Services	42,489,458.71
Personnel cost (Note 23)	17,076,687.94
Depreciation and amortization (Notes 7, 8 & 10)	15,678,518.38

Utilities	12,195,516.33
Repairs and maintenance	7,557,197.77
Supplies	7,858,725.16
Club Events	24,635,861.54
Others	<u>5,341,286.13</u>
	<u>132,813,251.96</u>

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

20. General and Administrative

	As of Mar. 2023
Personnel costs (Note 21)	7,263,840.48
Taxes and licenses	5,064,951.31
Outside Services	2,514,662.08
Bank Charges	1,488,206.71
Depreciation and amortization (Notes 7, 8 and 10)	247,454.42
Others	<u>3,906,440.11</u>
	<u>20,486,555.11</u>

Other expenses consist mainly of bank charges, supplies, utilities, club events, advertising expenses, prompt payment discounts, insurance and net expenses incurred during tournaments.

21. Personnel Costs

	As of Mar. 2023
Cost of Services	
Salaries and wages	15,160,628.20
Employees benefits	983,875.74
Retirement benefit expense (Note 27)	<u>832,184.00</u>
	<u>17,076,687.94</u>
 General and administrative	
Salaries and wages	6,508,600.11
Employees benefits	517,424.37
Retirement benefit expense (Note 27)	<u>237,816.00</u>
	<u>7,263,840.48</u>
	<u>24,340,528.42</u>

22. Income Taxes

The composition of provision for (benefit from) income taxes for FY 2023:

Current	170,312
Deferred	<u>403,661</u>
	<u>573,973</u>

The components of the Club's net deferred tax asset (liability) are as follows:

Deferred tax assets:	
Allowance for ECL	153,623
Advance payments of membership dues and others	12,353

Re-measurement Allowance for Impairment losses	-
	<u>165,976</u>
Deferred tax liabilities:	
Re-measurement gain on deferred benefit obligation	-
Rent Receivable	(339,178)
Interest Income from accretion	<u>(3,909)</u>
	<u>(177,111)</u>

As of June 30, 2022, the Club has available NOLCO amounting to P1,159,065 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years starting 2021.

As of June 30, 2022, the Club has available MCIT amounting to 413,533 (year of expiration 2023-2025) that can be claimed as deduction from future taxable liabilities.

Bayanihan to Recover as One Act

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

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

23. Related Party Disclosures

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 or common significant influence. Related parties may be individuals or corporate entities.

Key Management Personnel Compensation

Compensation & short-term benefits of key management personnel amounted to P 2,451,081.33 as of March 31, 2023.

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 amount of green fees charged to playing guest ranges from P1,421 to P2,221. Green fee coupons expire after six (6) months. The Club also authorizes certain Club officers to entertain house guests and use the Club's facilities free-of-charge.

24. Retirement Benefit Obligation

The Club has a funded, non-contributory, defined benefit pension 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.

Movement in retirement benefit obligation as of March 31, 2023:

Balance at beginning of year	P 7,614,418.00
Retirement benefit expense	1,170,000.00
Contributions paid	<u>(1,498,990.50)</u>
Balance at end of quarter	<u>P 7,285,427.50</u>

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

	<u>2022</u>
Discount rate	6.50%
Future salary increases	4.00%

The Club's latest actuarial valuation report was on June 30, 2022.

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. The main purpose is to raise finance for the Club's operations. The Club has various financial assets such as cash in banks and cash equivalents, trade and other receivables, short term investments under "Other current assets", and trust fund, which arise directly from its operations.

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

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. Provisions for ECL/ Impairment losses on receivables will also be made if the situation so warrants subject to the BOD's review and approval.

Credit quality per class of financial asset

The credit quality of financial assets is being managed by the Club using internal credit ratings. High grade financial assets are those that are current and collectible. Standard grade financial assets need to be consistently followed up but are still collectible.

Cash in banks and cash equivalents and trust fund are considered as high grade since these are deposited with reputable financial institutions.

High grade trade receivables pertain to those receivables from customers that consistently pay before the maturity date. Standard grade receivables include other receivables that are collected on their due dates even without an effort from the Club to follow them up.

Past due but not impaired trade receivables include those that are past due but are still collectible.

Past due and individually impaired financial assets are those accounts identified by the Club that needs to be provided with allowance. The level of this allowance is evaluated by management on the basis of factors that affect the collectability of the accounts such as but not limited to the length of the Club's relationship with the member, the member's payment behavior and known market factors.

Impairment of financial assets

The Club's financial assets that are subject to the ECL model consist of cash in banks and cash equivalents, trade and other receivables and trust fund.

With respect to credit risk for these financial assets, the Club's maximum exposure equals the carrying amount of these instruments.

