

COVER SHEET

SEC Registration Number

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COMPANY NAME

A	N	V	A	Y	A		C	O	V	E		G	O	L	F			A	N	D		S	P	O	R	T	S		C		
L	U	B	,				I	N	C	.		(A		N	o	t	-	f	o	r	-	p	r	o	f	i	t		C	o
r	p	o	r	a	t	i	o	n)																						

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

A	N	V	A	Y	A		C	O	V	E																				
M	o	r	o	n	g	,		B	a	t	a	a	n																	

Form Type

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Department requiring the report

S	E	C	
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Secondary License Type, If
Applicable

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COMPANY INFORMATION

Company's Email Address

financedept@anvayacove.com

Company's Telephone Number

9943-4400

Mobile Number

N/A

No. of Stockholders

Annual Meeting (Month / Day)

Fiscal Year (Month / Day)

FTY 2024

CONTACT PERSON INFORMATION

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

Name of Contact Person

Neal C. Perez

Email Address

perez.neal@anvayacove.com

Telephone Number/s

9943-4400

Mobile Number

0917-8044-462

CONTACT PERSON'S ADDRESS

Anvaya Cove Golf & Sports Club, Morong, Bataan

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended **December 31, 2024**
2. SEC Identification Number **CS201014919**
3. BIR Tax Identification No. **007-875-261-000**
4. Exact name of issuer as specified in its charter: **ANVAYA COVE GOLF AND
SPORTS CLUB, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Morong, Bataan,
Philippines**
6. Industry Classification Code : (SEC Use Only)
7. Address of issuer's principal office: **Anvaya Cove, Morong, Bataan**
Postal code: **2108**
8. Issuer's telephone number, including area code: **9943-4400**
9. Former name, former address, former fiscal year, if changed since last report: **Not Applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code; or Sections 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>No. of Shares of Common Stock Registered</u>	<u>No. of Shares Registered & Sold</u>
Class A	5,420	5,420
Class B	2,846	2,846
Class C	154	154
Class D	80	—
TOTAL	8,500	8,420

11. Are any or all of the securities listed on a Stock Exchange?
Yes[] No[x]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Not Applicable

12. Check whether the issuer:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 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]

13. Aggregate market value of the voting stock held by non-affiliates:

Class B Common Shares - ₱4,000,000.00

Class C Common Shares - ₱6,000,000.00

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Not Applicable

DOCUMENTS INCORPORATED BY REFERENCE

15. Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A which the document is incorporated:

2024 Audited Financial Statements (incorporated as reference for Items 5, 7, 10 & 12 of SEC Form 17-A)

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PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Business Development

Form and Date of Organization

Anvaya Cove Golf and Sports Club, Inc. (the “Club”) was organized and registered with the Philippine Securities and Exchange Commission (SEC) on September 21, 2010. The primary purpose of the Club is to maintain, operate, manage, and carry on the business and operation of a golf and sports club and its facilities in the Municipality of Morong, Province of Bataan, for the amusement, entertainment, recreational and athletic activities, on a non-profit basis of its members.

Bankruptcy, Receivership or Similar Proceedings

There is no bankruptcy, receivership or similar proceedings involving the Club.

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary)

There are no material reclassifications, mergers, consolidations, or purchases or sales of a significant amount of assets involving the Club.

Business of Issuer

2024 marked a banner year for the Club, reflecting significant strides in both operational achievements and member engagement. We are proud to report that eight (8) member events were held during the calendar year, all part of our Premier League calendar. Among these, the Presidents Cup and the Pawikan Cup stood out as flagship events, continuing their legacy of excellence and high participation. We observed a notable growth in member participation across all events—an encouraging indicator of our community's increasing involvement and enthusiasm. Alongside this, the overall tournament value has improved, delivering not just a competitive platform for our members, but also a refined and enriching club experience.

Beyond the fairways, the Club has remained committed to its Corporate Social Responsibility (CSR) programs. Our partnerships with neighboring community public schools continue to make a meaningful impact, reinforcing our role as a responsible and engaged member of the broader community.

A true highlight of the year was receiving the Best Sustainable Championship Golf Course in Asia, a prestigious recognition selected from over 7,000 courses across the region. This award is a testament to our dedication to sustainable practices and thoughtful stewardship of our environment. As we look ahead, we will build upon this momentum, continuing to enhance our sustainability programs to ensure we remain a model for ecological responsibility in the sport.

In alignment with our mission, we also aim to further elevate our cost-control measures to promote long-term financial stability, while never compromising the premium experiences our members expect. Member satisfaction remains our utmost priority, and we are committed to removing barriers that may hinder us from delivering the exceptional standards that define our Club.

As we move forward, we do so with a clear purpose: to drive toward excellence in all facets of our operations, guided by a vision of innovation, responsibility, and unwavering service to our members.

Principal Products or Services Contributing 10% or More to Sales or Revenues

Membership dues contributed 47.40% of total Club revenues.

Service income consists of room accommodation, guest fees, sport complex amenities and income from the use of Club golf course, collectively contributed 27.56% of the total Club revenues.

Sale of goods which consist of sales of food, beverage and merchandise recorded at 20.70% of total Club revenues.

Percentage of sales or revenues and net income contributed by foreign sales

All income of the Club is derived from domestic sales of goods and services; hence, the Club has no foreign sales.

Distribution Method of Products

As the Club is an exclusive membership club, updates of its products and services are sent by email blasts to Club members.

New Products or Services

The Club has not introduced new products or services other than as provided hereunder.

Competition

The Club's all-weather championship golf course was designed by Golf plan, a California-based firm which has designed 150 courses in 60 different countries, including The Club at Nine Bridges in South Korea, the one and only five Asian courses ranked on GOLF magazine's newly issued World Top 100.

The course is one of the most eco-sensitive courses to debut in Asia Pacific in the 21st century with its turf grass, a special salt tolerant zoysia and its specimen dita and cuphon trees preserved across a 470-hectare property.

The Club has successfully pinned itself on the international golf map after being voted as the Best New Course in Asia Pacific on the Asian Golf Awards held in Singapore in November 2014; Best Course in the Philippines for 2015, 2016 and 2017 on Asian Golf Awards; 1st Runner Up in Best Golf Resort in Asia Pacific for 2016 and 2017 on Asian Golf Awards; Philippine's Best Golf Course in World Golf Awards for 2021 and 2022 Best Golf Course in the Philippines on Golf Digest.

Sources and Availability of Raw Materials

The Club has no major existing supply contracts. Raw materials such as food and vegetables, beverage, and drinks as well as operational supplies are sourced from the open market onsite and from Manila. Power is supplied by Peninsula Electric Cooperative and water is supplied by Manila Water Philippine Ventures (MWPV) and through a deep well. Diesel and gasoline are supplied by local petrol stations located within the vicinity of the Club.

Customer Base

The business of the Club is in no way dependent upon a single customer or few customers, the loss of any one or more of which would have no material adverse effect on the business of the Club. Being a membership club, there are no major existing sales contracts by the Club with an individual or entity.

Transactions with and/or dependence on related parties

The Club, in the normal course of business, entered transactions with Ayala Land, Inc. (ALI), a stockholder, and an affiliate, Anvaya Cove Beach and Nature Club Inc. (ACBNCI) consisting primarily of reimbursement of cost and expenses. Outstanding balances at year-end are unsecured, noninterest-bearing and is normally settled in cash, and is due and demandable.

The Club entered into a Management Agreement with Ayala Land Club Management Inc. (ACMI) for the latter to provide management services over general management, administration, financial management, human resources management, and property management of the Club. Management fees include the basic management fee amounting to ₱206,103.15 per month with an escalation clause of 7.5% per annum and incentive fee equivalent to 3% of the Gross Operating Profit (GOP). The agreement has been transferred to Ayala Land Premier Inc. (ALPI), after the SEC approved the merger of Ayala Land Sales, Inc. (ALSI), ACMI and ALPI on October 17, 2023, with the latter as the surviving entity.

Intellectual Property

The Club does not own any intellectual property rights such as patents, trademarks, copyrights, or licenses, and has not entered any franchises, concessions, and royalty agreements.

Government Approvals/Regulations

The principal product and service of the Club consist in the provision of amenities for leisure and recreation for its members. No special government approvals are required for the provision of such services.

The Club renews annually its business permit with the Municipality of Morong.

Effect of Existing and Probable Government Regulations

The following are the key changes to the Philippine tax law which have an impact on the Club:

Ease of Paying Taxes (EOPT) Act

On 5 January 2024, RA No 11976 or the Ease of Paying Taxes Act (EOPT Act) was signed into law. This is a significant tax reform law aimed at improving the ease and efficiency of the tax compliance process for businesses and individuals in the Philippines. Below is a summary of the key highlights of the EOPT Act:

- Simplification of tax filing and payment procedures
- Removal of certain documentary requirements when substantiating invoices for the purpose of claiming input VAT
- Enhancements to taxpayer services
- Introduction of electronic tax payments to remit taxes, promoting cashless transactions and reducing errors in manual processes
- Modernization of tax systems, including the automation of tax assessments, collections, and the enforcement of tax compliance
- Tax rate reductions for small and medium enterprises (SMEs) in an effort to promote business growth and sustainability
- Stricter penalties for non-compliance with tax filing deadlines or failure to use the digital systems established under the law
- Strengthened Taxpayer Education Programs to ensure that businesses and individuals are aware of their tax obligations and the available digital tools for compliance
- Revised Taxpayer Identification System (Small, Medium, and Large Taxpayers)

Effective January 22, 2024, the Bureau of Internal Revenue (BIR) will cease collecting the Annual Registration Fee (ARF) from business taxpayers. This change complies with the Republic Act No. 11976, the “Ease of Paying Taxes Act”. As a result, business taxpayers are exempt from filing BIR Form No. 0605 and paying the Five Hundred Pesos (PHP 500.00) ARF on or before January 31 every year. Business taxpayers with existing BIR Certificate of Registration (COR) that includes the Registration Fee will retain its validity.

Development Activities

The Club has been fully completed and conveyed by Ayala Land, Inc. since May 2014. No development activities have been done since then.

Environmental Compliance

Club allocates a portion of the membership dues for the environmental fund which is utilized for environmental initiatives of the Club. For the year 2024, the Club collected a total of ₱1.92 million for the Environmental Fund. The Club has spent ₱19,600 to cover the costs and expenditures for its different programs for the protection and conservation of the environment.

Employees

As of December 31, 2024, the Club was operated through its complement of approximately one hundred twenty-nine permanent and contractual employees, the breakdown of which is as follows:

	Organic	Non-organic	Total
Managers	3	–	3
Rank and file	45	83	128
Total	48	83	131

Of the 48 organic employees, 3 perform administrative functions, 12 perform clerical functions, and 33 perform operational functions.

Of the 83 non-organic employees, 12 perform clerical functions, and 71 perform operational functions.

There are no Collective Bargaining Agreements entered into by the Club with its employees. The Club’s employees have not been on strike in the past 3 years nor have they threatened to strike.

The employees are entitled to the thirteenth-month pay.

Risk Factors relating to the Company

Risks in Business of the Club

During the lean season, the Club is offering lower rates for room accommodations and golf tournaments as well as a flexible approach during weekends of allowing guests of members to have access to the services of the Club even without the member present. However, the Club ensures a manageable number of guests coming to visit with the addition of a more aggressive food and beverage promotion.

ITEM 2. PROPERTIES

On October 20, 2010, the Club and the Subic Bay Development and Industrial Estate Corporation (SUDECO) executed a Deed of Assignment which transfers seventeen (17) adjoining parcels of land with an aggregate area of approximately 817,624 square meters to the Club. In exchange for the land, the Club issued 1,082 Class A shares, 537 Class B shares and 24 Class C shares.

The facilities and amenities of the Club will lie on these parcels of land. Facilities and amenities of the Club include a Sports Center, a Golf Clubhouse and an 18-hole Championship Golf Course.

The property, plant and equipment are properly maintained as the Club has a yearly capital expenditure budget for this purpose. Depreciation of property and equipment commences once the property and equipment are available for use and is computed on straight-line basis over the estimated useful lives of the property and equipment as follows:

Land improvements	25 years
Buildings	35 years
Furniture, fixtures, and equipment	5 years

There is no mortgage, lien or encumbrance on the properties owned by the Club.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Club is a party or of which any of its properties is subject.

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

The annual meeting of stockholders was held virtually on September 30, 2024. The following actions were approved by at least a majority of the shareholders present to vote at such meeting:

- (a) Approval of the Minutes of the 2023 Annual Stockholders' Meeting held on October 2, 2023.
- (b) Noting of the President's Report and approval of the audited financial statements as of December 31, 2023;
- (c) Ratification of all resolutions adopted by the Board of Directors and all acts of Management beginning October 2, 2023 to September 30, 2024:
 - (i) Election of officers
 - (ii) Appointment of Chairmen and members of the Board Committees
 - (iii) Designation of Lead Independent Director
 - (iv) Approval of the 2023 third quarter results of operation and audit findings
 - (v) Approval of the external audit plan
 - (vi) Approval of the 2023 and 2024 internal audit plan
 - (vii) Approval of the 2024 operating budget and capital expenditure budgets
 - (viii) Approval of the Christmas fund special assessment
 - (ix) Approval of the pet policy
 - (x) Approval of the management representation letter
 - (xi) Approval of the full year 2023 financial audit and operating results
 - (xii) Approval of the report of the Audit and Risk Oversight Committee to the Board
 - (xiii) Approval of the 2023 performance bonus and cash incentive
 - (xiv) Approval of the green fees and golf cart rental rates
 - (xv) Approval of the updating of Attorneys-in-Facts
 - (xvi) Approval of the appointment of the new Corporate Secretary
 - (xvii) Approval of the 2024 first quarter financial and operating results
 - (xviii) Approval of the appointment of the external auditor for 2024 and fixing of its remuneration
 - (xix) Approval of the revised 2024 internal audit plan
 - (xx) Approval of the auction of shares
 - (xxi) Approval of the setting of the annual stockholders' meeting
 - (xxii) Appointment of the independent auditor for 2024 and fixing of its remuneration
 - (xxiii) Approval of the schedule of 2024 Annual Stockholders' Meeting and relevant dates

- (xxiv) Approval of the participation and voting by remote communication in all meetings of the Board of Directors and stockholders
 - (xxv) Delegation of authority to the Corporate Governance and Nomination Committee to approve the final list of nominees to the Board
 - (xxvi) Approval of the first half 2024 financial and operating results
 - (xxvii) Approval of the 2024 external audit plan
- (e) Election of the members of the Board of Directors, including independent directors, for the ensuing calendar year. The following shareholders were nominated and voted as members of the Board of Directors of the Club for the ensuing year or until their successors are duly elected and qualified:

AYALA LAND, INC. (ALI)

1. Bernard Vincent O. Dy
2. Dante M. Abando
3. George Israel C. Aquino
4. Augusto D. Bengzon
5. Joseph Carmichael Z. Jugo
6. Paolo O. Viray

SUDECO

1. Jocelyn F. de Leon
2. Paullolindo A. Elauria

INDEPENDENT DIRECTORS

1. George Edwin T. Lee
2. Agustin R. Montilla IV
3. Bernadine T. Siy

- (f) Election of PwC Isla Lipana & Co. (PwC) as external auditor and the fixing of its remuneration.

The Corporation received one (1) vote against the appointment of the external auditor. There were no abstentions on the foregoing actions. Proxies were requested to be issued in the name of the Chairman.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Price Information

ALI and SUDECO sell their shares in a secondary market, which includes GG&A Club Shares Brokers, Inc. These shares are not traded in a stock exchange.

The following table shows the selling prices of the shares of the Club for each quarter of 2023 and 2024:

Quarter of Fiscal Year	Class B Share Price	Class C Share Price
Q1 2023	₱2,900,000	₱3,800,000
Q2 2023	₱3,300,000	₱4,200,000
Q3 2023	₱3,300,000	₱4,200,000
Q4 2023	₱3,500,000	₱4,400,000
Q1 2024	₱3,500,000	₱4,400,000
Q2 2024	₱3,500,000	₱4,400,000
Q3 2024	₱3,500,000	₱4,400,000
Q4 2024	₱4,000,000	₱6,000,000

As of the end of December 2024, the Club has sold the following number of shares:

Share	Volume	Value
Class A	5,420	₱137,793,900
Class B	2,846	71,993,500
Class C	154	3,839,600
Total	8,420	₱213,627,000

Stockholders

The Club has a total of about 844 stockholders as of December 31, 2024.

Class A Shares

There were eighteen (18) registered holders of Class A shares of the Corporation as of December 31, 2024.

