

COVER SHEET

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S.E.C. Registration Number

F	A	I	R	W	A	Y	S		A	N	D		B	L	U	E	W	A	T	E	R								
R	E	S	O	R	T		G	O	L	F		A	N	D		C	O	U	N	T	R	Y		C	L	U	B		

(Company's Full Name)

2	N	D		F	L	O	O	R	,		R	E	N	A	I	S	S	A	N	C	E		T	O	W	E	R		F
M	E	R	A	L	C	O		A	V	E	.		P	A	S	I	G		C	I	T	Y							

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

JENNIE MANINGAS-MAGTALAS

Contact Person

6	3	7	-	3	5	-	2	1
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Company Telephone Number

1	2
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Month Day

Fiscal Year

1	7	-	A
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FORM TYPE

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Month Day

Annual Meeting

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

-

Domestic

-

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

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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 **31 DECEMBER 2024**
2. SEC Identification Number **ASO96-003418**
3. BIR Tax Identification No. **004-985-286**
4. Exact name of issuer as specified in its charter

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.

5. **PASIG CITY**
Province, Country or other jurisdiction of
Incorporation or organization
6. (SEC Use Only)
Industry Classification Code

7. **Renaissance Towers, Meralco Ave., Pasig City (Manila Satellite Office)** **1600**

Barangay Balabag, New Coast, Island of Boracay, **5608**
Municipality of Malay, Province of Aklan (Principal Office)

Address of principal office Postal Code

8. **Tel No. (632) 8706-5668**
Issuer's telephone number, including area code

9. **N.A.**
Former name, former address, and former fiscal year, if changed since last report.

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 and Amount of Debt Outstanding
Class "A-1"	232
Class "A-2"	429
Class "A-3" (including 5 Founders' shares)	268
Class "B-1"	547
Class "B-2"	596
Class "B-3"	286
Class "C-1"	1,302
Class "C-2"	956
Class "C-3"	384
Class D	14,699
Total	19,699

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

If yes, state the name of such stock exchange and the classes of securities listed therein:

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. (See definition of "affiliate" in "Annex B").

N.A.

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

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

Yes ☒ No ☐

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

**2024 Audited Consolidated Financial Statements
(incorporated as reference for Item 7 of SEC Form 17-A)**

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PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

1. Business Development

Fairways & Bluewater Resort Golf & Country Club Inc. (the "**Club**") was incorporated on 26 March 1996 and was established for the primary purpose of promoting the social, recreational and athletic activities on a non-profit basis among its members, the main objective and undertaking of which is the operation and maintenance of a vacation, resort, golf course and lodging facilities.

To date, the Club's generate revenue to sustain its operations and cope with its other financial obligations. It has not filed for bankruptcy nor has it has been under receivership or any similar proceedings. The Club has not gone thru any material merger, consolidation, or purchase or sale of significant amount of assets not in the ordinary course of business.

2. Business of Issuer

a. Description of Registrant

- i. The Club is an exclusive club organized on a non-profit basis for the benefit of its members and guests. Ownership of a share entitles the registered owner to the use of the golf course, all the sports facilities, other service amenities, and the Club's lodging facilities (except Class D Shares), subject to the terms and conditions prescribed in the Club's Articles of Incorporation, By-Laws, and to the policies, rules and regulations as may from time to time be promulgated by the Board of Directors and/or Management.

In 1998, the Club commenced the operation of the golf course, which is now 100% complete and already playable. The seven (7) buildings of lodging facilities are 100% completed and are currently being used by the members and guests. In addition to the championship golf course, the resort features various recreation amenities, food & beverage outlets, clubhouse, swimming pools, cabanas, and lounge areas.

To finance the operation and maintenance of the golf course and other facilities, the Club assesses its members with a reasonable amount of annual membership dues.

The resort-type facility and the golf course itself are the primary products that the Club is offering. The principal market of these products is not limited to its members. The market is extended to other guests and foreign visitors who prefer the unique structure of Fairways & Bluewater. Hence, the increase in the number of members who visit Boracay, along with their family and guests, will really contribute to the revenues of the Club.

With regard to the target markets of the Club, the following points are worth noting:

First, the Philippine golf industry is experiencing a steady increase in demand. The market amongst the corporate executives is an escalating trend as the golf course is fast becoming a preferred venue for people in top management for business meetings, business negotiations and brainstorming sessions. Golf-executives say the activity and the ambience bring out their creative juices and help them clear out their minds that positively influence their decision making.

Second, the resort industry in the country remains un-wavered despite the sporadic lawlessness in certain regions in the Southern part of the country.

Of special relevance, however, is the fact that Boracay Island, where the Club is located has set new records in terms of tourist arrivals and tourism receipts generated — in 2017 alone, Boracay welcomed 2M visitors who were responsible for generating Php56.4 billion worth of tourism receipts. In 2018, Boracay saw 930,363 visitors who generated Php28 billion revenue despite the closure ordered by the President of the Republic of the Philippines. Further, Boracay is still consistently cited as one of the best beaches in the world. Although tourist arrivals and tourism receipts took a dive in 2020 because of the Covid-19 pandemic, the outlook in general, for both the golf and the resort industries is still promising. The prospect for more vast market for our product is still achievable.

- ii. No share of the Club has been sold since 2008, both foreign and local. Distribution methods for the Club's shares, if ever, will continue to be coursed through securities brokers duly licensed by the Securities and Exchange Commission.
- iii. In terms of competition, the Club is the only resort in the Island of Boracay that offers an 18 hole, Par 72, championship Golf Course in a resort facility with access to private beach. Thus, in terms of market share, the Club is highly favored by those customers who want to play golf while vacationing at the beautiful Island of Boracay.

Moreover, it is the only golf and country club resort in the Visayas and Mindanao Regions, where the components, facilities & amenities are uniquely brought together to form a true and complete travel destination. Most of its competitors are located in the island of Luzon.

The Club can very well compete with internationally established resort golf and country clubs. The private beach, though facing the Sibuyan Sea, is still one of the finest beaches in the world and its spectacular world class 18-hole par 72 championship golf course was designed by no less than a champion golfer as well, Mr. Graham Marsh.

The fundamental and most important component of the Club is its excellent and high-quality service as the women and men behind the Club exert all effort to treat all members and guests as Very Important Persons (VIPs) making them feel the true warmth of Filipinos and giving them the chance to experience the unique Filipino way of hospitality.

It is for the reasons above, plus the breathtaking natural beauty of Boracay Island that makes the Club extremely confident that it can compete with other similar country clubs --- locally and internationally.

- iv. The Club is not dependent on any single customer. The Club relies on various revenue streams. To name a few sources: its membership where each member contributes to the revenue through membership dues, earnings from amenities and earnings from food & beverage outlets, banquet sales, and villa operations among others. No single member accounts for Ten Percent (10%) or more of the Club's revenue.
- v. Related parties' transactions of the Club pertain to cash advances made by the Club from its developer, Global-Estate Properties, Inc. ("**GEPI**" or *formerly known as Fil-Estate Properties, Inc.*), and the Club's other majority shareholder, Global-Estate Resorts, Inc. ("**GERI**"), GEPI's parent company. Moving forward, the Club is striving to make sure it is not dependent on loans and advances. The Club aims to ensure that it can financially support its continuous operations independently. As of 31 December 2024, GEPI and GERI have made the following advances to the Club:

GERI	Php	58,162,151
GEPI		<u>57,479,394</u>
Total	Php	115,641,545

- vi. The Club has renewed its registered trade name and trademark with the Intellectual Property Office on October 2021. The registration is valid for five (5) years or until October 2026. The Club has no copyrights, patents, licenses, franchise, concessions and royalty agreements on which the Club's operations are expected to depend on.
- vii. The Club has already complied with all of government requirements necessary for the approval of its principal products or services even before it started its operation.
- viii. Likewise, the Club does not know of any known, existing or probable government laws that will affect the Club's operation in the ordinary course of its business.
- ix. During the last three years, the Club has not spent any amount on any research and development activities for a product.
- x. Since 1996, the Club has been investing in environmental infrastructure projects, as well as in specialized personnel, in order to comply with environmental laws and regulations.

Major projects include: 1) full compliance to clean water act, clean air act, hazardous waste management, solid waste management act and all other laws and ordinances; 2) acquisition of ISO-Integrated Management certification which means acquisition of 3 major ISO standards: ISO9001:2015 Quality Management System, ISO45001:2018 Occupational Health & Safety Management System, ISO14001:2015 Environmental Management System; 3) construction of waste water treatment facility for collection and recycling of wastewater within the resort; 4) purchase of and donation of garbage trucks to the local government; 5) purchase of tractor driven beach cleaner and other special equipment; 6) implementation of environmental management practices for golf course maintenance, natural landscaping, and wildlife habitat enhancement; 7) the conduct of periodic compliance audits through multipartite monitoring teams which include the Club, Department of Environment & Natural Resources (DENR), Department of Tourism (DOT) personnel, as well as the local residents and 8) appointment and formal training of environmental managing head and pollution control officers for the Club in compliance to DENR-DAO provisions.

The Club's continuing compliance with environmental regulations and local ordinances has resulted in joint efforts between the Club and local government officials and national government units to protect the environment not just within the resort but also for the entire island community.

On the socio-civic/socio-economic side, the local community has gained many benefits from the environmental projects undertaken by the Club, including: 1) provision of fresh water taps for island residents living adjacent to the boundary of the Project; 2) construction of waste water treatment facility for collection and recycling of wastewater within the resort; 3) eco-educational field trips at the golf course for young students from the neighboring schools; 4) provision of on-the-job training programs to hotel and restaurant management college students; 5) preferential hiring on job opportunities is given to residents of Boracay Island, and 6) continued participation in meetings of the local resort association and other community based organization to help in shaping the future of Boracay; and, 7) active participation to the mission of the National Government to take care of Boracay by accepting a seat in the Board of Directors of the Compliant Association of Boracay Business --- a group that was created and is fully supported by DENR, DOT & DILG.

The Club personnel charged with the implementation of environmental programs include the General Manager, Golf Club Operations Manager and Resort Manager.

- xi. As of 31 December 2024, there are about Three Hundred Ten (310) employees in the club both regular, project hired and daily wage employees. Details are as follows:

Finance and Administration	106
Golf Operations	108
Villa / & Transportation	96
Total	310

The Club may increase the number of its personnel when need arises in consideration of the demand of the members and guests, the operations of the Club, and affordability/sustainability of manpower cost.

The current employees are receiving various benefits from the Club such as, the health benefit program, free uniforms, rice incentives, internal learning & development programs, life insurance, paid leaves, employee welfare programs and whenever necessary, free livelihood seminars. Not one employee of the Club is subject to any Collective Bargaining Agreement. These employees have never been on strike nor have they threatened to stage a strike.

- xii. Frequent electrical power fluctuations are considered a major risk in the business of the Club. As such, it can cause damage to Club property and can also cause inconvenience to the members and guests who are staying in the villas or who are using the various facilities & amenities. The Management has foreseen this problem and so the use of generator sets has been employed as an alternative source of electric power. These generator units are duly registered with DENR, which means these units pass the requirements of DENR and are compliant to the Clean Air Act.

DENR has issued a valid Generator's ID to the Club as proof of compliance.

Credit Risk

Credit risk is the risk that the Club will incur a loss from customers or counterparties that fail to discharge their contractual obligations. The Club manages credit risk by setting limits on the amount of risk the Club is willing to accept from counterparties and by monitoring exposures in relation to such limits. The Club's credit risk is primarily attributable to its cash and receivables.

For banks and financial institutions, only independently rated parties with high credit ratings are accepted. For its receivables, the balances are actively monitored on an ongoing basis by taking into account the financial position, past collection experience and other factors to avoid significant concentrations of credit risk.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statement of financial position.

Impaired accounts represent accounts of customer's that have not paid after sending demand letters and for which the Club believes that the receivables may not be collected. The allowance is provided based on the remaining balance of the accounts in which the Club believes may no longer be collected.

Liquidity Risk

The Club has significant exposure to liquidity risk because of significant payables and advances from related parties. Although these liabilities have no fixed terms and non-interest bearing, the Club's financial assets are not sufficient to pay off its financial liabilities. The Club manages liquidity by identifying events that would trigger liquidity problems, providing contingency plans, identifying potential sources of funds and monitoring compliance of liquidity risk and policy.

The following requirements summarize the maturity profile of the financial liabilities based on the remaining undiscounted contractual obligations as well as the analyses of the maturity profile of the financial assets in order to provide a complete view of the contractual commitments and liquidity.

Financial assets

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected dates the assets will be realized.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date.

Interest Rate Risk

The Club's interest rate risk management policy centers on reducing the overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Club's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Club follows prudent policies in managing its exposures to interest rate fluctuations, and constantly monitors its exposure to fluctuations in interest rates to estimate the impact of interest rate movements on its interest expense.

Borrowings of the Club are usually fixed rates and as of December 2022, there were no outstanding loans from the bank and other financing institutions. Thus, no interest rate sensitivity analysis is presented.

Foreign Exchange Risk

The Club has no significant exposure to foreign currency risk as most of its transactions are denominated in Philippine Peso.

ITEM 2. PROPERTIES

1. Land

The properties covered by the golf courses, the lodging facilities and other attendant facilities consisting of a total area of approximately seventy-five hectares (75) hectares, more or less, have been transferred to the Club with all certificates of title registered in the name of the Club.

2. Property and Land Lease

Major equipment owned by the Club are also located therein and subjected to periodic maintenance.

The Club entered into two lease agreements involving the two (2) parcels of land where the Club's Welcome Center is located. The Welcome Center is a Club facility that serves as a rest or lounge area for Club guests and tourists while waiting for their boat that will take them from main port in Caticlan, Malay, Aklan to the Island of Boracay. The properties leased by the Club, with a total area of 5,815 square meters, are owned by two individuals.

a. *Lease for the 3,023 sq.m. property*

Under the terms and conditions of the lease agreement, the Club shall lease the 3,023 sq.m. property for a period of six (6) years commencing on 1 December 2022 or until 30 November 2028. In consideration for the use and occupancy of the said property, the Club agreed to pay monthly rental of One Hundred Forty Thousand Seven Hundred Ten Pesos & 04/100 (P140,710.04), net of withholding tax and VAT, with 5% escalation rate per annum. The lease may be renewed or extended as mutually agreed upon by both parties.

b. *Lease for the 2,792 sq.m. property*

Under the terms and conditions of the lease agreement, the Club shall lease the 2,792 sq.m. property for a period of six (6) years commencing on 22 December 2022 or until 21 December 2028. In consideration for the use and occupancy of the said property, the Club agreed to pay monthly rental of One Hundred Twenty Nine Thousand Four Hundred Fifty Three Pesos & 22/100 (P129,453.22), net of VAT and other taxes, with 5% escalation rate per annum. The lease may be renewed or extended as mutually agreed upon by both parties.

As of 31 December 2024 and 2023, the carrying amounts of property and equipment amount to Php3,504,609,481 and Php3,546,815,456, respectively. Please refer to the table below.

31 December 2024

	Transportation equipment	Kitchen and housekeeping equipment	Office furniture, fixtures and equipment	Maintenance and other fixed assets	Villas Buildings &	Land Golfcourse &	Total
Net carrying amount	14,528,284	39,932	14,971,901	8,239,094	1,218,959,417	2,247,870,853	3,504,609,481

31 December 2023

	Transportation equipment	Kitchen and housekeeping equipment	Office furniture, fixtures and equipment	Maintenance and other fixed assets	Villas Buildings &	Land Golfcourse &	Total
Net carrying amount	14,843,228	135,512	12,808,206	7,327,919	1,247,687,240	2,264,013,351	3,546,815,456

Golf Course and Other Facilities

As of 31 December 2024, the following facilities are 100% completed and are fully enjoyed by the Club members and guests: a) Lodging Facilities (Villa 2, Villa 3, Villa 6, Villa 7, Villa 7a, Villa 8, Villa 16 and Villa 17); b) Golf Course and Facilities (18-hole golf course, Golf Clubhouse, Halfway House, Starter Shed, Maintenance Building, Tee House, Storm Huts), Country Clubhouse, Swimming Pool, Sauna and Massage Room; c) Welcome Center; and, d) Country Clubhouse Facilities such as Table Tennis, Card Room, Function Room and Billiard Room.