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.

Fair Value Measurements

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

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

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 investments properties is adjusted considering the location, size and physical attributes of the property.

Fair Value Hierarchy

The Club uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Those inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There are no changes in the valuation techniques used for assets classified under level 3 category. During the year ended June 30, 2021, 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.

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 stockholder 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 members' equity as capital.

No changes were made in the objectives, policies or processes as of March 31, 2023.

26. Other Matters

Due to the dramatic rise in Covid 19 cases, the community quarantine for NCR, Rizal and other areas was subsequently extended or changed.

The measures implemented by the government impacted the Club's daily operation due to delay in operational movement brought by the several lockdowns. In 2021, the Club resumed its operations on a skeletal work force and adopted the work-from-home arrangement when deemed appropriate in the circumstances. The Club maximizes its use of online platforms for communications as a venue for

group planning. Considering the evolving nature of this outbreak, the Club will continue to monitor the situation.

The Club was closed from January 8-12, 2022 due to the increasing number of positive Covid 19 cases amongst the ranks of employees, including those in the frontlines. The risk of transmission got higher despite the safety protocols that the Club is implementing. During the closure, the Club facilities were thoroughly disinfected and continuous testing to exposed and infected employees were done. Likewise, contract tracing to identify who have been exposed was conducted. This is necessary to ensure the safety & well-being of the general membership.

27. Supplementary Tax Information under Revenue Regulation (RR) 34-2020 and 15-2010

RR 34-2020

The Club is not covered by the requirements and procedures for related party transactions provided by RR-34-2020 which prescribed 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 as of March 31, 2023:

Value added-tax (VAT)

The Club's sales are subject to output VAT while its purchases from other VAT-registered individuals or corporations are subject to input VAT. The Vat rate is 12%.

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. R.A. No. 9337 increased the VAT rate from 10% to 12% effective February 1, 2006.

Details of the Club's net sales/receipts, output VAT and input VAT accounts are as follows:

Net sales/Receipts and Output VAT declared in the Club's VAT returns

	Net Sales/ Receipts	Output Vat
Taxable Sales		
Sales of services	P 37,504,768.58	P 4,500,572.23
Exempt Sales	<u>7,922,584.03</u>	-
	<u>P 45,427,352.61</u>	<u>P 4,500,572.23</u>

Input VAT

Balance at July 1, 2022

Current year's domestic purchases/payments for:

Goods other than for resale or manufacture P ,231,189.00

Capital goods exceeding P1M 190,477.00

Domestic purchase of services 2,403,196.00

Less: Deferred Input Tax on Capital goods (309,714.32)

3,381,326.56

Applied against output tax 3,381,326.56

Balance As of Mar. 31, 2023 -

Withholding Taxes	
Withholding taxes on compensation and benefits	113,600.24
Expanded withholding taxes	<u>837,481.97</u>
	<u>951,082.21</u>

Other Taxes and Licenses

This includes all other taxes, local and national, including real estate taxes, license and permit fees lodged under "Taxes and Licenses" account under "Cost and Expenses" section in the statement of Income:

Real Estate Taxes	4,012,863.74
Business taxes (Local Business Tax)	1,052,087.57
Documentary Stamp Tax	0
Capital Gains Tax	0
Expanded Withholding tax	0
	<u>5,064,951.31</u>

Tax Assessments

The Club received BIR Letter of Authority (eLA201900004666 LOA-045-2021-00000410) on December 7, 2021. The Club has already reproduced & submitted the documents as requested on December 15, 2021 for the audit /verification of tax liabilities for the taxable year July 1, 2019 to June 30, 2020.

The Club received BIR Letter of Authority (eLA201900004668 LOA-045-2021-00000124) on October 11, 2022. The Club has already reproduced & submitted the documents as requested on October 18, 2022 for the audit /verification of tax liabilities for the taxable year July 1, 2020 to June 30, 2021.

28. Other Information

As to material event/s and uncertainties, apart from those already disclosed or presented in the accompanying financial statement(s):

- There are no amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years which have a material effect in the current interim period.
- There are no issuances, repurchases and repayments of debt and equity securities.
- There are no dividends paid (aggregate or per share) separately for ordinary shares and other shares.
- There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
- There are no changes in contingent liabilities or contingent assets since the last annual balance sheet date.
- There are no material contingencies and any other event/s or transaction/s that are material to an understanding of the current interim period.
- There are no material accounting change and the reason for making it.