	Stockholder Name	No. of Class A shares	Percentage of Class A shares
1.	Ayala Land, Inc.	4,322	79.7417%
2.	Subic Bay Development and Industrial Estate Corp.	1,082	19.9631%
3.	Dante M. Abando	1	0.0185%
4.	Anna Ma. Margarita B. Dy	1	0.0185%
5.	Augusto Bengzon	1	0.0185%
6.	George Bernard L. Cadhit	1	0.0185%
7.	Jocelyn F. De Leon	1	0.0185%
8.	Jose Emmanuel H. Jalandoni	1	0.0185%
9.	Paullolindo A. Elauria	1	0.0185%
10.	Joseph Carmichael Z. Jugo	1	0.0185%
11.	Robert S. Lao	1	0.0185%
12.	George T. Lee Jr.	1	0.0185%
13.	Agustin R. Montilla IV	1	0.0185%
14.	Javier D. Hernandez	1	0.0185%
15.	Bernadine T. Siy	1	0.0185%
16.	Emilio Lolito J. Tumbocon	1	0.0185%
17.	Paolo O. Viray	1	0.0185%
18.	Jaime E. Ysmael	1	0.0185%

Class B Shares

There were 850 registered holders of Class B shares of the Corporation as of December 31, 2024.

	Stockholder Name	No. of Class B shares	Percentage of Class B shares
1.	Ayala Land, Inc.	1,899	66/73%
2.	Subic Bay Development and Industrial Estate Corp.	95	3.34%
3.	Others	852	29.94%

Class C Shares

There were 47 registered holders of Class C shares of the Corporation as of December 31, 2024.

	Stockholder Name	No. of Class C shares	Percentage of Class C shares
1.	Ayala Land, Inc.	105	68.18%
2.	Subic Bay Development and Industrial Estate Corp.	3	1.95%
3.	Others	46	29.87%

Dividends

Article Seventh, Paragraph B (2) of the Club's Articles of Incorporation provides, "xxx No profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividends shall be declared in their favor. Shareholders shall only be entitled to a pro-rata share of the assets of the Club at the time of the dissolution or liquidation thereof."

Recent Sales of Unregistered or Exempt Securities

There was no sale of unregistered securities of the Club nor the issuance of securities of the Club constituting an exempt transaction in 2024.

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

Management's Discussion and Analysis of Results of Operations and Financial Conditions

Review for the year ended December 31, 2024

Results of Operations

Total Club revenues recorded at ₱237.27 million for the year ended 2024, significantly higher by ₱26.06 million or 12.34% as compared to previous year.

- Membership dues recorded at ₱112.46 million or 47.40% of the total revenues, higher by ₱20.85 million or 22.76% as compared to last year.
- Service income amounted to ₱65.40 million or 27.56 % of total revenues, increased by ₱3.95 million or 6.42% as compared to last year.
- Sale of goods totaled ₱49.11 million or 20.70% of total revenues, higher by ₱1.36 million or 2.86% as compared to last year.
- Transfer fee for the period reached ₱10.29 million or 4.34 % of the total revenues, lower by ₱0.10 million or 0.95%. This refers to required fee for the processing of change of ownership and nominees.

Total cost and expenses for the year recorded at ₱259.77 million, ₱25.69 million or 10.98% higher as compared last year.

- Cost of services recorded at ₱121.93 million or 46.94% of the total cost and expenses. Higher by ₱6.56 million or 5.69% compared to previous year of ₱115.37 million.
- Cost of sales recorded at ₱41.17 million or 15.85% of total cost and expenses. Higher by ₱2.56 million or 6.63% compared to prior year of ₱38.61 million.

- General and administrative expenses amounted to ₱96.67 million or 37.21% of total cost and expenses. Higher by ₱16.57 million or 20.69% as compared to previous year of ₱80.10 million.

Other Income, 5.18% of total revenues, recorded at ₱12.28 million. Significantly lower by ₱12.81 million or 51.05%

- Interest income for the year ended 2024, recorded at ₱4.44 million or 1.87% of total revenues, higher by ₱0.37 million or 9.19% as compared to last year.
- Miscellaneous income recorded at ₱7.84 million or 3.31 % of the total revenues, decreased by ₱13.18 million or 62.69% compared to previous year.

Provision for income tax computed at ₱4,705, while other comprehensive gain recorded at ₱92,579 resulting to total comprehensive loss of ₱10.13 million in 2024.

Financial Condition

Total assets amounted to ₱889.58 million, lower by ₱20.15 million or 2.22% as compared to previous year. The changes attributed to the following:

- Cash and cash equivalent amounted to ₱21.05 million or 2.37% of the total assets. A decrease of ₱0.50 million or 2.34% compared to previous year.
- Financial asset at fair value recorded at ₱1.04 million or 0.12% of the total assets, lower by ₱1.97 million or 65.39% as compared to previous year.
- Accounts and other receivables recorded at ₱46.13 million or 5.19% of the total assets, significantly increased by ₱10.76 million or 30.42% compared to last year.
- Receivables from related parties computed at ₱67.31million, 7.57% of the total assets, recorded a decrease of ₱8.35 million or 11.04% compared to previous year.
- Inventories recorded at ₱2.08 million or 0.23% of total asset, decreased by ₱0.15 million or 6.58% from ₱2.22 million of previous year.
- Other current asset of ₱35.98 million, 4.04% of total sales, higher by ₱0.10 million or 0.29% as compared to prior year.
- Property and equipment recorded at ₱710.24 million or 79.84% of the total assets. A decrease of ₱22.97 million or 3.13% on account of depreciation as compared to previous year.
- As of the year ended 2024, advances and other noncurrent asset recorded at ₱5.75 million, higher by ₱2.92 million or 103.35% compared to previous year.

Total liabilities of the club amounted to ₱169.65 million or 19.07% of Total Liabilities and Member's Equity. A decrease of ₱10.02 million or 5.58% as compared to last year's ₱179.67 million. The changes attributed to the following:

- A decrease of ₱7.47 million in accounts and other payables or 12.74% as compared to previous year.
- Contract liabilities, 3.34% of total liabilities and equity, amounted to ₱29.74 million, lower by 3.03% as compared to CY 2023.

- Recorded a decrease of ₱1.98 million or 2.24% for the year 2024, on payable to related parties compared to prior year.

Statement of Cash Flow

- Cash provided (used) by operating and investing activities for the year ended 2024, recorded at ₱24.00 million and (₱24.50) million, respectively.
- At the end of the year 2024, the cash balance amounted to ₱21.05 million

Key Performance Indicators

The Club looks closely at the following to determine its overall performance:

Ratio	Formula	2024	2023
Current ratio	Current assets / Current liabilities	1.04	0.98
Acid test ratio	Quick assets (Total current assets excluding inventory) / Current liabilities	0.81	0.76
Solvency ratio	EBITDA / Total debt (Total debt includes short-term debt, long- term debt and current portion of long-term debt)	0.21	0.23
Debt-to-equity ratio	Total debt / Total stockholders' equity	0.24	0.25
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.24	1.25
Return on equity	Net income after tax/ Average total stockholders' equity	-0.01	0.00
Return on assets	Net income after tax / Average total assets	-0.01	0.00
Net profit margin	Net income after tax / Total revenue	-0.04	0.01

Increase in current and acid test ratio of 0.06 and 0.05, respectively as compared to 2023.

Solvency ratio slightly decreases by 0.02. Both debt-to-equity ratio and asset-to-equity ratio decreased by 0.01, recorded at 0.24 and 1.24, respectively.

Return on equity and return on assets recorded at -0.01 for the year 2024, compared to 0.00 of prior year.

Net profit margin computed at -0.04 in 2024, lower compared to 0.01 of CY 2023.

(a) Satisfaction of cash requirements and fund-raising plans

Operating Cash Requirement

No operating cash is required since the Club has started commercial operations and construction of the Club's facilities is being financed by capital infusion.

Project Development Cash Requirement

With respect to the cash requirement for project development, ALI had infused additional paid-in capital in the amount of ₱763.88 million for the complete development of the Club.

(b) Product research and development

No plan for product research and development. Architectural design planning for the golf course, structures and facilities of the Club are already complete.

(c) Purchase or sale of plant and significant equipment

All of the necessary and significant equipment of the Club has been purchased since the course and the structures of the Club are already completed.

(d) Significant changes in the number of employees

The Club already has 131 hired employees as of December 2024.

Others

As of the year ended December 31, 2024, there are no material events and uncertainties known to management that would have an impact on future operations except on item C:

- (a) Known trends, demands, commitments, events, or uncertainties that would have an impact on the Club;
- (b) Material commitments for capital expenditures, the general purpose of such commitment and the expected sources of funds for such expenditures;
- (c) There is a known viral outbreak known as Covid 19 pandemic that may result to the unfavorable impact on the net sales or revenues or income from operation.
- (d) Significant elements of income or loss that did not arise from the Club's continuing operations;
- (e) Causes for any material changes from period to period in one or more line item of the Club's financial operations;
- (f) Seasonal aspects that had a material effect on the financial condition or results of the operations;

There are no events that will trigger direct or contingent financial obligation that is material to the Club, including any default or acceleration of an obligation.

ITEM 7. FINANCIAL STATEMENTS

The financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to refer thereto in their reports on the financial statements of the Club.

Independent Public Accountants

The Club has engaged the services of PwC for the year 2024.

External Audit Fees and Services

The Club paid its external auditors the following audit and audit related fees in the past three years:

Year	Audit Fee
2024	₱179,900
2023	₱179,900
2022	₱170,100

The audit committee approved the policies and procedure for said services. No other fees were paid to said auditors for other services.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

Board of Directors

The members of the Board of Directors of the Club as of December 31, 2024 are as follows:

Director	Nationality
Dante M. Abando	Filipino
George Israel C. Aquino	Filipino
Augusto D. Bengzon	Filipino
Jocelyn F. De Leon	Filipino
Bernard Vincent O. Dy	Filipino
Paullolindo A. Elauria	Filipino
Joseph Carmichael Z. Jugo	Filipino
Paolo O. Viray	Filipino
George Edwin T. Lee	Filipino
Agustin R. Montilla IV	Filipino
Bernadine T. Siy	Filipino

Independent Directors

The stockholders of the Club have elected Messrs. George Edwin T. Lee and Agustin R. Montilla IV, and Ms. Bernadine T. Siy as independent directors in compliance with the requirements of the SRC Rule 38.

Executive Officers

The executive officers of the Club since December 31, 2024 are as follows:

Position	Officer
President	Joseph Carmichael Z. Jugo
Vice President	Paolo O. Viray
Treasurer	Desiree Joy S. Miranda
Finance Director, Compliance Officer, and Chief Risk Officer	Neal C. Perez

General Manager	Jose P. Dagdagan
Corporate Secretary	Maria Franchette M. Acosta
Assistant Corporate Secretary	Maria Paula G. Romero-Bautista
Data Protection Officer	Roscoe M. Pineda

Comprehensive Background

The following describes the relevant business experience of the Club's directors and officers for the past five (5) years:

Dante M. Abando, Filipino, 60, has served as a Director of the Club since its incorporation. He was a Senior Vice President and Member of the Management Committee of ALI until December 31, 2024. He is also the Chairman of MDC BuildPlus, Inc. and a Director of Anvaya Cove Golf and Sports Club, Inc. Before MDC, he served as President and Board Member of Alveo Land Corporation. Dan was also the Chairman and President of the Philippine Constructors Association (PCA) from 2016 to 2017, a member of the Board of Trustees of the University of the Philippines Alumni Engineers (UPAE) from 2015 to 2018, and a member of the Board of Trustees of the University of the Philippines Alumni Association (UPAA) from 2023 to 2025. Dan obtained a BS in civil engineering from the University of the Philippines. He earned a Master's Degree in Business Administration from the same university and completed the Executive Program on Real Estate Management at the Harvard University Graduate School of Business.

George Israel C. Aquino, Filipino, 60, has served as Vice President of ALI effective April 25, 2024. He is a seasoned executive with more than 35 years of experience in hospitality business. He was the Vice President and Managing Director of AHC Hospitality since January 2014. Under his leadership, AHC Hospitality grew to multiple properties with additional 5 in development. He oversees all aspect of the business including financial management, operational efficiency, guest experience, and brand positioning. He also developed and implemented strategies to drive revenue growth, enhance profitability, and ensured highest standards of service and hospitality. Mr. Aquino took up journalism and creative writing at University of Iowa in 1986, and interior design at Columbia College in Chicago in 1990. He obtained his Advance Management Program Certificate in 1996 and Accounting and Finance Certificate in 1995 at Cornell University – School of Hotel Administration.

Augusto D. Bengzon, Filipino, 62, has served as a Director since its incorporation. He joined ALI in December 2004 and currently serves as its Senior Vice President, Chief Finance Officer & Treasurer. He is a Director of AREIT, Inc. and Treasurer of AyalaLand Logistics Holdings Corp., publicly listed companies under the Ayala Group. His other significant positions include: Chairman of AyalaLand Business Solutions, Inc. (formerly Aprisa Business Process Solutions Inc.) and FINEX Research and Development Foundation; Vice Chairman of FINEX Academy, Inc.; Director and Chief Finance Officer of Altaraza Development Corporation; Director and Treasurer of ALI Eton Property Development Corp., Alveo Land Corp., Aurora Properties Inc., AyalaLand Premier Inc., AyalaLand-Tagle Properties, Inc., Ceci Realty Inc., Philippine Integrated Energy Solutions Inc., Serendra Inc. and Vesta Property Holdings Inc.; Director of Alviera Country Club Inc., Amicassa Process Solutions, Inc., Anvaya Cove Golf and Sports Club, Inc., Financial Executives Institute of the Philippines, Makati Development Corp., and Station Square East Commercial Corp.; Comptroller of Nuevocentro, Inc.; Treasurer of AKL Properties, Inc., Alabang Commercial Corporation, Amaia Land Corp., Amaia Southern Properties, Inc., Avida Land Corp., Ayala Property Management Corporation, Bellavita Land Corp., BGWest Properties, Inc., Hero Foundation, Inc., The Suites at One Bonifacio High Street Condominium Corp. and Fe De Mundo Medical Center Foundation, Inc.; Assistant Treasurer of Ayala Greenfield Development Corporation and Ayala Greenfield Golf & Leisure Club, Inc. and Trustee of Philippine National Police Foundation, Inc.. He received his Bachelor of Science degree in Business Management from the Ateneo de Manila University and is a graduate of the Philippine Trust Institute. He was granted the Andres K. Roxas scholarship at the Asian Institute of Management where he received his Masters in Business Management degree.

Jocelyn S. De Leon, Filipino, 64, has served as a Director of the Club since December 2011. She is the Chairman of the Board and Director of SUDECO. She is presently Chairman of the Board and Director of Philippine Petrochemical Products, Inc.; Chairman of the Board and Director of Solar Plastics Corporation, Subic West Integrated Dev. Corporation, Zambales Farms & Forest Dev. Inc.; Chairman of the Board and Director of Seaport Development & Industrial Corporation and Silangguin Bay Corporation. She was formerly General Manager of Premier Creative Packaging Inc. until September 2003 and Business Manager and Accountant of Ekistic Mobility Consultant, Inc., a corporation domiciled in Torrance, California USA, a position she held until October 1993. She was also former General Manager of Lowell Cost Plus Inc., a corporation domiciled in Redondo Beach California, USA, and Corporate Planner in Philippine Petrochemical Products, Inc. in Makati City, Philippines. Ms. De Leon graduated with a degree in Bachelor of Science, Major in Marketing at the De La Salle University in Manila on March 1986 and took post-graduate studies at the same university in Masters in Business Administration.

Bernard Vincent O. Dy, 61, was the former President and CEO of ALI from April 2014 until September 2023. He was a Senior Managing Director of Ayala Corporation, and a member of the Ayala Group Management Committee from April 2014 until September 2023. He is a director of publicly-listed companies, AREIT, Inc. and Avaland Berhad of Malaysia. Concurrently, he is the Chairman of Aviana Development Corp. and Ayagold Retailers, Inc.; Vice Chairman of Alviera Country Club, Inc. and Director of AKL Properties, Inc., Alabang Commercial Corporation, Altaraza Development Corporation, Aurora Properties Incorporated, Avencosouth Corp., Ayala Greenfield Development Corporation, Ayalaland-Tagle Properties, Inc., Berkshires Holdings, Inc., BGWest Properties, Inc., Bonifacio Land Corporation, Ceci Realty Inc., Columbus Holdings, Inc., Emerging City Holdings, Inc., Fort Bonifacio Development Corporation, Serendra, Inc., Station Square East Commercial Corporation, and Vesta Property Holdings, Inc. He is also the President of Bonifacio Art Foundation, Inc. and Hero Foundation Inc.; member of the Board of Trustees of Ayala Foundation, Inc., advisor of Alveo-Federal Land Communities, Inc.; and, Director of the Junior Golf Foundation of the Philippines since 2010 and Vice Chairman since 2017. Mr. Dy earned a degree of BBA in Accountancy from the University of Notre Dame in 1985, an MBA in 1989, and Masters in International Relations in 1997 from the University of Chicago.

