

COVER SHEET

SEC Registration Number

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COMPANY NAME

A	N	V	A	Y	A	C	O	V	E	B	E	A	C	H	A	N	D	N	A	T	U	R	E	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															
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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 7793-9000	Mobile Number N/A
No. of Stockholders 	Annual Meeting (Month / Day) 08/04	Fiscal Year (Month / Day) FTY 2023

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 7793-9000	Mobile Number 0917-804-4462
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CONTACT PERSON'S ADDRESS

Anvaya Cove Beach & Nature Club, Morong, Bataan
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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.

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended: December 31, 2023
2. SEC Identification Number: CS200502332
3. BIR Tax Identification No.: 005-862-442
4. Exact name of issuer as specified in its charter: ANVAYA COVE BEACH AND NATURE CLUB, INC. (the "Club")
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, Philippines
Postal Code: 2108
8. Issuer's telephone number, including area code: (02) 7793-9000
9. Former name, former address, and former fiscal year, if changed since last report:
NOT APPLICABLE
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common – Class B	1,950
Common – Class C	<u>500</u>
TOTAL	<u>2,450</u>

11. Are any or all of these securities listed on a Stock Exchange.
Yes [] No [X]

If yes, state the name of such stock exchange and the classes 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 SRC and SRC Rule 17.1 thereunder or Section 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 that the registrant was required to file such reports);

Yes

No

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

Yes

No

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form.

Class B Common Shares - Php 2,400,000.00 per share

Class C Common Shares - Php 3,000,000.00 per share

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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

A. Business Development

Anvaya Cove Beach and Nature Club, Inc. (the “Club”) was incorporated under the laws of the Republic of the Philippines and was registered with the Philippine Securities and Exchange Commission (SEC) on March 28, 2005. The Club was organized primarily to maintain, operate, manage, and carry on the business and operation of a beach and nature club and its facilities in the Municipality of Morong, Province of Bataan, for the amusement, entertainment, recreational and athletic activities of its members on a not-for-profit basis.

The Club officially commenced its commercial operations on March 1, 2008 and its registered address and principal place of business is Morong, Bataan.

Bankruptcy, Receivership or Similar Proceedings

There are 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.

B. Business of Issuer

In the wake of the global pandemic, the Anvaya Cove Beach and Nature Club of 2023 underwent a transformative period aimed at enhancing the overall experience for its esteemed members. Faced with challenges brought about by the pandemic, the club embarked on a journey of recovery, focusing on upgrading facilities, hosting successful events, and prioritizing staff training and administrative improvements.

Recovering from the Pandemic:

As the world began to recover from the effects of the pandemic, Anvaya Cove Beach and Nature Club took proactive measures to address the needs of its members. Recognizing the importance of safety and comfort, the club diligently worked on fixing amenities and facilities to ensure they met the highest standards of cleanliness and functionality. This effort was crucial in rebuilding trust and confidence among members, providing them with a haven to enjoy leisure activities and relaxation.

Enhancing Member Experience:

Central to the club’s mission was the aim to improve the overall experience for its members. With this goal in mind, Anvaya Cove Beach and Nature Club implemented various initiatives aimed at catering to the diverse interests and preferences of its members. From upgrading activities for both adults and children to introducing new amenities and services, every effort was made to ensure that members felt valued and engaged.

Successful Events:

Despite the challenges posed by the pandemic, Anvaya Cove Beach and Nature Club managed to host successful events during the festive season. Christmas and New Year celebrations were marked by joyous gatherings and memorable experiences for members and their families. These events not only fostered a sense of community but also showcased the club's commitment to providing unforgettable

moments for its members. Halloween activities being a hit for both kids and adults. Christmas tree lighting also was one of the highlights of the festive activities. We launched our sustainable rustic Christmas decors made by our very own colleagues, which was very much appreciated by our members. We also made few revenues from our inhouse made Christmas decors.

Impact of International Travel:

While the club experienced a decline in foot traffic due to the opening of international travel, it presented an opportunity to focus on catering to the needs of local members. With fewer members opting to travel abroad, Anvaya Cove Beach and Nature Club curated exclusive experiences and packages tailored to the preferences of its domestic clientele. This strategic approach ensured that members continued to enjoy unparalleled experiences closer to home.

Investment in Staff Training:

Recognizing that the quality of service is paramount to the overall member experience, the club invested in comprehensive staff training programs. From hospitality skills to safety protocols, employees underwent rigorous training to ensure they were well-equipped to meet the evolving needs of members. This investment not only enhanced the professionalism of the staff but also contributed to a culture of excellence within the club.

Administrative Improvements:

In addition to frontline services, Anvaya Cove Beach and Nature Club concentrated on back-of-the-house administrative work. This included the creation and fine-tuning of policies and procedures to streamline operations and enhance efficiency. By prioritizing administrative improvements, the club was able to provide members with a seamless experience from reservation to check-out.

In 2023, Anvaya Cove Beach and Nature Club emerged from the challenges of the pandemic stronger and more resilient than ever. Through a combination of facility upgrades, successful events, staff training, and administrative improvements, the club succeeded in enhancing the overall member experience. As the world continues to navigate uncertainties, Anvaya Cove Beach and Nature Club remains committed to providing its members with exceptional service and unforgettable memories amidst the tranquil beauty of nature.

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

Sale of goods which consist of sales of food, beverage and merchandise contributed 40.53% of the total Club revenues.

Service income consists of room accommodation, guest fees, spa and massage revenues, rental of water sports equipment, which collectively brought in 33.58% of the total Club revenues.

Membership dues contributed 23.14% of total Club revenues.

Percentage of Sales or Revenues 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 Methods of Products Services

As the Club is an exclusive membership club, updates of its products and services are sent by e-mail blasts to Club members as well as Club updates.

New Products or Services

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

Competition

The leisure market has proved to be of interest amongst numerous land development organizations due to the extensive promotion of the industry, escalation of the market segment seeking vacation destinations, and increase in the interest of the natural environment and tourism. Several competitors are considered since they are well-known throughout the industry.

Belle Corporation's Tagaytay Highlands Country Club offers an array of various experiences for the entire family. The club complements the vacation residential development already set-up along the sprawling hills of Tagaytay. The primary attraction of the club is the highlands golf course.

Timberland Sports and Nature Club by Filinvest Land, Inc. is another development that is in mountains and nature setting. The club offers nature treks and various sports with modern facilities. Membership in the club can only be acquired by referrals and invitations.

Hamilco Coast Beach and Country Club is a project of SM Investments Corporation which tries to provide a tropical destination that is also Eco-friendly. The club envisions the promotion of Eco-tourism in the Philippines.

Punta Fuego is a LandCo Pacific Corporation development that provides an exclusive resort that takes advantage of its strategic location by the sea. It has several sports and relaxation facilities that provide services for its members.

The abovementioned developers are just a few of the competitors in Central Luzon; however, there are two major competitors that must be considered because of their proximity to the Project. These are Subic Bay Yacht Club (SBYC) and Club Morocco.

SBYC is a membership club that offers berthing facilities for different types of seagoing vessels. It frequently hosts events such as regattas and other boat races. It has a clubhouse with dining facilities. SBYC was launched in April of 1997 with an offering of 3,000 shares. The membership club promotes its innovative design that creates the perfect ambience targeting the upper market. The segment targeted by the club includes primarily water sportsmen and businessmen with their families.

Club Morocco is a leisure development by Sta. Lucia Realty and Development Corporation that offers residential lots in a beach resort setting. It has water views and offers activities such as swimming, sailing, and fishing. It has a hotel with 24-twin sharing rooms, 4 suites, coffee shops, restaurants, a gym, boutiques, a lake-type pool, and game rooms. There are also expansion plans for an 18-hole championship golf course with a clubhouse and residential golf course community.

The Club intends to set itself apart from the foregoing clubs and other leisure clubs in the country by providing a unique interactive experience for its members in the context of a natural setting by making accessible in-nature facilities. It will also offer a wide variety of nature-based activities which the other clubs do not make available. The competitive advantage of the Club is in its setting which provides a dramatic landscape of foothills, forest and beach.

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 Penelco 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 a 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 Related Parties

The Club, in the normal course of business, entered into transactions with Ayala Land, Inc. (ALI), a stockholder, and an affiliate, Anvaya Cove Golf and Sports Club Inc. (Golf Club), consisting primarily of reimbursement of cost and expenses.

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 ₱295,887.74 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 Ayalaland 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.

The Club has a Reciprocity Agreement with Golf Club wherein the members of the Club may use the sports facilities of the Golf Club, and the members of the Golf Club may use the beach and other facilities of the Club.

Intellectual Property and Other Rights

The Club has secured the registration of the stylized version of its name “Anvaya Cove Beach and Nature Club” on January 2, 2020 from the Philippine Intellectual Property Office. The Club has not entered into any franchises, concessions and royalty agreements.

Government Approvals

The principal product and service of the Club consists 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 Government Regulations

“Corporate Recovery and Tax Incentives for Enterprises Act” or “CREATE” Bill

President Rodrigo Duterte signed into law on March 26, 2021 the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It takes effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation or April 11, 2021.

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

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30% to 25%

for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding ₱5 million and with total assets not exceeding ₱100 million (excluding land on which the business entity’s office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.

- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2020 to June 30, 2023.

Applying the provisions of the CREATE Act, the Club would have been subjected to lower regular corporate income tax rate of 25% effective July 1, 2020.

Accordingly, starting 1 July 2023, the Club will revert to its original 2% MCIT rate based on the gross income of the club.

“Tax Reform for Acceleration and Inclusion (TRAIN) Law”

Pursuant to Section 2 Revenue Regulations (RR) No. 13-2018, the regulations implementing the Value-Added Tax (VAT) provisions of Train Law, starting 1 January 2023, the filing and payment of VAT returns shall be done on a quarterly basis. The filing of monthly VAT returns (BIR Form No. 2550M) will no longer be required, and VAT taxpayers will only need to file four (4) Quarterly VAT returns (BIR Form No. 2550Q) within 25 days following the close of each taxable quarter.

Development Activities

No amounts were spent by the Club on development activities.

Environmental Compliance

The Club allocates a portion of the membership dues for the Environmental Fund which is utilized for environmental initiatives of the Club. For the year 2023, the Club collected a total of ₱2.22 million for the Environmental Fund. The Club has spent ₱0.16 million to cover the costs and expenditures for its different programs for the protection and conservation of the environment.

Club Employees

As of December 2023, the Club was operated through its complement of approximately three hundred twenty-five (325) permanent and contractual employees, the breakdown of which is as follows:

	Organic	Non-organic	Total
Managers	23	–	23
Rank and file	42	259	301
Total	65	259	324

Of the 65 organic employees, 23 perform administrative functions, 16 perform clerical functions, and 26 perform operational functions.

Of the 259 non-organic employees, 15 perform clerical functions, and 244 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 and performance bonus.

Risks in Business of the Club

As a leisure club located along the beach and forested areas of Bataan, the business of the Club is vulnerable to natural calamities and adverse weather conditions. To encourage member and guest attendance during the lean season, the Club offers lower rates for room accommodations, a flexible approach during weekends of allowing guests of members to have access to the services of the Club even if unaccompanied by members, and more aggressive event, food, and beverage promotions. In all instances, the Club ensures a manageable number of members and guests coming to visit.

Item 2. Properties

The facilities and amenities of the Club lie on seven (7) adjoining parcels of land with an aggregate area of approximately 94,147 square meters. The Club is the registered owner of three (3) of the seven (7) parcels constituting approximately 65,147 square meters, while it has legal and physical possession of the remaining four (4) parcels through long-term lease agreements separately entered into with its registered owners, ALI and Subic Bay Development and Industrial Estate Corporation (SUDECO). The lease agreements respectively provide for a term of 25 years, renewable for another 25 years at the option of the Club, in consideration for the payment by the Club of real property tax and other assessments. The lease agreements respectively grant to the Club the rights of full usage and possession of the leased parcels and provide that ALI and SUDECO are committed to respect the rights of the Club, its members, guests, customers and employees to use and enjoy the leased parcels and the facilities and improvements built thereon.

The structures and improvements belonging to the Club consist of the constructed facilities and amenities. Currently, these consist in the Welcome Pavilion, Bridge-way, Main Pavilion, Game Lounge, Library Lounge, Music Lounge, Convenience Shop, Clinic, Function Rooms, The Great Lawn, Lagoon, The Pools at Anvaya, bathhouses, Seahorse Kiddie Pavilion, Beach Cabanas, Pawikan Beach Bar and Grill, Pawikan Barbecue House, Tower and Bar, Veda Spa, Sunset Bar and 40 units constituting the multi-dwelling units as well as 5 units constituting the Managers' Quarters.