- There are no material retroactive prior period adjustments made during any period covered by the interim financial statements and the effect thereof upon the balance of retained earnings.
- There are no adjustments which are in the opinion of management necessary for a fair statement of the results for the interim period presented. All adjustments made are of normal recurring nature.
- There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity.
- There are no event/s that will trigger direct or contingent financial obligation, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company.
- The Club's material commitments for capital expenditures have been approved during the last fiscal year but are still ongoing and not yet completed as of end of December 31, 2021. These projects will be carried forward to the next quarter until their completion. The fund to be used for these projects will come from available cash or time deposit.
- There are no significant elements of income or loss that did not arise from the issuer's continuing operations.
- The effects of seasonality/cyclicality aspects on the interim operations are not material.
- There are no segment revenue and segment result for business segments or geographical segment which have material effect in the current interim period.

All financial accounting records and related data have been made available to you. We are not aware of any accounts, transactions and events or material agreements not fairly described, properly recorded and disclosed under SEC Form 17-C. The Club has complied with all aspects required thereto.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

INTRODUCTION

The following discussion should be read in conjunction with the attached unaudited interim financial statements of Valley Golf & Country Club, Inc. for the 3rd quarter ended March 31, 2023 (with comparative figures as of June 30, 2022 balance sheet and for the 3rd quarter ended March 31, 2022 statement of comprehensive income, cost and expenses, cash flows & changes in equity respectively). Certain information and footnote disclosure normally included in the audited financial statements prepared in accordance with Philippine Financial Reporting Standards have been omitted.

1. PLAN OF OPERATION

OBJECTIVES:

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

ACTION PLAN:

1. Full implementation of the following priority capital expenditures:
 - a. To start Phase 2 of the Zoysia Infusion project by December 2022 with a budget of P9 Million.
 - b. To start the construction of the Sewerage and Wastewater Treatment Facility with a budget of P13 Million.
 - c. To start the Road Re-blocking of Don Celso Tuason Avenue from Ortigas to Sumulong Gates with a budget of P17.5 Million by August 2022.
 - d. Partial implementation of the new Club Management and Accounting System with a budget of P4 Million by December 2022.

2. MANAGEMENT DISCUSSION AND ANALYSIS

Completed Projects & Newly acquired fixed assets as of March 31, 2023:

a. Kitchen Renovation	277,717.00
b. Toilet (Lower Veranda)	328,800.00
c. Motorola Radio 752eye3549	14,900.00
d. Motorola Radio 752eye3551	14,900.00
e. Motorola Radio 752eye3534	14,900.00
f. Hp Smart Tank Printer	14,620.00
g. Asphire i5	44,000.00
h. Brother Printer	10,950.00
i. Hp Printer 615	13,620.00
j. Lenovo Ideapad Laptop	56,300.00

k.	Air Compressor	21,500.00
l.	Motorola Radio 752eyt367	16,000.00
m.	Motorola Radio 752ey6t178	16,000.00
n.	Motorola Radio 752eyt255	16,000.00
o.	Lenovo Slim Laptop	48,995.00
p.	55" Samsung Smart Tv	30,089.00
q.	Ipad 9th Gen 64gb - Bod	18,900.00
r.	Ipad 9th Gen 64gb - Bod	18,900.00
s.	ipad 9th Gen 64gb - Bod	18,900.00
t.	20 Golf Cart Units	6,000,000.00
u.	Ground Tools And Equipments	108,670.00
v.	Asus Vivo Laptop 14" Laptop	38,888.00
w.	Long Arm Backhoe	5,089,286.00
x.	Samsung TV	24,990.00
y.	Portable Radio	14,285.71
z.	Samsung A14	12,990.00
aa.	Fire Suppresant	679,427.00
	Total	12,964,627.71

Disposal as of March 31, 2023:

Total **(P.0)**

On-going projects as of March 31, 2023:

a.	Golf Cart Garage-2 Level	34,834,551.00
b.	Carabao Grass Removal/ Zoysia Infusion-PH1	4,807,006.00
c.	Wastewater Treatment Facility	7,191,250.00
d.	Carabao Grass Removal/ Zoysia Infusion-PH2	1,843,843.00
e.	Tee Renovation	536,291.00
f.	CCTV Project	87,219.00
g.	A/R System	745,000.00
h.	Toilet at Mezanine	384,893.00
i.	Lower Veranda Roofdeck FunctionRoom	218,126.00
	Total	50,648,179.00

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

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

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

	As of March 31, 2023	As of June 30, 2022
Current Assets	105,084,342	84,254,043
Current Liabilities	71,830,038	59,342,364
Current Ratio	1.46	1.42

This above ratio indicates that the Club is a little more liquid as compared to FY ended June 30, 2022. The principal reason is the increase in current assets by P20,830,299 (trade and other receivable contributed an increase of P13,507,855) & increase in current liabilities of P12,487,674 (contract liabilities increased by 57% or P6,471,855).