Paulloindo A. Elauria, Filipino, 58, has served as Director and Vice President of the Club since its incorporation. He has also served as Director of Anvaya Cove Beach and Nature Club, Inc. since its incorporation on March 28, 2005 and as President since October 17, 2017. He is the President of SUDECO since 2002, Philippine Petrochemical Products, Inc., Subic West Integrated Development Corp., Seaport Development and Industrial Corporation, Leungs Holdings, Inc., Sideli International Trading Corporation, Zambales Farms and Forest, Inc., Shining Star Corporation, and Philippine Mariculture Systems Corp. He is also the President and Legal Counsel for Seaport Development Corporation since 2018. He holds a Bachelor of Laws Degree from The Manuel L. Quezon University and passed the bar in 1992. He also holds Bachelor's degree in Mathematics for Teachers from the Philippine Normal University. He is the Founder, President and Commissioner of the Professional Chess Association of the Philippines, the first government-licensed professional chess league in the world.

Joseph Carmichael Z. Jugo, Filipino, 50, has served as a Director and President of the Club since July 6, 2017. He is a Senior Vice President and member of the Management Committee of ALI. He is concurrently Chairman & President of OLC Development Corp., Roxas Land Corp., Southportal Properties, Inc.; Chairman of Ayala Hotels, Inc., Verde Golf Development Corp., Anvaya Environmental Foundation, Inc.; Director, President, & Chief Executive Officer of Ayala Greenfield Development Corp., Ayala Greenfield Golf & Leisure Club, Inc.; Director & President of Ayalaland Premier, Inc., Ayalaland-Tagle Properties, Inc., and BGWest Properties Inc.; Director & Vice President of Anvaya Cove Beach & Nature Club, Inc.; President of Garden Towers Condo Corp.; Director of Amicassa Process Solutions, Inc., Serendra, Inc., Ayala Center Estate Association, and Algofil Inc.. In his almost 20 years in the company, he has been a part of and handled various business lines including

business development for the retail and malls group, project development for the residential business group, project development for the leisure group and sales for the local and international markets. He graduated from the Ateneo de Manila with a degree in Management Economics in 1997 and completed his MBM from the Asian Institute of Management (with Distinction) in 2002. He attended the International Graduate Student Exchange Program at the Tuck School of Business, Dartmouth College in 2002 and completed the INSEAD Asian International Executive Programme (AIEP) in 2015.

Paolo O. Viray, Filipino, 44, has served as a Director of the Club since March 17, 2017 and currently the Vice President since February 2024. He is a Director of Anvaya Cove Beach and Nature Club, Inc.; Director and Chief Operating Officer of AyalaLand Premier, Inc.; Director and Vice President Ayala Greenfield Golf and Leisure Club; Director of Verde Golf Development Corporation, and Ayala Hotels, Inc. He served as the General Manager for Ayala Land International Marketing, USA, and Project Development Manager for Ayala Land Premier. He joined ALI in 2004 and has been involved in various residential, leisure and special projects handling business development and project development. He holds a degree in Civil Engineering from De La Salle University, Manila and a Master's Degree in Business Administration from Hult International Business School, San Francisco, California.

George Edwin T. Lee, 61, has been elected as an Independent Director of the Club on January 28, 2020. He is President of Armstrong Realty Investments, Inc. since 1990. Prior to joining Armstrong Realty Investments, Inc., he was a marketing analyst at Philip Morris USA New York. He was the Chairman of Ortigas Center Association, Inc. in 2010 to 2018 and served as President in 2006 to 2010. He is currently the Chairman of the Board of Solana Resorts. He is a director of Greenhills West Association and was President from 2006 to 2010 and Vice Chairman from 2010 to 2018. Mr. Lee is currently a Director of Perla Insurance. He is also a director and member of the Membership Committee of Sta. Elena Golf & Country Club. He graduated from Ateneo de Manila University in 1984 with a degree in AB Economics and finished his Master's in Business Administration from Fordham University in New York in 1989.

Agustin R. Montilla IV, Filipino, 54, has served as an independent director of the Club since September 25, 2021. He joined Romulo Mabanta Buenaventura Sayoc & de los Angeles as an Associate in 1996 and has been a Senior Partner since 2016. He is also a Director of Lex Mundi, one of the largest global networks of independent law firms; a member of the Board of Trustees of the Beacon International School Foundation, Inc. and Manila Polo Club, Inc.; member of the Board of Trustees and Secretary of the Cancer Resource and Wellness (Carewell) Community Foundation, Inc.; President and shareholder of Dueno Alegre, Inc.; President of ETM Philippines Holdings, Inc.; Director and Corporate Secretary of SAL Buendia Holding Corp., and Corporate Secretary of The Asia Society Foundation Philippines, Montivar, Inc. and BF Jade E-Services Philippines, Inc.. He has served as a Lecturer in Law at Ateneo De Manila University School of Law from 1999 to 2004 and graduated with honors from the same school in April 1995. In May 2002, he earned his Legum Magister from Columbia Law School in New York.

Bernadine T. Siy, Filipino, 65, has served as an independent director of the Club since September 25, 2021. She currently serves as an independent director of Cebu Air, Inc. since February 2021 and of PLDT Inc. since June 2021. Concurrently, she is also a director in Epicurean Partners Exchange Inc., Coffee Masters Inc., Fil-Pacific Apparel Corporation, and Authentic American Apparel Corporation. She also holds the following positions in several non-profit institutions and organizations: Chairperson/member of the Ateneo de Manila University Board of Trustees; member of the board of the Foundation for Economic Freedom; and member of the Management Association of the Philippines. She has served as a President and CEO of Epicurean Partners Exchange Inc., Coffee Masters Inc. and Fil-Pacific Apparel Corporation. Her past positions also include being a member of the Board of Trustees of Habitat for Humanity Philippines, a director in the Garment Business Association of the Philippines, and a director in Hands-On Manila. She earned her Bachelor of Arts in Economics at Ateneo De Manila University and graduated Magna Cum Laude in March 1980. In June 1984, she finished her Masters in Management with Majors in Finance and Accounting at the J.L. Kellogg

Graduate School of Management, Northwestern University in Chicago, Illinois.

Desiree Joy S. Miranda, Filipino, 41, has served as the Treasurer of the Club since September 25, 2021. She also served as the Compliance Officer of the Club from September 25, 2021 to November 11, 2021. Concurrently, she serves as Director, Treasurer and Chief Finance Officer of Ayala Hotels, Inc., AyalaLand Club Management, Inc., and Verde Golf Development Corporation; Director and Chief Finance Officer of Ayala Land Sales, Inc., OLC Development Corporation and SouthPortal Properties, Inc.; Chief Finance Officer and Comptroller of Ayala Greenfield Development Corporation and Ayala Greenfield Golf & Leisure Club, Inc.; and Chief Finance Officer of AyalaLand Premier, Inc. and Anvaya Environmental Foundation, Inc.. Prior to joining ALI, she worked at SyCip Gorres Velayo & Co. She graduated from the University of Santos Tomas with a degree in Bachelor of Science in Accountancy and placed 19th in the Certified Public Accountants' Board Exam.

Neal C. Perez, Filipino, 51, has served as the Compliance Officer and Finance Director of the Club since November 11, 2021, and was elected as Chief Risk Officer subsequently on May 12, 2023. He is currently a director, Treasurer and Group Controller of the AyalaLand Hospitality and Resorts Group. He has multiple certifications, both local and international, namely: Certified Public Accountant (CPA), Certified Management Accountant (CMA), Certified Internal Auditor (CIA), Certified Forensic Accountant (CrFA), Certified Internal Controls Auditor (CICA) and Certification in Risk Management Assurance (CRMA). He has an impeccable professional track record as Finance and Compliance Director, Finance Controller, Finance Manager and Internal Auditor in various sectors including hospitality, gaming, real estate, utilities, consumer electronics and government services. As an ISO Quality Management Representative (QMR), he successfully initiated and implemented the ISO 9001 Quality Management System (QMS) program in frontline services and back office functions. Mr. Perez holds a Master's Degree in Business Management from the University of the Philippines - Diliman and double Bachelor's Degrees in Commerce and Accountancy from Saint Louis University where he graduated Magna Cum Laude and Cum Laude, respectively.

Jose P. Dagdagan, Filipino, 69, has served as the General Manager of the Club since July 26, 2021. He was the Operations Manager of AyalaLand Club Management, Inc. since 2012. Concurrently, he is a member of the Board of Trustees and Chairman, Golf Club Management and Sustainability of the National Golf Association of the Philippines; General Manager of Verde Golf Development Corporation; and General Manager of Capitol Hills Golf & Country Club, Inc. He was also the General Manager of Ayala Greenfield Golf & Leisure Club, Inc. Prior to his retirement from the Armed Forces of the Philippines in 1996, Mr. Dagdagan was a Drill Instructor and Academic Chief at the Marine Training Center, a Program Manager of the International Military Education and Training Program of the Joint United States Military Advisory Group, and the Chairman of the Oversight Committee of the AFP Commissary & Exchange Service. In 1982, he was the AFP Soldier of the Year and the Philippine Marines' Marine of the Year. He had his Masters in Public Administration at Makati University and a graduate of AB Political Science at Fort Andres Bonifacio College.

Maria Franchette M. Acosta, Filipino, 52, is the Corporate Secretary and Group General Counsel of Ayala Land, Inc. since March 12, 2024. She is also the Corporate Secretary, Corporate Governance Group Head and Chief Legal Officer of Ayala Corporation. Concurrently, she is the Corporate Secretary of AREIT, Inc., ACEN CORPORATION, Globe Telecom, Inc., and Integrated Micro-electronics, Inc. She has been a practicing lawyer for 24 years, with 18 years in Villaraza & Angangco Law Firm where she was a Senior Partner, Co-Managing Partner and Head of its Corporate and Commercial Department. Ms. Acosta was also an Assistant Secretary at the Office of the Chief Presidential Legal Counsel of the Republic of the Philippines where she worked from 2001 to 2003 and recognized as an expert counsel in leading legal journals and publications such as Chambers Global, Chambers Asia Pacific and Legal 500. She is a consistent Asia Business Law Journal's top 100 lawyers of the Philippines. Atty. Acosta graduated from New York University with a Master of Laws in 2003, and ranked 3rd in the Philippine Bar Examination. She earned her Bachelor of Laws from the University of the Philippines College of Law in 1998 where she graduated Class Valedictorian and Cum Laude. She holds a Bachelor of Science in Business Economics from the University of the

Philippines School of Economics in 1994 where she graduated Magna Cum Laude.

Maria Paula G. Romero-Bautista, Filipino, 40, has served as Assistant Corporate Secretary of the Club since September 28, 2018. She was a Senior Counsel at Ayala Group Legal, assigned to the Corporate Services and Compliance Unit. She is the Head of the Compliance and Corporate Services Group of ALI Legal. She handles various corporate and assistant corporate secretarial functions for several companies within the Ayala Group. Prior to joining Ayala Group Legal, she worked at Gatchalian Castro & Mawis Law Office and Cruz Marcelo & Tenefrancia Law Office. She graduated with a Juris Doctor degree from Ateneo de Manila University in 2009 and for her undergraduate studies, from De La Salle University Manila with a degree in Bachelor of Science in Commerce Majoring in Legal Management in 2005.

Roscoe M. Pineda, Filipino, 52, joined ALI as Vice President and Information Technology Director of the Residential Business Group on March 1, 2023. He assumed the Chief Information Officer (CIO) position for the ALI Group effective on October 1, 2023, and appointed as Data Privacy Officer for the group on January 1, 2024. Mr. Pineda was the Service Center Lead for Technology and was also the Chief Operating Officer of ANZ Global Services and Operations in Manila. He was the Chief Shared Services Officer of the Asia Service Centre of Sun Life of Canada, and was a VP of CHARTIS Technology and Operations Management Corp. (AIG Shared Services) in various senior roles. He was a member of the Board of Trustees of the Global In-house Centers Council of the Philippines, a company delegate and representative of the IT & Business Process Association of the Philippines and Contact Center Association of the Philippines. He is a bona fide member of the PMI.org and currently a Certified Project Management Professional. Mr. Pineda has a Bachelor's Degree in Mathematics, Major in Computer Science from the University of Santo Tomas.

Significant Employees

The Club considers its entire work force as significant employees. Everyone is expected to work together as a team to achieve the Club's goals and objectives.

Family Relationships

None of the Directors or Executive Officers is related to another by affinity or consanguinity.

Involvement in Certain Legal Proceedings (over the past 5 years)

The Club has no knowledge of any of the following events that occurred during the past five (5) years up to the date of this report which are material to an evaluation of the ability or integrity of any director or executive officer:

- (a) None of them has been involved in any bankruptcy petition.
- (b) None of them has been convicted by final judgment in a criminal proceeding or being subject to a pending criminal proceeding both domestic and foreign.
- (c) None of them has been subject to any order, judgment or decree of any court of competent jurisdiction (domestic or foreign) permanently or temporarily, enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities.
- (d) None of them has been 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.

ITEM 10. EXECUTIVE COMPENSATION

Compensation Table

Executive Compensation

ACMI, a wholly owned subsidiary of ALI, manages the operation of the Club under a Management Agreement which was renewed on January 1, 2022 and shall be effective until January 1, 2025. By virtue of the approval of the merger of ACMI, ALPI, and ALSI by the SEC on October 17, 2023 wherein ALPI was the surviving entity, contract has now been transferred to ALPI.

ACMI and ALI did not charge any cost pertaining to the compensation of the Corporation's directors and officers for its management and operation.

Compensation of Directors

(1) Standard Arrangement (Current Compensation)

Article VII, Section 1 (2nd paragraph) of the Corporation's By-Laws provides:

“xxx Directors shall receive no salaries from the Club.”

(2) Other Arrangement

None of the directors, in their personal capacity, has been contracted and compensated by the Corporation for services other than those provided as a director.

The Corporation has no other arrangement with regard to the remuneration of its existing directors and officers aside from the compensation received as herein stated.

Warrants and Options Outstanding

The Club has not offered any stock warrants or stock options to any of its directors, executive officers or employees.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL AND RECORD SHAREHOLDERS

Security ownership of certain record and beneficial owners of more than 5% of common shares as of December 31, 2025:

Title of Class	Name & Address of Record Owner & Relationship w/ Issuer	Name of Beneficial Owner & Relationship w/ Record Owner	Citizenship	No. of Shares	Percentage
Class A Class B Class C	Ayala Land, Inc. (ALI) 31/F Tower One & Exchange Plaza, Ayala Ave.	ALI is both the beneficial and record owner of	Filipino	4,322 1,913 106	75.31%

	Makati City ALI is the parent of the Corporation	the Issuer.			
Class A Class B Class C	Subic Bay Development and Industrial Estate Corp. (SUDECO) 8/F Vernida IV Condominium 128 L.P. Leviste St., Salcedo Village, Makati City SUDECO is a stockholder of the Corporation	SUDECO is both the beneficial and record owner of the Issuer.	Filipino	1,082 156 4	14.75%

- The Board of Directors of ALI has the power to decide how ALI's shares in the Club are to be voted. Augusto D. Bengzon and Joseph Carmichael Z. Jugo have been named and appointed to exercise the voting power.
- The Board of Directors of SUDECO has the power to decide how SUDECO's shares in the Club are to be voted. Jocelyn F. de Leon or in her absence Paullolindo A. Elauria has been named and appointed to exercise the voting power.

Security Ownership of Management

Security ownership of directors and management as of December 31, 2023:

Title of Class	Name	Position	Amount & Nature of Ownership	Citizen-ship	Percent-age
Class A	Augusto D. Bengzon	Chairman of the Board of Directors	1 (record owner)	Filipino	0.0119%
Class A	Joseph Carmichael Z. Jugo	Director & President	1 (record owner)	Filipino	0.0119%
Class A	Paullolindo A. Elauria	Director & Vice President	1 (record owner)	Filipino	0.0119%
Class A	Dante M. Abando	Director	1 (record owner)	Filipino	0.0119%
Class A	Jocelyn F. de Leon	Director	1 (record owner)	Filipino	0.0119%
Class A	Javier D. Hernandez	Director	1 (record owner)	Filipino	0.0119%
Class B	Bernard Vincent O. Dy	Director	1 (record and beneficial owner)	Filipino	0.0119%
Class A	Paolo O. Viray	Director	1 (record owner)	Filipino	0.0119%
Class A	George Edwin T. Lee	Independent Director	1 (record owner)	Filipino	0.0119%
Class A	Agustin R. Montilla IV	Lead Independent Director	1 (record owner)	Filipino	0.0119%
Class A	Bernadine T. Siy	Independent Director	1 (record owner)	Filipino	0.0119%
-	Desiree Joy C. Suarez	Treasurer	0	Filipino	N/A
-	Solomon M. Hermosura	Corporate Secretary	0	Filipino	N/A

-	Maria Paula G. Romero-Bautista	Assistant Corporate Secretary	0	Filipino	N/A
-	Amelia Ann T. Alipao	Data Protection Officer	0	Filipino	N/A
-	Jose P. Dagdagan	General Manager	0	Filipino	N/A
-	Neal C. Perez	Compliance Officer, Finance Director, and Chief Risk Officer	0	Filipino	N/A
Security Ownership of all Directors and Officers			11		0.1306%

No director or member of the Corporation's management owns 2% or more of the outstanding capital stock of the Corporation.