The property, plant and equipment are properly maintained as the Club is setting aside a restricted fund for its maintenance and improvements. 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

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

Item 4. Submission of Matters to a Vote of Security Holders

A general annual meeting of stockholders was held virtually on August 4, 2023. The following actions

were approved by a vote of at least majority of the shareholders present to vote at such meeting:

- (a) Approval of the Minutes of the 2022 Annual General Stockholders' Meeting held on July 29, 2022;
- (b) Noting of the President's Annual Report and approval of the 2022 Audited Financial statements;
- (c) Ratification of the acts of the Board of Directors and Management beginning July 29, 2022 until August 4, 2023, covering the following matters:
 - i) Election of officers;
 - ii) Appointment of Chairpersons and members of the Board Committees;
 - iii) Approval of the 2022 second quarter results of operation and audit findings
 - iv) Approval of the external audit plan
 - v) Approval of the revised internal audit plan
 - vi) Approval of the 2023 third quarter results of operations
 - vii) Approval of the 2022-2023 internal audit plan
 - viii) Approval of the 2023 operating budget
 - ix) Approval of the implementation of cashless transactions
 - x) Approval of the Christmas fund special assessment
 - xi) Approval of the partial performance bonus and cash gift
 - xii) Appointment of Stock Transfer Services, Inc. as the stock transfer agent
 - xiii) Approval of the Charter of the Executive Committee
 - xiv) Approval of the Charter of the Board of Directors
 - xv) Approval of the 2022 financial audit results on areas of audit emphasis
 - xvi) Approval of the management representation letter
 - xvii) Approval of the full year 2022 financial audit and operating results
 - xviii) Approval of the report of the Audit and Risk Oversight Committee to the Board
 - xix) Approval of the amendments to the Audit and Risk Oversight Committee Charter and Internal Audit Charter
 - xx) Approval of the 2022 audited financial statements
 - xxi) Approval of the acquisition of cyber security tools
 - xxii) Approval of the 2023 first quarter financial and operating results
 - xxiii) Appointment of the independent auditor for 2023 and fixing of its remuneration
 - xxiv) Appointment of Chief Risk Officer
 - xxv) Approval of additional capital expenditures
 - xxvi) Approval of the information technology projects
 - xxvii) Approval of the increase in membership dues
 - xxviii) Approval of the new guidelines for exercising the Company's right of first refusal
 - xxix) Approval of the resolution on the case of a member proven to have used their membership for commercial purposes
 - xxx) Approval of the establishment of the retirement fund and retirement plan
 - xxxi) Appointment Trustee Bank for the retirement fund
 - xxxii) Approval of the schedule of Annual Stockholders' Meeting and relevant dates and the delegation to the Executive Committee to approve all other matters relating to the Annual Stockholders' Meeting
 - xxxiii) Approval of the participation and voting by remote communication in all meetings of the Board of Directors and stockholders
 - xxxiv) Delegation of authority to the Corporate Governance and Nomination Committee to approve the final list of nominees to the Board
- (d) Election of the members of the Board of Directors, including independent directors, for the ensuing calendar year for 2023 to 2024. The following shareholders were nominated and elected 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. Antonino T. Aquino
2. Augusto D. Bengzon
3. Dindo R. Fernando
4. Joseph Carmichael Z. Jugo
5. Mercedita S. Nolleto
6. Paolo O. Viray

SUDECO

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

INDEPENDENT DIRECTORS

1. Jessie D. Cabaluna
2. Rex Ma. M. Mendoza
3. Jesus Emmanuel M. Yujuico

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

There were no votes cast against or withheld, nor were there 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

A. Market Information

ALI and SUDECO sell their shares in the secondary market primarily through GG&A Club Shares Brokers, Inc. The shares of the Club are not being traded in the stock exchange.

The following table shows the selling prices of the shares of the Club for each quarter of the last two (2) fiscal years:

Quarter of Fiscal Year	Class B Share Price	Class C Share Price
Q1 2022	₱1,100,000	₱ 1,400,000
Q2 2022	₱1,400,000	₱ 1,700,000
Q3 2022	₱1,400,000	₱ 1,700,000
Q4 2022	₱1,800,000	₱ 2,400,000
Q1 2023	₱1,800,000	₱ 2,400,000
Q2 2023	₱2,200,000	₱ 2,800,000
Q3 2023	₱2,200,000	₱ 2,800,000
Q4 2023	₱2,400,000	₱ 3,000,000

As of the end of December 2023, the Club has sold the following number of shares:

Share	Volume	Value
Class B	1,950	₱1,950,000
Class C	500	500,000
Total	2,450	₱2,450,000

B. Stockholders

The Club has a total of about 1,633 holders of the Club's shares as of December 31, 2023 (based on number of accounts registered with the Stock Transfer Agent) consisting in 19 holders of Class A shares, 1,497 holders of Class B shares, 115 holders of Class C shares, 1 holder of Class D shares, and 1 holder of Class E shares.

The following are the top holders of each class of common equity securities of the Club:

Class A (Founders') Shares

	Stockholder Name	No. of Shares	Percentage per Class of Shares
1.	Ayala Land, Inc.	3,250	93.71%
2.	Subic Bay Development & Industrial Estate Corp.	201	5.80%
3.	Antonino T. Aquino	1	0.03%
4.	Augusto D. Bengzon	1	0.03%
5.	Dindo R. Fernando	1	0.03%
6.	Jessie D. Cabaluna	1	0.03%
7.	Jesus Emmanuel M. Yujuico	1	0.03%
8.	Jocelyn F. De Leon	1	0.03%
9.	Mercedita S. Nollado	1	0.03%
10.	Paullolindo A. Elauria	1	0.03%
11.	Rex Ma. A. Mendoza	1	0.03%
12.	Others	8	0.23%

Class B Shares

	Stockholder Name	No. of Shares	Percentage per Class of Shares
1.	Ayala Land, Inc.	433	22.20%
2.	Subic Bay Development & Industrial Estate Corp.	16	0.82%
3.	Others (1,495 Shareholders)	1,501	76.97%

Class C Shares

	Stockholder Name	No. of Shares	Percentage per Class of Shares
1.	Ayala Land, Inc.	352	70.40%
2.	Subic Bay Development & Industrial Estate Corp.	31	6.20%
3.	Others (113 Shareholders)	117	23.40%

Class D Shares

	Stockholder Name	No. of Shares	Percentage per Class of Shares
1.	Ayala Land, Inc.	702	100.00%

Class E Shares

	Stockholder Name	No. of Shares	Percentage per Class of Shares
1.	Ayala Land, Inc.	180	100.00%

C. Dividends

Article Seventh, Paragraph B (2) of the Club's Amended 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."

D. 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 2023.

Item 6. Management's Discussion and Analysis

A. Results of Operations

Total Club revenues for CY 2023 reached ₱284.46 million which was slightly higher than CY 2022 by ₱2.39 million or 0.85%.

- Sale of goods totaled ₱115.29 million or 40.53% of total Club revenues, lower by ₱6.66 million or 5.46% lower as compared to last year.
- Service income amounted to ₱95.52 million or 33.58% of total Club revenues, significantly increased by ₱12.59 million or 15.18% as compared to last year.
- Membership dues recorded at ₱65.83 million or 23.14% of the total Club revenues, higher by ₱0.98 million or 1.51% as compared to last year.
- Transfer Fee for the period reached ₱7.83 million or 2.75% of the total Club revenues, lower by 36.63% as compared to previous year.

Total cost and expenses for the year was recorded at ₱308.10 million which was ₱31.03 million or 11.20% higher as compared last year.

- Cost of sales recorded at ₱118.30 million or 38.39% of total cost and expenses, an increase of ₱10.37 million or 9.61% compared to previous year.
- Cost of services reached at ₱81.79 million or 26.55 % of the total cost and expenses. Higher by ₱7.75 million or 10.47 % compared to previous year.
- General and administrative expenses amounted to ₱108.02 million or 35.06% of total cost and expenses. Higher by ₱12.91 million or 13.57% as compared to previous year.

Other income computed at ₱23.00 million at the end of the year. Higher by ₱8.26 million or 56.04% as compared to CY 2022.

- Increase in the interest income for the year ended 2022, recorded at ₱9.68 million or 3.40% of total Club revenues, higher by ₱6.47 million as compared to last year.

- Miscellaneous income recorded at ₱13.32 million or 4.68% of the total Club revenues, increased by ₱1.79 million or 15.51% compared to previous year

Provision for income tax computed amounting to ₱0.84 million, 21.26% higher as compared to the prior year.

After the remeasurement gain on pension liabilities amounting to ₱0.23 million, the Club resulted to a Total Comprehensive Loss of ₱1.71 million in CY 2023.

B. Financial Condition

Total assets of the Club as of December 31, 2023 recorded at ₱751.93 million, a decrease of ₱11.97 million or 1.57% from last year's ₱763.90 million.

- Cash and cash equivalents recorded at ₱15.95 million or 2.12% of total assets, lower by ₱7.28 million as compared from last year of ₱23.23 million.
- As of December 31, 2023, the Club investments in financial assets at fair value through profit or loss amounted to ₱5.36 million, which is 0.71% of total assets. Higher by ₱0.23 million or 4.40% increase from last prior year's ₱5.13 million.
- Accounts and other receivables decreased from last year of ₱28.18 million to ₱27.53 million of December 31, 2023. Slightly lower by ₱0.65 million or 2.31%.
- Receivables from affiliates decreased to ₱148.58 million, 19.76% of total assets, from ₱152.10 million of the prior year. Lower by ₱3.52 million or 2.31% as compared to CY 2022.
- Inventories recorded at ₱5.12 million as of December 31, 2023, 0.68% of total assets, ₱0.13 million or 2.58% higher compared to prior year of ₱4.99 million.
- Other current assets amounted to ₱25.36 million, 3.37% of total assets, increased by ₱3.66 million or 16.86% compared to previous year balance of ₱21.70 million.
- Property and equipment (net of depreciation), which is 69.20% of total assets, amounted to ₱520.32 million as of December 31, 2023, a decrease of 0.92% as against last year of ₱525.14 million.
- Advance and other noncurrent assets amounted to ₱3.70 million, or an increase of 8.14% as compared with previous year of ₱3.42 million.

Total current liabilities of the Club recorded at 10.22% of total Liabilities & Equity, which amounted to ₱76.82 million, 14.04% lower than the previous year of ₱89.37 million.

- Accounts and other payables, recorded at ₱52.50 million, 6.98% of total liabilities and equity, significantly higher by 26.83% compared with prior year of ₱41.39 million.
- Contract liabilities recorded at ₱22.0 million, 2.93% of total liabilities and equity. Slightly higher by ₱1.20 million or 5.79% as compared to previous year of ₱20.79 million.
- Payables to affiliates recorded at ₱2.32 million, 0.31% of total liabilities and equity. A decrease of 91.47% or ₱24.86 million, from ₱27.18 million as of December 31, 2022.

Non-current liability recorded at ₱13.96 million or 1.86% of the Total Liabilities and Equity. Higher by ₱2.28 million or 19.56% as compared to prior year's ₱11.68 million.

- Pension liability computed at ₱12.54 million, 1.67% of total liabilities and equity, an increase of ₱2.36 million as compared to prior year of ₱10.18 million. The movement was due to assumption changes used to calculate the DBO.
- Recorded a deferred tax liability of ₱1.42 million for the year, movement referred to tax impact of the pension liability recalculation.

C. Statement of Cash Flow

- Cash provided (used) by operating and investing activities for the year ended 2023 was recorded at ₱31.66 million and (₱33.93) million, respectively.
- Cash used in financing activities for year ended 2023 recorded at ₱5.00 million.
- At the end of the year 2023, the cash balance amounted to ₱15.95 million.

Key Performance Indicators

The Club monitors its performance and benchmarks itself to prior years' results in terms of the following indicators:

Ratio	Formula	2023	2022
Current ratio	Current assets / Current liabilities	2.97	2.63
Acid test ratio	Quick assets (Total current assets excluding inventory) / Current liabilities	2.90	2.58
Solvency ratio	EBITDA / Total debt (Total debt includes short-term debt, long-term debt and current portion of long-term debt)	0.42	0.57
Debt-to-equity ratio	Total debt / Total stockholders' equity	0.14	0.15
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.14	1.15
Return on equity	Net income after tax / Average total stockholders' equity	0.00	0.03
Return on assets	Net income after tax / Average total assets	0.00	0.03
Net profit margin	Net income after tax / Total revenue	-0.01	0.07

Increase in current and acid test ratio of 0.34 and 0.32 respectively as compared to 2022.

Solvency ratio slightly decrease by 0.15. Debt-to-equity ratio computed at 0.14 in the current year.

Asset-to-equity ratio recorded at 1.14, a decrease of 0.01 compared to 2022.

Both return on equity and return on asset recorded at 0.00 for 2023, compared to 0.03 of 2022.

Net profit margin computed at -0.01 in 2023, compared to 0.07 of 2022.

There are no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Club's liquidity increasing or decreasing in any material way.

The Club does not have, nor does it anticipate, any cash flow or liquidity problems. The Club is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments. There is no significant amount of the Club's trade payables which have not been paid within the stated trade terms.

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.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Club with unconsolidated entities created during the reporting period.