- ACID TEST RATIO** – the ratio is an indicator of whether the Club has sufficient short-term assets to cover its short-term liabilities. This ratio is more useful in certain situations than the Current Ratio, also known as the working capital ratio, since it ignores assets such as inventory, which may be difficult to quickly liquidate.

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

	As of March 31, 2023	As of June 30, 2022
Current Assets less Inventory	99,830,642	80,465,937
Current Liabilities	71,830,038	59,342,364
Acid Test Ratio	1.39	1.36

The amount of Current Assets less Inventory for the 3rd quarter is higher than the level as of June 30, 2022, while the amount of current liabilities for the 3rd quarter is likewise higher than that of June 30, 2022 level, accounting for the decline in the ratio.

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

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

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

	As of March 31, 2023	As of June 30, 2022
Long-Term Liabilities	7,752,042	8,655,057
Total Members' Equity	285,648,785	261,566,665
Long Term Debt to Equity Ratio	0.02	0.02

The ratio of .02 indicates that the Club derives two-thirds of its capital financing from debt and one-third from shareholder equity. This is still considered a good ratio.

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

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

	As of March 31, 2023	As of June 30, 2022
Total Liabilities	79,582,081	67,997,421
Total Assets	365,230,866	329,564,086
Debt to Total Assets Ratio	0.22	0.21

The ratio of 0.22 for the 3rd quarter of FY 2023 is considered a good debt ratio, the Club has a lower default risk as compared to last year due to increase in total liabilities by P11,584,660 and increase in total assets by P35,666,780.

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

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

Total Assets

	As of March 31, 2023	As of June 30, 2022
Total Members' Equity	285,648,785	261,566,665
Total Assets	365,230,866	329,564,086
Asset to Equity Ratio	0.78	0.79

This ratio of 0.78 indicates the dependence of the company on equity to run its business.

4. **DEBT TO EQUITY RATIO** - the ratio is used to evaluate a company's financial leverage. It is a measure of the degree to which a company is financing its operation through debt versus wholly owned funds. More specifically, it reflects the ability of shareholders equity to cover all outstanding debts in the event of a business downturn.

Debt to Equity Ratio	=	$\frac{\text{Total Liabilities}}{\text{Total Members' Equity}}$
	As of March 31, 2023	As of June 30, 2022
Total Liabilities	79,582,081	67,997,421
Total Members' Equity	285,648,785	261,566,665
Debt to Equity Ratio	0.28	0.26

The increase in ratio means that the total liabilities comprise a higher percentage of the total stockholders' equity. This is the result of increase in total liabilities (P11.58 million) compared to increase in members equity (P24.08 million) as of the 3rd quarter.

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

Asset to Equity Ratio	=	$\frac{\text{Total Assets}}{\text{Total Members' Equity}}$
	As of March 31, 2023	As of June 30, 2022
Total Assets	365,230,866	329,564,086
Total Members' Equity	285,648,785	261,566,665
Asset to Equity Ratio	1.28	1.26

The ratio of 1.28 for the 3rd quarter which is higher than 1.26 for the FY2022 is still considered as conservative.

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

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

	As of March 31, 2023	As of June 30, 2022
EBIT	24,082,124	10,354,885
Interest Expense	0	0
Interest Rate Coverage Ratio	0	0

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

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

	As of March 31, 2023	As of June 30, 2022
Net Income (Loss)	24,082,124	10,354,885
Total Members' Equity	285,648,785	261,566,865
Return on Equity	0.08	0.04

The operations for the 3RD quarter doubled the profit for each peso the stockholder's equity generates as compared to FY 2022.

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

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

	As of March 31, 2023	As of June 30, 2022
Net Income/ (Loss)	24,082,124	10,354,885
Average Total Assets	365,230,866	329,564,086
Return on Assets	0.07	0.03

Operations as of the 3rd quarter resulted to a net income of P24,082,124 as compared to net income of P10,354,885 in Fiscal Year 2022 while Average Total Assets yields to an increase of P35,666,780.

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

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

Total Revenue

	As of March 31, 2023	As of June 30, 2022
Net Income/ (Loss)	24,082,124	10,354,885
Total Revenue	177,380,931	162,442,487
Net Profit Margin	0.14	0.06

For the 3rd quarter, the Club garnered a positive profit margin of 0.14 indicating that the Club was able to effectively control its costs, compared to positive net profit margin of 0.06 for FY2022 ended June 30.

10. OTHER RATIOS

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

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

	As of March 31, 2023	As of June 30, 2022
Net Income/ (Loss)	24,082,124	10,354,885
Common Shares Outstanding	1,594	1,594
Earnings per share (EPS)	15,107.98	6,496.16

For the 3rd quarter ended March 31, 2023, the earnings per share is positive P15,107.98 which is considered favorable.