Voting Trust Holders of 5% or More

The Club knows of no person holding more than 5% of common shares under a voting trust or similar agreement.

Change in Control

No change of control in the Corporation has occurred since the beginning of its last fiscal year.

ITEM 12. CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

Please refer to Note 17, *Related Party Transactions*, of the Notes to Financial Statements of the 2023 Audited Financial Statements, which is incorporated herein in the accompanying Index to Exhibits.

PART IV – CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

Compliance with Corporate Governance

The Club amended the Manual of Corporate Governance (the "Revised Manual of Corporate Governance") on July 8, 2020 in accordance with the provisions of SEC Memorandum Circular No. 24, Series of 2019. The Club is attentive to the rules of the SEC so that improvements to its corporate governance policies may be faithfully adopted and implemented.

The evaluation system which was established to measure or determine the level of compliance of the Board of Directors and top-level management with its Revised Manual of Corporate Governance consists of a Board Performance Assessment which is accomplished by the Board of Directors indicating the compliance ratings. The above is submitted to the Compliance Officer who issues the required certificate of compliance with the Club's Revised Manual of Corporate Governance to the Securities and Exchange Commission.

To ensure good governance, the Board establishes the vision, strategic objectives, key policies, and procedures for the management of the Club, as well as the mechanism for monitoring and evaluating Management's performance. The Board also ensures the presence and adequacy of internal control mechanisms for good governance.

On June 30, 2024, the Club submitted to the SEC its Annual Corporate Governance Report for the year 2023 pursuant to SEC Memorandum Circular No. 13, Series of 2021, wherein the Club disclosed its compliance or non-compliance with the recommendations under the Code of Corporate Governance for Public Companies and Registered Issuers.

The Club is taking further steps to enhance adherence to principles and practices of good corporate governance.

PART V - EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

(a) Exhibits - See accompanying Index to Exhibits

The following exhibit is incorporated by reference in this report:

2023 Financial Statements

The other exhibits, as indicated in the Index to Exhibits, are either not applicable to the Club or require no answer.

(b) Reports on SEC Form 17-C

The following reports on SEC Form 17-C, as amended, was filed during the six (6)-month period immediately preceding the period covered by this report:

SEC Form 17-C dated September 30, 2024: disclosing the results of the 2024 Annual Stockholders' Meeting and Organizational Meeting of the Board of Directors.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned; thereunto duly authorized, in the City of Makati on the **MAR 7 2025**

By:

Signature and Title : **BERNARD VINCENT O. DY**
Chairman

Signature and Title : **O E CARICAE . O**
President

Signature and Title : **DE IREE OY . IRANDA**
Treasurer

Signature and Title : **NEA C. ERE**
Finance Director, Compliance Officer, and
Chief Risk Officer

Signature and Title : **ARIA RANCETTE . ACO TA**
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Makati City) SS.

BEFORE ME, a Notary Public for and in the City of Makati, this MAR 7 2025, personally appeared the following:

Anvaya Cove Golf and Sports Club, Inc.
represented by:

<u>Name</u>	<u>Passport/Driver's License No.</u>	<u>Date & Place of Issue</u>
Bernard Vincent O. Dy	Passport No.	July 1, 2021/DFA Manila
Joseph Carmichael Z. Jugo	Passport No.	April 7, 2018/DFA, Manila
Desiree Joy S. Miranda	Passport No.	June 15, 2022/DFA Manila
Neal C. Perez	Driver's License No.	June 6, 2022/Land Transportation Office
Maria Franchette M. Acosta	Passport No.	Nov. 4, 2022/DFA Manila

who are personally known to me and identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

WITNESS MY HAND AND NOTARIAL SEAL affixed at the place and on the date first above written.

Doc. No. 6 ;
Page No. 3 ;
Book No. LI ;
Series of 2025.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.




MARIA PAULA G. ROMERO-BAUTISTA

Notary Public – Makati City
Appt. No. M-227 until December 31, 2025
Roll of Attorneys No. 58335
IBP No. 492224 – 01/02/2025– Makati City
PTR No. MKT10467735MN– 01/03/2025 – Makati City
MCLE Compliance No. VII – 0020268 - 06/02/2022
6th Floor Makati Stock Exchange Building,
Ayala Avenue, Makati City, Philippines

ANVAYA COVE GOLF AND SPORTS CLUB, INC.

INDEX TO EXHIBITS
Form 17-A – Item 7

No.		
(3)	Plan of Acquisition, Reorganization, Arrangement, Liquidation, or Succession	N/A*
(5)	Instruments Defining the Rights of Security Holders, Including Indentures	N/A
(8)	Voting Trust Agreements	N/A
(9)	Material Contracts	N/A
(10)	2023 Financial Statements (with notarized Statement of Management Responsibility)	Attached
(13)	Letter re: Change in Certifying Accountant	N/A
(16)	Report Furnished to Security Holders	N/A
(18)	Subsidiaries Registrant	N/A
(19)	Published Report regarding Matters Submitted to Vote of Security Holders	N/A
(20)	Consent of Experts and Independent Counsel	N/A
(21)	Power of Attorney	N/A
(29)	Additional Exhibits	N/A

**Not applicable or require no answer*

INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)
C	Amounts Receivable from Related Parties which are Eliminated during Consolidation of Financial Statements
D	Long-term Debt
E	Indebtedness to Related Parties (Long-term Loans from Related Companies)
F	Guarantees of Securities Other Issuers
G	Capital Stock

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	0	1	4	9	1	9
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Company Name

A	N	V	A	Y	A		C	O	V	E		G	O	L	F		A	N	D		S	P	O	R	T	S			
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Principal Office (No./Street/Barangay/City/Town/Province)

A	N	V	A	Y	A		C	O	V	E	,		M	O	R	O	N	G	,		B	A	T	A	A	N			
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Form Type

A	F	S	
---	---	---	--

Department requiring the report

S	E	C	
---	---	---	--

Secondary License Type, if applicable

N	/	A	
---	---	---	--

COMPANY INFORMATION

Company's Email Address

financedept@anvayacove.com

Company's Telephone Number(s)

9943-44000

Mobile Number

N/A

No. of Stockholders

795

Annual Meeting (Month/Day)

September 30

Fiscal Year (Month/Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Neal C. Perez

Email Address

perez.neal@anvayacove.com

Telephone Number(s)

9943-44000

Mobile Number

0917—8044-462

Contact Person's Address

Anvaya Cove, Morong, Bataan

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



Independent Auditor's Report

To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Anvaya Cove Golf and Sports Club, Inc. (the "Club") as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The financial statements of the Club comprise:

- the statements of financial position as at December 31, 2024 and 2023;
- the statements of comprehensive income for the years ended December 31, 2024 and 2023;
- the statements of changes in equity for the years ended December 31, 2024 and 2023;
- the statements of cash flows for the years ended December 31, 2024 and 2023; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company 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 Code of Ethics.

Other Matter

The financial statements of the Club for the year ended December 31, 2022 were audited by another firm of auditors whose report, dated March 2, 2023, expressed an unmodified opinion on those statements

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
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To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan
Page 2

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A, but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA 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.



To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan
Page 3

As part of an audit in accordance with PSA, 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.



To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan
Page 4

Report on the Bureau of Internal Revenue Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 19 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 supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.

A handwritten signature in black ink, reading "Dexter Toledaña".

Dexter DJ V. Toledaña

Partner

CPA Cert. No. 0121827

P.T.R. No. 0032961; issued on January 3, 2025 at Makati City

T.I.N. 255-979-765

BIR A.N. 08-000745-241-2023, issued on January 30, 2023; effective until January 29, 2026

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
March 3, 2025



Statements Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Anvaya Cove Golf and Sports Club, Inc.
Anvaya Cove, Morong, Bataan

We have audited the accompanying financial statements of Anvaya Cove Golf and Sports Club, Inc. (the "Club") as at and for the year ended December 31, 2024, on which we have rendered the attached report dated March 3, 2025. The supplementary information shown in the Schedules A, B, C, D, E, F and G, as required by Part II, Section 7 of the Rule 68 of the SRC, is presented for the purposes of filing with the Securities and Exchange Commission and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Rule 68 of the SRC.

Isla Lipana & Co.

A handwritten signature in black ink, reading "Dexter Toledaña".

Dexter DJ V. Toledaña

Partner

CPA Cert. No. 0121827

P.T.R. No. 0032961; issued on January 3, 2025 at Makati City

T.I.N. 255-979-765

BIR A.N. 08-000745-241-2023, issued on January 30, 2023; effective until January 29, 2026

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
March 3, 2025

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Anvaya Cove Golf and Sports Club, Inc.

Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Note	2024	2023
Assets			
Current assets			
Cash	2	21,049,057	21,552,932
Financial assets at fair value through profit or loss	3	1,040,952	3,007,892
Accounts and other receivables	4	46,127,956	35,368,271
Receivables from related parties	15	67,313,293	75,663,211
Inventories	5	2,075,997	2,222,114
Other current assets	6	35,979,601	35,874,752
Total current assets		173,586,856	173,689,172
Noncurrent assets			
Property and equipment - net	7	710,242,311	733,216,580
Advances and other noncurrent assets	6	5,751,289	2,828,245
Total noncurrent assets		715,993,600	736,044,825
Total assets		889,580,456	909,733,997
Liabilities and equity			
Current liabilities			
Accounts and other payables	8	51,169,862	58,642,408
Contract liabilities	10	29,742,606	30,673,028
Payables to related parties	15	86,386,236	88,364,306
Total current liabilities		167,298,704	177,679,742
Noncurrent liabilities			
Pension liability	13	1,915,729	1,584,112
Deferred tax liability	13,14	435,316	404,456
Total noncurrent liabilities		2,351,045	1,988,568
Total liabilities		169,649,749	179,668,310
Equity			
Paid-in capital	9	213,627,000	213,627,000
Additional paid-in capital	9	763,883,400	763,883,400
Cumulative remeasurement gain on pension liability	13	1,305,947	1,213,368
Deficit	9	(258,885,640)	(248,658,081)
Total equity		719,930,707	730,065,687
Total liabilities and equity		889,580,456	909,733,997

The notes on pages 1 to 37 are an integral part of these financial statements.

Anvaya Cove Golf and Sports Club, Inc.

Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(With comparative figures for the year ended December 31, 2022)
(All amounts in Philippine Peso)

	Notes	2024	2023	2022
Revenue	10			
Membership dues		112,464,000	91,615,000	86,780,000
Service income		65,397,552	61,450,665	55,425,925
Sale of goods		49,113,405	47,748,636	48,086,527
Transfer fees		10,290,179	10,388,393	9,410,714
		237,265,136	211,202,694	199,703,166
Costs and expenses	12			
Cost of services		121,933,495	115,369,422	103,888,099
Cost of sales		41,165,062	38,606,323	32,022,766
General and administrative expenses		96,669,265	80,097,662	63,629,654
		259,767,822	234,073,407	199,540,519
Other income				
Interest income	2,4,15,17	4,436,251	4,062,972	1,050,924
Miscellaneous income	11	7,843,581	21,023,700	5,074,785
		12,279,832	25,086,672	6,125,709
(Loss) income before income tax		(10,222,854)	2,215,959	6,288,356
Provision for income tax	14	4,705	5,521	5,391
Net (loss) income for the year		(10,227,559)	2,210,438	6,282,965
Other comprehensive income (loss)				
Item that will not be reclassified to profit or loss:				
Remeasurement (loss) gain on				
pension liability - net of tax		92,579	(118,790)	463,565
Total comprehensive (loss) income		(10,134,980)	2,091,648	6,746,530
Basic and diluted earnings per share	9	(1,215)	263	746

The notes on pages 1 to 37 are an integral part of these financial statements

Anvaya Cove Golf and Sports Club, Inc.

Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(With comparative figures for the year ended December 31, 2022)
(All amounts in Philippine Peso)

	Paid-in capital (Note 9)	Additional paid-in capital (Note 9)	Deficit (Note 9)	Reserve for remeasurement on retirement liability, net of tax (Note 13)	Total equity
Balance at January 1, 2022	213,627,000	763,883,400	(257,151,484)	868,593	721,227,509
Comprehensive income					
Net income for the year	-	-	6,282,965	-	6,282,965
Other comprehensive loss	-	-	-	463,565	463,565
Total comprehensive loss	-		6,282,965	463,565	6,746,530
Balance at December 31, 2022	213,627,000	763,883,400	(250,868,519)	1,332,158	727,974,039
Comprehensive income					
Net loss for the year	-	-	2,210,438	-	2,210,438
Other comprehensive loss	-	-	-	(118,790)	(118,790)
Total comprehensive income	-		2,210,438	(118,790)	2,091,648
Balance at December 31, 2023	213,627,000	763,883,400	(248,658,081)	1,213,368	730,065,687
Comprehensive income					
Net income (loss) for the year	-	-	(10,227,559)	-	(10,227,559)
Other comprehensive income	-	-	-	92,579	92,579
Total comprehensive income (loss)	-	-	(10,227,559)	92,579	(10,134,980)
Balance at December 31, 2024	213,627,000	763,883,400	(258,885,640)	1,305,947	719,930,707

The notes on pages 1 to 37 are an integral part of these financial statements

Anvaya Cove Golf and Sports Club, Inc.

Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(With comparative figures for the year ended December 31, 2022)
(All amounts in Philippine Peso)

	Note	2024	2023	2022
Operating activities				
(Loss) income before income tax		(10,222,855)	2,215,959	6,288,356
Adjustments for:				
Depreciation	7,12	45,004,199	39,461,217	36,956,238
Interest income	2,4,15,17	(4,436,251)	(4,062,972)	(1,050,924)
Retirement expense	13	455,055	324,091	296,205
Unrealized gain on financial assets at FVPL	3,11	(40,952)	(126,719)	(34,452)
Realized gain on financial assets at FVPL	3	(19,164)	-	-
Net gain on disposal of property and equipment	7	-	(5,956,512)	(3,165)
Operating income before working capital changes		30,740,033	31,855,064	42,452,258
Decrease (increase) in:				
Accounts and other receivables		(10,759,685)	1,304,482	(1,637,707)
Receivables from related parties		10,660,737	(429,511)	(5,479,020)
Inventories		146,117	(128,402)	(385,220)
Other current assets		(104,849)	(4,243,575)	(4,573,986)
Advances and other noncurrent assets		(2,923,043)	357,851	(309,493)
Increase (decrease) in:				
Accounts and other payables		(7,472,547)	12,518,017	2,359,717
Contract liabilities		(930,421)	10,687,272	(1,050,921)
Payables to related parties		(1,978,069)	(24,467,399)	8,578,619
Net cash generated by operations		17,378,273	27,453,799	39,954,247
Interest received		6,625,431	1,656,014	640,879
Income tax paid		(4,705)	(5,521)	(5,391)
Net cash flows from operating activities		23,998,999	29,104,292	40,589,735
Investing activities				
Additions to:				
Property and equipment	7	(22,029,930)	(30,046,188)	(11,559,655)
Proceeds from disposal of:				
Financial assets at FVPL	3	2,027,056	-	19,921,039
Property and equipment	7	-	5,966,552	-
Collection of loans to related parties		856,200,000	640,000,000	80,000,000
Loans to related parties	17	(860,700,000)	(650,000,000)	(125,000,000)
Net cash flows used in from investing activities		(24,502,874)	(34,079,636)	(36,638,616)
Net (decrease) increase in cash		(503,875)	(4,975,344)	3,951,119
Cash				
At January 1		21,552,932	26,528,276	22,577,157
At December	2	21,049,057	21,552,932	26,528,276

The notes on pages 1 to 37 are an integral part of these financial statements

Anvaya Cove Golf and Sports Club, Inc.