There is no material commitment for capital expenditures other than those performed in the ordinary course of trade or business.

There is a known viral outbreak known as Novel Coronavirus (NCov) in mainland China that have resulted to unfavorable impact on net sales or revenues or income from operations.

There are no significant elements of income or loss that did not arise from the Club's operating activities.

There has not been any seasonal aspect that had a material effect on the financial condition or results of operations.

Item 7. Financial Statements

The 2023 Audited Financial Statements are attached hereto and form an integral part hereof as **Annex A**.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The Club has engaged the services of SyCip Gorres Velayo & Co. (SGV & Co.) for fiscal year 2022 and PwC for fiscal year 2023. There were no disagreements with SGV & Co. and PwC on any matter of accounting and financial disclosure.

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, 2023 are as follows:

Director	Nationality
Antonino T. Aquino	Filipino
Augusto D. Bengzon ¹	Filipino
Jocelyn F. De Leon	Filipino
Paullolindo A. Elauria	Filipino

¹ Mr. Bernard Vincent O. Dy has been elected as Director of the Board on February 23, 2024 to replace Mr. Augusto D. Bengzon.

Dindo R. Fernando	Filipino
Joseph Carmichael Z. Jugo	Filipino
Mercedita S. Nolledo	Filipino
Paolo O. Viray	Filipino
Jessie D. Cabaluna	Filipino
Rex Ma. A. Mendoza	Filipino
Jesus Emmanuel M. Yujuico	Filipino

Independent Directors

The stockholders of the Club have elected Messrs. Rex Ma. A. Mendoza and Jesus Emmanuel M. Yujuico, and Ms. Jessie D. Cabaluna as independent directors in compliance with the requirements of the SRC Rule 38.

Executive Officers

The executive officers of the Club since December 31, 2023 are as follows:

Position	Officer
Chairman	Augusto D. Bengzon ²
President	Paullolindo A. Elauria
Vice President	Joseph Carmichael Z. Jugo
Treasurer	Dindo R. Fernando
Finance Director, Compliance Officer, and Chief Risk Officer	Neal C. Perez
General Manager	Heidi Rosalie R. Hocson
Corporate Secretary	Solomon M. Hermosura ³
Assistant Corporate Secretary	Maria Paula G. Romero-Bautista
Data Protection Officer	Amelia Ann T. Alipao ⁴

Comprehensive Background

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

Antonino T. Aquino, 76, Filipino, has served as Director of the Club since 2009. He has also served as Director of ALI since April 2009. He is also a Director of Manila Water Company, Inc. (MWC), another publicly listed company, since 1999. He was the President of ALI from April 2009 to April 2014, of MWC from April 1999 to April 2009, and of Ayala Property Management Corporation from 1989 to 1999. He was connected with IBM Philippines, Inc. since 1968 and was Business Unit manager when he left in 1980. He has been with the Ayala Group in various capacities for the past forty-one (41) years and has held the position of Senior Managing Director in Ayala Corporation. Currently, he is a Director of the following non-listed companies: AIA Philippines Life & General Insurance Co., Nuevocentro, Inc., and Mano Amiga Academy, Inc. He is a member of the Multi Sectoral Advisory Board of the Philippine Army and the Multi Sector Governance Council of the Armed Forces of the Philippines. He is in the Advisory Board of Hero Foundation. He was named "Co- Management Man of the Year 2009" by the Management Association of the Philippines for his leadership role in a very successful waterworks privatization and public-private sector partnership. In 2015. Recently he was conferred as Honorary Fellow by the Institute of Corporate Directors (ICD). He earned a degree in BS Management

² Mr. Bernard Vincent O. Dy has been elected as Chairman of the Board on February 23, 2024.

³ Ms. Maria Franchette M. Acosta has been elected as Corporate Secretary on March 15, 2024.

⁴ Mr. Roscoe M. Pineda has been elected as Data Protection Officer effective January 1, 2024.

and completed academic requirements for Masters in Business from the Ateneo de Manila University in 1968 and 1975, respectively

Augusto D. Bengzon, Filipino, 60, has served as Director of the Club since its incorporation, as Treasurer and Compliance Officer since March 15, 2017 until September 24, 2021, and was then elected as Chairman of the Board on September 25, 2021. He was elected as Chairman of Anvaya Cove Beach and Nature Club, Inc. on July 30, 2021. He is currently the Senior Vice President, Chief Finance Officer, Chief Compliance Officer and Treasurer of ALI He is a Director of AREIT, Inc. and Treasurer of AyalaLand Logistics Holding Corp., publicly listed companies under the Ayala Land Group. His other significant positions include: Chairman of Aprisa Business Process Solutions Inc.; Director and Chief Finance Officer of Altaraza Development Corporation; Director and Treasurer of ALI Eton Property Development Corp., Aurora Properties Inc., AyalaLand-Tagle Properties, Inc., Ceci Realty Inc., Philippine Integrated Energy Solutions Inc. and Vesta Property Holdings Inc.; Director of Alviera Country Club Inc., Amicassa Process Solutions, Inc., Makati Development Corp., Northgate Hotel Ventures, Inc., Station Square East Commercial Corp. and Southcrest Hotel Ventures, Inc.; Comptroller of Nuevocentro, Inc.; Treasurer and Chief Finance Officer of Portico Land Corp.; Treasurer of Alabang Commercial Corporation, AKL Properties, Inc., Alveo Land Corp., Amaia Land Corp., Avida Land Corp., AyalaLand Premier Inc., Ayala Property Management Corporation, Bellavita Land Corp., BGNorth Properties, Inc., BGSouth Properties, Inc., BGWest Properties, Inc., Serendra Inc., The Suites at One Bonifacio High Street Condominium Corp. and Hero Foundation, Inc.; Assistant Treasurer of Ayala Greenfield Golf & Leisure Club, Inc. and Ayala Greenfield Development Corporation; 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 F. De Leon, 63, Filipino, has served as Director of the Club since 2011. She is the Executive Vice President-Marketing and Director of SUDECO. She is presently Director of Philippine Petrochemical Products, Inc.; Executive Vice President and Director of Solar Plastics Corporation; Chief Executive Officer/Vice Chairman of the Board and Director of Subic West Integrated Dev. Corporation; Director of Seaport Development & Industrial Corporation; Corporate Secretary and Director of Zambales Farms & Forest Dev. Inc.; and Director of 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 Phil. Petrochemical Products Inc. in Makati City, Philippines. Ms. De Leon graduated with a degree in Bachelor 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.

Paullolindo A. Elauria, 57, Filipino, has served as the President of the Club since October 17, 2017 and Director of the Club since its incorporation in 2005. He also serves as a Director and Vice President for Operations of Anvaya Cove Golf and Sports Club, Inc. He has been the President of SUDECO since 2002. He is also the President of the Philippine Petrochemical Products, Inc., Seaport Development and Industrial Corporation, Leungs Holdings, Inc., Subic West Integrated Development Corporation, Sideli International Trading Corporation, Zambales Farms and Forest, Inc., Shining Star Corporation, and Subic West Development Corporation. He holds a Bachelor of Laws Degree from the Manuel L. Quezon University and passed the bar in 1992. Atty. Elauria is also a Professor of Commercial, Civil, and Labor Laws, having taught at De La Salle University and Manuel L. Quezon University. He graduated with a Bachelor's degree in Mathematics for Teachers from the Philippine Normal University in 1986 and Bachelor of Laws at the Manuel L. Quezon University in 1992. He is the Founder, President and Commissioner of the Professional Chess Association of the Philippines, the first and only government-licensed professional chess league in the world.

Dindo R. Fernando, 54, Filipino, has served as a Director and Treasurer of the Club since March 14, 2017. He holds the position of Vice President of Ayala Land Inc. and is concurrently the Head of the External Affairs Division. Presently, he is a Board Member of the Makati Parking Authority, Corporate Secretary of Santa Rosa (Laguna) Business Club, Board Member of the Calamba City Business Club and Vice President of Avida Towers Makati West Condominium Corporation. Prior to joining ALI, he was Head of Political Research at the Makati Business Club where he oversaw congressional research, analysis and publication. He graduated with a degree in AB Political Science from the Lyceum of the Philippines in 1989.

Joseph Carmichael Z. Jugo, Filipino, 49, 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.

Mercedita S. Nolleto, 82 years old. Currently a member of the Board of Trustees of Ayala Foundation, Inc., BPI Foundation, Inc., Advisory Board of Ayala Land, Inc. and the BPI Advisory Council. She also served as member of the Board of Directors of BPI for thirty years from 1991 to 2021. She likewise served as the Chairman of the BPI's Retirement & Pension Committee and a member of the Corporate Governance Committee. She was a member of the Board of Directors of Ayala Corporation from 2004 until September 2010. Mrs. Nolleto is a Non-Executive Director of Xurpas, Inc. and an Independent Director of D&L Industries, Inc., both PSE-listed companies. She serves as Director of Ayala Land Commercial REIT, Inc., Michigan Holdings, Inc. and Anvaya Cove Beach and Nature Club, Inc. as well as Vice-President of Sonoma Properties, Inc. Ms. Nolleto graduated with the degree of Bachelor of Science in Business Administration major in Accounting (magna cum laude) from the University of the Philippines in 1960 and placed second at the Certified Public Accountant Licensure Board Examination administered in the same year. In 1965, she obtained her Bachelor of Laws degree (cum laude) also from the University of the Philippines where she also placed second at the Bar Examination held in the same year.

Paolo O. Viray, Filipino, 43, 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.

Rex Ma. A. Mendoza, 61, Filipino, was a Director of the Club since Incorporation to July 25, 2014, and has served as an Independent Director of the Club since December 2020. He has also serves as an

Independent Director of Ayala Land, Inc. since April 22, 2020. He is the President & CEO of Rampver Financials, a dynamic player in financial services specializing in investments, and one of the biggest distributors of mutual funds in the Philippines. He currently serves as the lead independent director of Globe Telecom, Inc., a publicly listed company and an independent director of the National Reinsurance Corporation of the Philippine, also publicly listed companies. He is Chairman of the Board of Singlife Philippines, Inc.. He is also a director of the Cullinan Group, Esquire Financing, Inc., Mobile Group, Inc., Seven Tall Trees Events Company, Inc., TechnoMarine Philippines and Seedbox Technologies Inc. He is a member of Bro. Bo Sanchez' Mastermind Group, and is cited by many as one of the best leadership, business strategy, investments, marketing and sales speakers in the country. He is the author of two books, Trailblazing Success and Firing On All Cylinders, both certified national bestsellers. He served as the President & CEO of Philam Life, one of the country's most trusted financial services conglomerates and was Chairman of its affiliates and subsidiaries. He was also Senior Adviser to the Chief Executive Officer of the AIA Group. Prior to this, he was previously Senior Vice President and Chief Marketing and Sales Officer of ALI. He was also Chairman of Ayala Land International Sales, Inc., President of Ayala Land Sales, Inc., and Avida Sales Corporation. He has a Master's Degree in Business Management with distinction from the Asian Institute of Management. He was one of the 10 Outstanding Graduates of his batch at the University of the Philippines where he obtained a BSBA degree with a double major in marketing and finance. He was awarded Most Distinguished Alumnus of the UP Cesar Virata School of Business. He is also a Fellow with Distinction at the Life Management Institute of Atlanta, Georgia, USA, a Registered Financial Planner (RFP) and a four-time member of the Million Dollar Round Table (MDRT). He was a professor of Marketing and Computational Finance at the De La Salle University Graduate School of Business. He taught strategic marketing, services marketing and services strategy. He has served as Chairman of the Marketing Department and was awarded as one of the University's most outstanding professors.

Jessie D. Cabaluna, Filipino, 66, has served as an Independent Director of the Club since July 30, 2021. She was the Assurance Partner and Head of Market Circle-I-Bacolod Branch of SyCip Gorres Velayo & Co. until she retired in 2017, an Independent Director of AllHome Corp., AllDay Marts, Inc., and AREIT, Inc. She is also the President of Stetchwork since September 18, 2019. She is a Certified Public Accountant. She joined SGY in 1978 and was a partner from 1997 to 2017. She graduated with a degree in Bachelor of Science in Commerce, major in Accounting from University of St. La Salle in 1977. She also completed the Management Development Program from the Asian Institute of Management in 1988, and Advance Management Program from the Harvard Business School in 2012. She also completed Finance for Corporate Directors Program in 2017.

Jesus Emmanuel M. Yujuico, Filipino, 55, has served as an Independent Director of the Club since July 30, 2021. He has been a director of DDMP REIT Inc. since 2014, his family's real estate joint venture with Double Dragon Properties Corporation. He also manages his family's interests in commercial real estate. He is the Chief Executive Officer of Istana Development Corporation. Previously, he co-founded a financial consulting firm in Silicon Valley and worked in Corporate Finance for Applied Materials Corporation in Santa Clara, California and Eaton Corporation in Cleveland, Ohio. He is a graduate of the Amos Tuck School of Business at Dartmouth in Hanover, New Hampshire and holds a Bachelor's degree in Economics from Bowdoin College in Brunswick Maine where he graduated with honors.