The following are the details of the operations of the Club for the 3rd quarter ended March 31, 2023 vs 2022.

OPERATING RESULTS

1. Revenues – revenues went up from P115,476,441 in Mar 2022 to P 177,380,931 in Mar 2023 an increase of P61,904,490 or 54%. Revenues from Contracts increased by P 59,886,933 or 60% due to: increase of Revenue from special events by P24,233,965.51 or 5129%, Concessionaires fee by P2,996,042.49 or 130%, Sports and recreation by P10,733,765.94 or 86%, Corporate Services by P7,483,758.76 or 47%, Membership Dues by P12,020,530.90 or 29%, Assessment for Road Maintenance by P3,018,028.57 or 16%, Surcharge income by P28,041.35 or 5%, decrease are noted on: Patronage fee of P409,676 or 13% and others by P217,523 or 4%. For the Rentals, increased from P15,285,029 in 2022 to P16,804,161 in 2023 or by P1,519,131 or 10% due to: venue and room fee by P1,080,803 or 983%, Communication cell site by

P210,752 or 96%, Golf Cart Storage fee by P1,589,344 or 56%, Locker rental fee by P 101,800 or 15% as well as Driving range by P 26,739 or 10%, decrease are due to: Golf cart rental by P1,509,322 or 13% and Pull cart rental by P385 or 100%. Unrealized gain on financial assets at fair value increased by P300,224 or 273%. Interest Income increased by P198,201 or 213%.

Revenue from special events went up due to the major club tournaments (e.g. Don Celso Cup Tournament) held after 2 years. Green Fees increased due to the higher number of accompanied guests thereby increasing also Self Insurance Fee & Service Fee for Non-Members. Increase in number of playing members and associate dependents resulted in increase of Monthly Dues, Concessionaire fee (due to higher food consumption), Service Charge Renewal Fee increased from P30k gross to P50k gross, for consultants and other positions P60k gross.

Monthly Dues went up due to higher number of Playing Rights members & Associate Dependents in 2022. Green Fees increased due to higher number of accompanied guests thereby increasing also Self Insurance Miscellaneous Income increased due to utility charges to the concessionaires, wheel clamping fees collected, sale of scrap, etc. Golf Cart Storage Fee increased due to higher number of private carts stored compared in 2022. Unrealized gains on Financial Assets represent the increased value from investments in UITF. Increase in Road User Fee were due to increase in passerby and delivery trucks. Tournament Fee and Venue and room fee increased due to lesser restrictions in COVID. Locker Rental went up due to higher billing. Interest Income increased due to higher interest rate on time deposits & transfer of time deposit to operation.

Patronage Fee decreased due to higher avallment of F&B facilities. Golf cart rental decreased due to higher number of private carts being used.

2. Cost and Expenses - For the 3rd quarter ended March 31, 2023 the total cost of services and general and administrative expenses amounted to P153,298,807, representing an increase of P47,023,278 or 44% from the previous figure of P106,275,529

Personnel expenses went up to P24,340,528 or by P2,134,353 or 10% against last year of P22,206,176. Expenses which increased includes the ff: Salaries and wages by P2,017,235 due or 10% due to the salary increase to rank and file as implemented by DOLE which also increased the contribution to government mandated benefits and increase in bonus and gratuity by P117,118 or 8% which is also from the increase in the basic pay of the employees.

Supplies went down from P16,432,419 in 2022 to P16,179,348 or a decrease of P253,071 or 2%. The change is due to the increase in: Repairs and Maintenance by P306,958 or 4%, Operating Supplies by P1,273,906 or 39%, Stationary Supplies by P338,070 or 34%. On the other hand, a decrease in Gasoline and Oil by P1,626,473 or 48%, Dental and medical by P482,705 or 49% and Uniforms by P51,828 or 11% is noted.

Utilities increased from P9,019,554 in 2022 to P12,741,832 in 2023 or an increase of P3,722,277 or 41%. Electricity increased by P3,523,200 or 54% while Water increased by P333,471 or 19%, both increased are due to higher consumption and rate from service providers. Communication decreased by P133,393 or 18% due to reduced communication lines.