Notes to the Financial Statements

As at and for the year ended December 31, 2024

(With comparative figures for the year ended December 31, 2022)

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

1 General information

(a) Corporate information

Anvaya Cove Golf and Sports Club, Inc. (the Club) was incorporated in the Republic of the Philippines and was registered with the Philippine Securities and Exchange Commission (SEC) on September 21, 2010.

The primary purpose of the Club is to purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop or otherwise dispose of real property, such as but not limited to clubhouses, lands and buildings, hotels, condominium units, with all the facilities, equipment and apparatus relative thereto, and to offer and issue proprietary shares.

The Club is a public interest entity, and is 74.39% owned by Ayala Land, Inc. (ALI). The Club is considered a subsidiary of ALI. ALI's parent company is Ayala Corporation (AC or the "Ultimate Parent Company"), a publicly listed company, 47.57%-owned by Mermac, Inc., with the remainder owned by the public as of December 31, 2024. ALI, AC, and Mermac, Inc. are publicly listed companies incorporated in the Republic of the Philippines.

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) has 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 (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 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". Starting January 1, 2020, the Club no longer collect output VAT on membership fees and fees of similar nature.

The registered office address of the Club is Anvaya Cove, Morong, Bataan.

Status of Operations

The Club has a deficit amounting to P258,885,641 (2023 - P248,658,081) as at December 31, 2024.

Management has assessed that the Club is still able to maintain sufficient liquidity through the collection of membership dues and revenue from sale of goods and services, as well as the support from its Parent Company, to enable the Club to continue as a going concern at least for the next 12 months from the date of these financial statements.

Approval and Authorization for Issuance of the Financial Statements

The accompanying financial statements of the Club were approved and authorized for issuance by the Board of Directors (BOD) on March 3, 2025.

2 Cash

The account as at December 31 consists of:

	Note	2024	2023
Cash on hand		220,597	86,175
Cash in banks	15	20,828,460	21,466,757
		21,049,057	21,552,932

Cash on hand are funds readily available into cash. Cash in banks is stated at face amount and earns interest at the prevailing bank deposit rates.

Interest income earned on cash in banks amounted to P23,523 (2023 - P27,604) (2022 - P26,955) gross of final tax for the year ended December 31, 2024.

3 Financial assets at fair value through profit or loss

Details of the account are as follows:

	Note	2024	2023
At January 1		3,007,892	2,881,173
Redemptions	11	(2,027,056)	-
Unrealized gain	11,15	40,952	126,719
Realized gain	11,15	19,164	-
At December 31		1,040,952	3,007,892

Financial assets at FVPL pertains to investments in the Bank of the Philippine Islands Money Market Fund (the Fund). The Fund, which is structured as a money market UITF, aims to generate liquidity and stable income by being invested in a diversified portfolio of primarily short-term fixed income instruments. It has no minimum holding period. As at December 31, 2024, the Club has 3,560 (2023 - 10,766) units with total Net asset Value of P1,040,952 (2023 - P3,007,892).

The fair value of the Club's investment is determined by using the net asset value per unit, which is considered the market value per unit of an investment fund. The fair value measurement of the financial assets at FVPL is categorized under Level 1.

4 Accounts and other receivables

The account as at December 31 consists of:

	2024	2023
Trade receivables	45,965,657	35,009,723
Allowance for credit losses	(1,948,530)	(1,948,530)
	44,017,127	33,061,193
Receivable from employees	105,830	79,810
Insurance claims	47,467	47,467
Other receivables	1,957,532	2,179,801
	46,127,956	35,368,271

Trade receivables pertain to unpaid charges from members for use of facilities and sale of food, beverage and merchandise from shop. These are non-interest bearing and are due and demandable. The receivables from members are collateralized by a preferential lien on the Club shares owned by the said members. Provision for ECL amounted to nil in 2022, 2023 and 2024.

Receivable from employees pertains salary loans granted to the Club's employees. These are collected through salary deduction. Interest income earned from loans to employees amounted to P123,062 in 2024 (2023 - P33,178; 2022 - P11,396).

Other receivables include nontrade receivables such as receivables from the Club's service providers which are non-interest bearing and are to be settled within one year.

Critical accounting estimate - Estimating allowance for ECLs of receivables

The Club assesses long-outstanding member's receivable account periodically as to future collectability. Club shares of members with long-outstanding balances are placed to public auction for bidding at the management's own terms and minimum pricing to ensure that outstanding balances are delinquent members are recovered. The Club defines a financial asset as in default when contractual payments are 120 days past due. However, in certain cases, the Club may also consider a receivable to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club.

5 Inventories

The account as at December 31 consists of:

	2024	2023
At cost:		
Food and beverage	2,071,377	2,203,517
Merchandise	4,620	18,597
	2,075,997	2,222,114

Food and beverage consist of goods in the form of ingredients and supplies consumed in the production of food and beverages sold at the Club's cafes and bars. Costs of food and beverages recognized as part of cost of sales and cost of services are as follows (Note 12):

	2024	2023	2022
Cost of sales	15,886,910	14,915,489	13,270,373
Cost of services	36,400	7,523	406,068
	15,923,310	14,923,012	13,676,441

Merchandise pertains to items for sale at the Club's golf pro-shop. For the year ended December 31, 2024, cost of merchandise recognized as part of cost of sales amounted to P13,977 (2023 - P111,492) (2022 - P330,249) (Note 12).

6 Other assets

The account as at December 31 consists of:

	2024	2023
Input VAT	22,319,418	22,135,162
Creditable withholding taxes	7,405,571	5,176,415
Prepaid expenses	1,327,850	4,946,158
Supplies	3,266,199	3,234,322
Advances to suppliers	7,388,767	2,989,431
Deferred input VAT	23,084	221,509
	41,730,889	38,702,997
Less: Non-current portion		
Deferred input VAT	23,084	221,509
Advances to suppliers	5,728,204	2,606,736
	5,751,288	2,828,245
Current portion	35,979,601	35,874,752

VAT input refers to VAT paid on goods and services purchased by the club for its operation.

Creditable withholding taxes are available for application against income tax payable in future periods.

Prepaid expenses mainly include prepayments for maintenance, taxes and licenses, and insurance which will be amortized for three to 12 months at the end of the financial reporting period.

Supplies include medical supplies, general storeroom, clearing inventories and china and crockery.

Advances to suppliers include advances made by the Club to vendors and applied against invoices from the vendor upon delivery of goods and payments made in advance to suppliers intended for purchase of property and equipment.

Deferred input VAT pertains to purchases for which the invoice is not yet paid and those arising from purchases of capital goods.

7 Property and equipment

Details of the account are as follows:

	Land and land improvements	Building and improvements	Furniture, fixtures and equipment	Project in progress	Total
Cost					
At January 1, 2023	619,850,050	400,472,580	92,402,645	-	1,112,725,275
Additions	-	2,079,503	27,810,373	156,312	30,046,188
Disposal	-	-	(2,259,354)	-	(2,259,354)
At December 31, 2023	619,850,050	402,552,083	117,953,664	156,312	1,140,512,109
Additions	790,499	607,135	20,570,023	62,273	22,029,930
Reclassification	-	1,500	73,935	(75,435)	-
Disposal	-	-	(4,819,440)	-	(4,819,440)
At December 31, 2024	620,640,549	403,160,718	133,778,182	143,150	1,157,722,599
Accumulated depreciation					
At January 1, 2023	191,361,249	97,769,162	80,953,215	-	370,083,626
Depreciation	22,493,802	11,454,186	5,513,229	-	39,461,217
Disposal	-	-	(2,249,314)	-	(2,249,314)
At December 31, 2023	213,855,051	109,223,348	84,217,130	-	407,295,529
Depreciation	22,506,716	11,517,458	10,980,025	-	45,004,199
Disposal	-	-	(4,819,440)	-	(4,819,440)
At December 31, 2024	236,361,767	120,740,806	90,377,715	-	447,480,288
Net book value					
December 31, 2023	405,995,000	293,330,236	33,735,032	156,312	733,216,580
December 31, 2024	384,278,782	282,419,912	43,400,467	143,150	710,242,311

The Club's project in progress pertains to renovations of the golf course car paths, drainages and trenches. The following table sets forth the allocation of depreciation expense (Note 12):

	2024	2023	2022
Cost of services	37,549,446	36,819,998	35,491,939
Cost of sales	1,168,462	840,900	585,133
General and administrative expenses	6,286,291	1,800,319	879,166
	45,004,199	39,461,217	36,956,238

Fully depreciated property and equipment are retained in the books until these are no longer in use. The cost of fully depreciated property and equipment still in use as at December 31, 2024 amounted to P75,805,996 (2023 - P73,696,259).

The Club disposed fully depreciated property and equipment item with an aggregate cost amounting to P4,819,440 (2023 - P2,259,354). The Club did not incur any gain or loss on disposal in 2024 and recorded a net gain amounting to P5,956,512 in 2023.

Critical accounting estimate - Evaluating asset impairment

The Club reviews property and equipment, and other nonfinancial current and noncurrent asset for impairment in value. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends, taking into consideration the impact of COVID-19 Pandemic.

Internal and external sources of information are reviewed at each statement of financial position date to identify indications that the Club's nonfinancial asset may be impaired, or an impairment loss previously recognized no longer exists or may be decreased. If any such indication exists, the recoverable amount of the nonfinancial asset is estimated.

As described in the accounting policy, the Club estimates the recoverable amount as the higher of the fair value less cost of disposal and value-in-use. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Club is required to make estimates and assumptions that may affect other current and noncurrent assets, and property and equipment. An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

No impairment losses were recognized for the Club's nonfinancial assets.

8 Accounts and other payables

The account as at December 31 consists of:

	2024	2023
Trade payables	6,566,787	8,240,072
Accrued expenses:		
Rental	10,975,725	13,540,819
Utilities	5,220,971	10,440,330
Management fee	3,376,815	3,349,135
Payroll	4,412,142	3,309,175
Repairs and maintenance	787,434	2,625,708
Contract services	630,000	312,307
Professional fees	188,895	399,714
Others	330,962	138,374
Funds held for environmental activities	13,760,414	11,864,314
Due to employees	734,801	502,194
Service charge payable	658,913	618,775
Other payables	3,526,003	3,301,491
	51,169,862	58,642,408

Trade payables represent operational costs incurred and amount due to supplier for purchases of goods and services. These are non-interest bearing and are normally settled within 30 to 60 days.

Accrued expenses consist mainly of accruals for professional fees, utilities, salaries, wages and employee benefits. These are noninterest-bearing and are normally settled within one year.

Funds held for environmental activities pertain to restricted collections from members set aside for the environmental activities of the Club. These are utilized upon commencement of actual environmental activities.

Due to employees pertains to collections from members set aside for the employee welfare fund to be used for employees' trainings, seminars and events.

Service charge payable pertains to service charge income due to employees on top of their regular salaries. These are non- interest bearing and are due to be settled within one year.

Other payables pertain to net proceeds from the auction of shares that will be used for paying incidental expenses related to transfer of shares' ownership, taxes payable and other employee benefits which are non- interest bearing and are normally settled within one year.

9 Equity

The details of the number of authorized and issued shares of the Club as at December 31, 2024 and 2023 follow:

	Stated value	Authorized	Issued	Amount
Class A	No par	5,420	5,420	137,793,900
Class B	No par	2,846	2,846	71,993,500
Class C	No par	154	154	3,839,600
Class D	No par	80	-	-
		8,500	8,420	213,627,000

The details of the Club's registered capital stock with the SEC as at December 31, 2024 and 2023 follow:

	Number of shares registered	Issue price	Date of approval
Class B	2,846	From P800,000 to P1,950,000	January 5, 2011
Class C	154	From P1,600,000 to P2,450,000	January 5, 2011

As at December 31, 2024 and 2023, the total number of shareholders are 795.

Class A shares

Class A shares are issued to the original subscribers of the Club and shall have the status of Founders' Shares with all the rights and privileges ascribed to Founders' shares. Founder's shares are subjected to the rights and restrictions within a period of five years from date of incorporation: (a) has sole and exclusive right to nominate persons who shall serve as director of the Club; (b) are prohibited from selling or transferring founder's share to third persons within a period of five years from the date of incorporation of the Club; (c) usage right without the need for activation fee; and (d) application and qualification of its nominee for membership to the Club.

Class B shares

Each class B shares shall be entitled to one usage right which shall be exercised by the holder thereof or its nominee in the manner set forth in the by-laws of the Club. Holders of Class B shares shall not enjoy pre-emptive rights to subscribe to any or all original issues of Class A shares, Class C shares, and Class D shares of the Club.

Class C shares

Each Class C share shall be entitled to two usage rights which shall be exercised by its nominees in the manner set forth in the by-laws of the Club.

Holders of Class C shares shall not enjoy preemptive rights to subscribe to any or all original issues of Class A shares, Class B shares, and Class D shares of the Club.

Class D shares

Each Class D share shall be entitled to one usage right which shall be exercised by the holder thereof or its nominee in the manner set forth in the by-laws of the Club.

Holders of Class D shares shall not enjoy preemptive rights to subscribe to any or all original issues of Class A shares, Class B shares, and Class C shares of the Club.

In view of the issuance of Founders' shares, the voting rights pertaining to the Class B, C and D shares shall be suspended for the period commencing from the date of incorporation of the Club up to and including the date prior to the fifth anniversary of such date of incorporation. On the fifth anniversary of the date of incorporation of the Club, the voting rights of all Class B, C and D shares shall be automatically reinstated and shall be equal in all respects to those of the holders of all the other classes of shares.

Shareholders shall only be entitled to a pro-rata share of the assets of the Club at the time of the dissolution or liquidation thereof.

Additional paid-in capital

ALI contributed to the Club, by way of additional paid-in capital on its Class B and Class C shareholding, all the project development costs and expenses that the Club shall require in relation to the planning, development and construction of its facilities and amenities amounting to P763,883,400.

Capital Management

The primary objectives of the Club's capital management policies are to afford the financial flexibility to support its business initiatives and to maximize stakeholder value. The Club manages its capital structure and make adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes for the years ended December 31, 2024 and 2023. The Club considers equity, excluding remeasurement gain on pension liability, as its capital as follows:

	2024	2023
Paid-in capital	213,627,000	213,627,000
Additional paid-in capital	763,883,400	763,883,400
Deficit	(258,885,641)	(248,658,081)
	718,624,759	728,852,319

The Club is not subjected to any externally imposed capital requirements.

Basic and diluted Earnings (Loss) per Share

The following table presents information used to calculate earnings (loss) per share:

	2024	2023	2022
Excess (deficiency) of receipts over expenses after income tax	(10,227,559)	2,210,438	6,282,965
Number of shares (excluding shares of delinquent members)	8,420	8,420	8,420
Basic and diluted earnings (loss) per share	(1,215)	263	746

Basic and diluted earnings (loss) per share equal as the Club does not have any dilutive potential ordinary shares in 2024, 2023, and 2022.

10 Revenue

Disaggregated Revenue Information

The table shows the disaggregation of revenues of the Club by major sources.

	2024	2023	2022
Membership dues	112,464,000	91,615,000	86,780,000
Service income:			
Golf course revenue	38,998,425	35,609,499	25,254,059
Room accommodation	19,079,659	18,519,966	24,669,818
Guest fees	4,911,914	5,043,967	3,669,643
Sports complex revenue	2,407,554	2,277,233	1,832,405
Sale of goods:			
Food and beverages	46,687,820	45,358,866	45,814,200
Merchandise	2,425,585	2,389,770	2,272,327
Transfer fees	10,290,179	10,388,393	9,410,714
	237,265,136	211,202,694	199,703,166

Timing of revenue recognition

The Club has recognized revenues recognized over time amounting to P177,861,552 (2023 - P153,065,665) (2022 - P142,205,925) for the year ended December 31, 2024.

Revenues recognized from sale of goods and transfer fees recognized at a point in time amounted to P59,403,583 (2023 - P58,137,029) (2022 - P57,497,241) for the year ended December 31, 2024.

Contract balances

As at December 31, contract balances are as follows:

	Note	2024	2023
Trade receivables	4	44,017,127	33,061,193
Contract liabilities		29,742,606	30,673,028

The Club identified unearned membership dues as contract liabilities as at December 31, 2024 and 2023. These represent payments received in advance from members who usually settle their dues annually.

Contract liabilities also include advances received for membership dues, consumables and booked functions and events.

The movements in the contract liabilities are as follows:

	2024	2023
Balance at beginning of year	30,673,028	19,985,756
Additions	129,768,160	122,489,336
Recognized as revenue	(130,698,582)	(111,802,064)
Balance at end of year	29,742,606	30,673,028

Other income includes laundry, room cleaning and storage services for golf equipment.

Critical accounting judgment - Identification of contract with customers under PFRS 15

The Club applies PFRS 15 guidance to a portfolio of contracts with similar characteristics as the Club reasonably expects that the effects on the financial statements if applying this guidance to the portfolio would not differ materially from applying this guidance to the individual contracts within that portfolio. Hence, the Club viewed each transaction receipt as one contract.