3. Properties the Issuer Intends to Acquire

Other than the transfer of the completed development works and the land from FEPI and/or GERI pursuant to the Project Agreement, the Club does not intend to acquire by purchase, lease or otherwise, any property within the next 12 months.

ITEM 3. LEGAL PROCEEDINGS

The SEC has suspended the certificate of permit to sell shares of the Club to the public pursuant to SEC-CFD Order no. 047, Series of 2009.

As of 31 December 2024, the Club was made a secondary party to the cases described below, to wit:

1. Sullian Sy Naval vs. FEPI and Fairways & Bluewater Golf & Country Club Inc. Civil Case No. 5626CA-G.R. SP. No. 61567, entitled "FEPI, et al. vs. Hon. Marietta Homena-Valencia, et al."

This is a case for recovery of possession of a parcel of land within Fairways with an area of 1,000 sq. meters filed by Sullian Sy Naval ("Naval") against Fil-Estate Properties, Inc. ("FEPI") and Fairways & Bluewater Golf & Country Club, Inc. ("FBRGCC") before the Regional Trial Court (RTC) of Kalibo, Aklan. After trial, the RTC rendered a decision in favor of Naval, ordering FEPI and FBRGCC to restore Naval to possession of said parcel.

On 27 October 2017, the Court of Appeals-Cebu issued a Decision partially granting the appeal of FEPI/FBRGCC only with respect to the reduction of award of damages from the original Php 3,000,000.00 to Php 500,000.00.

FEPI and FBRGCC filed a Petition for Review with the Supreme Court to appeal the decision of the Court of Appeals.

In a Resolution dated 15 June 2020, the Supreme Court affirmed the Decision of the Court of Appeals. A Motion for Reconsideration was filed by FEPI and FBRGCC for the Supreme Court to reconsider its Resolution.

A supplemental Motion For Consideration has been filed by FEPI to FBRGCC. To date, the Motion for Reconsideration is pending resolution with the Supreme Court.

2. Fil-Estate Properties, Inc. vs. Cho HyounG Gee And Danny M. Tapuz (Civil Case No. 9625, RTC-Kalibo, Branch 5)

This is a complaint filed by Fil-Estate Properties, Inc. ("FEPI") for recovery of possession of a parcel of land in Fairways against defendants Danny Tapuz ("Tapuz") and Cho HyounG Gee ("Cho") with prayer for defendants to vacate the subject property and surrender the same to FEPI, and to cease and desist from constructing improvements/structures or from selling, conveying or encumbering the subject property.

Fairways and Bluewater Resort Golf and Country Club, Inc. ("FBRGCC") thereafter substituted FEPI in the complaint, being the registered owner of the parcel by order of the RTC last 26 November 2019.

Formal Offer Of Evidence has been filed by FEPI on 8 March 2023.

The case is still pending with the Court of Appeals after Tapuz appealed. Prayer in complaint for recovery possession was granted.

Aside from the above cases, the Club is a party to certain lawsuits or claims arising from the ordinary course of business. The management and legal counsel believe that the eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the financial statements, and thus, no provision has been made for these contingent liabilities.

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

There was no matter submitted to a vote of security holders.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

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

1. Market Information

The Club's shares are not traded in the Philippine Stock Exchange.

The buyers of Fairway & Bluewater Resort Golf & Country Club shares are expected to be typically from the upper income class bracket, international golfers, residents of the residential estate surrounding the golf courses and local golf enthusiasts. These shares were sold thru the marketing arm of Fil-Estate Group of Companies and most of the shares were sold during its offering sometime in 1996. However, due to Asian economic crisis that struck our country at that time, sales of shares has since slowed down. Shares are sold at a fixed price determined by the seller and offered with various discounts depending on the term of the sales.

The principal market of these shares is as follows:

a. Upper Income

This segment of the population is the primary target of the Club because the people from this income class have the disposable income to purchase the resort and golf club memberships.

b. Local Golfers

The popular sport of golf, combined with the talcum powder white sand beach of the island of Boracay has made the Club very attractive to avid golfers who not only can enjoy a round of golf in the golf course, now known as the "Jewel of the Pacific" but also spend time with their families in the world famous Boracay Beach.

c. International Golfers

The Philippines' strategic location in Asia and, its well-maintained golf courses, make it the ideal golfing location for Asians as an alternative to playing golf in other Asian countries where the cost to play golf is much higher.

Globally, people are getting more interested in playing golf as well. In Asia, the emergence of many new golf courses in the past five years is a clear evidence of this.

The rising costs of golfing and golfing-related activities in countries like Japan, Korea and Taiwan encourage the search for more economical but world-class destinations in other countries. In this respect, the Philippines is an ideal golfing destination as golfing costs are relatively lower, but the courses are of high standards & designed to accommodate international tournaments, and the golf clubs usually offer other recreational and sports facilities for the golfer and his family/friends that are equally spectacular as the offerings in other countries.

No shares were sold in year 2008 up to the present by the Developer. As such, no information is available as to the high and low bid information for 2014, 2015 and 2016. The most recent data available to the Developer on the pricing of the shares are shown below.

Trading of the shares in the past was sporadic. The high and low bids for each quarter (exclusive of transfer fees) for the periods indicated below are as follows:

	CY 2005		CY 2006		CY 2007	
	Low	High	Low	High	Low	High
First Quarter						
A-1	550,000.00	550,000.00	540,000.00	792,000.00	550,000.00	900,000.00
A-2	1,083,500.00	1,100,000.00	800,000.00	1,100,000.00	800,000.00	1,100,000.00
A-3	1,300,000.00	1,300,000.00	1,300,000.00	1,300,000.00	900,000.00	1,300,000.00
B-1	450,000.00	450,000.00	450,000.00	800,000.00	800,000.00	800,000.00
B-2	700,000.00	900,000.00	1,000,000.00	1,000,000.00	200,000.00	1,000,000.00
B-3	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	400,000.00	1,200,000.00
C-1	237,500.00	237,500.00	200,000.00	400,000.00	250,000.00	400,000.00
C-2	350,000.00	500,000.00	440,000.00	450,000.00	275,000.00	275,000.00
C-3	600,000.00	600,000.00	333,333.00	600,000.00	600,000.00	600,000.00
Second Quarter						
A-1	550,000.00	550,000.00	580,000.00	750,000.00	600,000.00	800,000.00
A-2	1,090,000.00	1,100,000.00	850,000.00	900,000.00	850,000.00	950,000.00
A-3	1,300,000.00	1,300,000.00	1,300,000.00	1,300,000.00	950,000.00	1,250,000.00
B-1	450,000.00	450,000.00	500,000.00	700,000.00	800,000.00	800,000.00
B-2	750,000.00	800,000.00	1,000,000.00	1,000,000.00	400,000.00	600,000.00
B-3	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	600,000.00	800,000.00
C-1	237,500.00	237,500.00	250,000.00	350,000.00	300,000.00	375,000.00
C-2	385,000.00	475,000.00	440,000.00	440,000.00	275,000.00	275,000.00
C-3	600,000.00	600,000.00	400,000.00	550,000.00	600,000.00	600,000.00
Third Quarter						
A-1	550,000.00	550,000.00	600,000.00	650,000.00	650,000.00	850,000.00
A-2	1,083,500.00	1,100,000.00	800,000.00	1,000,000.00	850,000.00	900,000.00
A-3	1,300,000.00	1,300,000.00	1,300,000.00	1,300,000.00	950,000.00	1,200,000.00
B-1	450,000.00	450,000.00	300,000.00	380,000.00	800,000.00	800,000.00
B-2	780,000.00	850,000.00	1,000,000.00	1,000,000.00	300,000.00	800,000.00
B-3	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	600,000.00	1,100,000.00
C-1	237,500.00	237,500.00	200,000.00	300,000.00	225,000.00	250,000.00
C-2	390,000.00	450,000.00	440,000.00	450,000.00	275,000.00	275,000.00
C-3	600,000.00	600,000.00	380,000.00	500,000.00	600,000.00	600,000.00
Fourth Quarter						
A-1	550,000.00	550,000.00	540,000.00	792,000.00	550,000.00	900,000.00
A-2	1,090,000.00	1,100,000.00	800,000.00	1,100,000.00	800,000.00	1,100,000.00
A-3	1,300,000.00	1,300,000.00	1,300,000.00	1,300,000.00	900,000.00	1,300,000.00
B-1	450,000.00	450,000.00	450,000.00	800,000.00	800,000.00	800,000.00
B-2	700,000.00	900,000.00	1,000,000.00	1,000,000.00	200,000.00	1,000,000.00
B-3	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	400,000.00	1,200,000.00
C-1	237,500.00	237,500.00	200,000.00	400,000.00	250,000.00	400,000.00
C-2	350,000.00	500,000.00	440,000.00	450,000.00	275,000.00	275,000.00
C-3	600,000.00	600,000.00	333,333.00	600,000.00	600,000.00	600,000.00

There are no shares that are subject to outstanding options or warrants to purchase or securities convertible into common equity of the Issuer.

2. Holders

As of 31 December 2024, there are about 19,699 issued and outstanding shares. The approximate number of holders of each class of common stock is as follows:

Class	Authorized No. of Shares	No. of Shares Outstanding
A-1	232	232
A-2	429	429
A-3	268	268
B-1	547	547
B-2	596	596
B-3	286	286
C-1	1,302	1,302
C-2	956	956
C-3	384	384
D	20,920	14,699
TOTAL	25,920	19,699

The list of Top 20 Shareholders' Names on Record of the Club as of 31 December 2024 is as follows:

NO	STOCKHOLDER	No. Of Shares	% of ownership
1	FIL-ESTATE PROPERTIES, INC.	10,023	50.88%
2	GLOBAL-ESTATE RESORTS INC	7,269	36.90%
3	PHILIPPINE NATIONAL BANK	294	1.49%
4	ADVENT CAPITAL & FINANCE CORP.	43	0.22%
5	GOLDEN REALTY CO., INC.	21	0.11%
6	THELMA K. PANGANIBAN	15	0.08%
7	MINDANAO DEVELOPMENT BANK	13	0.07%
8	PHILIP T. KIMPO	12	0.06%
9	RAMON T. KIMPO, JR.	10	0.05%
10	JUAN RAMON T. KIMPO	8	0.04%
11	CHINA BANKING CORPORATION	8	0.04%
12	NELTEX DEVELOPMENT CO. INC.	8	0.04%
13	AMELITA T. KIMPO	6	0.03%
14	MAKATI SHANGRI-LA HOTEL & RESORT, INC.	6	0.03%
15	DIVINA M. VILLANUEVA	6	0.03%
16	ARACELI T. MARTE	5	0.03%
17	GREEN SQUARE PROPERTIES CORP.	4	0.02%
18	GI BONG LEE	4	0.02%

19	BARBARA K. VILLANUEVA	4	0.02%
20	COLLEEN GENEVIEVE T. YAP	4	0.02%
	OTHERS	1,936	9.83%

3. Dividends

This is not applicable to the Club. All profit generated from the operation of the Club are used to improve the facilities and services rendered by the Club to its members and guests.

4. Recent Sale of Unregistered or Exempt Securities (including recent issuance of securities constituting an exempt transaction)

This is not applicable to the Club. There have been no recent sales of unregistered or exempt securities

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS AND PLAN OF OPERATIONS

1. Plan of Operations

In 2024, as the Club was recovering from the impact of the Covid-19 pandemic and the temporary closure of Boracay Island to local and foreign visitors, the Club earned a net loss of P63.81 million or 410.17% decrease as compare to a P20.57 million net income in 2023.

Management's action plans is to maintain the Club's proactive stance towards ensuring financial viability to sustain its current and future operations. The Club will also continue to focus on generating revenues to continue its rehabilitation, maintenance and improvement, projects and to settle other financial obligations. It will also continuously to rationalize expenditures while ensuring that the quality of service to its members and guests is maintained at the highest level possible, and to ensure as well that the Club is able to live up to the international excellence awards (i.e. Conde Nast Johansens Excellence Awards, World Travel Awards, among many others) that it has received for many consecutive years.

While the Club endeavors to push for membership dues to be collected, it is not a sufficient source of funds to cover for all of the Club's expenses, therefore, the Club will continue to promote various activities to boost its income generation. The Club will also continue to offer golf games to other resorts and island tourists to increase revenue.

Instead of increasing membership dues, the following measures will be implemented continuously to guarantee the success of the Club:

- a. Increase revenues in golf related activities by developing programs, promotions and strategies to encourage more guests and members to play in the Club's 18-hole, Graham Marsh-designed golf course, including aggressive marketing efforts to mount various golf tournaments.
- b. Continue all rehabilitation and improvement work programs and projects, both major and minor ones, and sustain a good playing condition of the golf course and its ancillary facilities, buildings and villas, restaurants and bars, pools and other amenities within the approximately 85 hectare property.
- c. Ensure that all accommodation villas, including the newest villa that opened just recently, are always ready to take in more guests to increase the financial performance of the Club.
- d. Strengthen the sales and marketing strategies and schemes, and explore more avenues and market segments that will strengthen the revenue source of the Club.

- e. Continue to increase the positive exposure of the Club in online media sites and networks to enhance the awareness of more people about what the Club and the products that it offers.
- f. Continue the efforts of the member relations team to push and encourage members to pay their dues on time, and intensify collection from inactive members by apprising them of the new facilities, amenities, and products of what the Club including the Member's Lounge and Café that is for the exclusive use of members.
- g. Ensure that the Club maintains its 3rd ISO-IMS certification by strictly implementing the standards related to Quality Management System, Occupational Health and Safety Management System and Environmental Management System. The Club was awarded its 1st ISO-IMS certification in 2018 which was valid up to December 2021 subject to quarterly audits and annual surveillance by its Dubai-based certifying body. Fairways and Bluewater is the only hotel/resort in Boracay that has an ISO-IMS certification to this date. In December 2021, a re-application for its 2nd certification was lodged and the Club passed all requirements to get the 3-year certification. The 3rd re-application for certification was done on November 2024. After a 3-day audit and conference, the Dubai-based certifying body announced on November 29, 2024 that the Club passed its 3rd ISO-IMS certification which will be valid for another 3 years (up to December 2027) but subject for quarterly audit and annual surveillance. The Club will work on more improvements as it prepared for the 1st annual surveillance for the 3rd certification.
- h. Ensure that the Club maintains its partnership with World Wide Fund (WWF) by continuously implementing its environmental programs that aim to restore, preserve and protect the gifts of nature and the immediate community. The "One Hotel" program will be strengthened as well to enhance the Club's sustainability efforts for WWF's programs and cause. The Club will maintain its commitment to operate an internal material segregation and management facility. It will also continue to manage its hazardous wastes, including the shipping out of used oil and hazardous waste from the island through a professional organization based outside Boracay. Tree planting activities, war-on-site, and other environmental preservation efforts will be implemented continuously to support the Club's commitments to WWF.
- i. Ensure that the Club maintains its certification as a Conde Nast property as this differentiates the Club from the many other industry players and it guarantees the Club a better market niche. There are only three resorts out of 500+ establishments in Boracay Island that is certified by Conde Nast.
- j. Ensure that the Club continues to get recognized by various international award giving bodies, such as Conde Nast Excellence Awards, World Travel Awards, World Golf Awards, and Interval International, who have awarded us consistently over the years on account of product and service excellence, and sustainability, even during the pandemic years.