Outside services increased from P31,728,293 in 2022 to P44,984,121 in 2023 or an increase by P13,255,828 or 42%. Audit fees decreased by P21,919 or 5%, Retainer's fee decreased by P130,746 or 21%. Items that increased are: Legal Fees increased by P778,030 or 112% due to legal services rendered for Jose Tayawa case and the Land Encroachment case filed against Ramoncito Tagle, Security Services increased by P4,231,819 or 52% due to higher rate per guard because of the DOLE Wage Order and increase in number of security guards. Laundry services increased by P753,554 or 2009% due to tablecloths & other linens used for Club operations since tournaments and events are already on their peak season, Maintenance Crew increased by P3,301,730 or 214% due to deployment of in-house casual & workers from service provider for the general upkeep of the Club and increase from DOLE wage order. Golf Course Maintenance increased by P4,343,360 due to adjustment in monthly service fee as per new contract.

Sundries went up from P 9,280,475 in 2022 to P39,123,361 in 2023 or an increase of P 29,842,886 or 322%. The following sundries expenses increased- Tournament Expense by P17,243,018 due to various club tournament, last year no tournaments were held, Grand raffle expenses by P5,600,958, no Grand Raffle was also held last year, Board, committee & stockholders by P590,722 or 88% due to various committee meetings (hybrid) held & catering services during Stockholders meeting & election, Promotional & Industrial increased by P353,271 or 449% due to F&B incurred for government & private transactions, Self-Insurance Expense by P150,271 or 51% due to higher hole-in-one winners & golf related accidents requiring medical attention, Miscellaneous by P2,212,565 or 73%, Christmas Fund expenses by P1,791,385, Dues and registration fee by P11,530 or 21%.

A. BALANCE SHEET ACCOUNTS

1. Cash and cash equivalents – increased to P56,721,770 in 2023 from P51,147,281 in 2022 or by P5,574,489 / 11%.
2. Trade and other receivables – went up from P13,861,275 in June 2022 to P 27,369,130 in December 2022, representing an increase of P13,507,855 or 97%. Increase was due to higher Members Account-billings & charges.
3. Debt instruments at fair value – represents the short-term investment of the funds from operations in UITF in the amount of P10.02Million plus unrealized gains.
4. Other current assets – went up from P9,124,722 in June 2022 to P10,462,472 in December 2022 which is an increase of P1,337,750 or

- 19%. Increase resulted from higher supplies inventory & advance payment of real property taxes for Yr2023 to avail of discount.
5. Property and equipment – increased from P238,125,202 in June 2022 to P252,905,783 in December 2022 representing a gain increase of P14,780,581 or 6% due to various Construction-in-Progress.
 6. Investment properties – went down from P123,880 in June 2022 to P88,630 in December 2022 due to depreciation.
 7. Other non-current assets – went down from P2,204,716 to P2,129,891 due to amortization of the project.
 8. Trade and other payables – went up from P23,792,555 in June 2022 to P28,905,428 in March 2023, representing an increase of P5,112,873 or 21%. Items that increased are: Trade Payables by P382,426 or 6%, Others by P7,635,997, Organizations and cooperative by P2,332,058 or 31%. On the other hand, the following decreased: Accrued Expenses by P2,332,695 or 44%, Concessionaires by P835,560.
 9. Members' Deposits and Others increased from P18,237,703 to P19,377,595 or P1,139,892 or 6%. Decreased were due to increase in Cash deposit by P1,890,450 or 18% and Security deposit by P740,000 or 279% due to increase in contractor's security deposit. Due to former members decreased by P1,490,557 or 20%.
 10. Contract Liabilities-went up from P11,406,585 in June 2022 to P17,878,439.83 in March 2023 due to increase in Membership dues paid in advance by P458,163 or 5%, Tournament deposit increased by P139,180.29, Green fee coupons decreased by P560,736 or 45 % and advance payments for dues, golf cart storage and locker rentals increased by P6,435,248.
 11. Retirement benefit obligation –decreased from P7,614,418 in June 2022 to P7,285,428 in March 2023 or by P328,991.
 12. Members' Equity –increased from P261,566,665 in June 2022 to P285,648,785 in March 2023 representing the addition to net income from operations of P24,082,120 or 9%.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ISSUER **· VALLEY GOLF & COUNTRY CLUB, INC.**



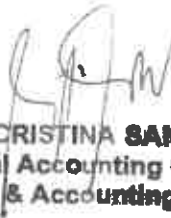
ATTY. RIO SESINANDO E. VENTURANZA
Principal Financial Officer/ Treasurer



DAN L. SALVADOR III
General Manager/Compliance Officer



ROSANNA R. ARGUELLES
Comptroller/Head Controllers'
Division



MARIA CRISTINA SANTIAGO
Principal Accounting Officer/
Finance & Accounting Manager

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

ANNEA " 1 "

PROXY

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

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

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

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

Place/Date : _____

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

Name and Account Number of Shareholder : _____
Signature : _____
Number of Shares : _____
Witness : _____

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

VALIDATION OF PROXIES

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

LETTER OF INTENT AND DATA PRIVACY CONSENT

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

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

Signature of Stockholders

Account No.