Neal C. Perez, Filipino, 50, 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 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.

Heidi Rosalie R. Hocson, Filipino, 47, has been elected as the General Manager of the Club effective November 11, 2021. She brings with her more than twenty-five (25) years of expertise in the hospitality industry. With a strong background in Food & Beverage, she has successfully handled properties in El Nido as Resort Manager under Ayala Hotels and Resorts Corporation. Her portfolio includes certifications as Certified Guest Service Professional (CGSP) and Certified Hotel Administrator (CHA) from the American Hotel and Lodging Education Institute. She finished her BS Psychology and AB Guidance and Counselling at St. Scholastica's College, Manila.

Solomon M. Hermosura, Filipino, 62, has served as the Corporate Secretary of the Club since its incorporation. He is a Senior Managing Director, Group Head of Corporate Governance, Chief Legal Officer, Compliance Officer, Data Protection Officer, and Corporate Secretary of Ayala Corporation. He has been a member of the Ayala Corporation Management Committee since 2009 and the Ayala Group Management Committee since 2010. He also serves as Corporate Secretary and Group General Counsel of ALI; Corporate Secretary of Globe Telecom, Inc., Integrated Micro-Electronics, Inc., AC Energy Corporation, AREIT, Inc. and Ayala Foundation, Inc., and as Corporate Secretary and member of the Boards of Directors of a number of companies in the Ayala Group. He is currently a member of the faculty of the College of Law of San Beda University. He graduated valedictorian with Bachelor of Laws degree from San Beda College in 1986 and placed 3rd in the 1986 Bar Examination.

Maria Paula G. Romero-Bautista, Filipino, 39, 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 a Legal Counsel in Amicassa Process Solutions, Inc. beginning January 1, 2023, assigned to the Compliance and Corporate Services Group. 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 & Tenebrancia 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.

Amelia Ann T. Alipao, Filipino, 60, has served as Data Protection Officer of the Club since September 26, 2020. She is currently a Vice President and the Chief Information Officer (CIO) of Ayala Land Inc. She is also the Group Data Protection Officer for ALI Group of Companies and presently a member of the Data Privacy Council for Real Estate of the National Privacy Commission. She is a Director of APRISA Business Process Solutions, Inc. and HCX Technology Partners Inc.. She is currently a member of the ALI Corporate Bidding Committee. She previously occupied this role in 2009-2011 and acted as Chairperson. Before joining ALI, she took on dual roles in SAP Philippines as Account Manager, handling government accounts, and project manager for SAP Implementation. She served as Assistant Vice President in Coca-Cola Bottlers Philippines, Inc., where she held various IT systems implementation projects. She started her IT career as an IT Instructor in I/Act of SyCip Gorres Velayo & Co. She holds a Bachelor of Arts in Biology and a Bachelor of Science in Business Management from De La Salle University.

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, Executive Officers or Corporate Officers are related to each other.

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

None of the directors or executive officers is involved in any material pending legal proceeding in any court or administrative agency of the government.

- 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

(a) **Executive Compensation**

- (1) Directors. Article VII, Section 1 (2nd paragraph) of the Club’s Amended By-Laws provides:

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

- (2) Executive Officers

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.

Below is the summary of the aggregate compensation paid or accrued during the last two (2) years and the ensuing fiscal year to the Company’s President and other most highly compensated executive officers (excludes other managers):

Name	Principal Position	(Projected) 2024	2023	2022
Paullolindo A. Elauria	President	-	-	-
Joseph Carmichael Z. Jugo	Vice President	-	-	-
Dindo R. Fernando	Treasurer	-	-	-
Heidi Rosalie Hocson*	General Manager	-	-	-
Neal C. Perez**	Finance Director	-	-	7,874,560
Vladimir S. Lorilla	Executive Chef	4,400,878	4,181,740	
Antonio B. Geronimo	F&B Manager			

All other officers as a group unnamed***		5,832,484	5,264,960	7,243,113
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*Effective November 11, 2021 and hired under ACMI, now also ALPI by virtue of the merger.

**Effective January 1, 2023 hired under ALPI.

***Other officers and managers.

Mr. Paullolindo A. Elauria, Mr. Joseph Carmichael Z. Jugo, and Mr. Dindo R. Fernandez are not directly employed by the Club and thus receive no compensation from the Club.

(3) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

The employment of the executive officers is covered by letters of appointment executed by the Club stating therein their respective job functionalities, among others.

(4) 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 Owners and Management

(a) Security Ownership of Certain Record and Beneficial Owners (of more than 5%) of Common Shares as of December 31, 2023*

Type of Class	Name	Name of Beneficial Owner & Relationship w/ Record Owner	Citizenship	No. of Shares	Percentage
Class A (Founders')	Ayala Land, Inc. 31/F Tower One	Ayala Land, Inc.	Filipino	3,250	72.21%
Class B	& Exchange Plaza	is both		433	
Class C	Ayala Avenue	beneficial and		352	
Class D	Makati City	record owner.		702	
Class E				180	
Class A (Founders')	Subic Bay Development & Industrial Estate Corp. 8/F Vernida IV Condominium 128 L.P. Leviste St. Salcedo Village Makati City	Subic Bay Development & Industrial Estate Corp. is both beneficial and record owner.	Filipino	201	3.65%
Class B				16	
Class C				31	

*as recorded in the books of the Stock and Transfer Agent

- The Board of Directors ALI has the power to decide how ALI's shares in the Club are to be voted. Messrs. Augusto D. Bengzon and Joseph Carmichael Z. Jugo have been named and appointed to exercise the voting power.

- SUDECO, the significant stockholder of the Club, owns 3.65% of the total outstanding shares of the Club. The Board of Directors of SUDECO has the power to decide how SUDECO's shares in the Club are to be voted. Ms. Jocelyn F. De Leon has been named and appointed to exercise the voting power.

(b) **Security Ownership of Management as of December 31, 2023**

TYPE OF CLASS	NAME	POSITION	NO. OF SHARES	RECORD / BENEFICIAL OWNER	CITIZENSHIP	PERCENTAGE
Class A	Augusto D. Bengzon	Chairman of the Board	1	R	Filipino	0.018%
Class A	Paullolindo A. Elauria	President & Director	1	R	Filipino	0.018%
Class B	Joseph Carmichael Z. Jugo	Vice-President & Director	1	R/B	Filipino	0.018%
Class A	Dindo R. Fernando	Treasurer & Director	1	R	Filipino	0.018%
Class A	Antonino T. Aquino	Director	1	R	Filipino	0.018%
Class A	Jocelyn F. De Leon	Director	1	R	Filipino	0.018%
Class A	Mercedita S. Nollado	Director	1	R	Filipino	0.018%
Class B	Paolo O. Viray	Director	1	R/B	Filipino	0.018%
Class A	Rex Ma. A. Mendoza	Independent Director	1	R	Filipino	0.018%
Class A	Jessie D. Cabaluna	Independent Director	1	R	Filipino	0.018%
Class A	Jesus Emmanuel M. Yujuico	Independent Director	1	R	Filipino	0.018%
-	Solomon M. Hermosura	Corporate Secretary	-	-	Filipino	-
-	Ma. Paula G. Romero-Baustista	Assistant Corporate Secretary	-	-	Filipino	-
-	Amelia	Data Protection	-	-	Filipino	-

	Ann T. Alipao	Officer				
-	Neal C. Perez	Compliance Officer, Finance Director, and Chief Risk Officer	-	-	Filipino	-
-	Heidi Rosalie R. Hocson	General Manger	-	-	Filipino	-
Security Ownership of all Directors and Officers			11			0.203%

None of the members of the Club's directors and management owns 2.0% or more of the outstanding capital stock of the Club.

(c) **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.

(d) **Change in Control**

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

Item 12. Certain Relationships 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

The Club amended the 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 Securities and Exchange Commission ("SEC") so that improvements to its corporate governance policies may be faithfully adopted and implemented. On May 12, 2023, the Club further amended the Manual of Corporate Governance to reflect the include the risk oversight and review of related party transactions functions to the then Audit Committee and thus forming the Audit and Risk Oversight Committee, and to merge the functions of the Corporate Governance Committee and Nomination Committee into a Corporate Governance and Nomination Committee. The changes were still in accordance with the provisions of SEC Memorandum Circular No. 24, Series of 2019.

The Club organized an Executive Committee that will exercise the powers of the Board in the day-to-day management of the business and affairs of the Club.

On June 30, 2023, the Club submitted to the SEC its Annual Corporate Governance Report for the year 2022 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.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

Attached hereto are the following exhibits:

Annex A: Audited Financial Statements as of December 31, 2023

Annex A-1: Schedules A-G – Supplementary Schedules Required by SRC 68-E

(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 August 9, 2023: disclosing the results of the 2023 Annual Stockholders Meeting.

SEC Form 17-C dated August 16, 2023: disclosing the results of the organizational Board meeting.

SEC Form 17-C dated November 17, 2023: disclosing the appointment of Roscoe M. Pineda as Data Protection Officer effective January 1, 2024.

SEC Form 17-C dated February 23, 2024: disclosing the election of Bernard Vincent O. Dy as Chairman of the Board, director, and Chairman of the Executive Committee replacing Augusto D. Bengzon.


SEC Form 17-C dated February 29, 2024: disclosing the resignation of Solomon M. Hermosura as Corporate Secretary of the Corporation.


SEC Form 17-C dated March 15, 2024: disclosing the election of Maria Franchette M. Acosta as Corporate Secretary of the Corporation to replace Solomon M. Hermosura.


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 APR 15 2024.

By:


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


Signature and Title : **PAULLOLINDO A. ELAURIA**
President


Signature and Title : **DINDO R. FERNANDO**
Treasurer


Signature and Title : **NEAL C. PEREZ**
Finance Director, Compliance Officer, and
Chief Risk Officer


Signature and Title : **MARIA FRANCHETTE M. ACOSTA**
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Makati City) SS.

BEFORE ME, a Notary Public for and in the City of Makati, this **APR 15 2024**, personally appeared the following:

Anvaya Cove Beach & Nature 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. P7090535B	July 1, 2021/DFA Manila
Paullolindo A Elauria	Driver's License N04-96-359311	Dec. 20, 2021/Land Transportation Office
Dindo R. Fernando	Passport No. P53899687B	Aug. 7, 2020/DFA NCR
Neal C. Perez	Driver's License No. C09-93-048756	June 6, 2022/Land Transportation Office
Maria Franchette M. Acosta	Passport No. P2265706C	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. 196 ;
Page No. 41 ;
Book No. xviii ;
Series of 2024.

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



[Signature]
MARIA PAULA G. ROMERO-BAUTISTA
Notary Public - Makati City
Appt. No. M-227 until December 31, 2025
Roll of Attorneys No. 58335
IBP No. 416399 - 01/11/2024 - Makati City
PTR No. MKT10083260 - 01/11/2024 - Makati City
MCLE Compliance No. VII-0020268 - 06/02/2022
6th Floor Makati Stock Exchange Building,
Ayala Avenue, Makati city, Philippines

ANNEX A
Audited Financial Statements as of December 31, 2023

ANNEX A-1
Schedules A-G – Supplementary Schedules
Required by SRC 68-E

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	5	0	2	3	3	2
---	---	---	---	---	---	---	---	---	---	---

COMPANY NAME

A	N	V	A	Y	A	C	O	V	E	B	E	A	C	H	A	N	D	N	A	T	U	R	E
C	L	U	B	I	N	C	.																

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

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

Department requiring the report

--	--	--	--

Secondary License Type, if Applicable

--	--	--	--

COMPANY INFORMATION

Company's Email Address

financedept@anvayacove.com

Company's Telephone Number/s

7793-9000

Mobile Number

N/A

No. of Stockholders

1,633

Annual Meeting (Month/Day)

08/04

Fiscal Year (Month/Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Neal Perez

Email Address

perez.neal@anvayacove.com

Telephone Number/s

7793-9000

Mobile Number

09178044462

CONTACT PERSON'S ADDRESS

Anvaya Cove, 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.



Independent Auditor's Report

To Board of Directors and Shareholders
Anvaya Cove Beach and Nature Club, Inc.
Anvaya Cove, Morong, Bataan

Report on the Audit 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 Beach and Nature Club, Inc. (the "Club") as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

What we have audited

The financial statements of the Company comprise:

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

Basis for Opinion

We conducted our audit 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 as at December 31, 2022 and for the years ended December 31, 2022 and 2021 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
T: +63 (2) 8845 2728, www.pwc.com/ph



Independent Auditor's Report
To Board of Directors and Stockholders
Anvaya Cove Beach and Nature Club, Inc.
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, 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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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.



Independent Auditor's Report
To Board of Directors and Stockholders
Anvaya Cove Beach and Nature Club, Inc.
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 Company'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 Company'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 Company 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.