The Club also manages the Welcome Center, Land and Sea Transfer, Security, Water System, Waste Management System, and Sewage Treatment System in line with its commitment to sustainability and to maintain its four-star status and to possibly achieve a five-star status. E-jeepneys and e-shuttles complement our fleet of diesel-run vehicles to ensure that guests will be transported to places they want to go to at any given time.

Impact of COVID-19 pandemic on the Club's operations

In mid-2023, the Philippine Government officially lifted the pandemic status of COVID-19. This triggered the gradual adjustment of Fairways & Bluewater from its limited operations to opening more villas and facilities. On the 2nd half of the year, right after the lifting of the pandemic, Fairways became more aggressive in its rehabilitation and repair projects to restore the many damages that was sustained by its amenities and structures due to the pandemic years. In gradually shifting to a more active operations, the health and safety protocols that were instituted during the pandemic years were still incorporated

to make sure that the well-being of its guests and employees was taken-care of.

While the long-term effects on operations and the financial impact of the COVID-19 pandemic still linger, the Club remains confident and optimistic that the hospitality and tourism industry will make a rapid and steady recovery and bring back the high-spirited and lively activities of the Club to how it used to be in the pre-pandemic years.

2. Management's Discussion and Analysis and Plan of Operations

2024

Results of Operations

The Club's gross revenue for the year 2024 amounted to P580.19 million, posting an increase of P10.01 million or 1.76% compared to P570.17 million in 2023 due to increase in revenue from food and beverages operations. Membership dues decrease by 15.28% or P5.32 million from P34.81 million in 2023 to P29.49 million in 2024 due to decrease in collections from members. Food & Beverage Revenue went up by 224.54% or P7.23 million from P3.22 million in 2023 to P10.45 million in 2024 due to various big events like wedding and corporate conference. Golf Operations and Other Activities posted an increase of 21.95% or P10.06 million from P45.84 million in 2023 to P55.90 million in 2024 due to rental income from concessionaire.

Direct Cost increased by 24.96% or P100.46 million directly related to increase in revenue from Food & Beverages and Golf & Other Activities. Selling Expenses increased by 7.37% or P2.81 million from 2023 due to increase in marketing activities. General & Administrative Expenses increased by 18.39% or P16.28 million from P88.54 million in 2023 to P104.83 million in 2024 related to increase in administrative expenses. Other Charges (net) went down by 63.93% or P6.53 million from P10.21 million in 2023 to P3.68 million in 2024 due to decrease in other charges. 2024 posted an Income Tax Benefit of P20.33 million compared to Income Tax Expense in 2023 of P7.42 million due to decrease in taxable income in 2024. There is increase in Loss on re-measurement of retirement benefits of P9.12 million or 321.89% from P2.83 million in 2023 to P11.95 million in 2024 due to decrease in discount rate used in actuarial valuation.

The following plans are being implemented to continue generating more revenues and support the maintenance of the Club facilities:

1. Intensify collection of membership dues and encourage members who are dormant for more than 10 years to pay with discount;
2. Aggressive marketing of the Club's golf course to host golf tournaments;
3. Increase sales in golf related activities by developing programs, promotions and strategies to encourage more guests/members to play in the golf course.

Financial Condition

Cash decreased by 11.14% or P37.23 million from P334.07 million in 2023 to P296.84 million in 2024 due to payment to various suppliers. Trade & Other receivables increased by 35.07% or P8.29 million from P23.63 million in 31 December 2023 to P31.92 million as of 31 December 2024 due to increase in receivable from travel agency and accrual of interest earned on time deposit. Prepayments and Other Current & Non-Current Assets increased by 12.74% or P7.37 million from P57.84 million as of 31 December 2023 compared to P65.21 million as of 31 December 2024 due to advance payment to suppliers. Right-of-Use Asset increased by 44.43% or P7.22 million from P16.25 million in 2023 to P23.47 million in 2024 due to renewal of lease agreement. Deferred Tax asset increased by 33.73% or

P25.77 million from P76.41 million in 2023 to P102.19 million in 2024 due to recognition of tax benefit from net loss during the year.

Trade & Other Payables increased by 6.61% or P27.43 million from P415.11 million in 2023 to P442.54 million in 2024 due to accrual of expenses. Contract liabilities decreased by 21.68% or P13.25 million from P61.12 million in 2023 to P47.87 million in 2024 due to decrease in advance collection of hotel revenue and membership dues. Lease Liability increase by 31.85% or P6.66 million from P20.90 million in 2023 to P27.56 million in 2024 due to renewal of lease contract. Retirement benefit obligation posted an increase of 59.19% or P19.80 million brought by loss on re-measurement of benefits. Re-measurement gain on Retirement Benefits posted a decrease of 60.53% or P11.95 million due to decrease in discount rate used in actuarial valuation from 6.65% to 5.90%. Cumulative deficiency of revenues over expenses increased by 14.87% or P51.86 million due to net loss incurred for the year.

Major Changes in the Year 2024 Financial Statements

(Increase/Decrease of 5% or more versus Year 2023)

Results of Operations

- 15.28% Decrease in Membership Dues – due to decrease in collections from members.
- 224.54% Increase in Food & Beverage – due to various big events like wedding and corporate conference.
- 21.95% Increase in Golf Operations & Other Activities – due to rental income from concessionaire.
- 24.96% Increase in Direct Cost – directly related to increase in revenues from food and beverage and golf & other activities operations.
- 7.37% Increase in Selling Expense – due to increase in marketing activities.
- 18.39% Increase in General & Administrative Expenses – due to increase in administrative expenses.
- 63.93% Decrease in Other Charges(net) – due to decrease in other charges.
- 374.14% Decrease in Income Tax Benefit – due to taxable loss for the year.
- 321.89% Increase in (Loss) Re-measurement Benefits – decrease in discount rate used in actuarial valuation.

Financial Position

- 11.14% Decrease in Cash - due to various payment to suppliers.
- 35.07% Increase in Trade and other receivables – due to increase in receivable from travel agency and accrual of interest earned on time deposit.
- 12.74% Increase in Prepayments and Other Current & Non-Current Assets - due to advance payment to suppliers.
- 44.43% Increase in Right of Use Asset - due to renewal of lease agreement.
- 33.73% Increase in Deferred Tax Asset - due to recognition tax benefit from net loss during the year.

- 6.61% Increase in Trade & Other Payables - due to accrual of expenses.
- 21.68% Decrease in Contract Liabilities - due to decrease in advance collection of hotel revenue and membership dues.
- 31.85% Increase in Lease Liability - due to renewal of lease contract
- 59.19% Increase in Retirement Benefit Obligations – due to loss on re-measurement of benefits.
- 60.53% Decrease in Re-measurement Gain/(Loss) on Retirement Benefits – due to decrease in discount rate use in actuarial valuation from 6.65% to 5.90%.
- 14.87% Increase in Cumulative deficiency of revenues over expenses – due to net loss incurred for the year.

2023

Results of Operations

The Club's gross revenue for the year 2023 amounted to P570.17 million, posting an increase of P274.21 million or 92.65% compared to P295.96 million in 2022 due to increase in revenue from villa operations. Food & Beverage Revenue went up by 97.72% or P23.58 million from P24.13 million in 2022 to P47.70 million in 2023 due to increase in number of guests. Villa Operations increased by P222.86 million or 101.78% from P218.96 million in 2022 to P441.82 million in 2023 due to increase in occupancy rate. Golf Operations and Other Activities posted an increase of 141.89% or P26.89 million from P18.95 million in 2022 to P45.84 million in 2023.

Direct Cost increased by 81.77% or P181.04 million directly related to increase in revenue from villa operations. Selling Expenses increased by 156.98% or P23.31 million from 2022 due to increase in marketing activities. General & Administrative Expenses increased by 34.36 or P22.64 million from P65.90 million in 2022 to P88.54 million in 2023 related to increase in occupancy of villa operations. Other Charges (net) went up by 43.44% or P3.09 million from P7.12 million in 2022 to P10.21 million in 2023 due to increase in revenue from villa operations from online bookings with corresponding bank charges. 2023 posted an Income Tax Expense of P7.42 million compared to Income Tax Benefit in 2022 of P3.46 million due to increase in taxable income in 2023. There is Loss on re-measurement of retirement benefits of P2.83 million in 2023 as compared to Gain on re-measurement of retirement benefits in 2022 of P17.15 million.

The following plans are being implemented to continue generating more revenues and support the maintenance of the Club facilities:

4. Intensify collection of membership dues and encourage members who are dormant for more than 10 years to pay with discount;
5. Aggressive marketing of the Club's golf course to host golf tournaments;
6. Increase sales in golf related activities by developing programs, promotions and strategies to encourage more guests/members to play in the golf course.

Financial Condition

Cash increased by 115.63% or P179.14 million from P154.93 million in 2022 to P334.07 million in 2023 due to increase in collections from villa operations. Trade & Other receivables increased by 21.72% or P4.22 million from P19.42 million in 31 December 2022 to P23.63 million as of 31 December 2023 due to increase in receivable from travel agency. Prepayments and Other Current & Non-Current Assets

decreased by 23.05% or P17.33 million from P75.17 million as of 31 December 2022 compared to P57.84 million as of 31 December 2023 due to recoupment of down payments related to construction of Villa 8. Right-of-Use Asset decreased by 24.11% or P5.16 million from P21.41 million in 2022 to P16.25 million in 2023 due to depreciation. Other noncurrent asset decrease by 64.10% or P1.0 million due to refund of construction bond.

Trade & Other Payables increase by 42.05% or P122.88 million from P292.23 million in 2022 to P415.11 million in 2023 due to accrual of billings of contractor/supplier for the construction of additional villa. Contract liabilities increased by 95% or P3.97 million from P57.15 million in 2022 to P61.12 million in 2023 due to increase in collection of advance booking. Lease Liability decrease by 22.16% or P5.95 million from P26.85 million in 2022 to P20.90 million in 2023 due to amortization of lease. Retirement benefit obligation posted an increase of 28.48% or P7.42 million brought by remeasurement loss and decrease in discount rate used in actuarial valuation. Re-measurement gain on Retirement Benefits posted a decrease of 12.55% or P2.83 million due to decrease in discount rate used in actuarial valuation from 7.80% to 6.65%. Cumulative deficiency of revenues over expenses decreased by 6.29% or P23.40 million due to net income incurred for the year.

Major Changes in the Year 2022 Financial Statements

(Increase/Decrease of 5% or more versus Year 2022)

Results of Operations

- 101.78% Increase in Villa Operations – mainly due to increase in occupancy rate
- 97.72% Increase in Food & Beverage – due to increase in number of guests.
- 141.89% Increase in Golf Operations & Other Activities – due to increase in number of guests playing golf.
- 81.77% Increase in Direct Cost – directly related to increase in villa revenues.
- 156.98% Increase in Selling Expense – due to increase in marketing activities.
- 34.36% Increase in General & Administrative Expenses – directly related to increase in occupancy of villa operations.
- 43.44% Increase in Other Charges(net) – related to increase in revenue from villa operations from online bookings with corresponding bank charges.
- 314.10% Increase in Income Tax Expense – due to increase in taxable income for the year.
- 116.51% Decrease in (Loss) Re-measurement Benefits – due to decrease in number of employees.

Financial Position

- 115.63% Increase in Cash - due to increase in collection from villa operations.
- 21.72% Increase in Trade and other receivables – due to increase in receivable from travel agency.
- 23.05% Decrease in Prepayments and Other Current & Non-Current Assets - due to recoupment of down payments to contractor and supplier.
- 24.11% Decrease in Right of Use Asset - due to depreciation.

- 42.05% Increase in Trade & Other Payables - due to accrual of payable to contractor and supplier.
- 6.95% Increase in Contract Liabilities - due to collection of advance hotel booking.
- 22.16% Decrease in Lease Liability - due to amortization land lease.
- 28.48% Increase in Retirement Benefit Obligations – due to loss on remeasurement of benefits.
- 12.55% Decrease in Re-measurement Gain/(Loss) on Retirement Benefits – due to decrease in discount rate use in actuarial valuation from 7.80% to 6.65%.
- 6.29% Decrease in Cumulative deficiency of revenues over expenses – due to net income earned for the year.

2022

Results of Operations

The Club's gross revenue for the year 2022 amounted to P295.96 million, posting an increase of P226.00 million or 323.06% compared to P69.96 million in 2021 due to increase in occupancy rate. Membership dues increased by 5.67% or P1.82 million from P32.11 million in 2021 to P33.93 million in 2022 due to increase in collection from members. Food & Beverage Revenue went up by 754.05% or P21.30 million from P2.83 million in 2021 to P24.13 million in 2022 due to increase in number of guests. Villa Operations increased by P190.41 million in 2022 or 667.11% from P28.54 million in 2021 to P218.96 million in 2022 due to increase in occupancy rate. Golf Operations and Other Activities posted an increase of 192.28% or P12.47 million from P6.48 million in 2021 to P18.95 million in 2022.

Direct Cost increased by 71.25% or P92.11 million directly related to increase in villa revenues. Selling Expenses increased by 2,614.14% or P14.30 million from 2021 due to increase in marketing activities. General & Administrative Expenses increased by 18.55% or P10.31 million from P55.59 million in 2021 to P65.90 million in 2022 related to increase in occupancy of villa operations. Other Charges (net) went up by 3,928.24% or P6.94 million from P0.18 million in 2021 to P7.12 million in 2022 due to increase in online villa booking with corresponding bank charges. Income Tax Benefit for the year posted a decrease of 78.12% or P12.37 million from P15.84 million in 2021 to P3.46 million tax benefit in 2022 due to decrease in loss from operations. Gain/(Loss) on re-measurement of retirement benefits increased by 59.96% or P6.43 million due to decrease in number of employees.

The following plans are being implemented to continue generating more revenues and support the maintenance of the Club facilities:

7. Intensify collection of membership dues and encourage members who are dormant for more than 10 years to pay with discount;
8. Aggressive marketing of the Club's golf course to host golf tournaments;
9. Increase sales in golf related activities by developing programs, promotions and strategies to encourage more guests/members to play in the golf course.

Financial Condition

Cash increased by 166.78% or P96.85 million from P58.07 million in 2021 to P154.93 million in 2022 due to increase in collections of villa booking. Trade & Other receivables increased by 40.56% or P5.60 million from P13.81 million in 31 December 2021 to P19.42 million as of 31 December 2022 due to increase in receivable from travel agency. Prepayments and Other Current & Non-Current Assets decreased by 25.04% or P25.11 million from P100.28 million as of 31 December 2021 compared to P75.17 million as of 31 December 2022 due to recoupment of down payments related to construction

of Villa 8. Right-of-Use Asset increased by 188.59% or P13.99 million from P7.42 million in 2021 to P21.41 million in 2022 due to renewal and use of Welcome Center.

Trade & Other Payables increase by 16.17% or P40.67 million from P251.56 million in 2021 to P292.23 million in 2022 due to accrual of expenses and other charges payable. Lease Liability increase by 131.61% or P15.26 million from P11.59 million in 2021 to P26.85 million in 2022 due to renewal of land lease of Welcome Center. Retirement benefit obligation posted a decrease of 41.37% or P18.37 million brought by decrease in number of employees. Re-measurement gain on Retirement Benefits posted an increase of 316.49% or P17.15 million due to decrease in number of employees.