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

ANNEA * 1-1 *

PROXY

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

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

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

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

Place/Date : _____

Name and Account Number of Shareholder : _____

Signature : _____

Number of Shares : _____

Witness : _____

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

VALIDATION OF PROXIES

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

LETTER OF INTENT AND DATA PRIVACY CONSENT

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

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

Signature of Stockholders

Account No.

AMENDMENTS
ARTICLES OF INCORPORATION

ANNEX " J .

ARTICLE II, SECONDARY PURPOSES

To buy, lease or otherwise acquire, own, hold and dispose of, such real and personal property as may be necessary, advantageous or convenient in the conduct of its business; to develop, improve, subdivide any properties owned by the corporation; to offer and/or sell its proprietary shares to the public as may be allowed by the Securities and Exchange Commission under existing laws and its implementing rules and regulations; and generally, to do and perform all such acts and things, and to exercise such powers as are ordinarily done, performed and exercised by social and athletic clubs and associations.

ARTICLE III

That the place where the principal office of the corporation is to be established or located is Main Clubhouse, Valley Golf & Country Club, Inc., Don Celso S. Tuason Avenue, Victoria Valley, Barangay Munting Dilaw, Antipolo, Rizal, Philippines.

ARTICLE IV

That said corporation shall have perpetual existence.

ARTICLE VI

That the number of directors of said corporation shall be Eleven (11) and that the names and residences of the Directors of the corporation who are to serve until their successors are elected and qualified as provided by the by-laws are as follows:

ARTICLE VII

That the capital stock of said corporation is Sixteen Million Two Hundred Thousand Pesos (PhP16,200,000.00) divided into One Thousand Eight Hundred (1,800) common shares of the par value of Nine Thousand Pesos (PhP9,000) each (as amended on September 13, 1981).

Said shares of stock shall be owned by and the interest thereof accrue only to the registered owner thereof, who, aside from his rights as shareholder, may in addition, and subject to such rules and regulations as may be promulgated by, screening and approval of the Board of Directors, be issued a regular membership card that would entitle him to all the rights and privileges that are extended to all holders of regular membership cards for the use and enjoyment of the facilities and premises of the Club.

The stock certificates shall be issued within sixty (60) business days from the date of their full payment. Any person who owns or buys a share shall be qualified before the actual sale or transfer of the share or certificate.

Shareholders shall have the right to share in the assets of the corporation upon its dissolution or liquidation.

AMENDMENTS
BY-LAWS

ANNEA " J-1 "

ARTICLE IV - DIRECTORS

Section 1. Board of Directors - The business and property of the Club shall be managed by a Board of Directors whose number shall be as provided for in the Articles of Incorporation, of which at least twenty percent (20%) shall be Independent Directors. Directors shall serve for a term of one (1) year. No Director can serve consecutively for more than five (5) years,

No more than sixty (60) days prior to the annual meeting of stockholders, the President with the approval of the Board of Directors, shall appoint a Nomination Committee of five (5) stockholders, one of whom shall be an Independent Director. Three (3) of the members shall not be Directors. The said Nomination Committee shall prepare, sign and post at least twenty-one (21) days before the annual meeting, a list of not less than ten (10) candidates for the Regular Directors and three (3) candidates for the Independent Directors for the Board of Directors for the ensuing year; Provided that no stockholder may run for both independent and regular director positions at the same time.

The Nomination Committee shall promulgate the guidelines and criteria to govern the conduct of the nomination of candidates for both regular and independent directors and shall evaluate all candidates to ensure compliance with the required qualifications. After the nomination, the Nomination Committee shall prepare a Final List of Candidates for both regular and independent directors, which list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement. The name of the person or group of persons who recommended the nomination of both the regular and independent director shall be identified in such Information Statement including any relationship with the nominee. The Final List of the qualified candidates nominated for regular and independent directors shall also be included in the notice of the annual meeting that is sent out to each stockholder. Only nominees whose names appear in the Final List of Candidates shall be eligible for election as regular and independent directors. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

Section 3. Board Meeting - The regular meeting of the Board or Directors shall be held once a month at such time and place as shall be determined by the Board. Special meetings of the Board may be called by the President, or upon written petition of three (3) members. Notice of Board Meetings shall be served on each director at least three (3) days before the meeting, unless notice is waived by all the Directors present.

Directors who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate. Directors cannot attend or vote by proxy at board meetings.

ARTICLE V - OFFICERS

Section 1. Designation – Majority of all the Board of Directors at its first meeting shall elect as Executive Officers of the Club a President, a Vice-President, a Treasurer, a Secretary, a Compliance Officer and such other administrative officers as it may deem proper.