Critical accounting judgment - Identifying performance obligations

The Club identifies performance obligations by considering whether the promised goods or services in the contract are distinct goods or services. A good or service is distinct when the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and the Club's promise to transfer the good or service to the customer is separately identifiable from the other promises in the contract.

Critical accounting judgment - Determining whether the Club is acting as a principal or agent

The Club assesses its revenue arrangements against specific criteria to determine if it's acting as principal or agent. The following criteria indicate whether the Club is acting as a principal or an agent:

- The Club has the primary responsibility for providing services to the customer;
- The Club has latitude in establishing price, either directly or indirectly, for example by providing additional services; and,
- The Club bears the customer's credit risk for the amount receivable from the customer. The Club has concluded that generally, it is acting as a principal in its revenue arrangements.

11 Miscellaneous income

The account for the years ended consists of:

	Notes	2024	2023	2022
Surcharge revenue	15	3,577,779	12,366,066	2,948,811
Gain on disposal of property and equipment		-	5,966,552	-
Unrealized gain on financial assets at FVPL	3	40,952	126,719	34,452
Realized gain on financial assets at FVPL	3	19,164	-	-
Other income		4,205,686	2,564,363	2,091,522
		7,843,581	21,023,700	5,074,785

Other income includes laundry, room cleaning and storage services for golf equipment.

12 Costs and expenses

Cost of services consists of:

	Notes	2024	2023	2022
Depreciation	7	37,549,446	36,819,998	35,491,939
Heat, light and water		26,570,877	26,077,643	21,356,545
Contract services		22,131,993	21,482,914	20,637,197
Salaries, wages and employee benefits		16,365,679	13,528,915	12,385,225
Tournament expenses		4,668,459	5,669,566	2,579,965
Cleaning and other supplies		2,362,661	2,221,875	2,014,199
Communications		1,408,418	1,713,391	1,736,373
Laundry		1,240,975	1,100,573	1,079,842
Repairs and maintenance		1,204,433	828,461	1,074,099
Office supplies		623,365	550,061	610,773
Transportation		353,750	322,815	251,796
Representation		119,465	100,630	40,989
Food and beverage	5	36,400	7,523	406,068
Others		7,297,574	4,945,057	4,223,089
		121,933,495	115,369,422	103,888,099

Other cost of services includes expenses such as linen, signages, and uniforms.

Cost of sales consists of:

	Notes	2024	2023	2022
Food and beverage	5	15,886,910	14,915,489	13,270,373
Salaries, wages and employee benefits		14,316,232	12,808,637	10,250,919
Heat, light and water		5,839,068	6,588,243	5,147,259
Cleaning and other supplies		1,305,180	1,225,170	1,143,046
Depreciation	7	1,168,462	840,900	585,133
Communication		587,063	749,729	592,221
Equipment rental		101,786	101,786	35,714
Office supplies		51,719	49,873	79,167
Merchandise	5	13,977	111,492	330,249
Transportation		10,533	26,401	23,294
Representation		795	120	14,176
Others		1,883,337	1,188,483	551,215
		41,165,062	38,606,323	32,022,766

Other cost of sales includes expenses incurred in food and beverage operations such as repairs and maintenance and laundry.

General and administrative expenses consist of:

	Note	2024	2023	2022
Heat, light and water		15,999,700	15,933,537	1,380,495
Salaries, wages and employee benefits		13,739,651	12,673,557	11,150,318
Corporate expense		11,268,901	4,557,521	3,923,809
Professional and management fees		9,644,648	12,366,219	9,614,854
Taxes and licenses		9,403,956	6,724,744	3,319,953
Security		7,428,955	6,800,910	6,580,836
Depreciation	7	6,286,291	1,800,319	879,166
Collection charges		4,248,564	3,980,595	2,993,010
Insurance		4,121,664	3,083,533	2,492,851
Repairs and maintenance		2,741,368	3,326,365	3,550,253
Contract services		1,702,536	1,377,670	11,424,168
Office supplies		634,490	336,053	346,934
Uniforms		340,119	164,019	542,145
Representation		36,923	74,524	29,520
Others		9,071,499	6,898,096	5,401,342
		96,669,265	80,097,662	63,629,654

Other general and administrative expenses include miscellaneous incurred such as cleaning and other supplies, transportation, and communications.

13 Pension cost

The Club engaged an independent actuary to calculate the amount of retirement benefits obligation based on the provisions of PAS 19, Employee Benefits. The Club's liability for retirement benefits is based solely on the requirements under Republic Act (RA) No. 7641, otherwise known as The Philippine Retirement Pay Law of the Philippines, as the Club does not have a formal retirement plan. The latest valuation report of the retirement plan was made as at December 31, 2024.

The following tables summarize the components of pension expenses recognized in the statements of comprehensive income and the liability amounts recognized in the statements of financial position.

The components of pension expense (included in cost of sales, cost of services and general and administrative expenses under salaries, wages and employee benefits) in Note 12 to the financial statements below:

	2024	2023	2022
Current service cost	358,424	243,672	241,317
Interest cost	96,631	80,419	54,888
Total retirement expense	455,055	324,091	296,205

Cumulative remeasurement effect recognized in OCI included in equity under "Cumulative remeasurement gain on pension liability" in the statements of financial position:

	Note	2024	2023
Balances at beginning of year		1,213,368	1,776,211
Remeasurement gain(loss) on DBO		123,438	(158,387)
		1,336,806	1,617,824
Income tax effect	14	(334,202)	(404,456)
Total amount recognized in OCI at end of year		1,002,604	1,213,368

The remeasurement effects recognized in other comprehensive income in the statement of comprehensive income follow:

	2024	2023	2022
Actuarial gain (loss) due to:			
Changes in demographic assumptions	357,397	(55,733)	914,044
Experience adjustment	(233,958)	(102,654)	(347,273)
	123,439	(158,387)	566,771
Income tax effect	30,860	39,597	(103,206)
Remeasurement gain (loss) in OCI	92,579	(118,790)	463,565

Changes in the present value of the DBO are as follows:

	2024	2023
Balance at January 1	1,584,112	1,101,634
Current service cost	358,424	243,672
Interest cost	96,631	80,419
Remeasurement (gain) loss in OCI	(123,438)	158,387
	1,915,729	1,584,112

The cost of defined benefit pension plans and other post-employment benefits as well as the present value of defined benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. The principal assumptions used in determining pension and post-employment benefit obligations for the defined benefit plans are as follows:

	2024	2023
Discount rate	6.20%	6.10%
Salary increase rate	5.00%	6.00%

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

Increase (decrease) in rates		Effect on DBO	
		2024	2023
Discount rate	+1.00%	(272,198)	(235,696)
	-1.00%	330,067	288,220
Salary rate	+1.00%	321,163	278,777
	-1.00%	(270,365)	(233,083)

The defined benefits obligation typically exposes the Club to a number of risks such as interest rate risk, longevity and salary risk.

Interest rate risk

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement liability. An increase in government bond yields will decrease the defined benefit obligation. Hence, the present value of defined benefit obligation is directly affected by the discount rate to be applied by the Club.

Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimates of: (1) the mortality of the plan participants, and (2) the future salaries of the plan participants. Consequently, increases in life expectancy and salary of the plan participants will result in an increase in the defined benefit obligation.

Shown below is the maturity analysis of the DBO based on undiscounted benefit payments as at December 31, 2024 and 2023.

	2024	2023
Year 1 to 5	181,740	105,640
Year 6 to 10	765,292	834,012
Year 11 to 15	4,575,197	2,856,891
Year 15 to 20	33,442,762	32,546,099
	38,964,991	36,342,642

The weighted average duration of the defined benefit obligation at the end of the reporting period is 14 years (2023 -14 years) as at December 31, 2024.

Critical accounting estimate - Estimating pension cost and liability

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These assumptions are described in Note 13, and include, among others, the determination of the discount rates, future salary increases, mortality rates 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 interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

14 Income tax

The account for the years ended December 31 consists of:

	2024	2023	2022
Current	-	-	-
Final	4,705	5,521	5,391
	4,705	5,521	5,391

The reconciliation of the benefit from income tax computed at statutory tax rate to the provision for income tax shown in profit or loss follows:

	2024	2023	2022
Benefit from income tax at statutory income tax rate of 25%	(2,555,714)	553,990	1,572,089
Tax effect of:			
Nontaxable membership dues	(15,203,647)	(13,471,135)	(13,165,852)
Changes in unrecognized deferred tax assets	17,765,242	12,924,046	4,286,767
Interest income subjected to final tax	(1,176)	(1,380)	(1,348)
Nondeductible expenses	-	-	6,250
Expired NOLCO and MCIT	-	-	7,307,485
Effect of change in tax rate	-	-	-
Provision for income tax	4,705	5,521	5,391

Deferred tax assets are recognized only to the extent that taxable profits will be available against which the deferred tax assets can be used or when there are sufficient taxable temporary differences which are expected to reverse in the same period as the expected reversal of the deductible temporary differences. The Club assesses the unrecognized deferred tax assets and will recognize a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will allow all or part of the deferred tax assets to be recovered.

The Club has deductible temporary differences, NOLCO and MCIT, for which no deferred tax assets were recognized follows:

	2024	2023
NOLCO	310,134,550	239,499,823
Pension liability	3,448,125	2,993,070
Allowance for ECL	1,948,530	1,948,530
MCIT	-	-
	315,531,205	244,441,423

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

The Club is entitled to NOLCO benefit which can be applied to its taxable income in the succeeding years from the year the loss was incurred. The details of the Club's NOLCO as at December 31 are as follows:

Year of incurrence	Year of expiry	2024	2023
2024	2027	70,634,727	-
2023	2026	51,377,613	51,377,613
2022	2025	46,080,803	46,080,803
2021	2026	66,290,569	66,290,569
2020	2025	75,750,838	75,750,838
		310,134,550	239,499,823
Applied during the year		-	-
Expired during the year		-	-
		310,134,550	239,499,823
Income tax rate		25%	25%
Unrecognized deferred tax assets on NOLCO		77,533,638	59,874,956

As at December 31, 2024, the Club recognized deferred tax liability on remeasurement gain on pension liability amounting to P435,316 (2023 - P404,456) (Note 13).

Critical accounting judgment - Recognizing deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which these can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized. These assets are periodically reviewed for realization. Periodic reviews cover the nature and amount of all deductible temporary differences, expected timing when assets will be used or liabilities will be required to be reported, reliability of historical profitability of businesses expected to provide future earnings and tax planning strategies which can be utilized to increase the likelihood that tax assets will be realized.

15 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the Club, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Club. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Club that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Club and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

Terms and Conditions of Transactions with Related Parties

The Club, in the normal course of business, entered into transactions with related parties consisting primarily of the construction of the Club's leisure and recreational facilities, and charges for the use of the Club's facilities and services. Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, noninterest bearing and are normally settled in cash.

Outstanding balances owed by related parties:

	2024		2023		Terms and conditions
	Amount/ volume	Outstanding balance	Amount/ volume	Outstanding balance	
Immediate Parent Company					
ALI (a)(i)	-	3,571,429	-	3,571,429	<ul style="list-style-type: none">• Unsecured;• Non- interest bearing• Collectible in cash at gross amount on demand
ALI (a)(ii)	154,869	2,635,513	-	6,598,065	<ul style="list-style-type: none">• Unsecured;• Non- interest bearing• Collectible in cash at gross amount on demand
ALI (Loans)	232,000,000	-	40,000,000	-	<ul style="list-style-type: none">• Unsecured;
ALI (Interest)	678,854	77,578	209,263	-	<ul style="list-style-type: none">• Interest bearing with rates ranging from 6.26% to 7.54%• Collectible in cash with 2 to 35 days term
Entities Under Common Control					
Amaia Land Corp.	-	-	95,000,000	-	<ul style="list-style-type: none">• Unsecured;
Amaia Land Corp. (Interest)	-	-	325,282	-	<ul style="list-style-type: none">• Interest bearing with rates ranging from 6.72% to 7.05%• Collectible in cash with 10 to 27 days term
Avida Land Corp. (loans)	-	-	3,000,000	-	<ul style="list-style-type: none">• Unsecured;
Avida Land Corp. (interest)	-	-	2,496	-	<ul style="list-style-type: none">• Interest bearing; subject to 6.80% interest rate• Collectible in cash with 5 days term
ALI Commercial Center (loans)	-	-	30,000,000	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.85% to 7.02%
ALI Commercial Center (interest)	-	-	90,714	-	<ul style="list-style-type: none">• Collectible in cash with 3 to 33 days term
Arca South Hotel Ventures Inc. (loans)	25,000,000	-	30,000,000	5,000,000	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.54%
Arca South Hotel Ventures Inc. (interest)	149,617	-	253,796	86,173	<ul style="list-style-type: none">• Collectible in cash with 31 to 60 days term
Ayalaland Estates Inc. (loans)	-	-	12,000,000	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.70% to 7.30%
Ayalaland Estates Inc. (interest)	-	-	90,935	-	<ul style="list-style-type: none">• Collectible in cash with 15 to 59 days term
Airswift Transport Inc. (loans)	315,000,000	-	360,000,000	45,000,000	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.54%
Airswift Transport Inc. (interest)	1,945,837	-	2,459,699	2,395,631	<ul style="list-style-type: none">• Collectible in cash with 30 to 62 days term
Ayala Land Malls (loans)	5,000,000	-	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.54%
Ayala Land Malls (interest)	12,277	-	-	-	<ul style="list-style-type: none">• Collectible in cash with 30 to 62 days term
Bay City Commercial Ventures, Inc.(loans)	174,000,000	55,000,000	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.54%
Bay City Commercial Ventures, Inc.(interest)	875,924	148,643	-	-	<ul style="list-style-type: none">• Collectible in cash with 30 to 62 days term
Capitol Central Commercial Ventures Inc. (loans)	38,200,000	1,200,000	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.54%
Capitol Central Commercial Ventures Inc. (interest)	216,279	25,118	-	-	<ul style="list-style-type: none">• Collectible in cash with 30 to 62 days term
Cavite Commercial Town Center Inc. (loans)	17,500,000	-	-	-	<ul style="list-style-type: none">• Unsecured;• Interest bearing with rates ranging from 6.69% to 7.54%
Cavite Commercial Town	94,181	91,356	-	-	

Center Inc. (interest)					<ul style="list-style-type: none"> • Collectible in cash with 30 to 62 days term
North Triangle Depot Commercial Corp. Inc.(loans)	16,000,000	-			<ul style="list-style-type: none"> • Unsecured; • Interest bearing with rates ranging from 6.69% to 7.54%
North Triangle Depot Commercial Corp. Inc.(interest)	87,356	84,735			<ul style="list-style-type: none"> • Collectible in cash with 30 to 62 days term
Unity Realty & Development Corp.(loans)	13,000,000	1,300,000			<ul style="list-style-type: none"> • Unsecured; • Interest bearing with rates ranging from 6.69% to 7.54%
Unity Realty & Development Corp.(interest)	77,112	74,798			<ul style="list-style-type: none"> • Collectible in cash with 30 to 62 days term
Soltea Commercial Inc. (loans)	3,000,000	-	18,000,000	3,000,000	<ul style="list-style-type: none"> • Unsecured; • Interest bearing with rates ranging from 6.69% to 7.84%
Soltea Commercial Inc. (interest)	28,973	-	145,385	37,971	<ul style="list-style-type: none"> • Collectible in cash with 17 to 33 days term
Cebu District Prop. Ent. (loans)	-	-	60,000,000	-	<ul style="list-style-type: none"> • Unsecured; • Interest bearing with rates ranging from 6.69% to 7.57%
Cebu District Prop. Ent. (interest)	-	-	418,400	319,588	<ul style="list-style-type: none"> • Collectible in cash with 12 to 62 days term
Laguna Techno Park Inc. (loans)	22,000,000	2,000,000	2,000,000	2,000,000	<ul style="list-style-type: none"> • Unsecured; • Interest bearing; subject to 6.69% interest rate
Laguna Techno Park Inc. (interest)	123,257	125,593	6,220	6,220	<ul style="list-style-type: none"> • Collectible in cash with 19 days term
Anvaya Cove Beach and Nature Club. Inc, (ACBNCI) (b)	10,325,101	976,970	11,108,163	956,092	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Makati Development Corporation (MDC) (c)	28,901	1,560	5,996,596	6,685,956	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Ayala Property Management Corporation (APMC) (d)	-	6,086	-	6,086	<ul style="list-style-type: none"> • Unsecured; • Non-interest bearing • Collectible in cash at gross amount on demand
Total		67,313,293		75,663,211	

The Club in the ordinary course of business, has entered into transactions with these related parties which consists mainly of the following:

- a. Receivables from ALI consists of the following:
 - i. Trade receivables from ALI includes unsecured non-interest-bearing charges and unpaid membership dues from ALI nominees. Surcharge revenue amounting to P10,490,013 was collected in 2023 from ALI, for payment of surcharges of cancelled nominees accounts.
 - ii. Receivables from ALI-PPE pertains expenses reimbursement of the Club related to PPE transferred by ALI.
- b. Receivables from ACBNCI pertains to charges for the use of the Club's facilities and services by the members of ACBNCI.
- c. Receivable from MDC pertains to antigen test and meals purchased by the Club on behalf of the former for use of MDC personnel, including the gain on the furniture and fixtures transferred to MDC.