Major Changes in the Year 2022 Financial Statements

(Increase/Decrease of 5% or more versus Year 2021)

Results of Operations

- 5.67% Increase in Membership Dues – due to increase in collection of membership dues.
- 667.11% Increase in Villa Operations – mainly due to increase in occupancy rate
- 754.05% Increase in Food & Beverage – due to increase in number of guests.
- 192.28% Increase in Golf & Other Activities – due to increase in number of guests playing golf.
- 71.25% Increase in Direct Cost – directly related to increase in revenues.
- 2,614.14% Increase in Selling Expense – due to increase in online villa booking with corresponding bank charges.
- 18.55% Increase in General & Administrative Expenses – directly related to increase in occupancy of villa operations.
- 3,928.24% Increase in Other Charges(net) – related to increase in bank charges from online villa booking.
- 78.12% Decrease in Income Tax Benefit – due to decrease in loss from operations during the period.
- 59.96% Increase in Gain (Loss) Re-measurement Benefits – due to decrease in number of employees.

Financial Position

- 166.78% Increase in Cash - due to increase in collection from villa operations.
- 40.56% Increase in Trade and other receivables – due to increase in receivable from travel agency.
- 25.44% Decrease in Prepayments and Other Current & Non-Current Assets - due to recoupment of down payments to contractor and supplier.
- 188.59% Increase in Right of Use Asset - due to renewal of land lease of Welcome Center.
- 16.17% Increase in Trade & Other Payables - due to accrual of expense and other charges.
- 131.61% Increase in Lease Liability - due to renewal of land lease of Welcome Center.

- 41.37% Decrease in Retirement Benefit Obligations – due to decrease in number of employees
- 316.49% Increase in Re-measurement Gain/(Loss) on Retirement Benefits – due to decrease in number of employees.

Key Performance Indicators

The Club (which does not have any subsidiaries) identifies its key performance indicators as follows: (A) working capital; (B) current ratio; (C) quick ratio; (D) base equity; (E) debt ratio; (F) equity ratio; and, (G) earnings /(loss) ratio.

	31-December-24	31-December-23
A. WORKING CAPITAL		
Current Assets	393,405,405	414,978,763
Less: Current Liabilities	684,767,378	675,827,227
	(291,361,973)	(260,848,464)
B. CURRENT RATIO		
Current Assets	393,405,405	414,978,763
Current Liabilities	684,767,378	675,827,227
	0.57	0.61
C. QUICK RATIO		
Quick Assets (Cash + Receivables)	328,757,124	357,700,301
Current Liabilities	684,767,378	675,827,227
	0.48	0.53
D. BASE EQUITY RATIO		
Total Members' Equity	3,267,819,512	3,331,629,252
Total Liabilities and Members' Equity	4,024,231,661	4,055,017,996
	0.81	0.82
E. DEBT RATIO		
Total Liabilities	756,412,149	723,388,745
Total Assets	4,024,231,661	4,055,017,996
	0.19	0.18
F. EQUITY RATIO		
Total Members' Equity	3,267,819,512	3,331,629,252
Total Liabilities	756,412,149	723,388,745
	4.32	4.61
G. EARNINGS / (LOSS) RATIO		
Net Income / (Loss)	(63,809,740)	20,572,242
Average No. of shares outstanding	19,699	19,699
	(3,239.24)	1,044.33

Others

The Club is currently constructing an additional villa in response to the growing tourism industry in Boracay. Majority of the Club revenues were derived from its Villa operations, hence the said villa will contribute revenue to subsidize the maintenance expense of the Club's golf course and other facilities. The said villa is expected already completed and operational.

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

- a. Known trends, demands, commitments, events that would have an impact on the Company;
- b. Significant elements of income or loss that did not arise from the Company's continuing operations;
- c. Causes for any material changes from period to period in one or more line item of the Company's financial operations.
- d. Any events that will trigger direct or contingent financial obligations that is material to the Company, including any default or acceleration of an obligation.
- e. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

ITEM 7. FINANCIAL STATEMENTS

The Audited Financial Statement of the Club for the year ending 31 December 2024 is incorporated herein.

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

In compliance with SEC's circular on accreditation and reportorial requirements of external auditors of public companies, the Club has hired the services of Diaz Murillo Dalupan & Company Certified Public Accountants.

Information on Independent Accountant and Other Related Matters

Audit fees billed by Diaz Murillo Dalupan & Company Certified Public Accountants for the conduct of an audit of the club's financial statements for the year 2024, 2023 and 2022 are as follows:

	2024	2023	2022
Professional Fees	362,880.00	351,680.00	340,480.00
Other Charges	11,760.00	11,760.00	11,760.00
Total	374,640.00	363,440.00	352,240.00

Other charges refer to other expenses incurred by external auditor in the conduct of their audit such as supplies, printing & reproduction and travel expenses.

For the caption Tax Fees, the Club has not required the services of the external auditors for services such as tax accounting compliance advice, planning and any other form of tax services.

The Audit Committee has invited several accounting firm to submit proposals to be the Club's external auditor. From its short list, the committee member appoints the would-be auditor based on integrity, capabilities to complete audit in time, reliability and fees billed.

The Club has not had any disagreements on accounting and financial disclosures with its current external auditors for the same periods or any subsequent interim period.

PART III – CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

The following are the names of all Directors, who have served for the last five years up to the present, and Executive Officers of the Club:

a. Directors

Name	Age	Citizenship	Position	Years Served
Wilbur L. Chan	65	Filipino	Chairman	February 2011 to present
Ferdinand T. Santos	74	Filipino	President	March, 1996 to present
Andrew L. Tan	75	Filipino	Director	February 2011 to present
Buenaventura B. Miranda	60	Filipino	Independent Director	July 25, 2011 to present
Catherine T. Navarro	78	Filipino	Independent Director	April 2013 to present

WILBUR L. CHAN, Filipino, 65 years old, is the Chairman of the Club. He also serves as Director for Clubs and Hotels in Global-Estate Resort Inc. He is also a director in the following corporations: Fil-Estate Urban Development Corp. Southwoods Ecocentrum Corporation and Uni-Asia Properties, Inc. He has a Master's Degree in Business Management at Asian Institute of Management, a Master's Degree in National Security Administration (Silver Medalist) at National Defense College of the Philippines and a Degree in Command & General Staff Course at Command & General Staff College.

FERDINAND T. SANTOS, age 74, Filipino, is the President of the Club. He also serves as a director of Global-Estate Resorts, Inc. He is also the President of Fil-Estate Management Inc., Fil-Estate Development Inc., Newport Hills Golf Club, Inc., St. Benedict Realty & Development Inc., Royal Jade Memorial Inc., and Mt. Zion Memorial Inc. He graduated from Arellano University with Bachelor of Arts degree in 1970 and took his Bachelor of Laws at San Beda College where he graduated Valedictorian and Magna Cum Laude in 1974. He was a topnotcher in the 1974 Philippine Bar (2nd Place).

ANDREW L. TAN, age 75, Filipino, is a Director of the Club. He is also the Chairman of the Board and Chief Executive Officer of Global-Estate Resorts, Inc. ("GERI", formerly Fil-Estate Land, Inc.). Dr. Tan serves as Chairman of the Board of Alliance Global Group, Inc. ("AGI"), a publicly listed company, which has interests in the food and beverage business, real estate, tourism-entertainment and gaming, quick-service restaurant business and infrastructure development. Dr. Tan is the founder of Megaworld Corporation ("Megaworld") and has served as its Chairman since its incorporation in 1989. He was the President of Megaworld from its incorporation until June 24, 2024. He pioneered the live-work-play-learn model in real estate development through Megaworld's integrated township communities, fueling the growth of the business process outsourcing (BPO) industry. He embarked on the development of integrated tourism and leisure estates through GERI and is Chairman of Twin Lakes Corporation,

Southwoods Mall, Inc. and Oceanfront Properties, Inc. Dr. Tan is also Chairman of Megaworld's subsidiary Empire East Land Holdings, and AGI's brandy subsidiary, Emperador Inc., both subsidiaries are publicly-listed companies. He is also a director of other Megaworld subsidiaries, including Eastwood Cyber One Corporation, Megaworld Land, Inc. and Richmonde Hotel Group International Limited. Dr. Tan graduated Magna Cum Laude from the University of the East with a degree of Bachelor of Science in Business Administration. In 2011, Dr. Tan was conferred by the University of the East the Degree of Doctor of Humanities, honoris causa.

BUENAVENTURA MIRANDA, age 60, Filipino, is a member of the Board of Directors of the Club and is currently a Partner in Chavez Laureta & Asecho Law Offices. He graduated from University of the Philippines with Bachelor of Arts degree, Major in Journalism in 1985 and also took his Bachelor of Laws in the same University where he graduated in 1990.

CATHERINE T. NAVARRO, age 78, Filipino, is a member of the Board of Directors of the Club and is a licensed real estate broker. She graduated from the University of Sto. Tomas with a degree of Bachelor of Science and Commerce, Major in Banking and Finance in 1969.

b. Executive Officers

Name	Age	Citizenship	Position	Years Served
Catherine D. Marcelo	50	Filipino	General Manager/Senior Vice President/Compliance Officer	December 2018 to present
Lailani V. Villanueva	45	Filipino	Chief Financial Officer	February 2011 to present
Marie Emelyn Gertrudes C. Martinez	60	Filipino	Corporate Secretary / Corporate Information Officer	August 2019 to present
Jennie M. Magtalas	43	Filipino	Chief Accounting Officer	October 2012 to present

CATHERINE D. MARCELO, age 50, Filipino, is the General Manager & Senior Vice President of the Club. She is handling the same position for Fil-Estate Urban Development Corp. Ms. Marcelo, graduated from the University of Santo Tomas with a degree of Bachelor of Science in Psychology. She is currently taking her MBA at the Grand Canyon University in Phoenix, Arizona, USA. Prior to her current position, she held the following management positions: VP-HR & Corporate Services for Global-Estate Resorts, Inc., HR Division Head for Lufthansa Technik Philippines, Inc., Head for Compensation & Benefits Systems for ABS-CBN Broadcasting Corp., and Head for Admin & HR for Thames International Business School.

LAILANI V. VILLANUEVA, age 45, Filipino, is a Certified Public Accountant and holds the position of Chief Financial Officer of the Club since February 2011. She is currently the Chief Finance Officer and Compliance Officer of Global-Estate Resorts, Inc. (GERI). Prior to joining GERI, she was Senior Accounting Manager for Megaworld Corporation from 2007 until 2010. In 2011, she joined GERI as Comptroller. She is concurrently the Chief Financial Officer of Southwoods Ecocentrum Corporation, Director of Southwoods Mall Inc., and Megaworld Global-Estate, Inc. Ms. Villanueva graduated from the College of Immaculate Conception, Cabanatuan City with the degree of Bachelor of Science in Accountancy.

MARIE EMELYN GERTRUDES C. MARTINEZ, age 60, Filipino, is the Corporate Secretary of the Club. She is currently the Executive Vice President for Legal of Global-Estate Resorts, Inc. She is also the

Corporate Secretary of Fil-Estate Golf and Development, Inc., and Newport Hills Golf Club, Inc. Before joining GERI, she was the Chief of Staff of the Office of COMELEC Commissioner Augusto C. Lagman. She was a partner in Ponce Enrile Reyes & Manalastas (PECABAR) Law Offices and Nisce Mamuric Guinto Rivera & Alcantara Law Offices. She was admitted to the Bar in 1991 after obtaining her Bachelor of Laws degree from University of the Philippines and her Bachelor of Arts major in Economics from the same university.

JENNIE M. MAGTALAS, age 43, Filipino, is currently the Chief Accounting Officer of the Club. Ms. Magtalas graduated Cum Laude from Araullo University, Cabanatuan City with the degree of Bachelor of Science in Accountancy. Before joining the Corporation, she served as the Financial Supervisor for P3ople4u Inc., Accounting Lead in CloudSherpas (formerly Global One Solutions, Inc.) and Accounting Supervisor in Megaworld Corporation.

No members of the Board of Directors or any of its executive and significant employees are in any way related up to fourth civil degree either by consanguinity or affinity.

There is no employee who is not an executive officer who is expected by the Issuer to make a significant contribution to the business and the business is not highly dependent on the services of certain key personnel.

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated or chosen by the Issuer to become directors or executive officers.

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

- a. None of them has been involved in any bankruptcy petition.
- b. None of them has been convicted by final judgment in a criminal proceeding or being subject to a pending criminal proceeding both domestic and foreign.
- c. None of them has been subject to any order, judgment or decree of any court of competent jurisdiction (domestic or foreign) permanently or temporarily, enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities.
- d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the commission or comparable foreign body or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

ITEM 10. EXECUTIVE COMPENSATION

1. Directors are not compensated.

Name and Principal Position	Annual Salary			Other Annual Benefit	
	Estimates for 2025	2024	2023	Bonus	Others
<i>Wilbur L. Chan</i> Chairman	NIL	NIL	NIL	NIL	NIL
Ferdinand T. Santos President	NIL	NIL	NIL	NIL	NIL

Andrew L. Tan Board Member	NIL	NIL	NIL	NIL	NIL
Catherine T. Navarro Independent Director	NIL	NIL	NIL	NIL	NIL
Buenaventura Miranda Independent Director	NIL	NIL	NIL	NIL	NIL

2. The Executive Officers receive the following compensation

KEY EXECUTIVE OFFICERS

NAME	YEAR	SALARY	BONUS	OTHER ANNUAL COMPENSATION	TOTAL
A. 5 Most Highly Compensated Officers					
Catherine D. Marcelo	2025 estimate	13.82M	-	1.71M	15.53M
Jennie Magtalas					
Jiddah Marie Fontanilla					
Myron Ray Evasco					
Val Xavier Vinas					
B. All other officers and directors as a group unnamed	2025 estimate	12.02M	-	1.33M	13.35M

NAME	YEAR	SALARY	BONUS	OTHER ANNUAL COMPENSATION	TOTAL
A. 5 Most Highly Compensated Officers					
Catherine D. Marcelo	2024	13.16M	-	1.63M	14.79M
Jennie Magtalas					
Jiddah Marie Fontanilla					
Myron Ray Evasco					
Val Xavier Vinas					
B. All other officers and directors as a group unnamed	2024	11.45M	-	1.26M	12.71M

NAME	YEAR	SALARY	BONUS	OTHER ANNUAL COMPENSATION	TOTAL
A. 5 Most Highly Compensated Officers					
Catherine D. Marcelo	2023	11.4M	-	0.86M	12.26M
Val Xavier Viñas					

Lurilene Ramirez					
Ferdinand Eya					
Joanna Rodriguez					
B. All other officers and directors as a group unnamed	2023	2.M	-	0.64M	2.64M

3. Compensation of Directors

Standard Arrangements. There are no standard arrangements, pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as a director, including any additional amounts payable for committee participation or special assignments, for the last completed fiscal year and the ensuing year.

Other Arrangements. There are likewise no any other arrangements, including consulting contracts, pursuant to which any director of the Club was compensated, or is to be compensated, directly or indirectly, during the Club's last completed fiscal year, and the ensuing year, for any service provided as a director.