Section 2. Qualification – All Executive Officers of the Club must be incumbent directors, with the exception on the Secretary and the Compliance Officer who must, however, be residents and citizens of the Philippines.

Section 4. Compensation – The compensation and working conditions of officers of the Club who are not directors, including the Corporate Secretary and the Compliance Officer, shall be fixed by the Board. Directors acting as such, or as officers of the Club including members of standing or special committees, shall receive no salaries or fees, whatsoever for their services.

Section 5. Duties and Responsibilities – The duties and responsibilities of the different officers of the Club are as follows:

- a) The President – The President shall preside at all meetings and shall sign the membership certificate of the Club. He shall be the chief executive officer of the Club and have general supervision of the business affairs and property of the Club and over its several agents and employees, with authority to hire said employee, and dispenses with their services subject to confirmation by the Board of Directors. He shall sign contracts on behalf of the Club and shall see that all orders and resolutions of the Board are carried into effect. In addition to the above duties expressly vested in him by these By-Laws, he shall do and perform such acts and duties as from the time to time may be assigned to him by the Board of Directors.
- b) The Vice-President – In the absence or disability of the President, the Vice-President shall exercise all the powers and discharge all the duties of the President. The Vice-President shall, in addition, have such powers and duties as may, from time to time be conferred on him by the Board.
- c) The Treasurer – The Treasurer, except as otherwise provided by the Board of Directors, shall have the custody of all moneys, securities and values of the Club that come into his possession, and shall keep regular books of accounts. He shall deposit said moneys, securities and values in such banking institutions as may be designated, from time to time by the Board of Directors, subject to withdrawal therefrom on the signature of such officers of the Club as the board may, by resolution, designate. He shall perform all other duties incident to his office and all that are properly required on him by the Board of Directors. He shall furnish a bond conditioned upon the faithful performance of his duties, if and when required so to do by the Board of Directors; the amount of said bond to be determined and fixed by the said Board.
- d) The Secretary – The Secretary shall issue notices of all meetings, shall keep their minutes, shall have charge of the seal and corporate books; shall countersign the certificate of stock and sign such other instruments as required such signature, and shall make such reports and perform such other duties as are incident to his office or are properly required of him by the Board of Directors.
- e) The Compliance Officer -- The Compliance Officer, who shall not be a member of the Board of Directors, shall monitor compliance with the provisions and requirements of the Club's

Amended Manual of Corporate Governance and shall perform all the duties and responsibilities as provided therein.

ARTICLE VI – COMMITTEES

Section 3. Other Standing Committees required for purposes of Corporate Good Governance – In addition to the committees mentioned under Sections 1 and 2 of this Article, the Club shall also have such committees as required by its Amended Manual on Corporate Good Governance including:

- a) Nomination Committee
- b) Audit Committee
- c) Corporate Governance Committee

The Nomination Committee's composition and functions shall be as provided for in Section 1 of Article IV (Directors) of these Amended By-Laws as well as in the Club's Amended Manual of Corporate Governance. The composition and functions of the Audit and Corporate Governance Committees shall follow the Club's Amended Manual of Corporate Governance and applicable laws.

ARTICLE VII – MEMBERSHIP

Section 1. Classification – Membership in the Club shall be classified into (a) Proprietary (b) Playing Guest (c) Honorary (d) Social and (e) Lifetime.

- a) A Proprietary Member is any person who is the registered stockholder of at least one (1) share of stock of the Club whose membership had been previously approved as hereinafter provided. In case the proprietary member is a juridical person it shall be entitled to designate its representative who shall exercise all the rights and privileges of membership including the right to vote, under terms and conditions specified for such membership.¹
- b) An Honorary Member is any person who has been conferred playing rights by the Board of Directors under terms and conditions specified for such membership.
- c) A Playing Guest is any person who is the assignee of the playing rights of a share of stock registered in the name of another person.
- d) A Social Member is a natural or juridical person who has been granted the privilege of using the facilities of the club except the golf course under the terms and conditions specified for such membership.
- e) A Lifetime Member is any person who has been conferred playing rights by the Board of Directors under terms and conditions specified for such membership.

Section 3. Should the Board of Directors increase the stipulated monthly dues and other assessments of the Club, it shall submit to the Securities and Exchange Commission a report under oath of the increase in fees and the rationale for such increase within thirty (30) business days from the date of approval by the Board of Directors. The Club shall notify the

¹ Approved by the Board of Directors during its regular meeting on May 20, 2023.

members of any increase in fees upon the Board's approval of the increase and cause the posting of proper notices and other communications on the charging of fees on bulletin or electronic boards situated at conspicuous place/s at the Club.