Independent Auditor's Report
To Board of Directors and Stockholders
Anvaya Cove Beach and Nature Club, Inc.
Page 4

Report on the Bureau of Internal Revenue Requirement

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 21 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 audit 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, appearing to read "Dexter Toledaña", written in a cursive style.

Dexter DJ V. Toledaña
Partner

CPA Cert. No. 121827

P.T.R. No. 0032961; issued on January 12, 2024 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
February 23, 2024



Statement Required by Rule 68 Securities Regulation Code (SRC)

To Board of Directors and Stockholders
Anvaya Cove Beach and Nature Club, Inc.
Anvaya Cove, Morong, Bataan

We have audited the accompanying financial statements of Anvaya Cove Beach and Nature Club, Inc. (the "Club") for the year ended December 31, 2023, on which we have rendered the attached report dated February 23, 2024.

In compliance with SRC Rule 68 and based on the certification received from the Company's corporate secretary and the results of the work we performed, the Club only has two (2) shareholders each owning one hundred (100) or more shares as at December 31, 2023.

Isla Lipana & Co.

A handwritten signature in black ink that reads "Dexter Toledaña".

Dexter DJ V. Toledaña
Partner

CPA Cert. No. 121827

P.T.R. No. 0032961; issued on January 12, 2024 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

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Makati City
February 23, 2024

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Statement Required by Rule 68 Securities Regulation Code (SRC)

To Board of Directors and Stockholders
Anvaya Cove Beach and Nature Club, Inc.
Anvaya Cove, Morong, Bataan

We have audited the financial statements of Anvaya Cove Beach and Nature Club, Inc. as at and for the year ended December 31, 2023, on which we have rendered the attached report dated February 23, 2024. 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 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, appearing to read 'Dexter Toledaña', is written over the printed name.

Dexter DJ V. Toledaña
Partner

CPA Cert. No. 121827

P.T.R. No. 0032961; issued on January 12, 2024 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
February 23, 2024

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Anvaya Cove Beach and Nature Club, Inc.

Statements of Financial Position

As at December 31, 2023

(With comparative figures as at December 31, 2022)

(All amounts in Philippine Peso)

Assets	Note	2023	2022
Current Assets			
Cash	2	15,952,167	23,231,042
Financial assets at fair value through profit or loss	3	5,359,377	5,133,592
Accounts and other receivables	4	27,529,998	28,179,563
Receivables from related parties	15	148,581,926	152,100,861
Inventories	5	5,120,319	4,991,746
Other current assets	6	25,358,738	21,699,845
Total Current Assets		227,902,525	235,336,649
Non-current Assets			
Property and equipment - net	7	520,320,503	525,137,954
Advances and other noncurrent assets	6	3,702,859	3,424,220
Total Noncurrent Assets		524,023,362	528,562,174
Total Assets		751,925,887	763,898,823
Liabilities and Equity			
Current Liabilities			
Accounts and other payables	8	52,501,985	41,394,838
Contract liabilities	10	21,997,620	20,792,739
Payables to related parties	15	2,319,672	27,181,961
Total Current Liabilities		76,819,277	89,369,538
Noncurrent Liabilities			
Pension liability	13	12,537,089	10,177,365
Deferred tax liability	13,14	1,424,215	1,499,905
Total Noncurrent Liabilities		13,961,304	11,677,270
Total Liabilities		90,780,581	101,046,808
Equity			
Paid-in capital	9	359,966,055	359,966,055
Additional paid-in capital	9	550,000,000	550,000,000
Cumulative remeasurement gain on pension liability	13	4,272,646	4,499,714
Deficit	9	(253,093,395)	(251,613,754)
Total Equity		661,145,306	662,852,015
Total Liabilities and Equity		751,925,887	763,898,823

The notes on pages 1 to 34 are an integral part of these financial statements.

Anvaya Cove Beach and Nature Club, Inc.

Statements of Comprehensive Income
For the year December 31, 2023
(With comparative figures for the year ended December 31, 2022 and 2021)
(All amounts in Philippine Peso)

	Note	2023	2022	2021
Revenue	10			
Sale of goods		115,285,948	121,942,493	20,104,602
Service income		95,519,515	82,923,621	11,771,795
Membership dues		65,826,108	64,845,000	62,415,000
Transfer fees		7,830,357	12,357,143	12,379,464
		284,461,928	282,068,257	106,670,861
Costs And Expenses	12			
Cost of sales		118,295,677	107,924,033	42,442,738
Cost of services		81,790,955	74,039,284	46,455,858
General and administrative expenses		108,016,336	95,107,126	70,797,761
		308,102,968	277,070,443	159,696,357
Other Income				
Interest income	2,4,15,17	9,676,933	3,205,086	62,598
Miscellaneous income	11	13,323,566	11,538,692	22,507,865
		23,000,499	14,743,778	22,570,463
(Loss) Income Before Income Tax		(640,541)	19,741,592	(30,455,033)
Provision For Income Tax	14	839,100	692,011	3,979
Net (Loss) Income for the Year		(1,479,641)	19,049,581	(30,459,012)
Other Comprehensive (Loss) Income				
Item that will not be reclassified to profit or loss:				
Remeasurement loss (gain) on pension liability - net of tax		(227,068)	1,372,054	3,952,350
Total Comprehensive (Loss) Income		(1,706,709)	20,421,635	(26,506,662)

The notes on pages 1 to 34 are an integral part of these financial statements

Anvaya Cove Beach and Nature Club, Inc.

Statements of Changes in Equity
For the year ended December 31, 2023
(With comparative figures for the year ended December 31, 2022 and 2021)
(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, 2021	359,966,055	550,000,000	(240,204,323)	(824,690)	668,937,042
Comprehensive income					
Net loss for the year	-	-	(30,459,012)	-	(30,459,012)
Other comprehensive income	-	-	-	3,952,350	3,952,350
Total comprehensive loss	-	-	(30,459,012)	3,952,350	(26,506,662)
Balance at December 31, 2021	359,966,055	550,000,000	(270,663,335)	3,127,660	642,430,380
Comprehensive income					
Net income for the year	-	-	19,049,581	-	19,049,581
Other comprehensive income	-	-	-	1,372,054	1,372,054
Total comprehensive income	-	-	19,049,581	1,372,054	20,421,635
Balance at December 31, 2022	359,966,055	550,000,000	(251,613,754)	4,499,714	662,852,015
Comprehensive income					
Net (loss) income for the year	-	-	(1,479,641)	-	(1,479,641)
Other comprehensive loss	-	-	-	(227,068)	(227,068)
Total comprehensive loss	-	-	(1,479,641)	(227,068)	(1,706,709)
Balance at December 31, 2023	359,966,055	550,000,000	(253,093,395)	4,272,646	661,145,306

The notes on pages 1 to 34 are an integral part of these financial statements

Anvaya Cove Beach and Nature Club, Inc.

Statements of Cash Flows
For the year ended December 31, 2023
(With comparative figures for the year ended December 31, 2022 and 2021)
(All amounts in Philippine Peso)

	Note	2023	2022	2021
Operating Activities				
(Loss (income) before income tax		(640,541)	19,741,592	(30,455,033)
Adjustments for:				
Depreciation	7,12	38,754,106	37,352,670	39,045,200
Interest income	2,4,15,17	(9,676,933)	(3,205,086)	(62,598)
Net movement in pension liability	13	2,056,966	2,060,962	1,343,600
Unrealized gain on financial assets at FVPL	3,11	(225,785)	(61,386)	(882,264)
Gain on disposal of property and equipment	7,11	(3,300)	-	-
Operating income before working capital changes		30,264,513	55,888,752	8,988,905
Decrease (increase) in:				
Accounts and other receivables		649,565	(5,007,605)	2,759,443
Receivables from related parties		13,965,739	(10,399,210)	(3,171,033)
Inventories		(128,573)	(1,597,904)	(667,707)
Other current assets		(3,658,893)	(4,275,566)	13,113
Advances and other noncurrent assets		(278,639)	598,226	450,428
Increase (decrease) in:				
Accounts and other payables		11,107,147	40,341	(10,785,001)
Contract liabilities		1,204,881	(2,445,501)	9,045,978
Payables to related parties		(24,862,289)	19,513,563	(1,797,370)
Net cash generated by operations		28,263,451	52,315,096	4,836,756
Interest received		4,230,128	2,242,458	62,598
Income tax paid		(839,100)	(692,011)	(3,979)
Net cash flows from operating activities		31,654,479	53,865,543	4,895,375
Investing Activities				
Additions to:				
Property and equipment	7	(33,936,654)	(20,191,937)	(2,309,697)
Proceeds from disposal of:				
Financial assets at FVPL	3	-	94,654,978	9,743,982
Property and equipment	7,11	3,300	-	-
Collection from related parties	15	1,577,500,000	328,000,000	-
Loans to related parties	15	(1,582,500,000)	(458,000,000)	-
Net cash flows (used in) from investing activities		(38,933,354)	(55,536,959)	7,434,285
Net Increase (Decrease) in Cash		(7,278,875)	(1,671,416)	12,329,660
Cash				
At January 1		23,231,042	24,902,458	12,572,798
At December 31	2	15,952,167	23,231,042	24,902,458

The notes on pages 1 to 34 are an integral part of these financial statements

Anvaya Cove Beach and Nature Club, Inc.

Notes to the Financial Statements

As at and for the years ended December 31, 2023

(With comparative figures and notes as at December 31, 2022 and for the years ended December 31, 2022 and 2021)

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

1 Corporate Information

Anvaya Cove Beach and Nature Club, Inc. (the Club) was incorporated in the Republic of the Philippines and was registered with the Philippine Securities and Exchange Commission (SEC) on March 28, 2005.

The Club was organized primarily to maintain, operate, manage, and carry on the business and operation of a beach and nature club and its facilities, for the amusement, entertainment, recreational and athletic activities of its members on a not-for-profit basis.

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 Club's registered address and principal place of business is Anvaya Cove, Morong, Bataan.

Status of Operations

The Club has a deficit amounting to P253,093,395 (2022 - P251,613,754) as at December 31, 2023. Also, the Club realized net loss amounting to P640,541 for the year ended December 31, 2023.

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 February 23, 2024.

2 Cash

This account as at December 31 consists of:

	Note	2023	2022
Cash on hand		87,812	389,649
Cash in banks	15	15,864,355	22,841,393
		15,952,167	23,231,042

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 P25,996 (2022 - P26,723) (2021 - P19,894) gross of final tax for the year ended December 31, 2023.

3 Financial Assets at FVPL

Details of the account are as follows:

	Note	2023	2022
At January 1		5,133,592	99,727,184
Redemptions	11	-	(94,654,978)
Unrealized gain	11	225,785	61,386
At December 31		5,359,377	5,133,592

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, 2023 and 2022, the Club has 19,183 units with total Net asset Value of P5,359,377 (2022 - P5,133,592).

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

This account as at December 31 consists of:

	2023	2022
Trade receivables - net	35,264,446	37,860,169
Allowance for credit losses	(12,393,644)	(12,393,644)
	22,870,802	25,466,525
Receivable from employees	314,332	148,899
Other receivables	4,344,864	2,564,139
	27,529,998	28,179,563

Trade receivables pertain to unpaid membership dues, sale of food, beverages and merchandise from souvenir shop, charges for room accommodations and rental of water sports equipment. 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 for the year ended December 31, 2023 and 2022 and P1,948,530 for the year ended December 31, 2021.

Receivable from employees are salary loans granted to the Club's employees. These are collected through salary deduction. Interest income earned from loans to employees amounted to P67,462, P35,995, and P2,704 in 2023, 2022 and 2021.

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.

5 Inventories

This account as at December 31 consists of:

	2023	2022
At cost:		
Food and beverage	4,391,453	4,117,251
Merchandise	728,866	874,495
	5,120,319	4,991,746

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.

The following table sets forth the cost of food and beverages recognized as cost of sales and cost of service (Note 12):

	2023	2022	2021
Cost of sales	42,329,675	42,159,172	6,685,170
Cost of services	1,107,253	66,006	226,462
	43,436,928	42,225,178	6,911,632

Merchandise pertains to items for sale at the Club's shop. For the year ended December 31, 2023, cost of merchandise recognized as part of cost of sales amounted to P505,420 (2022 - P 595,552) (2021 - P264,834) (Note 12).

6 Other Assets

This account as at December 31 consists of:

	2023	2022
Creditable withholding taxes	12,764,870	9,877,124
Supplies	6,496,827	5,427,693
Prepaid Expenses	4,807,841	3,068,095
Deferred input VAT	676,553	3,385,602
	24,746,091	21,758,514
Advances to suppliers	5,003,788	4,053,833
Less: Allowance for impairment	(688,282)	(688,282)
	4,315,506	3,365,551
	29,061,597	25,124,065
Less: Non-current portion		
Deferred input VAT	530,455	1,280,382
Advances to suppliers, net	3,172,404	2,143,838
Advances and others noncurrent assets	3,702,859	3,424,220
Current portion of other current assets	25,358,738	21,699,845

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

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

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

Advances to suppliers are advances made by the Club to vendors and applied against invoices from the vendor upon delivery of goods and payments intended for purchase of supplies and payment for services to be rendered. Advances to suppliers as at December 31, 2023 amounted to P3,172,404 (2022 - P2,143,838), net of allowance amounting to P688,282 (2022 - P688,282) (Note 12).