4. Compensation of Officers

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

5. Warrants and Options Outstanding:

The Club has not issued any warrants and there are no outstanding warrants or options held by the Club's CEO, the named executive officers, and all officers and directors as a group.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

1. Security Ownership of Certain Record and Beneficial Owners as of 31 December 2024

Title of Class	Name & Address of Record Owner & Relationship with Issuer	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	No of Shares Held	Percent of Class
Common	Global-Estate Resorts, Inc. (formerly Fil-Estate Land, Inc.) 9 th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City	Global-Estate Resorts, Inc. (formerly Fil-Estate Land, Inc.) 9 th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City	Domestic Corporation	7,269	36.90%
Common	Global-Estate Properties, Inc. (formerly known as Fil-Estate Properties, Inc.) 9 th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City	Global-Estate Properties, Inc. (formerly known as Fil-Estate Properties, Inc.) 9 th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City	Domestic Corporation	10,023	50.88%

Other than Global-Estate Resorts, Inc. and Global-Estate Properties, Inc., the Club has no knowledge of any other shareholder who has, directly or indirectly, ownership of more than 5% of any total outstanding class of shares of the Club. Shares of Global-Estate Resorts, Inc. (GERI) are owned beneficially by Megaworld Corporation, who owns GERI to the extent of 82.31% of the issued and outstanding capital of GERI. The person entitled to vote on the GERI shares is the Chairman and President of Megaworld Corporation, Dr. Andrew L. Tan.

2. Security Ownership of Management (as of 31 December 2024)

Title of Class	Name, address of Record owner and relationship with issuer	Citizenship	No. of Shares Held	Percent of Class
A3 Founder's Share	Wilbur L. Chan c/o 7th Floor, Renaissance Towers, Meralco Avenue, Pasig City	Filipino	1	Less than 1%
A3 Founder's Share	Ferdinand T. Santos c/o 7th Floor, Renaissance Towers, Meralco Avenue, Pasig City	Filipino	1	Less than 1%
A3 Founder's Share	Andrew L. Tan c/o 20 th Floor, Alliance Global Tower, 36 th Street cor. 11 th Avenue, Uptown Bonifacio, Taguig City	Filipino	1	Less than 1%
A3 Founder's Share	Buenaventura Miranda c/o 7th Floor, Renaissance Towers, Meralco Avenue, Pasig City	Filipino	1	Less than 1%
A2	Catherine T. Navarro c/o Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City	Filipino	1	Less than 1%

3. Voting Trust Holders of 5% or More

There is no person holding more than 5% of a class under a voting trust or similar agreement.

4. Changes in Control

There has been no change in control of the Club since the beginning of its last fiscal year. Neither is the Club aware of any arrangement which may result in a change in control thereof.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The developer of the Club is Global-Estate Properties, Inc. ("**GEPI**" or *formerly known as Global-Estate Properties, Inc.*). GEPI was incorporated on 13 February 1990, to pursue real estate project development opportunities. It became a wholly-owned subsidiary of Global-Estate Resorts, Inc. ("**GERI**" or *formerly Fil-Estate Land, Inc.*) in May of 1994 and is engaged in horizontal and vertical residential as well as commercial property developments. GEPI acts as owner and developer of Fairways & Bluewater Resort Golf & Country Club.

The operation of the Club has been supported by advances from GEPI and GERI.

PART IV – CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

The Club has substantially complied with SEC M.C. No.2 s.2002, as well as all relevant Circulars on Corporate Governance. In fact all Club personnel, be they director, officer or ordinary employee, make a daily effort to live out the leading practices and principles on good corporate governance as embodied in the Club's Manual.

The Club has also adopted the performance self-rating assessment and performance evaluation system provided by the guidelines contained in SEC Memorandum Circular No. 5.

The Board has no immediate plans to adopt new policies for corporate governance.

The Club will continue to update its directors and officers with new rules, regulations and circulars of the Securities and Exchange Commission relating to good corporate governance practices to continuously improve on the governance of the Club.

PART V – EXHIBITS AND SCHEDULES

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

A. Exhibits

The 2024 Audited Financial Statements is the only Exhibit incorporated by reference in this report.

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

B. Reports on SEC FORM 17-C

No reports on SEC Form 17-C were filed during the last six-month period covered by this report.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this Report is signed on behalf of the Issuer by the undersigned, thereunto duly authorized, in the City of QUEZON CITY

03 APR 2025

By:


WILBUR L. CHAN

Chairman of the Board


FERDINAND T. SANTOS

President


CATHERINE D. MARCELO

General Manager/SVP


LAILANI V. VILLANUEVA

Principal Financial Officer


JENNIE M. MAGTALAS

Principal Accounting Officer


MARIE EMELYN GERTRUDES C. MARTINEZ

Corporate Secretary


SUBSCRIBED AND SWORN TO before me on this 03 APR 2025, Affiants exhibited to me their identification as follows:

Names

Valid IDs

WILBUR L. CHAN	TIN 113-858-316
FERDINAND T. SANTOS	TIN 106-807-161
CATHERINE D. MARCELO	TIN 199-160-885
LAILANI V. VILLANUEVA	SSS No. 0219851655
JENNIE M. MAGTALAS	SSS No. 0221265349
MARIE EMELYN GERTRUDES C. MARTINEZ	SSS No. 3332194869

Doc. No. 43
Page No. 14
Book No. 741
Series of 2025.


Atty. Richard Leo M. Baldueza

Notary Public for Quezon City

(NP-230 / 2024-2025)

Until December 31, 2025

Roll No. 53953

PTR No. 5052411 / 01/02/2025 - Plaridel Bulacan

MCLC Compliance No. VII - 0007663 / 11/04/2021

IBP Lifetime No. 7203 (01-17-08)

Jennie Magtalas

From: eafs@bir.gov.ph
Sent: Monday, April 7, 2025 3:04 PM
To: JMAGTALAS@FAIRWAYSANDBLUEWATER.COM
Cc: JMAGTALAS@FAIRWAYSANDBLUEWATER.COM
Subject: Your BIR AFS eSubmission uploads were received

Hi FAIRWAYS & BLUEWATER RESORT GOLF AND COUNTRY CLUB, INC.,

Valid files

- EAFS004985286TCRTY122024-02.pdf
- EAFS004985286ITRTY122024.pdf
- EAFS004985286AFSTY122024.pdf
- EAFS004985286OTHTY122024.pdf
- EAFS004985286TCRTY122024-03.pdf
- EAFS004985286RPTTY122024.pdf
- EAFS004985286TCRTY122024-01.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-44ZYY4Z203W4PVWZ4P1WTN4QW0DCFEB9A**
Submission Date/Time: **Apr 07, 2025 03:03 PM**
Company TIN: **004-985-286**

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

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

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

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

TIN	: 004-985-286-000
Name	: FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, I
RDO	: 126
Form Type	: 1702
Reference No.	: 462500065055308
Amount Payable (Over Remittance)	: -4,055,037.00
Accounting Type	: C - Calendar
For Tax Period	: 12/31/2024
Date Filed	: 04/04/2025
Tax Type	: IT

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Reference No : 462500065055308
Date Filed : April 04, 2025 06:59 AM
Batch Number : 0







Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

For BIR Use Only: BCS/ Item:

BIR Form No. 1702-RT January 2018(ENCS) Page 1		Annual Income Tax Return For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate <i>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.</i>			 1702-RT 01/18ENCS P1	
1 For <input type="checkbox"/> Calendar <input type="checkbox"/> Fiscal 2 Year Ended (MM/YYYY) 12/2024		3 Amended Return? <input type="checkbox"/> Yes <input type="checkbox"/> No 4 Short Period Return? <input type="checkbox"/> Yes <input type="checkbox"/> No		5 Alphanumeric Tax Code (ATC) IC055 <input type="checkbox"/> Minimum Corporate Income Tax (MCIT) <input type="checkbox"/>		
Part I - Background Information						
6 Taxpayer Identification Number (TIN) 004 - 985 - 286 - 000		7 RDO Code 126				
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, I						
9A Registered Address (indicate complete registered address) 2F RENAISSANCE CENTER MERALCO UGONG CITY OF PASIG						
9B Zipcode 1504						
10 Date of Incorporation/Organization (MM/DD/YYYY)				03/26/1996		
11 Contact Number 9100883			12 Email Address jmagistas@fairwaysandbluewater.com			
13 Method of Deductions <input type="checkbox"/> Itemized Deductions [Section 34 (A-J), NIRC] <input type="checkbox"/> Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended by RA No. 9504]						
Part II - Total Tax Payable (Do NOT enter Centavos)						
14 Total Income Tax Due (Overpayment) (From Part IV Item 43)				1,456,858		
15 Less: Total Tax Credits/Payments (From Part IV Item 55)				5,511,695		
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15) (From Part IV Item 56)				(4,055,037)		
Add Penalties						
17 Surcharge				0		
18 Interest				0		
19 Compromise				0		
20 Total Penalties (Sum of Items 17 to 19)				0		
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)				(4,055,037)		
If Overpayment, mark "X" one box only (Once the choice is made, the same is irrevocable)						
To be refunded <input type="checkbox"/> To be issued a Tax Credit Certificate (TCC) <input type="checkbox"/> To be carried over as tax credit next year/quarter <input type="checkbox"/>						
We declare under the penalties of perjury, that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If Authorized Representative, attach authorization letter and indelible TIN)						
Signature over printed name of President/Principal Officer/Authorized Representative				Signature over printed name of Treasurer/Assistant Treasurer		
Title of Signatory PRESIDENT		TIN 221996849		Title of Signatory TREASURER		
				TIN 221996849		
Part III - Details of Payment						
Particulars		Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount	
23 Cash/Bank Debit Memo					0	
24 Check					0	
25 Tax Debit Memo					0	
26 Others (Specify Below)					0	
Machine Validation/Revenue Official Receipts Details (if not filed with an Authorized Agent Bank)						
Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)						

BIR Form No. 1702-RT January 2018(ENCS) Page 2	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P2
Taxpayer Identification Number (TIN) 004 - 985 - 288 - 000		Registered Name FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, I
Part IV - Computation of Tax (Do NOT enter Centavos)		
27 Sales/Receipts/Revenues/Fees		542,108,305
28 Less: Sales Returns, Allowances and Discounts		0
29 Net Sales/Receipts/Revenues/Fees (Item 27 Less Item 28)		542,108,305
30 Less: Cost of Sales/Services		469,275,396
31 Gross Income from Operation (Item 29 Less Item 30)		72,832,909
32 Add: Other Taxable Income Not Subjected to Final Tax		0
33 Total Taxable Income (Sum of Items 31 and 32)		72,832,909
Less: Deductions Allowable under Existing Law		
34 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		158,878,976
35 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)		0
36 NOLCO (only for those taxable under Sec. 27(A to C), Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)		0
37 Total Deductions (Sum of Items 34 to 36)		158,878,976
OR (in case taxable under Sec 27(A) & 28(A)(1))		
38 Optional Standard Deduction (40% of Item 33)		0
39 Net Taxable Income(Loss) (If itemized: item 33 Less item 37; If OSD: item 33 Less item 38)		(86,046,067)
40 Applicable Income Tax Rate		25 %
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) (Item 39 x Item 40)		0
42 MCIT Due (2% of Item 33)		1,456,658
43 Tax Due (Normal Income Tax Due in item 41 OR the MCIT Due in item 42, whichever is higher) (To Part II Item 14)		1,456,658
Less: Tax Credits/Payments (attach proof)		
44 Prior Year's Excess Credits Other Than MCIT		2,255,606
45 Income Tax Payment under MCIT from Previous Quarter/s		0
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		0
47 Excess MCIT Applied this Current Taxable Year (From Part VI Schedule IV Item 4)		0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		2,365,276
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		890,613
50 Foreign Tax Credits, if applicable		0
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0
52 Special Tax Credits (To Part V Item 58)		0
Other Credits/Payments (Specify)		
53		0
54		0
55 Total Tax Credits/Payments (Sum of Items 44 to 54) (To Part II Item 15)		5,511,695
56 Net Tax Payable / (Overpayment) (Item 43 Less Item 55) (To Part II Item 16)		(4,055,037)
Part V - Tax Relief Availment		
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0
58 Add: Special Tax Credits (From Part IV Item 52)		0
59 Total Tax Relief Availment (Sum of Items 57 and 58)		0

BIR Form No. 1702-RT January 2018(ENC5) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENC5 P3
Taxpayer Identification Number (TIN) 004 - 986 - 286 - 000		Registered Name FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, I
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
1 Amortizations		0
2 Bad Debts		0
3 Charitable Contributions		0
4 Depletion		0
5 Depreciation		3,021,815
6 Entertainment, Amusement and Recreation		1,151,199
7 Fringe Benefits		0
8 Interest		0
9 Losses		0
10 Pension Trust		0
11 Rental		6,594,226
12 Research and Development		0
13 Salaries, Wages and Allowances		50,357,722
14 SSS, GSIS, Philhealth, HDMF and Other Contributions		3,215,034
15 Taxes and Licenses		1,103,506
16 Transportation and Travel		1,586,827
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet(s), if necessary)		
a Janitorial and Messengerial Services		194,927
b Professional Fees		3,650,272
c Security Services		1,857,850
d GAS AND OIL		6,745,822
e SUPPLIES		11,985,954
f REPAIRS AND MAINTENANCE		101,044
g LIGHT AND WATER		663,899
h ADVERTISING AND PROMOTIONS		40,795,190
i OTHERS		25,643,579
		
i.1 COMMUNICATION		324,988
i.2 LAUNDRY		33,708
i.3 FEES AND DUES		2,168,282
i.4 FREIGHT AND DELIVERY		2,854,882
i.5 MISCELLANEOUS		6,336,240
i.6 BANK AND CREDIT CARD CHARGES		13,162,316
i.7 RETIREMENT EXPENSE		763,155
18 Total Ordinary Allowable Itemized Deductions (Sum of items 1 to 17) (To Part IV Item 34)		158,578,976
Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
Description	Legal Basis	Amount
1		0
2		0
3		0
4		0
		
5 Total Special Allowable Itemized Deductions (Sum of items 1 to 4) (To Part IV Item 35)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 4		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate		 1702-RT 01/18ENCS P4	
Taxpayer Identification Number (TIN) 004 - 985 - 286 - 000			Registered Name FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, I		

Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)	
1 Gross Income (From Part IV Item 33)	72,832,909
2 Less: Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)	158,878,976
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule III(A), Item 7A)	(86,046,067)

Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)	
Net Operating Loss	
Year Incurred	A) Amount
4 2024	86,046,067
5 2022	4,054,486
6 2021	97,431,141
7	0

B) NOLCO Applied Previous Year	
4 2024	0
5 2022	0
6 2021	0
7	0

Continuation of Schedule IIIA (Item numbers continue from table above)

C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) (E = A Less (B + C + D))
4 0	0	86,046,067
5 0	0	4,054,486
6 0	0	97,431,141
7 0	0	0
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV, Item 3d)	0	

Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)			
Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2022	0	762,614	762,614
2 2023	0	2,602,388	2,602,388
3	0	0	0

Continuation of Schedule IV (Item numbers continue from table above)

D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s (G = C Less (D + E + F))
1 0	0	0	762,614
2 0	0	0	2,602,388
3 0	0	0	0
Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV Item 4F)		0	

Schedule V - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheet/s, if necessary)	
1 Net Income(Loss) per books	(72,194,411)
Add: Non-deductible Expenses/Taxable Other Income	
2 DEFERRED REVENUE - ADDITIONS	44,987,854
3 OTHERS	45,975,230
⊕	
3.1 EXPENSE ALLOCATED TO TAX EXEMPT INCOME	32,138,356
3.2 NON DEDUCTIBLE DEPRECIATION EXPENSE (ROU)	7,462,876
3.3 RETIREMENT EXPENSE	4,633,090
3.4 NON DEDUCTIBLE INTEREST EXPENSE	1,739,998
4 Total (Sum of Items 1 to 3)	16,766,473
Less: A) Non-Taxable Income and Income Subjected to Final Tax	
5 INTEREST INCOME	11,220,197
6 NON TAXABLE MEMBERSHIP DUES	29,493,133
⊖	
B) Special Deductions	
7 RETIREMENTS BENEFITS PAID	763,185
8 OTHERS	63,338,046
⊖	
9.1 PREVIOUS YEAR DEFERRED REVENUE REALIZED IN 2024	53,572,578
9.2 RENTAL PAYMENT FOR LONG TERM LEASES IN 2024	9,765,467
9 Total (Sum of Items 5 to 8)	104,814,540
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)	(86,046,067)

For BIR BCS-
Use Only Item:Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

BIR Form No.