Receivables from APMC pertains to the antigen test incurred by the Club on APMC employees.

Outstanding balances owed to related parties:

	2024		2023		Terms and conditions
	Amount/ volume	Outstanding balance	Amount/ volume	Outstanding balance	
Immediate Parent Company					
ALI (a)(i)	-	80,000,000	-	80,000,000	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
ALI (a)(ii)	33,078,873	853,551	25,732,295	853,551	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
ALI (a)(iii)	2,333,008	-	2,475,136	-	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Entities Under Common Control					
ACBNCI (b)	57,843,509	6,348,295	56,820,320	6,348,295	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
MDC	24,886,799	-	21,910,108	-	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Ayala Land Club Management, Inc. (ACMI) (c) (d)	-	-	5,189,553	-	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Ayalaland Premier, Inc. (ALP) (d)	14,524,662	1,162,460	2,688,600	1,162,460	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Associates of Ayala Corporation (AC)					
Globe Telecom, Inc. (Globe) (e)	180,555	-	169,128	-	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Innove Communications, Inc. (Innove) (f)	2,666,445	-	3,550,100	-	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Manila Water Philippine Venture, Inc. (Manila Water) (g)	19,304,667	-	17,978,710	-	<ul style="list-style-type: none">• Unsecured;• Non-interest bearing• Collectible in cash at gross amount on demand
Total		86,386,236		88,364,306	

The Club in the ordinary course of business, has entered into transactions with these related parties which consists mainly of the following:

a. Payable to ALI consists of the following:

- i. Costs incurred for the construction of the Club's initial assets.
- ii. Costs incurred for electricity consumption, facilities management, share on common usage and real property taxes of the Club.

- iii. Cost incurred for property insurance recorded as part of insurance in general and administrative expenses.
- b. Payable to ACBNCI are charges for the use of facilities and services of ACBNCI by the members of the Club.
- c. Payable to ACMI pertains to basic management fee, incentive fee and system cost. All outstanding payables to ACMI were all transferred to Ayalaland Premier Inc. after the SEC approved the merger of ALSI, ACMI and Ayalaland Premier on October 17, 2023, with the latter as the surviving entity.
- d. Payable to Ayalaland Premier Inc. pertains to the basic management fee, incentive fee and system cost which were previously billed by ACMI. The payables consist of the following:
 - i. Management fees, as agreed upon, include basic management fee amounting to P221,561 per month with an escalation clause of 7.50% per annum and incentive fee equivalent to 3.00% of gross operating profit per month included as part of total management fees in general and administrative expense.
 - ii. System cost at a monthly fixed amount of P721,392 as at December 31, 2024 (2023 - P312,852), included as part of corporate expenses in general and administrative expenses.
- e. Payable to Globe consists of cost incurred for the prepaid mobile line and text blast communication to all members as billed by Automated Mobile Blaster (AMBER).
- f. Payable to Innove consists of cost incurred for the trunk line and direct internet of the Club.
- g. Payable to Manila Water consists of cost of water utilities incurred by the Club.

The amounts receivable from and payable to related parties are not offset because these differ in nature and are billed and paid separately rather than settled on a net basis.

Transactions with BPI

The Club maintains the following accounts with BPI (an associate of AC):

	Note	2024			2023		
		Balance	Income Earned	Realized and Unrealized Gain	Balance	Income Earned	Realized and Unrealized Gain
Cash in banks	2	20,828,459	23,523	-	21,466,757	27,604	-
Financial assets at FVPL	3	1,040,952	-	60,116	3,007,892	-	126,719
		21,869,411	23,523	60,116	24,474,649	27,604	126,719

Compensation of key management personnel

Ayala Land Club Management, Inc. (ACMI), a wholly owned subsidiary of ALI, manages the operation of the Club under a Management Agreement which was renewed on January 1, 2022, and shall be effective until January 1, 2025. By virtue of the approval of the merger of ACMI, AyalaLand Premier, Inc. (ALPI), and Ayala Land Sales, Inc. by the SEC on October 17, 2023, wherein ALPI was the surviving entity, contract has now been transferred to ALPI. Compensation paid to key management personnel amounted to P8,656,699 in 2024 (2023 - P3,754,225).

16 Financial instruments

Fair value information

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash, accounts and other receivables, receivables from related parties, accounts and other payables, contract liabilities and payables to related parties - Carrying amounts approximate fair values due to the relatively short-term nature of these amounts.

Financial assets at FVPL - These are investments in UITF. Fair value is based on net asset values as at each reporting date.

Fair value hierarchy

The Club classified financial assets at FVPL under Level 1 of the fair value hierarchy (Note 3). There have been no transfers between different categories.

Financial risk management objectives and policies

The Club's principal financial instruments comprise of cash, financial assets at FVPL, accounts and other receivables, receivables from related parties, accounts and other payables, contract liabilities and payables to related parties. The main purpose of the Club's financial instruments is to fund operational and capital expenditures.

The Club's financing and treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Club.

The main risks arising from the use of financial instruments are credit risk and liquidity risk. The management reviews and approves the policies for managing each of these risks and they are summarized as follows:

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's maximum exposure to credit risk as at December 31, 2024 and 2023 is the carrying amounts of the financial assets. The Club's maximum exposure for cash excludes the carrying amount of cash on hand.

The table below shows the maximum credit risk exposure of the Club:

	2024	2023
Cash in banks	20,828,460	21,466,757
Financial assets at FVPL	1,040,952	3,007,892
Accounts and other receivables:		
Trade receivables, net	44,017,127	33,061,193
Receivable from employees	105,830	79,810
Insurance claims	47,467	47,467
Others	1,957,532	2,179,801
Receivables from related parties	67,313,293	75,663,211
	135,310,660	135,506,131

Cash in banks and financial assets at FVPL

The investment of the Club's cash resource is managed so as to minimize risk while seeking to enhance yield. Credit risk management involves entering into financial instruments only with counterparties with acceptable credit standing. The Club transacts only with bank which have demonstrated financial soundness for the past five years.

Receivables from related parties

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.

Identified impairment losses for cash in banks and due from related parties are immaterial.

Accounts and other receivables

The Club is exposed to credit risk from its operating activities, primarily on its trade receivables. To manage credit risks, the Club maintains defined credit policies and monitors its exposure to credit risks on a continuous basis.

The Club's trade receivables generally pertain to membership dues and club charges. The Club bills and collects from members on a monthly basis. It is the Club's policy to impose surcharge fees on members for any delinquency in payment. Once an account is tagged as delinquent, appropriate actions are taken by the Club such as prohibition of the use of Club's facilities and services. The Club assesses long-outstanding member's receivable account periodically as to future collectability. Club shares of members with long-outstanding balances are placed to public auction for bidding at the management's own terms and minimum pricing to ensure that outstanding balances are delinquent members are recovered.

The Club defines a financial asset as in default when contractual payments are 120 days past due. However, in certain cases, the Club may also consider a receivable to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club.

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

December 31, 2024	Current	< 30 Days	< 90 Days	< 90 Days but < 360 Days	Over 360 Days	Total
Estimated total gross carrying amount of accounts receivable	14,325,006	8,457,130	5,130,774	7,271,890	10,780,856	45,965,657
ECL	-	-	-	-	1,948,530	1,948,530

December 31, 2023	Current	< 30 Days	< 90 Days	< 90 Days but < 360 Days	Over 360 Days	Total
Estimated total gross carrying amount of accounts receivable	10,943,546	4,657,124	3,845,116	5,776,294	9,777,642	35,009,723
ECL	-	-	-	-	1,948,530	1,948,530

Liquidity risk

Liquidity risk is defined by the Club as the risk of losses arising from funding difficulties due to deterioration in market conditions and/or the financial position of the Club that make it difficult for the Club to raise the necessary funds. This may result from either the inability to sell financial assets quickly at their fair values; or a counterparty failing on repayment of a contractual obligation; or the inability to generate cash inflows as anticipated.

The Club employs scenario analysis and contingency planning to actively manage its liquidity position and guarantee that all operating, investing and financing needs are met. The Club applies a prudent approach to liquidity through the prudent management of cash.

The tables below summarize the aging analysis and maturity profile of the Club's financial assets and financial liabilities, respectively, based on undiscounted contractual cash flows:

December 31, 2024	On Demand	Less than 3 Months	3 to 12 Months	More than 1 Year	Total
Financial assets					
Cash	21,049,057	-	-	-	21,049,057
Financial assets at FVPL	1,040,952	-	-	-	1,040,952
Accounts and other receivables					
Trade receivables	12,376,476	11,395,564	9,464,230	10,780,856	44,017,126
Receivable from employees	105,830	-	-	-	105,830
Insurance claims	47,467	-	-	-	47,467
Others	1,957,533	-	-	-	1,957,533
Receivables from related parties	-	67,313,293	-	-	67,313,293
	36,577,315	78,708,857	9,464,230	10,780,856	135,531,258
Financial liabilities					
Accounts and other payables					
Trade payables	6,566,787	-	-	-	6,566,787
Accrued expenses	-	-	25,922,944	-	25,922,944
Funds held for environmental activities	13,760,414	-	-	-	13,760,414
Service charge payable	-	658,913	-	-	658,913
Due to employees	-	734,801	-	-	734,801
Other payables *	2,036,854	-	-	-	2,036,854
Contract liabilities	-	29,742,606	-	-	29,742,606
Payables to related parties	80,000,000	6,386,236	-	-	86,386,236
	102,364,055	37,522,556	25,922,944	-	165,809,555
Liquidity Position (Gap)	(65,786,740)	41,186,301	(16,458,714)	10,780,856	(30,278,297)

*Excluding statutory liabilities amounting to P1,489,148

December 31, 2024	On Demand	Less than 3 Months	3 to 12 Months	More than 1 Year	Total
Financial assets					
Cash	21,552,932	-	-	-	21,552,932
Financial assets at FVPL	3,007,892	-	-	-	3,007,892
Accounts and other receivables					
Trade receivables	8,995,016	7,105,010	7,173,524	9,787,643	33,061,193
Receivable from employees	79,810	-	-	-	79,810
Insurance claims	47,467	-	-	-	47,467
Others	2,179,801	-	-	-	2,179,801
Receivables from related parties	-	75,633,211	-	-	75,633,211
	35,862,918	82,738,221	7,173,524	9,787,643	135,562,306
Financial liabilities					
Accounts and other payables					
Trade payables	8,240,072	-	-	-	8,240,072
Accrued expenses	-	-	34,115,563	-	34,115,563
Funds held for environmental activities	11,864,314	-	-	-	11,864,314
Service charge payable	-	618,775	-	-	618,775
Due to employees	-	502,194	-	-	502,194
Other payables*	2,192,792	-	-	-	2,192,792
Contract liabilities	-	30,673,028	-	-	30,673,028
Payables to related parties	80,000,000	8,364,306	-	-	88,364,306
	102,297,178	40,158,303	34,115,563	-	176,571,044
Liquidity Position (Gap)	(66,434,260)	42,579,918	(26,942,039)	9,787,643	(41,008,738)

*Excluding statutory liabilities amounting to P1,108,698

17 Supplementary note to the statements of cash flows

In 2024, the Club maximized its cash and continued to invest the excess fund in intercompany lending which generated an interest income of P4,289,666 (2023- P4,002,190), with interest rate ranging from 6.02% to 7.25%.

Related parties who availed the intercompany lending includes Ayala Land Inc., Arca South Hotel Ventures Inc., Airswift Transport Inc., Cebu District Property Ent., Laguna Techno Park Inc., Unity Realty Development & Development Corp., Capitol Central Commercial Ventures Corp., Ayala Land Malls, North Triangle Depot Inc. and Cavite Commercial Town Center Inc. In 2024, ALI Capital Corp., a wholly owned subsidiary of ALI, sold its 100% ownership in AirSWIFT Transport Inc. to Cebu Air Inc. (Cebu Pacific). The transactions with AirSWIFT Transport Inc. prior to its sale are duly considered and reported under related party transactions (Note 15)

In 2023, the Club recorded proceeds of P5,966,552 for the gain on sale of property and equipment to MDC.

18 Summary of material accounting policies

18.1 Basis of preparation

The financial statements of the Club have been prepared using the historical cost basis, except for financial assets at FVPL that have been measured at fair value. The Club's functional currency is the Philippine Peso

(P) and all amounts are rounded off to the nearest peso, unless otherwise indicated.

18.2 Statement of compliance

The financial statements of the Company have been prepared in accordance with Philippines Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC).

Basis of measurement

The accompanying financial statements have been prepared on the historical cost basis and are presented in Philippine Peso, which is the Company's functional and presentation currency. All amounts are rounded to the nearest peso, unless otherwise indicated.

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

- *Critical accounting judgment - Going concern*

The use of the going concern assumption involves management making judgments, at a particular point in time, about the future outcome of events or conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Club has neither the intention nor the need to liquidate. Management takes into account a whole range of factors which include, but not limited to, Parent Company's ability to provide financial support, expected operations and profitability and potential sources of additional financing. Management prepares the financial statements on a going concern basis as management has future plans regarding the Club, as discussed in Note 1.

- *Critical accounting estimate – Estimating allowance for ECLs of receivables (Note 4)*
- *Critical accounting estimate - Evaluating asset impairment (Note 7)*
- *Critical accounting judgment - Identification of contract with customers under PFRS 15 (Note 10)*
- *Critical accounting judgment - Identifying performance obligations (Note 10)*
- *Critical accounting judgment - Determining whether the Club is acting as a principal or agent (Note 10)*
- *Critical accounting estimate - Estimating pension cost and liability (Note 13)*
- *Critical accounting judgment - Recognizing deferred tax assets (Note 14)*

18.3 Changes in Accounting Policies and Disclosures

(a) *New standards, and amendments and interpretations to existing standards effective January 1, 2024*

The following amendments to existing standards were relevant and adopted by the Company for the first time from January 1, 2024:

- Amendments to PAS 1, 'Presentation of Financial Statements'

Amendments made to PAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (for example, the receipt of a waiver or a breach of covenant that an entity is required to comply with only after the reporting period).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants (including the nature of the covenants and when the entity is required to comply with them); and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments must be applied retrospectively in accordance with the requirements in PAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'.

- Amendments to PAS 7 and PFRS 7, 'Supplier Finance Arrangement'

The amendments to PAS 7 and PFRS 7 were made to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to the investors' need for more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

The new disclosures will provide information about:

1. The terms and conditions of SFAs.
2. The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
3. The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
4. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
5. Non-cash changes in the carrying amounts of financial liabilities in no. 2.
6. Access to SFA facilities and concentration of liquidity risk with the finance providers.

Entities will be required to aggregate the information that they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information where the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

The standards do not require comparative information in the first year, and disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 31, 2024 year end, unless an entity has a financial year of less than 12 months.

The amendments to existing standards did not have a material impact on the financial statements of the Company.

There are no other new standards, interpretations and amendments to existing standards effective January 1, 2024 that are considered to be relevant or expected to have a material impact on the Company's financial statements.

(b) New standards, and amendments and interpretations to existing standards issued but not yet effective as at December 31, 2024

Certain new standards, and amendments and interpretations to existing standards have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Company. None of these are expected to be relevant and have a significant effect on the financial reporting of the Company, while the most relevant ones are set out as follows:

- Amendments to PFRS 9 and PFRS 7, 'Classification and Measurement of Financial Instruments'

PFRS 9 Financial Instruments and PFRS 7 Financial Instruments: Disclosures are amended to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

The amendments to IFRS 9 and IFRS 7 will be effective for annual reporting periods beginning on or after January 1, 2026, with early application permitted subject to any endorsement process.

- PFRS 18, 'Presentation and Disclosure in Financial Statements'

This is the new standard on presentation and disclosure in financial statements, which replaces PAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in PFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is still evaluating the impact of the new standard.

18.4 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 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) prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3 - Valuation techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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.

18.5 Financial instruments

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

(a.) Financial assets

i. Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, or fair value through profit or loss (FVPL), as applicable.