Deferred input VAT pertains to purchases for which the invoice is not yet paid and those arising from purchases of capital goods before December 31, 2021 in which the aggregate amount exceeds P1,000,000.

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, 2022	223,966,685	625,316,622	285,184,585	95,085	1,134,562,977
Additions	-	1,448,141	18,743,796	-	20,191,937
Reclassifications	-	-	95,085	(95,085)	-
At December 31, 2022	223,966,685	626,764,763	304,023,466	-	1,154,754,914
Additions	306,698	4,535,756	26,170,569	2,923,631	33,936,654
Disposal	-	-	(4,307,764)	-	(4,307,764)
At December 31, 2023	224,273,383	631,300,519	325,886,271	2,923,631	1,184,383,804
Accumulated Depreciation					
At January 1, 2022	114,577,649	210,419,667	267,266,974	-	592,264,290
Depreciation	8,942,667	18,685,854	9,724,149	-	37,352,670
At December 31, 2022	123,520,316	229,105,521	276,991,123	-	629,616,960
Depreciation	8,943,987	18,756,465	11,053,653	-	38,754,105
Disposal	-	-	(4,307,764)	-	(4,307,764)
At December 31, 2023	132,464,303	247,861,986	283,737,012	-	664,063,301
Net Book Value					
December 31, 2022	100,446,369	397,659,242	27,032,343	-	525,137,954
December 31, 2023	91,809,079	383,438,534	42,149,259	2,923,631	520,320,503

The project in progress pertains to the renovation of the Club's kitchen and cafeteria.

The following table sets forth the allocation of depreciation expense (Note 12):

	2023	2022	2021
Cost of services	18,051,290	18,184,745	19,108,940
Cost of sales	15,172,451	14,396,679	15,090,421
General and administrative expenses	5,530,365	4,771,246	4,845,839
	38,754,106	37,352,670	39,045,200

The total cost of fully depreciated property and equipment that are still in use as at December 31, 2023 amounted to P254,319,902 (2022 - P249,831,931).

The Club disposed various property and equipment items with an aggregate cost amounting to P4,307,764 in 2023, with no carrying value. The proceeds from these disposals amounting to P3,300 resulted in gains amounting to P3,300 in 2023, presented under other income (Note 11).

8 Accounts and Other Payables

Details of the account are as follows:

	2023	2022
Trade payables	17,667,057	13,503,604
Accrued expenses:		
Utilities	9,202,324	3,157,423
Payroll	5,279,120	7,425,904
Management fee	2,813,552	1,789,464
Professional fees	2,436,868	2,339,173
Contract services	1,963,464	2,142,098
Repairs and maintenance	158,147	158,147
Others	142,674	1,551,858
Funds held for environmental activities	5,756,641	3,697,146
Taxes Payable	3,736,617	2,475,456
Service charge payable	1,293,763	1,253,382
Vouchers payable	852,569	657,362
Due to employees	391,171	293,420
Other payables	808,017	950,401
	52,501,984	41,394,838

Trade payables represent operational costs incurred and amount due to suppliers for purchases of goods and services. These are non-interest bearing and are normally settled on 30-day credit terms.

Accrued expenses consist mainly of accruals for salaries and wages, and utilities which are non-interest bearing and are normally settled within 30 to 60 days.

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.

Taxes payable represents withholding taxes from salaries and wages, expanded withholding taxes from purchases with suppliers and VAT payable. These are non-interest bearing and are normally settled within one year.

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

Vouchers payable pertains to net proceeds from auction of shares that will be used for paying incidental expenses related to transfer of shares' ownership.

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

Other payables include reversal of liabilities due to stale checks and liabilities to government agencies, 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, 2023 and 2022 follow:

	Stated Value	Authorized	Issued	Amount	Additional Paid-In Capital
Class A	1,000	3,468	3,468	3,468,000	-
Class B	1,000	1,950	1,950	1,950,000	437,755,102
Class C	1,000	500	154	500,000	112,244,898
Class D	401,415	702	702	281,793,330	-
Class E	401,415	180	180	72,254,725	-
		6,800	6,800	359,966,055	550,000,000

The details of the Club's registered capital stock with the SEC as at December 31, 2023 and 2022 follow:

	Number of Shares Registered	Issue Price	Date of Approval
Class B	1,950	1,000	June 23, 2005
Class C	500	1,000	June 23, 2005

As at December 31, 2023, the total number of shareholders are 1,628 (2022 -1,629).

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; (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 D shares, and Class E 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 pre-emptive 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.

Class E shares

Each Class E 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.

In view of the issuance of Founders' shares, the voting rights pertaining to the Class B, C, D and E 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, D and E shares shall be automatically reinstated and shall be equal in all respects to those of the holders of all the other classes of shares. The voting rights of Classes B and C were reinstated on June 2, 2010, following the expiration of the five-year voting right exclusivity given to Class A 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.

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, 2023 and 2022. The Club considers equity, excluding remeasurement gain on pension liability, as its capital as follows:

	2023	2022
Paid-in capital	359,966,055	359,966,055
Additional paid-in capital	550,000,000	550,000,000
Deficit	(253,093,395)	(251,613,754)
	656,872,660	658,352,301

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

10 Revenue from Contracts with Customers

Disaggregated Revenue Information

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

	2023	2022	2021
Sale of goods:			
Food and beverages	113,391,010	119,615,697	19,249,565
Merchandise	1,894,938	2,326,796	855,037
Service income:			
Room accommodation	62,917,504	53,429,978	8,281,444
Guest fees	17,793,087	16,930,166	2,079,289
Spa and massage revenue	8,272,123	6,248,934	258,045
Use of water sports equipment	6,536,801	6,314,543	1,153,017
Membership dues	65,826,108	64,845,000	62,415,000
Transfer fees	7,830,357	12,357,143	12,379,464
	284,461,928	282,068,257	106,670,861

Timing of Revenue Recognition

The Club has recognized revenues recognized over time amounting to P161,345,623 (2022 - P147,768,621) for the year ended December 31, 2023.

Revenues recognized from sale of goods and transfer fees earned at a point in time amounted to 123,116,306 (2022 - P134,299,636) for the year ended December 31, 2023.

Contract Balances

As at December 31, contract balances are as follows:

	Note	2023	2022
Trade receivables	4	22,870,802	25,466,525
Contract liabilities		21,997,620	20,792,739

The Club identified unearned membership dues as contract liabilities as at December 31, 2023 and 2022. 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:

	2023	2022
Balance at beginning of year	20,792,739	23,238,240
Additions	94,673,571	104,257,541
Recognized as revenue	(93,468,690)	(106,703,042)
Balance at end of year	21,997,620	20,792,739

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

11 Miscellaneous Income

Miscellaneous income consists of:

	Note	2023	2022	2021
Consultancy fees	15	4,800,000	4,800,000	3,825,735
Surcharge revenue		4,369,938	2,584,333	1,732,929
Unrealized gain on financial assets at FVPL	3	225,785	61,386	882,264
Gain on disposal of property and equipment	7	3,300	-	-
Reversal of property insurance accrual		-	-	12,230,786
Others		3,924,543	4,092,973	3,836,151
		13,323,566	11,538,692	22,507,865

Surcharge revenue arises from charges imposed to members with outstanding balance for more than 30 days.

Others include corkage fees and sale of scrap items.

12 Costs and Expenses

Cost of sales consists of:

	Note	2023	2022	2021
Food and beverage	5	42,329,675	42,159,172	6,685,170
Salaries, wages and employee benefits		41,371,394	32,184,106	13,744,492
Depreciation	7	15,172,451	14,396,679	15,090,421
Heat, light and water		10,189,836	10,747,967	4,114,583
Cleaning and other supplies		4,095,678	3,492,743	873,197
Merchandise	5	505,420	595,552	264,834
Transportation		490,094	701,033	254,856
Office supplies		304,401	431,105	89,609
Communication		243,135	315,573	229,061
Equipment rental		153,214	117,608	89,389
Others		3,440,379	2,782,495	1,007,126
		118,295,677	107,924,033	42,442,738

Others include costs incurred for the Club's hygiene supplies and medical expenses.

Cost of services consists of:

	Note	2023	2022	2021
Salaries, wages and employee benefits		28,631,812	24,347,192	12,056,118
Depreciation	7	18,051,290	18,184,745	19,108,940
Heat, light and water		8,624,868	9,328,826	3,637,970
Contract services		4,602,576	3,596,315	130,335
Cleaning and other supplies		3,655,802	4,354,062	1,763,161
Communications		2,961,684	2,774,058	2,978,978
Recreational services		2,729,408	2,647,143	102,247
Laundry		1,689,359	1,428,160	259,827
Food and beverage	5	1,107,253	66,006	226,462
Repairs and maintenance		1,087,260	1,533,670	2,291,799
Transportation		634,227	904,244	320,736
Office supplies		504,935	561,905	197,808
Representation		79,878	66,203	13,172
Others		7,430,603	4,246,755	3,368,305
		81,790,955	74,039,284	46,455,858

Other cost of sales includes expenses incurred in food and beverage operations such as hygiene supply kits, training and development, meals and anniversary costs incurred during the year.

General and administrative expenses consist of:

	Note	2023	2022	2021
Salaries, wages and employee benefits		31,446,152	30,369,944	20,149,991
Heat, light and water		19,545,587	14,468,868	10,251,397
Security		8,559,965	5,464,818	3,829,732
Management fees		7,101,066	7,556,587	5,146,094
Repairs and maintenance		6,049,410	4,592,298	2,219,829
Depreciation	7	5,530,365	4,771,246	4,845,839
Taxes and licenses		5,064,313	2,630,115	4,361,782
Collection charges		4,790,165	4,388,006	1,581,609
Corporate expense		4,075,245	3,775,952	2,559,330
Contract services		3,863,657	3,010,166	3,151,650
Insurance		2,497,672	2,248,286	1,936,018
Transportation		2,222,213	2,819,893	1,191,983
Professional fees		1,343,112	3,441,501	4,296,903
Communication		555,836	567,229	492,492
Office Supplies		488,215	563,644	354,048
Cleaning and other supplies		375,736	313,472	159,622
Representation		100,242	83,764	162,423
Provision for ECL		-	-	2,550,269
Provision on advances	6	-	-	688,282
Others		4,407,385	4,041,337	868,468
		108,016,336	95,107,126	70,797,761

Others include costs incurred for the Club's stipend, training and development expenses, employee relations and activities.

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, 2023.

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:

	2023	2022	2021
Current service cost	1,314,018	1,559,744	1,685,100
Interest cost	742,948	501,218	504,500
Total retirement expense	2,056,966	2,060,962	2,189,600

The remeasurement effects recognized in other comprehensive income (OCI) follow:

	2023	2022	2021
Actuarial (loss) gain due to:			
Changes in demographic assumptions	(228,959)	2,189,038	3,379,900
Experience adjustment	(73,798)	(281,091)	1,889,900
	(302,757)	1,907,947	5,269,800
Income tax effect	75,689	(535,893)	(1,317,450)
Remeasurement (loss) gain in OCI	(227,068)	1,372,054	3,952,350

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

	2023	2022
Balances at beginning of year	5,999,619	4,091,672
Remeasurement gain on DBO	(302,758)	1,907,947
	5,696,861	5,999,619
Income tax effect	(1,424,215)	(1,499,905)
Total amount recognized in OCI at end of year	4,272,646	4,499,714

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

	2023	2022
Balance at January 1	10,177,365	10,024,350
Current service cost	1,314,018	1,559,744
Interest cost	742,948	501,218
Benefits paid directly by the Club	-	-
Remeasurement gain in OCI	302,758	(1,907,947)
Total amount recognized in OCI at end of year	12,537,089	10,177,365

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:

	2023	2022
Discount rate	6.10%	7.30%
Salary increase rate	6.00%	7.00%

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	
		2023	2022
Discount rate	+1.00%	(910,572)	(737,257)
	-1.00%	1,062,913	856,402
Salary rate	+1.00%	1,009,184	815,994
	-1.00%	(883,980)	(718,038)

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:

	2023	2022
Year 2 to 5	8,379,085	7,561,291
Year 6 to 10	3,344,562	2,703,021
	11,723,647	10,264,312

The weighted average duration of the defined benefit obligation at the end of the reporting period is 13 years (2022 - 13 years) as at December 31, 2023

14 Income Tax

Provision for current income tax pertaining to MCIT follows:

	2023	2022	2021
Current	833,901	686,666	-
Final	5,199	5,345	3,979
	839,100	692,011	3,979

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

	2023	2022	2021
Benefit from income tax at statutory income tax of 25%	(160,135)	4,935,398	(7,613,758)
Tax effect of:			
Nontaxable membership dues	(5,928,466)	(5,657,624)	(4,066,628)
Expired NOLCO and MCIT	-	4,774,224	2,437,878
Changes in unrecognized deferred tax assets	6,929,001	(3,358,651)	9,059,428
Interest income subjected to final tax	(1,300)	(1,336)	(995)
Effect of change in tax rate	-	-	188,054
Provision for income tax	839,100	692,011	3,979

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:

	Note	2023	2022
NOLCO		120,827,612	98,504,178
Pension liability		18,667,199	16,610,233
Allowance for ECL	4	12,393,644	12,393,644
Provision on Advances	6	688,282	688,282
MCIT		1,520,567	686,666
		154,097,304	128,883,003

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 Company 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	2023	2022
2023	2026	22,323,434	-
2022	2025	854,663	854,663
2021	2026	41,313,289	41,313,289
2020	2025	56,336,226	56,336,226
		120,827,612	98,504,178
Applied during the year		-	-
Expired during the year		-	-
		120,827,612	98,504,178
Income tax rate		20%	25%
Unrecognized deferred tax assets on NOLCO		30,206,903	24,626,045

The excess of MCIT against RCIT recognized in 2022 amounting to P686,666 will expire in 2025.