1702-RTJanuary 2018(ENCS)
Page 1**Annual Income Tax Return**Corporation, Partnership and Other Non-Individual
Taxpayer Subject Only to REGULAR Income Tax RateEnter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X".
Two copies MUST be filled with the BIR and one held by the taxpayers.

1702-RT 01/18ENCS P1

1 For ☒ Calendar ☐ Fiscal

2 Year Ended (MM/DD/YY)

12 - December 20 24

3 Amended Return?

☐ Yes ☒ No

4 Short Period Return

☐ Yes ☒ No

5 Alphabetic Tax Code (ATC)

IC 055-Minimum Corporate Income Tax (MCIT) ☒IC010 - CORPORATION IN GENERAL - JAN 1, 2009 ☐**Part I - Background Information**

6 Tax Identification Number (TIN)

004 - 985 - 286 - 00000

7 RDO Code

128

8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS)

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.

9 Registered Address (Indicate complete address. If the registered address is different from the current address, go in the RDO to update registered address by using BIR Form No. 1905)

5TH FLOOR RENAISSANCE TOWER MERALCO AVE. ORTIGAS PASIG CITY

9A ZIP Code 1634

10 Date of Incorporation/Organization (MM/DD/YYYY)

03/26/1996

11 Contact Number 87065668

12 Email Address JMAGTALAS@FAIRWAYSANDBLUEWATER.COM

13 Method of Deductions

☒ Itemized Deductions [Section 34 (A-J), NIRC]☐ Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended]**Part II - Total Tax Payable**

(Do NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

14 Tax Due

1,456,658

15 Less: Total Tax Credits/Payments

5,511,695

16 Net Tax Payable (Overpayment) (Item 14 Less Item 15)

(4,055,037)

Add: Penalties

17 Surcharge

0

18 Interest

0

19 Compromise

0

20 Total Penalties (Sum of Items 17 to 19)

0

21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Items 16 and 20)

(4,055,037)

If Overpayment, mark one (1) box only (Once the choice is made, the same is irrevocable)

☐ To be refunded☐ To be issued a Tax Credit Certificate (TCC)☒ To be carried over as a tax credit for next year/quarter

We declare under the penalties of perjury that the return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)

ATTY. FERDINAND T. SANTOS

MS. LAILANI V. VILLANUEVA

22 Number of Attachments

000

Signature over Printed Name of President/Principal Officer/Authorized Representative

Signature over Printed Name of Treasurer/Assistant Treasurer

Title of Signatory PRESIDENT

TIN 106807161

Title of Signatory TREASURER


TIN 221996849


Part III - Details of Payment


Particulars	Drawee Bank/ Agency	Number	Date (MM/DD/YYYY)	Amount
23 Cash/Bank Debit Memo				0
24 Check				0
25 Tax Debit Memo				0
26 Others (Specify Below)				0

Machine Validation/Revenue Official Receipt Details (if not filed with an Authorized Agent Bank(AAB))

Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)

BIR Form No. 1702-RT January 2018(ENCS) Page 2	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P2
Taxpayer Identification Number(TIN) 004 985 286 00000		Registered Name FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.
Part IV - Computation of Tax <small>(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)</small>		
27 Sales/Revenues/Receipts/Fees		542,108,305
28 Less: Sales Returns, Allowances and Discounts		0
29 Net Sales/Revenues/Receipts/Fees (Item 27 Less Item 28)		542,108,305
30 Less: Cost of Sales/Services		469,275,396
31 Gross Income from Operation (Item 29 less Item 30)		72,832,909
32 Add: Other Taxable Income Not Subjected to Final tax		0
33 Total Taxable Income (Sum of Items 31 and 32)		72,832,909
Less: Deductions Allowable under Existing Law		
34 Ordinary Allowable Itemized Deductions		158,878,976
35 Special Allowable Itemized Deductions		0
36 NOLCO (Only for those taxable under Sec. 27(A to C), Sec. 28(A)(1)(A)(6)(b) of Tax Code, as amended)		0
37 Total Deductions (Sum of Items 34 to 36)		158,878,976
OR [in case taxable under Sec 27(A) & 28(A)(1)]		
38 Optional Standard Deduction (OSD) (40% of Item 33)		0
39 Net Taxable Income/(Loss) <u>If itemized:</u> Item 33 Less Item 37; <u>If OSD:</u> Item 33 Less Item 38		(86,046,067)
40 Applicable Income Tax Rate		25 %
41 Income Tax Due other than Minimum Corporate Income Tax(MCIT) (Item 39 x Item 40)		0
42 MCIT Due (2% of Item 33)		1,456,658
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher)		1,456,658
Less: Tax Credits/Payments(attach proof)		
44 Prior Year's Excess Credits Other Than MCIT		2,255,606
45 Income Tax Payment under MCIT from Previous Quarter/s		0
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		0
47 Excess MCIT Applied this Current Taxable Year		0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		2,365,276
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		890,813
50 Foreign Tax Credits, if applicable		0
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0
52 Special Tax Credits		0
Other Credits/Payments (Specify)		
53		0
54		0
55 Total Tax Credits/Payments (Sum of Items 44 to 54)		5,511,695
56 Net Tax Payable (Overpayment) (Item 43 Less Item 55)		(4,055,037)
Part V - Tax Relief Availment		
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0
58 Add: Special Tax Credits		0
59 Total Tax Relief Availment (Sum of Items 57 & 58)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P3
Taxpayer Identification Number(TIN) 004 985 286 00000		Registered Name FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.
Part VI - Schedules (DO NOT enter Centavos; 49 Centavos or Less drop down; 90 or more round up)		
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheets if necessary)		
1 Amortization		0
2 Bad Debts		0
3 Charitable and Other Contributions		0
4 Depletion		0
5 Depreciation		3,021,815
6 Entertainment, Amusement and Recreation		1,161,199
7 Fringe Benefits		0
8 Interest		0
9 Losses		0
10 Pension Trusts		0
11 Rental		6,594,226
12 Research and Development		0
13 Salaries, Wages and Allowances		50,357,722
14 SSS, GSIS, Philhealth, HDMF and Other Contributions		3,215,034
15 Taxes and Licenses		1,103,506
16 Transportation and Travel		1,586,827
17 Others(Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet/s, if necessary)		
a Janitorial and Messengerial Services		194,927
b Professional Fees		3,850,272
c Security Services		1,857,850
d GAS AND OIL		6,745,922
e SUPPLIES		11,985,964
f REPAIRS AND MAINTENANCE		101,044
g LIGHT AND WATER		663,899
h ADS AND PROMO		40,795,190
i OTHERS		25,643,579
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17i)		158,878,976
Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
Description	Legal Basis	Amount
1		0
2		0
3		0
4		0
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 4	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P4	
Taxpayer Identification Number(TIN) 004 985 286 00000		Registered Name FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.	
Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)			
1 Gross Income		72,832,909	
2 Less: Ordinary Allowable Itemized Deductions		158,878,976	
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)		(86,046,067)	
Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)			
Year Incurred	Net Operating Loss A) Amount	B) NOLCO Applied Previous Year/s	
4 2024	86,046,067	0	
5 2022	4,054,486	0	
6 2021	97,431,141	0	
7	0	0	
Continuation of Schedule IIIA (Item numbers continue from table above)			
C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) [E = A Less (B + C + D)]	
4 0	0	86,046,067	
5 0	0	4,054,486	
6 0	0	97,431,141	
7 0	0	0	
8 Total NOLCO (Sum of Items 4D to 7D)	0		
Schedule IV - Computation of Minimum corporate Income Tax(MCIT)			
Year	A) Normal Income Tax as Adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2022	0	762,614	762,614
2 2023	0	2,602,388	2,602,388
3	0	0	0
Continuation of Schedule IV (Item numbers continue from table above)			
D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1 0	0	0	762,614
2 0	0	0	2,602,388
3 0	0	0	0
4 Total Excess MCIT Applied (Sum of Items 1F to 3F)		0	
Schedule V - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheet/s, if necessary)			
1 Net Income/(Loss) per Books		(72,194,411)	
Add: Non-deductible Expenses/Taxable Other Income			
2 DEFERRED REVENUE ADDITIONS		44,987,654	
3 OTHERS		45,975,230	
4 Total (Sum of Items 1 to 3)		18,768,473	
Less: A) Non-Taxable Income and Income Subjected to Final Tax			
5 INTEREST INCOME SUBJECT TO FINAL TAX		11,220,197	
6 MEMBERSHIP DUES NON TAXABLE		29,493,133	
B) Special Deductions			
7 RETIREMENT BENEFITS PAID		763,165	
8 OTHERS		63,338,045	
9 Total (Sum of Items 5 to 8)		104,814,540	
10 Net taxable Income (Loss) (Item 4 Less Item 9)		(86,046,067)	

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	S	0	9	6	0	0	3	4	1	8
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COMPANY NAME

F	A	I	R	W	A	Y	S		&		B	L	U	E	W	A	T	E	R		R	E	S	O	R	T			
G	O	L	F								C	O	U	N	T	R	Y		C	L	U	B	.		I	N	C	.	

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

B	A	R	A	N	G	A	Y		B	A	L	A	B	A	G	.		N	E	W		C	O	A	S	T	.		
I	S	L	A	N	D		O	F		B	O	R	A	C	A	Y	.												
M	U	N	I	C	I	P	A	L	I	T	Y		O	F		A	K	L	A	N									
P	R	O	V	I	N	C	E		O	F		A	K	L	A	N													

Form Type

F	S	2	4
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Department requiring the report

C	R	M	D
---	---	---	---

Secondary License Type, if Applicable

N	A
---	---

COMPANY INFORMATION

Company's email Address

NA

Company's Telephone Number

637-3521

Mobile Number

NA

No. of Stockholders

21

Annual Meeting (Month/Day)

3RD WEDNESDAY OF JULY

Fiscal Year (Month/Day)

December 31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

JENNIE MAGTALAS

Email Address

magtalas@fairwaysandbluewater.com

Telephone Number/s

637-3521

Mobile Number

NA

CONTACT PERSON'S ADDRESS

5th Floor Renaissance Tower 1000, Meralco Ave. Ortigas Pasig City

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

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

***Fairways & Bluewater Resort Golf
& Country Club, Inc.***

*Financial Statements
December 31, 2024 and 2023
and Years Ended December 31, 2024,
2023 and 2022*

and

Independent Auditors' Report



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of **Fairways & Bluewater Resort Golf & Country Club, Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as at and for the years ended December 31, 2024 and 2023, 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 Company'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.


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

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

DIAZ MURILLO DALUPAN AND COMPANY, the independent auditor, appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


Mr. WILBUR L. CHAN
Chairman of the Board


Atty. FERDINAND T. SANTOS
President


Ms. LAILANI V. VILLANUEVA
Treasurer

Signed this 03 APR 2025 of 2025

SUBSCRIBED AND SWORN to before me, this 03 APR 2025 day of 2025 in the City of Pasig, affiants exhibiting before me the following:

Name
Wilbur L. Chan
Ferdinand T. Santos
Lailani V. Villanueva

Doc. No.: 62
Page No.: 14
Book No.: 71
Series of 2025

CEI/No.

Place/Date of Issue


Atty. Richard Leo M. Baldueza

Notary Public for Quezon City

(NP-230 / 2024-2025)

Until December 31, 2025

Roll No. 53953

PIR No. 5052411 / 01/02/2025 - Plaridel Bolacan

MCLE Compliance No. VII - 0007663 / 11/04/2021

IBP Lifetime No. 7203 (01-17-08)

Independent Auditors' Report

The Board of Directors and Members
FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.
(A Nonprofit and Stock Corporation)
Barangay Balabag, New Coast
Island of Boracay, Municipality of Malay
Province of Aklan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Fairways & Bluewater Resort Golf & Country Club, Inc., (A Nonprofit and Stock Corporation) (the Club)** which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in members' equity and statements of cash flows for each of the three years ended December 31, 2024, 2023 and 2022, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Fairways & Bluewater Resort Golf & Country Club, Inc.** as at December 31, 2024 and 2023, and its financial performance and its cash flows for each of the three years ended December 31, 2024, 2023 and 2022, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

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

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

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

Global Reach, Global Quality

Head Office : 7th Floor, Don Jacinto Building, De la Rosa corner Salcedo Sts., Legaspi Village, Makati City 1229 Philippines • Phone: +63(2) 8894 5892 / 8844 9421 / Fax: +63(2) 8818 1872
Cebu Office : Unit 504 Cebu Holdings Building, Cebu Business Park, Mabolo, Cebu City 6000 Philippines • Phone: +63(32) 415 8108 - 10 / Fax: +63(32) 232 8029
Davao Office : 3rd Floor Building B Plaza De Luisa, Ramon Magsaysay Avenue, Davao City 8000 Philippines • Phone/Fax: +63(82) 222 6636
Palawan Office : 2F MRC Building, Pineda Road, Brgy. San Pedro, Puerto Princesa City, Palawan 5300 Philippines • Phone: +63(48) 716 1580
Website : www.dmdcpa.com.ph

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

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

Auditors' 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 auditors' 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.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Report on supplementary information required under Revenue Regulations 15-2010

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

Diaz Murillo Dalupan and Company

Tax Identification No. 003-294-822

BOA/PRC No. 0234, effective until June 23, 2026

BIR Accreditation No. 08-001911-000-2025, effective until March 11, 2028



Alexes B. Abella

Partner

CPA Certificate No. 96749

Tax Identification No. 201-766-994

PTR No. 10478582, January 9, 2025, Makati City

BIR Accreditation No. 08-001911-004-2025, effective until March 11, 2028

April 3, 2025

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.*(A Nonprofit and Stock Corporation)***Statements of Financial Position**

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents - note 6	P296,835,222	P334,066,497
Trade and other receivables (net) - note 7	31,921,902	23,633,804
Prepayments and other current assets - note 8	64,648,281	57,278,462
	393,405,405	414,978,763
Noncurrent Assets		
Property and equipment (net) - note 9	3,504,609,481	3,546,815,456
Right-of-use assets (net) - note 13	23,471,224	16,250,651
Deferred tax assets - note 21	102,185,502	76,413,077
Security deposit - note 13	560,049	560,049
	3,630,826,256	3,640,039,233
TOTAL ASSETS	P4,024,231,661	P4,055,017,996
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Trade and other payables - note 10	P442,539,380	P415,108,105
Advances from related parties - note 11	185,188,212	192,805,324
Contract liabilities - note 12	47,867,702	61,118,359
Lease liabilities - current portion - note 13	9,172,084	6,795,439
	684,767,378	675,827,227
Noncurrent Liabilities		
Retirement benefits obligation - note 20	53,256,143	33,454,223
Lease liabilities - noncurrent portion - note 13	18,388,628	14,107,294
	71,644,771	47,561,517
	756,412,149	723,388,744
Members' Equity - note 14		
Proprietary membership	1,969,900	1,969,900
Additional paid-in capital	3,658,718,136	3,658,718,136
Remeasurement gain on retirement benefits - note 20	7,792,698	19,741,019
Cumulative deficiency of revenues over expenses	(400,661,222)	(348,799,803)
	3,267,819,512	3,331,629,252
TOTAL LIABILITIES AND MEMBERS' EQUITY	P4,024,231,661	P4,055,017,996

(The accompanying notes are an integral part of these financial statements.)