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

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

Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

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

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

ii. Subsequent measurement

Financial assets at amortized cost (debt instruments)

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

The Club's financial assets at amortized cost includes cash, accounts and other receivables and receivables from related parties.

Financial assets at FVPL

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of comprehensive income. This category includes investment in Unit Investment Trust Fund (UITF).

iii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the balance sheet) 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) the Club has transferred substantially all the risks and rewards of the asset, or (b) the Club has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

iv. Impairment of financial assets

The Club recognizes an allowance for estimated credit losses (ECLs) for all debt instruments carried at amortized cost. 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 effective interest rate. 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.

For accounts 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 a receivable in default when contractual payments are 120 days past due. However, in certain cases, the Club may also consider a receivable to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Club. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Club implements a policy on its receivables, wherein members in the delinquent list or those with accounts that are past due for more than 120 days 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.

(b.) Financial liabilities at amortized cost

i. Initial recognition and measurement

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

The Club's financial liabilities include accounts and other payables, except government payables, contract liabilities and payables to related parties and other obligations that meet the above definition (other than liabilities covered by other accounting standards, such as income tax payable).

ii. Subsequent measurement

initial recognition, interest-bearing loans and borrowings 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 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 interest expense in the statement of income.

iii. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

18.5.1 Inventories

Inventories are valued at the lower of cost or net realizable value (NRV). NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventories is determined using the moving average method.

An allowance for inventory losses is provided for slow-moving, obsolete and defective inventories based on management's physical inspection and evaluation.

18.5.2 Value-added tax (VAT)

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

For its VAT-registered activities, 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 up to the extent of the recoverable amount.

Input VAT on goods purchased on or after January 1, 2022 will be fully recognized outright and claimed as input tax credits against output tax.

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

18.5.3 Property and equipment

Property and equipment, except for land, are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Land is carried at cost less any impairment in value. The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Club and the cost of the items can be measured reliably. All other repairs and maintenance are charged against current operations as incurred.

Projects in progress are also capitalized as part of property and equipment under separate account, projects in progress. These projects will form part of building and improvements and furniture, fixtures and equipment. Items under the account are not depreciated until completed and proper reclassification is made.

Depreciation of property and equipment commences once the following month after acquisition and is computed on a straight-line basis over the estimated useful lives of the property and equipment as follows:

	Years
Building and improvements	35
Land improvements	25
Furniture, fixture and equipment	5

The assets' estimated useful lives and depreciation method are reviewed periodically to ensure that the amounts, periods and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated property and equipment are retained in the accounts while still in use although no further depreciation is charged to current operations.

18.5.4 Impairment of nonfinancial assets

(a) Advances and other noncurrent assets

The Club provides allowance for impairment losses on advances and other noncurrent assets when these can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Club made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease advances and other noncurrent assets.

Recovery of impairment losses recognized in prior year is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or has decreased. The recovery is recorded in the statement of income. However, the increase in carrying amount of an asset due to recovery of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined had there been no impairment loss recognized for that asset in prior year.

(b) Property and equipment

The Club assesses at each reporting date whether there is an indication that property and equipment may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Club

estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash generating unit's (CGU) fair value less costs of disposal and its value-in-use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its 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 asset. Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine 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 assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase.

18.5.5 Pension costs

The liability recognized in the statements of financial position in respect of defined benefits pension plans is the present value of the defined benefits obligation (DBO) at the reporting date less fair value of the plan assets, if any. The present value of the DBO is determined by using risk-free interest rates of long-term government bonds that have terms to maturity approximating the terms of the related pension liabilities or applying a single weighted average discount rate that reflects the estimated timing and amount of benefit payments.

Pension costs of the DBO is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur.

Defined benefit costs include:

- Service costs
- Net interest on the net defined benefit liability or asset
- Remeasurements 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 profit or loss. 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 benefits 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 comprehensive income.

Remeasurements, comprising of actuarial gains or losses, the effect of the asset ceiling, excluding net interest cost and the return on plan assets (excluding net interest), if any, are recognized immediately in the statements of financial position with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

18.5.6 Equity

Paid-in capital

Paid-in Capital is measured at stated value for all shares subscribed, issued and outstanding. When the shares are sold at premium, the difference between the proceeds and the stated value is credited to "Additional paid-in capital" account. Direct costs incurred related to original equity issuance are chargeable to "Additional paid-in capital" account. If additional paid-in capital is not sufficient, the excess is charged against retained earnings. When the Club issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

18.5.7 Revenue from contracts with customers

The Club's revenue from contracts with customers primarily consist of membership dues, service income and sale of goods. 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.

The disclosures of critical accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 1.

The following are the Club's performance obligations:

(a.) Membership dues

Revenue from membership dues is recognized over the time the members are provided access to the Club's room accommodation, golf course, sports complex, game rooms, restaurants and other amenities.

Transaction price is determined to be the BOD-approved rate for monthly membership dues. Each monthly membership dues are considered as a single performance obligation; therefore, it is not necessary to allocate the transaction price. Any advance payments are recorded under "Contract liabilities" account in the statements of financial position.

(b.) Service income

Service income includes revenue from providing room accommodation, guest fees and income from the use of the Club's facilities and amenities such as golf course, sports complex, game rooms and other Club

amenities. Revenue is recognized over the time the services are rendered and/or facilities and amenities are used.

(c.) Sale of goods

Revenue from sale of food and beverages and merchandise are recognized when control of the goods is transferred to the customers, generally when goods are delivered to and accepted by the customers.

(d.) Transfer fees

Transfer fees pertain to earnings from transfer of member's ownership recorded upon initiation of transfer process. Revenue is recorded at point in time when the services are rendered.

18.5.8 Contract balances

(a.) Trade receivables

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

(b.) Contract liabilities

A contract liability is recognized if a payment is received or payment is due (whichever is earlier) from a customer before the Club transfers the related goods or services. Contract liabilities are recognized as revenue when the Club performs under the contract. Membership dues and consumables collected in advance are recognized as contract liabilities in the statements of financial position.

18.5.9 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.

Short term lease and leases of low-value assets

The Club applied the short-term lease recognition to its short-term leases of office equipment. It also applies the lease of low-value assets recognition exemption to its leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight- line basis over the lease term.

18.5.10 Taxes

(a.) Current income tax

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

Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability and is presented as income tax payable in the statements of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset and is presented as part of other current assets in the statements of financial position.

(b.) Deferred tax

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

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

recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Income tax relating to items recognized directly in equity is recognized in equity and not in the statements of comprehensive income.

18.5.11 Provisions

Provisions are recognized when the Club has a present obligation (legal or 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. When the Club expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

18.5.12 Events after the reporting period

Post year-end events up to the date when the financial statements are authorized for issue that provide additional information about the Club's financial 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 financial statements when material.

19 Supplementary tax information required under Revenue Regulations (RR) No. 15-2010

In compliance with the requirements set forth by RR No. 15-2010 hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year.

Details of the Club's net sales/receipts, output VAT and input VAT accounts are as follows:

(i) Value added tax (VAT)

VAT Net Sales/Receipt and Output VAT declared in the Club's VAT returns for the year 2024:

	Gross revenue	Output VAT
Taxable sales:		
Sale of services	127,341,626	15,280,995
Sale of goods	38,563,327	4,627,599
	165,904,953	19,908,594

Sale of services subject to VAT pertains to gross revenue from room accommodation, guest fees, spa services and rental of recreational equipment. Sale of goods pertains to gross revenues from sale of food, beverage and merchandise in the Club's restaurants and shop.

The Club recognizes the same VAT treatment on both sale of goods and services under the Ease of Paying Taxes (EOPT) Act.

The Club has exempt sales amounting to P93,231,626 pursuant to SC Ruling G.R. No. 228539 [*Association of Non-Profit Clubs, Inc. (ANCP) vs. Bureau of Internal Revenue (BIR)*] dated August 13, 2019.

The amount of input VAT input taxes claimed are broken down as follows:

Beginning of the year	22,135,162
Input tax carried over	86,334
Current year's domestic purchases/payments for:	
Goods for resale/ manufacture for further processing	6,746,064
Capital goods subject to amortization	-
Capital goods not subject to amortization	2,564,391
Services lodged under accounts	14,437,261
Total input VAT available	45,969,209
Less input tax on capital goods subject to amortization, deferred for the succeeding period	23,083
Less input tax allocable to exempt sales	3,718,116
Input VAT applied during the current year	42,228,010
Less claims against output VAT	19,908,594
Balance at the end of the year	22,319,416

(ii) *Other taxes and licenses*

This includes all other taxes, local and national, included under the taxes and licenses account under general and administrative expenses. Details of other taxes and licenses in 2024 follow:

<i>Local</i>	
Real estate taxes	5,834,924
Licenses and permits	3,558,032
Community tax certificate	10,500
<i>National</i>	
BIR annual registration fee	500
	9,403,956

(iii) *Withholding taxes*

Details of withholding taxes in 2024 follows:

	Paid	Accrued	Total
Expanded withholding taxes	6,787,102	1,158,446	7,945,548
Withholding taxes on compensation and benefits	875,394	44,811	920,205
Final withholding taxes	69,661	-	69,661
	7,732,157	1,203,257	8,935,414

(iv) *Tax assessments and cases*

The Club has no deficiency tax assessments or any tax cases, litigation, and/or prosecution in courts or bodies outside the Bureau of Internal Revenue as at December 31, 2024.

All other requirements of RR No. 15-2010 are not applicable to the Company due to absence of relevant transactions.

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules for the Securities and Exchange Commission
December 31, 2024

Supplementary Schedules Required Under Annex 68-J

Schedule A - Financial assets

Schedule B - Amounts receivable from directors, officers, employees, related parties and principal stockholders

Schedule C - Amounts receivable from related parties which are eliminated during the consolidation of financial statements

Schedule D - Long-term debt (Long-term Loans from Related Companies)

Schedule E - Indebtedness to a related party

Schedule F - Guarantees of securities and other issuers

Schedule G - Capital stock

Other Supporting Schedules

Financial Soundness Indicators

Supplementary Schedule for External Auditor Fee-Related Information

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule A - Financial assets

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Interest Income Received and Accrued	Realized /Unrealized Gain on Financial Asset at FVPL
A. Cash in banks				
Bank of the Philippine Islands (BPI)	Not applicable	20,828,459	23,523	-
B. Financial assets at FVPL				
BPI Money Market Fund	3,560	1,040,952	-	60,116
C. Accounts and other receivables				
Trade receivables	Not applicable	44,017,127	-	-
Insurance claims	Not applicable	47,466	-	-
Receivable from employees	Not applicable	105,830	123,062	-
Other receivables	Not applicable	1,957,533	-	-
D. Receivables from related parties	Not applicable	67,313,293	4,289,666	-
		135,310,660	4,436,251	60,116

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule B - Amounts receivable from directors, officers, employees, related parties and principal stockholders

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions		Current	Not Current	Balance at End of Period
			Amounts Collected	Amounts Written Off			
Employees	79,810	281,237	255,217	-	-	-	105,830

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule C. Amounts receivable from related parties which are eliminated during the consolidation of financial statements

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions		Current	Not Current	Balance at End of Period
			Amounts Collected	Amounts Written Off			
Not applicable							

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule D. Long-term debt

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown under Caption “Current Portion of Long-term Debt” in Related Statement of Financial Position	Amount Shown under “Long-Term Debt” in Related Statement of Financial Position
Not applicable			

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule E. Indebtedness to a related party (Long-term Loans from Related Companies)

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
Not applicable		

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule F. Guarantees of Securities Other Issuers

Name of Issuing Entity of Securities Guaranteed by the Club for which this Statement is filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is filed	Nature of Guarantee
Not applicable				

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2024

Schedule G. Capital Stock

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as Shown under Related Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by Related Parties	Directors, Officers and Employees	Others
Common Stock:						
Class A	5,420	5,420	-	4,322	11	1,087
Class B	2,846	2,846	-	1,907	-	939
Class C	154	154	-	106	-	48
Class D	80	-	-	-	-	-
Total	8,500	8,420	-	6,335	11	2,074

Anvaya Cove Golf and Sports Club, Inc.

Financial Soundness Indicators
As at December 31, 2024

Ratio	Formula	2024	2023	2022
Current ratio	Current assets / Current liabilities	1.04	0.98	0.91
Acid test ratio	Quick assets (Total current assets excluding inventory) / Current liabilities	0.81	0.76	0.72
Solvency ratio	EBITDA / Total debt (Total debt includes short-term debt, long- term debt and current portion of long-term debt)	0.21	0.23	0.24
Debt-to-equity ratio	Total debt / Total stockholders' equity	0.24	0.25	0.25
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.24	1.25	1.25
Return on equity	Net income after tax/ Average total stockholders' equity	-0.01	0.00	0.01
Return on assets	Net income after tax / Average total assets	-0.01	0.00	0.01
Net profit margin	Net income after tax / Total revenue	-0.04	0.01	0.03

Anvaya Cove Golf and Sports Club, Inc.

Supplementary Schedule for External Auditor Fee-Related Information
As at December 31, 2024

	2024	2023
Total audit fees (excluding OPE)	179,900	179,900
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	179,900	179,900

Fw: Your BIR AFS eSubmission uploads were received

From ACGSC Esmael, Rio <rio.esmael@anvayacove.com>
Date Tue 15/04/2025 8:17 PM
To ACBNC Hizola, Carol <carol.hizola@anvayacove.com>

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From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, April 15, 2025 8:07:45 PM
To: ACGSC Esmael, Rio <rio.esmael@anvayacove.com>
Cc: ACGSC Esmael, Rio <rio.esmael@anvayacove.com>
Subject: Your BIR AFS eSubmission uploads were received

Hi ANVAYA COVE GOLF AND SPORTS CLUB, INC.,

Valid files

- EAFS007875261TCRTY122024-03.pdf
- EAFS007875261OTHTY122024.pdf
- EAFS007875261RPPTY122024.pdf
- EAFS007875261TCRTY122024-01.pdf
- EAFS007875261TCRTY122024-02.pdf
- EAFS007875261ITRTY122024.pdf
- EAFS007875261AFSTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-WR1MRQ107KCK955BQYX2RZTT07BLBE7C8**
Submission Date/Time: **Apr 15, 2025 08:07 PM**
Company TIN: **007-875-261**

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

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;

- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Anvaya Cove Golf and Sports Club, Inc.** (the Club) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as of December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022, in accordance with the Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The BOD reviews and approves the financial statements including the schedules attached therein, and submits the same to the members.

Isla Lipana & Co. (PricewaterhouseCoopers), the independent auditors, appointed by the members, has audited the financial statements of the Club in accordance with Philippine Standards on Auditing, and in its report to the members, has expressed its opinion on the fairness of presentation upon completion of such audit.

BERNARD VINCENT O. DY
Chairman

JOSEPH CARMICHAEL Z. JUGO
President

DESIREE JOY S. MIRANDA
Treasurer

Anvaya Cove Golf & Sports Club
Morong, Bataan, Philippines 2108
Tel. (02) 943-4400
Email: golfbilling@anvayacove.com

REPUBLIC OF THE PHILIPPINES)
Makati City) SS.

BEFORE ME, a Notary Public for and in the City of Makati, this MAR 7 2025, personally appeared the following:

Anvaya Cove Golf and Sports Club, Inc.
represented by:

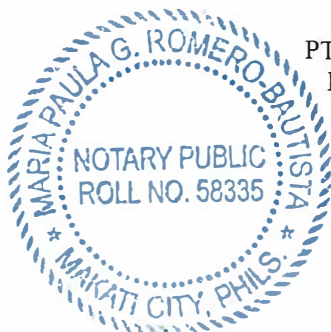
<u>Name</u>	<u>Passport/Driver's License No.</u>	<u>Date & Place of Issue</u>
Bernard Vincent O. Dy	Passport No. [REDACTED]	July 1, 2021/DFA Manila
Joseph Carmichael Z. Jugo	Passport No. [REDACTED]	Apr. 7, 2018/ DFA, Manila
Desiree Joy S. Miranda	Passport No. [REDACTED]	June 15, 2022/DFA Manila


who are personally known to me and identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

WITNESS MY HAND AND NOTARIAL SEAL affixed at the place and on the date first above written.

Doc. No. 5 ;
Page No. 2 ;
Book No. LE ;
Series of 2025.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.




MARIA PAULA G. ROMERO-BAUTISTA
Notary Public – Makati City
Appt. No. M-227 until December 31, 2025
Roll of Attorneys No. 58335
IBP No. 492224 – 01/02/2025– Makati City
PTR No. MKT10467735MN– 01/03/2025 – Makati City
MCLE Compliance No. VII – 0020268 - 06/02/2022
6th Floor Makati Stock Exchange Building,
Ayala Avenue, Makati City, Philippines