As at December 31, 2023, the Club recognized deferred tax liability on remeasurement gain on pension liability amounting to P1,424,215 (2022 - P1,499,905) (Note 13).

In 2023, 2022 and 2021, the Club did not avail the optional standard deduction.

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:

	2023		2022		Terms and Conditions
	Amount/ Volume	Outstanding Balance	Amount/ Volume	Outstanding Balance	
Immediate Parent Company					
ALI (Trade) (a.i)	361,900	438,106	566,603	2,016,109	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
ALI (Professional Fees) (a.ii)	828,714	376,183	676,977	-	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
ALI (Loans)	125,000,000	-	130,000,000	-	<ul style="list-style-type: none"> • Unsecured;
ALI (Interest)	688,488	-	371,752	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 7.36% to 7.39% • Collectible in cash with 8 to 39 days term
Entities Under Common Control					
Bay City Commercial Ventures Inc. (Loans)	700,000,000	87,500,000	130,000,000	-	<ul style="list-style-type: none"> • Unsecured; • Interest bearing with rates ranging from 6.86% to 7.54%
Bay City Commercial Ventures Inc. (Interest)	4,780,946	4,656,424	1,545,975	-	<ul style="list-style-type: none"> • Collectible in cash with 30 to 62 days term
Cebu District Property Enterprise, Inc (Loans)	272,500,000	42,500,000	-	-	<ul style="list-style-type: none"> • Unsecured; • Interest bearing with rates ranging from 6.69% to 7.57%
Cebu District Property Enterprise, Inc. (Interest)	1,826,487	1,447,705	-	-	<ul style="list-style-type: none"> • Collectible in cash with 12 to 62 days term
Avida Land Inc.(Loans)	15,000,000	-	130,000,000	-	<ul style="list-style-type: none"> • Unsecured;
Avida Land Inc.(Interest)	12,481	-	1,545,975	-	<ul style="list-style-type: none"> • Interest bearing; subject to 6.80% interest rate • Collectible in cash with 5 days term
Amaia Land Inc. (Loans)	180,000,000	-	175,000,000	87,500,000	<ul style="list-style-type: none"> • Unsecured;
Amaia Land Inc. (Interest)	658,571	-	691,283	575,364	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.25% to 7.24% • Collectible in cash with 14 to 42 days term
ALI Commercial Center (Loans)	200,000,000	-	85,000,000	42,500,000	<ul style="list-style-type: none"> • Unsecured;
ALI Commercial Center (Interest)	830,214	-	394,221	387,264	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.25% to 7.02% • Collectible in cash with 14 to 42 days term
Soltea Commercial Corp. (Loans)	60,000,000	-	-	-	<ul style="list-style-type: none"> • Unsecured;
Soltea Commercial Corp. (Interest)	532,493	219,131	-	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.84% • Collectible in cash with 29 to 63 days term
Arca South Hotel Ventures Inc. (Loans)	30,000,000	5,000,000	-	-	<ul style="list-style-type: none"> • Unsecured;
Arca South Hotel Ventures Inc. (Interest)	253,795	86,173	-	-	<ul style="list-style-type: none"> • Interest bearing with rates ranging from 6.69% to 7.54% • Collectible in cash with 31 to 62 days term
Alveo Land (Loans)	-	-	68,000,000	-	<ul style="list-style-type: none"> • Unsecured;
Alveo Land (Interest)	-	-	139,137	-	<ul style="list-style-type: none"> • Interest bearing; subject to 5.58% interest rate • Collectible in cash with 15 days term
Anvaya Cove Golf and Sports Club, Inc. (ACGSCI) (b)	56,820,320	6,348,293	50,702,793	19,106,358	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Makati Development Corporation (MDC) (c)	-	9,911	9,911	9,911	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Ayalaland Club Management Inc. (ACMI) (d)	-	-	5,855	5,855	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
		148,581,926		152,100,861	

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
 - ii. Receivables from ALI pertains to expenses reimbursement of the Club for the ALI shares on payment of doctor's professional fees.
 - iii. Loans and interest receivables pertain to loans which has 8 to 39 days term subject to interest rate ranging from 7.36% to 7.39%.
- b. Receivable from ACGSCI pertains to charges for the use of the Club's facilities and services by the members of ACGSCI.
- c. Receivable from MDC are related to meals and diesel charges incurred by employees of MDC in the Club.
- d. Receivables from ACMI pertains to the charges from consumption of the Club's fuel and other cost incurred from availment of services of the Club.

Outstanding balances owed to related parties:

	2023		2022		Terms and Conditions
	Amount	Outstanding Balance	Amount/ Volume	Outstanding Balance	
Immediate Parent Company					
ALI (a)	29,138,173	-	27,833,142	15,669,114	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Entities Under Common Control					
Ayala Land Club Management, Inc. (ACMI) (b)(i)	4,452,974	-	4,736,843	924,821	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Ayala Land Club Management, Inc. IACMI) (b)(ii)	3,128,521	-	3,584,356	1,355,851	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Ayala Land Premier (c)	1,945,455	1,363,577	-	-	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
ACGSCI (d)	11,108,167	956,095	14,562,297	6,424,046	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
MDC (e)	3,533,907	-	1,910,166	2,139,386	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand

forward

continued

	2023		2022		Terms and Conditions
	Amount	Outstanding Balance	Amount/ Volume	Outstanding Balance	
Associates of Ayala Corporation (AC)					
Globe Telecom, Inc. (f)	264,563	-	165,902	13,786	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Innove Communications, Inc. (g)	3,542,423	-	2,653,352	277,296	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Manila Water Philippine Venture, Inc. (h)	2,648,360	-	2,108,877	377,662	<ul style="list-style-type: none"> • Unsecured; • Non- interest bearing • Collectible in cash at gross amount on demand
Total		2,319,672		27,181,961	

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

- a. Amount owed to ALL pertains to costs incurred for property insurance recorded as part of insurance in general and administrative expenses.
- b. Payable to ACMI pertains to the following:
 - i. Management fees, as agreed upon, include basic management fee amounting to P295,887.74 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 P312,852 as at December 31, 2023 (2022 - P223,816), included as part of corporate expenses in general and administrative expenses.
- c. Payable to Ayalaland Premier Inc. pertains to the basic management fee, incentive fee and system cost which were previously billed by ACMI. 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 ACGSCI pertains to charges incurred by Club members in ACGSCI and inventory transfers.
- e. Payable to MDC pertains to ground maintenance services provided.
- f. Payable to Globe consists of cost incurred for the prepaid mobile line and text blast communication to all members as billed by Amber.
- g. Payable to Innove consists of cost incurred for the trunk line and direct internet of the club.
- h. 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 since they 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):

		2023			2022		
	Note	Balance	Income earned	Realized and unrealized gain	Balance	Income earned	Realized and Unrealized gain
Cash in banks	2	15,864,355	25,996	-	22,841,393	26,723	-
Financial assets at FVPL	3	5,359,377	-	225,785	5,133,592	-	406,408
		21,223,732	25,996	225,785	27,974,985	26,723	406,408

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 P3,754,225 in 2023 (2022 - 3,584,345).

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, 2023 and 2022 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:

	2023	2022
Cash in banks	15,864,355	22,841,393
Financial assets at FVPL	5,359,377	5,133,592
Accounts and other receivables:		
Trade receivables	35,264,446	37,860,169
Receivable from employees	314,332	148,899
Others	4,344,864	2,564,139
Receivables from related parties	148,581,926	152,100,861
	209,729,300	220,649,053

Impairment of financial assets

The Club's financial assets that are subject to the ECL model consists of cash, accounts and other receivables, and receivables from related parties.

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, 2023

	Current	< 30 days	< 90 days	< 90 days but < 360 days	Over 360 days	Credit impaired	Total
ECL rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	35%
Estimated total gross carrying amount of accounts receivable	7,486,708	2,970,993	2,558,850	4,747,331	5,106,920	12,393,644	35,264,446
ECL	-	-	-	-	-	12,393,644	12,393,644

December 31, 2022

	Current	< 30 days	< 90 days	< 90 days but < 360 days	Over 360 days	Credit impaired	Total
ECL rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	33%
Estimated total gross carrying amount of accounts receivable	13,442,756	3,080,225	2,146,397	2,209,501	4,587,646	12,393,644	37,860,169
ECL	-	-	-	-	-	12,393,644	12,393,644

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:

2023

	On demand	Less than 3 months	3 to 12 months	More than 1 year	Total
Financial assets					
Cash	15,952,167	-	-	-	15,952,167
Financial assets at FVPL	5,359,377	-	-	-	5,359,377
Accounts and other receivables					
Trade receivables	7,486,708	4,442,392	5,834,783	5,106,920	22,870,803
Receivable from employees	314,332	-	-	-	314,332
Others	4,344,864	-	-	-	4,344,864
Receivables from related parties	148,581,926	-	-	-	148,581,926
	182,039,374	4,442,392	5,834,783	5,106,920	197,423,469
Financial liabilities					
Accounts and other payables					
Trade payables	17,620,340	8,117	38,600	-	17,667,057
Accrued expenses	-	21,996,150	-	-	21,996,150
Funds held for environmental activities	5,756,641	-	-	-	5,756,641
Service charge payable	-	1,293,763	-	-	1,293,763
Due to employees	-	391,171	-	-	391,171
Vouchers payable	852,569	-	-	-	852,569
Other payables	463,625	-	-	-	463,625
Contract liabilities	-	21,997,620	-	-	21,997,620
Payables to related parties	2,319,672	-	-	-	2,319,672
	27,012,847	45,686,821	38,600	-	72,738,268
Liquidity Position (Gap)	155,026,527	(41,244,429)	5,796,183	5,106,920	124,685,201

*Excluding statutory liabilities amounting to P4,081,008

2022

	On demand	Less than 3 months	3 to 12 months	More than 1 year	Total
Financial assets					
Cash	23,231,042	-	-	-	23,231,042
Financial assets at FVPL	5,133,592	-	-	-	5,133,592
Accounts and other receivables					
Trade receivables	13,442,756	4,355,299	3,080,824	4,587,646	25,466,525
Receivable from employees	148,899	-	-	-	148,899
Insurance claims	2,564,139	-	-	-	2,564,139
Others	1,629,638	-	-	-	1,629,638
Receivables from related parties	152,100,861	-	-	-	152,100,861
	198,250,927	4,355,299	3,080,824	4,587,646	210,274,696
Financial liabilities					
Accounts and other payables					
Trade payables	13,503,604	-	-	-	13,503,604
Accrued expenses	-	18,564,067	-	-	18,564,067
Funds held for environmental activities	3,697,146	-	-	-	3,697,146
Service charge payable	-	1,253,382	-	-	1,253,382
Vouchers payable	657,362	-	-	-	657,362
Due to employees	-	293,420	-	-	293,420
Other payables*	681,099	-	-	-	681,099
Contract liabilities	-	20,792,739	-	-	20,792,739
Payables to related parties	27,181,961	-	-	-	27,181,961
	45,721,172	40,903,608	-	-	86,624,780
Liquidity Position (Gap)	152,529,755	(36,548,309)	3,080,824	4,587,646	123,649,916

*Excluding statutory liabilities amounting to P1,126,517

17 Supplementary Note to the Statements of Cash Flows

In 2022, loan amounting to P130,000,000 was initially lent to ALI, which has a 48-day term subject to interest rate of 2.57%. The loan was collected in 2022 and earned interest income amounting to P371,752 in 2022.