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.*(A Nonprofit and Stock Corporation)***Statements of Comprehensive Income**

	Years Ended December 31		
	2024	2023	2022
REVENUES - note 15			
Membership dues	P29,493,133	P34,812,272	P33,928,087
Villa operations	484,338,399	486,299,989	242,210,532
Food and beverage	10,453,627	3,221,081	871,894
Golf operations and other activities	55,901,202	45,838,989	18,950,514
	580,186,361	570,172,331	295,961,027
EXPENSES			
Direct costs - note 16	502,892,773	402,434,520	221,394,114
Operating expenses			
Selling - note 17	40,977,811	38,164,670	14,851,039
General and administrative - note 18	104,828,072	88,542,675	65,899,333
	648,698,656	529,141,865	302,144,486
INCOME (LOSS) FROM OPERATIONS	(68,512,295)	41,030,466	(6,183,459)
OTHER CHARGES (NET) - note 19	3,682,116	10,209,193	7,117,332
INCOME (LOSS) BEFORE INCOME TAX	(72,194,411)	30,821,273	(13,300,791)
INCOME TAX EXPENSE (BENEFIT) - note 21	(20,332,992)	7,416,947	(3,464,298)
NET INCOME (LOSS)	(51,861,419)	23,404,326	(9,836,493)
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Not to be reclassified to profit or loss in subsequent periods</i>			
Gain (loss) on remeasurement of retirement benefits (net) - note 20	(11,948,321)	(2,832,084)	17,153,232
TOTAL COMPREHENSIVE INCOME (LOSS)	(P63,809,740)	P20,572,242	P7,316,739

(The accompanying notes are an integral part of these financial statements.)

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.

(A Nonprofit and Stock Corporation)

Statements of Changes in Members' Equity

For the Years Ended December 31, 2024, 2023 and 2022

	Proprietary membership - note 15	Additional paid-in capital - note 15	Remeasurement gain (loss) on retirement benefits - note 21	Cumulative deficiency of revenues over expenses	Total
Balance, January 1, 2022	P1,969,900	P3,658,718,136	P5,419,871	(P362,367,636)	P3,303,740,271
Total comprehensive income					
Net loss for the year	-	-	-	(9,836,493)	(9,836,493)
Other comprehensive income	-	-	17,153,232	-	17,153,232
Balance, December 31, 2022	1,969,900	3,658,718,136	22,573,103	(372,204,129)	3,311,057,010
Total comprehensive income					
Net income for the year	-	-	-	23,404,326	23,404,326
Other comprehensive loss	-	-	(2,832,084)	-	(2,832,084)
Balance, December 31, 2023	1,969,900	3,658,718,136	19,741,019	(348,799,803)	3,331,629,252
Total comprehensive income					
Net loss for the year	-	-	-	(51,861,419)	(51,861,419)
Other comprehensive loss	-	-	(11,948,321)	-	(11,948,321)
Balance, December 31, 2024	P1,969,900	P3,658,718,136	P7,792,698	(P400,661,222)	P3,267,819,512

(The accompanying notes are an integral part of these financial statements.)

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.*(A Nonprofit and Stock Corporation)***Statements of Cash Flows**

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(P72,194,411)	P30,821,273	(P13,300,791)
Adjustments for:			
Depreciation and amortization - notes 9 and 13	64,648,214	105,894,561	75,205,283
Retirement benefits expense - note 20	4,633,990	4,013,128	7,126,555
Interest expense - note 13	1,739,998	1,265,015	147,816
Reversal of liabilities - note 10	-	(342,264)	-
Interest income - note 6	(11,220,197)	(5,441,736)	(73,839)
Operating income (loss) before working capital changes	(12,392,406)	136,209,977	69,105,024
Decrease (increase) in:			
Trade and other receivables	3,617,290	(1,920,667)	(5,602,421)
Prepayments and other current assets	(8,826,478)	13,725,115	24,346,541
Increase in:			
Trade and other payables	8,979,579	128,750,646	44,600,617
Contract liabilities	(13,250,657)	3,973,035	1,313,604
Cash generated from (used in) operations	(21,872,672)	280,738,106	133,763,365
Retirement benefits paid - note 20	(763,165)	(373,306)	(2,629,257)
Interest received	10,149,393	5,319,615	73,839
Net cash provided by (used in) operating activities	(12,486,444)	285,684,415	131,207,947
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment - notes 9 and 14	(14,979,364)	(99,389,888)	(31,566,855)
Decrease in other current assets	-	1,000,000	-
Net cash used in investing activities	(14,979,364)	(98,389,888)	(31,566,855)
CASH FLOWS FROM A FINANCING ACTIVITY			
Payment for lease liabilities - note 13	(9,765,467)	(8,156,904)	(2,786,578)
NET INCREASE (DECREASE) IN CASH	(37,231,275)	179,137,623	96,854,514
CASH AND CASH EQUIVALENTS - note 6			
At beginning of year	334,066,497	154,928,874	58,074,360
At end of year	P296,835,222	P334,066,497	P154,928,874

(The accompanying notes are an integral part of these financial statements.)

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.

(A Nonprofit and Stock Corporation)

Notes to Financial Statements

As at and for the Years Ended December 31, 2024 and 2023

1. CORPORATE INFORMATION

Fairways & Bluewater Resort Golf & Country Club, Inc. (the Club) was incorporated in the Philippines and was registered with the Securities and Exchange Commission (SEC) on March 26, 1996 as a nonprofit and stock corporation. The Club was established for the primary purpose of promoting the social, recreational and athletic activities on a nonprofit basis among its members, the main objective and undertaking of which will be the construction, operation and maintenance of a vacation resort, golf course and lodging facilities.

The Club is located at Boracay Island which is world famous for its sun, sea and powder, soft white sand. The Club covers an area of approximately seventy-five (75) hectares, more or less, spanning the entire width of the island at its very center.

The Club is exclusive and organized on a nonprofit basis for the sole benefit of its members. The authorized capital stock consists of 25,920 no-par value common shares divided into ten (10) classes of shares. Shareholders of the Club have proprietary interest in the assets of the Club, consisting of an 18-hole golf course with a clubhouse and lodging facilities.

Ownership of a share entitles the registered owner to the use of the golf course, and all the sports and other facilities of the Club, and lodging facilities (except Class D shares) but subject to the terms and conditions prescribed in the Club's Articles of Incorporation, By-laws, and to the policies, rules and regulations as may from time to time be promulgated by the Board of Directors (BOD).

On April 25, 1996, a Certificate of Permit to Offer Securities was issued authorizing the Club to sell 8,640 shares of various classes.

On April 7, 2009, the SEC suspended the Club's Registration Statement and Certificate of Permit to Sell Securities to the Public.

On May 22, 2013, the Club filed a Revised Amended Registration Statement with the SEC reducing the number of shares with lodging facilities to be sold to the public to only 5,000 shares based on its Amended Articles of Incorporation. On May 30, 2013, the SEC rendered effective the Revised Amended Registration Statement.

The Club's membership dues were not subjected to income tax and value-added tax (VAT) in accordance with the Supreme Court decision dated August 13, 2019.

The Club's principal place of business is located at Barangay Balabag, New Coast, Island of Boracay, Municipality of Malay, Province of Aklan. The Club maintains a satellite office located at the 2nd Floor, Renaissance Towers, Meralco Avenue, Pasig City.

The accompanying financial statements were authorized for issue by the Club's BOD on April 3, 2025.

2. PROJECT AGREEMENT

In 1996, the Club, together with Global Estate Properties, Inc., formerly Fil-Estate Properties, Inc., (GEPI or the Developer), entered into a Project Agreement with several landowners to develop several parcels of land located in Boracay Island, Aklan. Under the Agreement, the parties agreed to the following terms and conditions, among others:

- a) The landowners shall contribute their respective properties to form part of the entire area covered by the project.
- b) The Developer shall finance and develop the properties into a world-class resort golf course.
- c) The share certificates allocated to the Developer shall be released by the Club pro-rata as per work accomplishment. Release of the share shall be made for every ten percent (10%) accomplishment of the Developer.
- d) The Club shall hold title over the properties to be developed and included in the Project's resort and country club component and shall operate the same.

The marketing of the club shares shall be undertaken by the Developer or any of its sister marketing companies.

In the Project Information Memorandum dated April 1996, the Club projected that the approximate amount to be devoted for the development of the Project is about P7.2 billion.

In the Registration Statement of the Club dated March 1996, the Club applied for secondary offering of 8,640 shares for the completion of Phase 1 of the Project.

However, the adverse economic development in the Southeast Asian Region that started in July 1997 led to a downturn in the stock market, slowdown in property development, substantial depreciation of Philippine peso against the U.S. dollar and high interest rates. These major factors adversely affected the continuous development and construction of the Project and selling of golf and country club shares. As a result, in 1997, the development and construction of the Project were suspended due to financial difficulties of the Developer.

In 1998, the Club commenced the operation of the golf course which is now 100% complete and already playable. The resort lodging facilities are in various stages of completion.

The approved Revised Amended Registration Statement with the SEC in 2013 reduced the number of lodging facilities that it has to build and likewise limiting the number of shares entitled to lodging. The rest of the other shares were accordingly reclassified to Class D shares which are not entitled to lodging facilities.

The adjustment in the number of buildings needed for the limited number of shares entitled to lodging facilities consequently frees up from the Project approximately seventy-four (74) lot pads initially allocated for building of the lodging facilities, with an area of 2,000 square meters each lot pads, more or less, or an aggregate total area of 14.8 hectares.

Pursuant to the Revised and Re-Statement Project Agreement of the Club with the Developer and the various landowners, the landowners are only obligated to contribute to the Club such land as would be necessary to accommodate all the facilities of the Club.

The Revised Amended Registration Statement filed in 2013 was rendered effective subject to the completion of all facilities the Club committed to build as described below.

As at December 31, 2024, the following facilities are 100% complete:

a) Resort Facilities

- Building 2
- Building 3
- Building 6
- Building 7
- Building 7a
- Building 8
- Building 16
- Building 17
- Country Clubhouse
- Swimming Pool
- Sauna and Massage Room

b) Golf Course and Facilities

- 18-hole Golf Course
- Golf Clubhouse
- Halfway House
- Starter Shed
- Golf Proshop
- Maintenance Building
- Tee House
- Storm Huts
- Bag Drop Area

c) Common Facilities to Resort Golf & Country Club

d) Welcome Center

e) Country Club Facilities

- Table Tennis
- Card Room
- Pickleball Court
- Badminton Court
- Function Room
- Billiard Room
- Basketball Shooting Area

The properties covered by the golf courses, the lodging facilities and other attendant facilities are already transferred and turned over to the Club by the Developer. The Certificates of Titles are already under the name of the Club.

The total area subject of the 18-hole golf course project, lot pads of the seven (7) buildings of lodging facilities and other facilities, is approximately seventy-five (75) hectares.

No new similar project agreement has been entered between the Club and the Developer.

3. STATUS OF OPERATIONS

The net loss in 2024 increased the Club's cumulative deficiency of revenues over expenses from P348.8 million as of December 31, 2023 to P400.7 million as of December 31, 2024.

The Club exerts continuous effort to maintain its financial viability to sustain its current and future operations. The Club focuses on generating sufficient revenues to support the current operations, improvement of facilities, fulfilling financial obligations, and continuously finding ways to cutting down and rationalizing operational expenditures without sacrificing the quality of service that the Club offers to its members and guests. In the past, the funds needed to support its operations depended largely on the Club's collections of membership dues.

The years 2020, 2021, and 2022 were the years when the COVID-19 pandemic made a major impact on a global scale affecting all businesses and industries where the tourism industry was seriously hard-hit not just in the Philippines but in the entire world. The Club incurred a significant loss in its operations due to the lockdowns and implementation of certain travel restrictions brought about by the said pandemic. Even when the pandemic restrictions were eased at a certain point in the middle of 2023, traveling was not a high priority for most people thus the demand for the hospitality industry remains to be low as compared to the pre-pandemic era.

The Club will continue to promote its various dining amenities, convention and party facilities, golf game and other activities. The possible increase in membership dues is being considered at this time as well and the following measures will be implemented:

- a. Increase revenues in golf related activities by developing programs, promotions and strategies to encourage more guests and members to play in the Club's golf course, including aggressive marketing for staging golf tournaments.
- b. Continue all rehabilitation program works, both major and minor ones and sustain a good playing condition of the golf course and its ancillary facilities, building and villas, restaurant and bar, pools and other amenities.
- c. Ensure that all villas are ready to take in more guests to increase the financial performance of the Club.
- d. Strengthen the sales and marketing strategies and schemes to explore more avenues and market segments that will increase the financial performance of the Club.
- e. Continue to increase the positive exposure of the Club in online media sites and networks to enhance the awareness of more people about what the Club can offer.
- f. Continue the efforts of the members' relations team to improve invitations to members to pay their dues on time and intensify collection from inactive members by apprising them of the new facilities and amenities that the Club will offer to them including the new Clubhouse for exclusive use of members.

- g. Ensure that the Club maintains its 3rd ISO-IMS certification by strictly implementing the standards related to Quality Management System, Occupational Health and Safety Management System and Environmental Management System. The Club was awarded its 1st ISO-IMS certification in 2018 which was valid up to December 2021 subject to quarterly audits and annual surveillance by its Dubai-based certifying body. The Club is the only hotel/resort in Boracay that has an ISO-IMS certification to this date. In December 2021, a re-application for its 2nd certification was lodged and the Club passed all requirements to get the 3-year certification. The 3rd re-application for certification was done in November 2024. After a 3-day audit and conference, the Dubai-based certifying body announced on November 29, 2024 that the Club passed its 3rd ISO-IMS certification which will be valid for another 3 years until December 2027 but subject to quarterly audits and annual surveillance. The Club will work on more improvements as it prepares for the 1st annual surveillance for the 3rd certification.
- h. Ensure that the Club maintains its partnership with World Wide Fund (WWF) by continuously implementing its environmental programs that aim to restore, preserve and protect the gifts of nature and the immediate community. The "One Hotel" program will be strengthened as well to enhance the Club's sustainability efforts for WWF's programs and cause. The Club will maintain its commitment to operate an internal material segregation and management facility. It will also continue to manage its hazardous waste, including the shipping out of used oil and hazardous waste from the island through a professional organization based outside Boracay. Tree planting activities, war-on-site, and other environmental preservation efforts will be implemented continuously to support the Club's commitments to WWF.
- i. Ensure that the Club maintains its certification as a Conde Nast property as this differentiates the Club from the many other industry players and it guarantees the Club a better market niche. There are only three resorts out of 500+ establishments in Boracay Island that is certified by Conde Nast.
- j. Ensure that the Club continues to get recognized by various international award giving bodies, such as Conde Nast Excellence Awards, World Travel Awards, World Golf Awards, and Interval International, who have awarded the Club consistently over the years on account of product and service excellence, and sustainability, even during the pandemic years.

The Club also manages the Welcome Center, Land and Sea Transfer, Security, Water System, Waste Management System, and Sewage Treatment System in line with its commitment to sustainability and to maintain its four-star status and to possibly achieve a five-star status. E-jeepneys and e-shuttles complement our fleet of diesel-run vehicles to ensure that guests will be transported to places they want to go to at any given time.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

Statement of Compliance

The financial statements of the Club have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations issued by the Philippine Sustainability and Financial Reporting Standards Council (FSRSC) and adopted by the SEC.

Basis of Preparation

The financial statements have been prepared on a historical cost basis except when otherwise indicated. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services and fair value of the consideration received in exchange for incurring a liability.

The financial statements are presented in Philippine peso (₱), the Club's functional currency. All amounts are rounded to the nearest peso except when otherwise indicated.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial years except for the following amended PFRS that are mandatorily effective for annual periods beginning on or after January 1, 2024.