As agreed with ALI, the funds were subsequently transferred to the following subsidiaries for intercompany lending, which has 15 to 42 days term, earning interest rate ranging from 2.28% to 6.45%:

- Transactions with Avida Land Corp. pertains to loans which has 22 to 30 days term subject to interest rate ranging from 2.28% to 4.78%. The loan amounting to P130,000,000 was collected in 2022 and earned an interest income amounting to P1,545,975.
- Transactions with Alveo Land Corp. pertains to loans which has 15 days term subject to interest rate 5.58%. The loan amounting to P68,000,000 was collected in 2022 and earned an interest income amounting to P139,137 in 2022.
- Transactions with Amaia Land Corp. pertains to loans which has 30 to 40 days term subject to interest rate ranging from 5.58% to 6.45%. The loan amounted to P87,500,000 and earned an interest income amounting to P691,283 in 2022.
- Receivables from ALI Commercial Center Inc. pertains to loans which has 40 to 42 days term subject to interest rate ranging from 5.58% to 6.25%. The loan amounted to P42,500,000 and earned an interest income amounting to P394,221 in 2022.

In 2023, the Club maximized its cash flow and continued to invest the excess fund to intercompany lending which generated an interest income of P9,583,475 (2022 - P3,142,368), with interest rate ranging from 6.25% to 7.84%.

Related parties who availed the Club's intercompany lending includes the Ayala Land Inc., Bay City Commercial Ventures Inc., Cebu District Property Ent., Avida Land Corp., Amaia Land Corp., ALI Commercial Center Inc., Soltea Commercial Corp. and Arca South Hotel Ventures Inc.

The Club recorded proceeds on disposal of property and equipment amounting to P3,300 (2022- nil).

18 Other Matters

The Club is currently involved in a legal proceeding. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. The Club's management, in consultation with its legal counsel, believes that the outcome of these legal proceedings will not have a material adverse effect on the Club's financial position or operating results. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings. The information usually required by PAS 37, *Provision, Contingent Liabilities and Contingent Assets*, is not disclosed as it may prejudice the outcome of the ongoing legal proceeding.

19 Basis of Preparation, Statement of Compliance, Changes in Accounting Policies and Disclosures and Material Accounting Policy Information

19.1 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.

19.2 Statement of Compliance

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

19.3 Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2023. The Club has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The adoption of the above amendments is not expected to have a material impact on the financial statements of the Club.

- *Amendments to PFRS 3, Reference to the Conceptual Framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, Provisions, Contingent Liabilities and Contingent Assets or Philippine- IFRIC 21, Levies, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

- *Amendments to PAS 16, Property, Plant and Equipment: Proceeds before Intended Use*

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

- Amendments to PAS 37, Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

- Annual Improvements to PFRS 2018-2020 Cycle

- Amendments to PFRS 1, First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported in the parent’s consolidated financial statements, based on the parent’s date of transition to PFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

- Amendments to PFRS 9, Financial Instruments, Fees in the ‘10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.

- Amendments to PAS 41, Agriculture, Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

Standards Issued But Not Yet Effective

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

Effective beginning on or after January 1, 2023

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

Effective beginning on or after January 1, 2024

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

Deferred effectivity

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

19.4 Material Accounting Policy Information

The material accounting policies that have been used in the preparation of the financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

19.4.1 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.

19.4.2 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

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVPL

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

i. Initial recognition and measurement

Financial liabilities are classified at amortized cost.

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

For purposes of subsequent measurement, financial liabilities are classified as financial liabilities at amortized cost.

Financial liabilities at amortized cost (loans and borrowings)

This is the category most relevant to the Club. After 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.

19.4.3 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.

19.4.4 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.

19.4.5 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.

19.4.6 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.

19.4.7 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.

19.4.8 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.

19.4.9 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.

19.4.10 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.

19.4.11 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.

19.4.12 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.

(c.) Uncertainty over income tax treatments

The Club assesses at the end of each reporting period whether it has any uncertain tax treatments by reviewing the assumptions about the examination of tax treatments by the taxation authority, determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, and considering changes in relevant facts and circumstances. The Club then evaluates how likely is it that a certain tax treatment will be accepted by the taxation authority. If it is probable that the taxation authority will accept a certain tax treatment, the Club concludes that it has no uncertain tax treatment and will measure tax amounts in line with the income tax filings. If it is not probable that the taxation authority will accept a certain tax treatment, the Club measures tax amounts based on the 'most likely amount' method (better predicts uncertainty if the possible outcomes are binary or are concentrated on one value) or 'expected value' method (better predicts uncertainty if there is a range of possible outcomes that are neither binary nor concentrated on one value). The Club presents uncertain tax liabilities as part of current tax liabilities or deferred tax liabilities.

19.4.13 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.

19.4.14 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.

20 Critical Accounting Judgments and Estimates

The preparation of the accompanying financial statements in conformity with PFRS requires management to make estimates that affect the amounts reported in the financial statements and accompanying Notes. The estimates used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from such estimates.

20.1 Critical Accounting Judgments

In the process of applying the Club's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effects on the amounts recognized in the financial statements:

Going concern assessment

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.

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.

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.

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.

Determination of taxable profit, tax bases, unused tax losses, unused tax credits and tax rates

The Club has assessed whether it has any uncertain tax treatments. The Club applies significant judgement in identifying uncertainties over its income tax treatments. The Club assessed whether the Interpretation had an impact on its financial statements. The Club determined, based on its tax assessment, in consultation with its tax counsel, that it has no uncertain tax treatments. Accordingly, the interpretation did not have significant impact on the financial statements.

20.2 Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of impact to the carrying amount of assets and liabilities are discussed below:

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.

The allowance for ECL on the Club's trade receivables amounted to P12,393,664 (2022 - 12,393,644) as at December 31, 2023 (Note 4). Provision for ECL amounted to nil (2022 - nil) (Note 12). The carrying value of the Club's receivables amounted to P27,529,998 (2022 - P 28,179,563) in December 31, 2023 (Note 4). The carrying value of the Club's receivables from related parties amounted to P148(2022 - P152,100,861) December 31, 2023 (Note 15).

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.

The Club recognized allowance on impaired noncurrent assets amounting to nil (2022 - nil). As at December 31, 2023 and 2022, the carrying values of the nonfinancial assets follow:

	Note	2023	2022
Property and equipment	7	520,320,503	525,137,954
Other current assets	6	25,358,738	21,699,845
Other noncurrent assets	6	3,702,859	3,424,220

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.

The Club's net pension liability as at December 31, 2023 amounted to P12,537,089 (2022 - P10,177,365) (Note 13).

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.

As at December 31, 2023 and 2022, the Club did not recognize deferred tax assets related on net operating loss carry-over (NOLCO), pension liability, allowance for ECL and minimum corporate income tax (MCIT) totalling to P154,097,304 (2022 - P 128,883,003) because the management assessed that it is likely that future taxable profits will not be sufficient to realize the carry forward benefits of the NOLCO, pension liability, allowance for ECL and MCIT (Note 14).

21 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 2023:

	Net Sales/ Receipts	Output VAT
Taxable sales:		
Sale of services	170,427,103	20,451,252
Sale of goods	100,949,395	12,113,927
	271,376,498	32,565,179

Sale of services subject to VAT pertains to gross receipts/collections on revenues from room accommodation, guest fees, spa services and rental of recreational equipment.

On the other hand, sale of goods pertains to gross receipts/collections on revenues from sale of food, beverage and merchandise in the Club's restaurants and shop.

The Club has exempt sales amounting to P64,845,000 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:

	Amount
Beginning of the year	-
Input tax carried over	1,280,382
Current year's domestic purchases/payments for:	
Goods for resale/ manufacture for further processing	59,238,447
Capital goods subject to amortization	
Capital goods not subject to amortization	31,878,099
Services lodged under accounts	74,290,231
Total input VAT available	21,129,195
Less input tax on capital goods subject to amortization, deferred for the succeeding period	530,457
Less input tax allocable to exempt sales	4,582,310
Input VAT applied during the current year	16,016,428
Less claims against output VAT	16,016,428
Balance at the end of the year	-

(ii) *Documentary Stamp*

There was no documentary stamp tax paid or due to the BIR in 2023.

(iii) *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 2023 follow:

Local	
Real estate taxes	1,799,467
Licenses and permits	1,568,956
Community tax certificate	10,500
National	
BIR annual registration fee	500
Local	-
Real estate taxes	-
Licenses and permits	-
Community tax certificate	-
National	-
	3,379,423

(iv) *Withholding Taxes*

Details of withholding taxes in 2023 follows:

	Paid	Accrued	Total
Expanded withholding taxes	4,095,148	604,580	4,669,728
Withholding taxes on compensation and benefits	3,616,308	13,909	3,630,217
Final withholding taxes	-	-	-
	7,711,456	618,489	8,329,945

(v) *Tax Contingencies*

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, 2023.

Anvaya Cove Beach and Nature Club, Inc.

Supplementary Schedules for the Securities and Exchange Commission
December 31, 2023

Supplementary Schedules

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

Schedule E - Indebtedness to a related party

Schedule F - Guarantees of securities and other issuers

Schedule G - Capital stock

Other requirements

Financial soundness indicators

Anvaya Cove Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

Schedule A. Financial Asset

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	Unrealized Gain on Financial Asset at FVPL
A. Cash in banks				
Bank of the Philippine Islands (BPI)	Not applicable	15,864,355	25,996	-
B. Financial assets at FVPL				
BPI Money Market Fund	19,183	5,359,377	-	225,785
C. Accounts and other receivables				
Trade receivables	Not applicable	22,870,802	-	-
Receivable from employees	Not applicable	314,332	67,462	-
Other receivables	Not applicable	4,344,864	-	-
D. Receivables from related parties	Not applicable	148,581,926	9,583,475	-
		<u>197,335,656</u>	<u>9,676,933</u>	<u>225,785</u>

Anvaya Cove Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)

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	148,899	690,237	(524,804)	-	-	-	314,332

Anvaya Cove Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

Schedule C. Amounts Receivable from Related Parties which are eliminated during 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 Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

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 Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

Schedule E. Indebtedness to Related Parties (Long-term Loans from Related Companies)

Name of related party	Balance at beginning of period	Balance at end of period
Not applicable		

Anvaya Cove Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

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 Beach & Nature Club, Inc.

Supplementary Schedules Required Under Annex 68-J
As at December 31, 2023

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding at 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	3,468	3,468	N/A	3,250	13	207
Class B	1,950	1,950	N/A	432	-	1,518
Class C	500	500	N/A	352	-	148
Class D	702	702	N/A	702	-	-
Class E	180	180	N/A	180	-	-
Total	6,800	6,800	-	4,916	11	1,873

Anvaya Cove Beach & Nature Club, Inc.

Financial Soundness Indicators As at December 31, 2023

Ratio	Formula	2023	2022
Current ratio	Current assets / Current liabilities	2.97	2.63
Acid test ratio	Quick assets (Total current assets excluding inventory)/ Current liabilities	2.90	2.58
Solvency ratio	EBITDA / Total debt (Total debt includes short-term debt, long- term debt and current portion of long-term debt)	0.42	0.57
Debt-to-equity ratio	Total debt / Total stockholders' equity	0.14	0.15
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.14	1.15
Return on equity	Net income after tax/ Average total stockholders' equity	0.00	0.03
Return on assets	Net income after tax / Average total assets	0.00	0.03
Net profit margin	Net income after tax / Total revenue	(0.01)	0.07

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>

Mon 15/04/2024 6:50 PM

To:ACBNC Hizola, Carol <carol.hizola@anvayacove.com>

Cc:ACBNC Hizola, Carol <carol.hizola@anvayacove.com>

Hi ANVAYA COVE BEACH AND NATURE CLUB INC,

Valid files

- EAFS005862442RPTTY122023.pdf
- EAFS005862442TCRTY122023-03.pdf
- EAFS005862442OTHTY122023.pdf
- EAFS005862442AFSTY122023.pdf
- EAFS005862442ITRTY122023.pdf
- EAFS005862442TCRTY122023-02.pdf
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- <None>

Transaction Code: **AFS-0-8D5BL6FL09BEE9EHKMP3ZSYVT08K879CHK**

Submission Date/Time: **Apr 15, 2024 06:48 PM**

Company TIN: **005-862-442**

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.

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**ANVAYA
COVE**
Beach & Nature Club

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Anvaya Cove Beach and Nature Club 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, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, 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 auditor, 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 of the Board


PAULLOLINDO A. ELAURIA
President


DINDO R. FERNANDO
Treasurer



REPUBLIC OF THE PHILIPPINES)
Makati City) SS.

BEFORE ME, a Notary Public for and in the City of Makati, this APR 15 2024, personally appeared the following:

Anvaya Cove Beach & Nature 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. P7090535B	July 1, 2021/DFA Manila
Paullolindo A Elauria	Driver's License N04-96-359311	Dec. 20, 2021/Land Transportation Office
Dindo R. Fernando	Passport No. P53899687B	Aug. 7, 2020/DFA NCR


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. 195 ;
Page No. 40 ;
Book No. XLVIII ;
Series of 2024.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Notary Public'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. 416399 - 01/11/2024 - Makati City
PTR No. MKT10083260 - 01/11/2024 - Makati City
MCLE Compliance No. VII-0020268 - 06/02/2022
6th Floor Makati Stock Exchange Building,
Ayala Avenue, Makati city, Philippines