PAS 1 (Amendments) Classification of Liabilities as Current or Noncurrent. The narrow-scope amendments to PAS 1, *Presentation of Financial Statements* clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. The amendments are effective for annual periods beginning on or after January 1, 2024, with earlier application permitted. The amendments do not have a material impact on the financial statements of the Club.

New accounting standards, interpretations and amendments to existing standards effective subsequent to January 1, 2024

Standards issued but not yet effective up to the date of the Club's financial statements are listed below. This listing of standards and interpretations issued are those that the Club reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Club intends to adopt these standards when they become effective.

PFRS 18, Presentation and Disclosure in Financial Statements. The new standard will replace *PAS 1 Presentation of Financial Statements*. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of income: operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present specified totals and subtotals: the main change relates to the mandatory inclusion of 'Operating profit or loss'. The other required subtotals are 'Profit or loss' and 'Profit or loss before financing and income taxes'
- Management-defined performance measures are disclosed in a single note in the financial statements.
- Enhanced guidance on how to group information in the financial statements.
- Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The new standard is effective for annual periods beginning on or after January 1, 2027, with earlier application permitted. The Club is still in the process of assessing the impact of the new standard.

Determination of Fair Value and Fair Value Hierarchy

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

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

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

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

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

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

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

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

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

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

The Club determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. For the purpose of fair value disclosures, the Club has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value measurement disclosures of financial and non-financial assets are presented in Note 25 to the financial statements.

"Day 1" Difference

When the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Club recognizes the difference between the transaction price and fair value (a "Day 1" difference) in the statements of comprehensive income unless it qualifies for recognition as some other type of asset or liability. In cases where data used are not observable, the difference between the transaction price and model value is only recognized in the statements of comprehensive income when the inputs become observable or when the instrument is derecognized. For each transaction, the Club determines the appropriate method of recognizing the "Day 1" difference amount.

Financial Instruments

Initial recognition of financial instruments

The Club recognizes financial assets and financial liabilities in the statements of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place are recognized on the settlement date.

With the exception of trade receivables that do not contain a significant financing component, financial assets and financial liabilities are recognized initially at fair value including transaction costs, except for those financial assets and liabilities at fair value through profit or loss (FVPL) where the transaction costs are charged to expense in the period incurred. Trade receivables that do not contain a significant financing component are recognized initially at their transaction price.

The Club classifies its financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) and FVPL. The classification of financial assets depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing the financial assets. The Club's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Club's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Club classifies its financial liabilities as subsequently measured at amortized cost using the effective interest method or at FVPL.

Financial assets at amortized cost

Financial assets are measured at amortized when both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, financial assets at amortized cost are subsequently measured using the effective interest method less allowance for impairment. Gains and losses are recognized in the statements of comprehensive income when the financial assets at amortized cost are derecognized, modified or impaired. These financial assets are included in current assets if maturity is within twelve (12) months from the end of reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2024 and 2023, included under financial assets at amortized cost are the Club's cash and cash equivalents, trade and other receivables and security deposit (see Notes 6, 7 and 14).

Financial liabilities at amortized cost

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading, or designated as at FVPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

As at December 31, 2024 and 2023, the Club's financial liabilities at amortized cost include trade and other payables (excluding payable to government agencies), advances from related parties and lease liabilities (see Notes 10, 11 and 13).

Offsetting of Financial Assets and Liabilities

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

Derecognition of Financial Assets and Liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

Where the Club has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Club’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Club could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability was discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Impairment of Financial Assets

The Club recognizes an allowance for expected credit losses (ECL) for all debt instruments that are measured at amortized cost or at FVOCI. ECLs are a probability-weighted estimate of credit losses over the expected life of the financial asset.

Credit losses are 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 the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Club assesses at each end of the reporting period whether the credit risk on a financial asset has increased significantly since initial recognition. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is measured at an amount equal to the lifetime ECLs. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, a loss allowance is measured at an amount equal to 12-month ECLs. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within twelve (12) months after the reporting period.

For cash and other assets, the Club applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit investments. It is the Club's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been significant increase in credit risk since origination, the allowance will be based on lifetime ECL.

For trade and other receivables, the Club applies a simplified approach in calculating ECLs. The Club recognizes a loss allowance based on lifetime ECLs at the end of each reporting period. The ECLs on these financial assets are estimated using a provision matrix based on the Club's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, including time value of money where appropriate.

When the credit risk on financial instruments for which lifetime ECLs have been recognized subsequently improves, and the requirement for recognizing lifetime ECLs is no longer met, the loss allowance is measured at an amount equal to 12-month ECL at the current reporting period, except for assets for which simplified approach was used.

The Club recognizes impairment loss (reversals) in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Significant increase in credit risk

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

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. the extent to which the fair value of a financial asset has been less than its amortized cost;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Club presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than ninety (90) days past due, unless the Club has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Club assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the end of reporting period. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Club considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Club regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of Default

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

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

Irrespective of the above analysis, the Club considers that default has occurred when a financial asset is more than ninety (90) days past due unless the Club has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired Financial Assets

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

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

Write-off Policy

The Club writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one (1) year past due, whichever occurs sooner.

Financial assets written off may still be subject to enforcement activities under the Club's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Prepayments and Other Current Assets

Prepayments and other current assets comprise of advances to suppliers, deferred input VAT, prepaid insurance, prepaid real property tax, prepaid rental, creditable withholding tax and other prepaid items.

Advances to suppliers represent advance payments made for goods to be delivered or services to be rendered. These are carried at cost less impairment losses, if any.

Creditable withholding tax is deducted from income tax payable on the same year the revenue is recognized.

Prior to January 1, 2022, deferred input VAT is amortized over the useful life of the cost of equipment or 60 months, whichever is shorter. Effective January 1, 2022, amortization of input VAT on capital goods acquired in 2022 is no longer allowed and these will be fully recognized outright and claimed as input tax credits against output tax during the month when the capital goods are purchased or imported. Claims for input VAT and other prepaid taxes are stated at face value less provision for impairment, if any. Allowance for unrecoverable input VAT and prepaid taxes, if any, is maintained by the Club at a level considered adequate to provide for potential uncollectible portion of the claims.

Property and Equipment

Property and equipment are initially carried at cost. Land is carried at cost less any impairment in value. All other properties and equipment account are carried at a cost less accumulated depreciation and any impairment in value. The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the asset has been put into operations, such as repairs and maintenance are normally recognized as expense in the period costs are incurred. Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the items will flow to the Club and the cost of the items can be measured reliably.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets:

	Number of Years
Golf course	50
Golf course improvements	5
Villas and building	50
Villa improvements	5
Transportation equipment	5 to 10
Maintenance and other fixed assets	3 to 8
Office furniture, fixtures and equipment	3 to 10
Kitchen and housekeeping equipment	3 to 5
Land improvements	5

In 2024, the Club revised the useful life of "Villas and building" from 25 years to 50 years.

The estimated useful life, residual values and depreciation methods are reviewed periodically to ensure that the period and method of depreciation is consistent with the expected pattern of economic benefits from items of property and equipment.

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is recognized in profit or loss.

Construction in progress represents structures under construction and is stated at cost less any impairment in value. This includes the cost of construction and other direct costs. Construction in progress is not depreciated until such time that the relevant assets are completed and are ready for use.

An item of property and equipment, including the related accumulated depreciation and impairment losses, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year the item is derecognized.

Impairment of Non-financial Assets

At the end of each reporting period, the Club assesses whether there is any indication that any of its assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Club estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized as an expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Impairment losses recognized in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized as income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Leases

The Club determines at contract inception whether a contract is, or contains, a lease by assessing whether a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Club as lessor

The Club leases out store and office spaces to concessionaires under an operating lease agreement. Lease income from operating leases is recognized as income in profit or loss on a straight-line basis over the lease term.

Lease modifications on rent concessions, if any are accounted for by the Club as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Club as lessee

Long-term leases

For all leases with a term of more than twelve (12) months, the Club recognizes a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments, unless the underlying asset is of low value.

Right-of-use assets

At the commencement date of the lease (which is when the underlying asset is available for use), the Club recognizes the right-of-use assets. The right-of-use asset is initially measured at costs which consist of the amount of the lease liability plus any initial direct costs incurred and payments made at or prior to commencement date less lease incentives received and estimated costs to be incurred by the lessee for restoration or dismantling of the underlying asset to be suitable to the condition required by the terms and conditions of the lease. Subsequent to commencement date, the right-of-use asset shall be measured at cost less accumulated amortization and any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

The right-of-use assets are amortized using the straight-line method over the lease term which is shorter than the estimated useful life of the underlying assets:

	Number of Years
Right-of-use of land	6
Right-of-use of building	3

Lease liabilities

At the commencement date of the lease, (which is when the underlying asset is available for use), the Club recognizes lease liabilities measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Club shall use an incremental borrowing rate.

Variable lease payments that are not included in the measurement of the lease liability are recognized in profit or loss in the period in which the event or condition that triggers payment occurs, unless the costs are included in the carrying amount of another asset under another Standard.

Lease liabilities are subsequently measured to reflect changes in the lease term, exercising of a purchase option (using a revised discount rate), amounts expected to be paid under residual value guarantees (using unchanged discount rate), or future lease payments resulting from a change or a rate used to determine those payments (using an unchanged discount rate). Such remeasurements are treated as adjustments to the right-of-use asset.

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended. The lease term is reassessed if an option is actually exercised or not or the Club becomes obliged to exercise or not. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Short-term leases and leases of low-value assets

The Club applies the short-term lease recognition exemption to its short-term leases of equipment and other rentals (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). 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.

Leases with variable lease payments

The Club recognizes payments for short-term and long-term leases with variable lease payments depending on the future revenue as expenses when incurred over the lease term.

The Club's agreement with unit owners has variable lease payments wherein rental is equivalent to certain percentage of revenues, net of VAT, other charges and taxes.

Income Taxes

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statements of comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each reporting date, the Club reassesses the need to recognize previously unrecognized deferred income tax asset.

Deferred income tax assets are recognized for all deductible temporary differences and carry-forward benefits of unused tax credits from excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences, carry forward benefits of unused tax credits from excess of MCIT over RCIT and unused NOLCO can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax asset against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employee Benefits

Short-term employee benefits

The Club recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period that are expected to be settled wholly before twelve (12) months after the end of the reporting period. Short-term benefits given by the Club to its employees include salaries and wages, fringe benefits, 13th month pay, Social Security System (SSS), Philhealth and Home Development Mutual Fund (HDMF) contribution. The Club recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Post-employment benefits

The Club has an unfunded noncontributory defined benefit plan that define an amount of retirement benefit based on one or more factors such as age, years of service and compensation. The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan asset, if any.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. The defined benefit cost comprises of the service cost, net interest on the defined benefit liability or asset and the remeasurement of net defined benefit liability or asset.

Service cost, which includes current service cost, past service cost and gains or losses on non-routine settlements, is recognized as expense in profit or loss. Past service cost is recognized when the plan amendment or curtailment occurs. Past service costs are recognized immediately in profit or loss.

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

Remeasurement comprising actuarial gains and losses and return on plan asset (excluding net interest on defined benefit liability) is recognized immediately in other comprehensive income in the period in which they arise. Remeasurement is not reclassified to profit or loss in subsequent periods. Remeasurement recognized in other comprehensive income account "Gain (loss) on remeasurement of retirement benefits (net)" is not reclassified to another equity account in subsequent periods. The difference between the interest income component of net interest and the actual return on plan asset is recognized in other comprehensive income.

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

Related Parties and Related Party Transactions

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

Parties are considered related if one party has the ability, directly or indirectly through one or more intermediaries, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting entity, or between and/or among entities and its key management personnel, directors or its shareholders.

In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely the legal form.

Members' Equity

Proprietary membership is held by a duly approved member or members having one (1) pro-rata share of the outstanding capital of the Club.

Additional paid-in capital is credited when shares are sold at premium, the difference between the proceeds and stated value. Direct costs incurred related to equity issuance are chargeable to "Additional paid-in capital" account.

Cumulative deficiency of revenues over expenses includes all current and prior year results as disclosed in the statements of comprehensive income.

Revenue Recognition

Revenue is recognized when control of the goods or services are transferred to customer at an amount that reflects the consideration to which the Club expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. All contracts and arrangements with customers generally undertake to provide single performance obligation at a fixed price which is mainly the delivery of goods or service. The Club generally concludes that it is acting as the principal in its revenue arrangements.

The Club recognizes revenue from the following sources:

- (a) *Membership dues*, which pertain to monthly members' dues, are recognized over time when the membership dues are due and demandable, net of any discount. Advance payments from members are recorded and shown under "Contract liabilities" in the statements of financial position. Contract liabilities are recognized as revenue in the following year when the Club performs its obligation under the contract.
- (b) *Villa operations revenue* is recognized over time, when services are rendered. For the accommodation fee, the revenue is recognized when the room facilities are used and the related services are rendered.
- (c) *Food and beverage revenue* is recognized at a point in time upon delivery and billing to customers.
- (d) *Golf operations and other activities revenue* is recognized over time when services are rendered or upon the use of the Club's facilities.
- (e) *Interest income* is recognized on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.
- (f) *Other income* is recognized at a point in time upon consummation of the transaction giving rise to it without the Club performing additional acts to earn the income.

Contract Balances

Receivables – represents the Club's right to an amount of consideration that is unconditional (i.e. the passage of time is required before payments of the consideration is due).

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

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

Cost and Expense Recognition

Cost and expenses are recognized when decrease in the future economic benefit related to a decrease in an asset or an increase in liability has arisen that can be measured reliably. Expenses are recognized: on the basis of a direct association between the cost incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefit or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of financial position as an asset.

Direct costs. Direct costs are recognized as an expense when the related services have been performed.

Operating expenses. Operating expenses consist of cost incurred in administering the business and selling expenses. Operating expenses are expensed as incurred.

Provisions and Contingencies

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 with the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, an increase in the provision due to the passage of time is recognized as an interest expense. When the Club expects a provision or loss to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain and its amount is estimable. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

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. Contingent assets are not recognized in the financial statements, but disclosed when an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements.

Events after Reporting Date

Post year-end events 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 notes to financial statements, when material.

5. MATERIAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in compliance with PFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances at the end of the reporting period. Actual results could differ materially from such estimates.

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

Material Accounting Judgment

a) Determining Operating Lease Commitment

Club as lessor

The Club has entered into lease agreements as a lessor. The Club has determined that it retains all significant risks and rewards of ownership of these properties as the Club considered among others the length of the lease term as compared with the estimated useful life of the assets. Accordingly, the Club accounted for these as operating leases.

Material Accounting Estimates and Assumptions

a) Assessment for ECL on Trade and Other Receivables

The Club uses a provision matrix based on historical rates for trade and other receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Club adjusts the historical credit loss experience with forward-looking information specific to the debtors and the economic environment. The Club regularly reviews the assumptions used for estimating ECL to reduce any differences between estimates and actual credit loss experience.

The Club has assessed that the existing allowance for ECL on trade and other receivables is sufficient based on the expected performance of these receivables. The Club has assessed that the balances are normally collected within the normal credit terms. Accordingly, no additional provision for ECL on receivables was recognized in 2024 and 2023.

The carrying amount of the Club's trade and other receivables amounted to ₱31,921,902 and ₱23,633,804 as at December 31, 2024 and 2023, respectively. Allowance for ECL recognized in the statements of financial position amounted to ₱3,018,733 as at December 31, 2024 and 2023 (see Note 7).

b) Impairment of Property and Equipment and Right-of-use Assets

The Club assesses the impairment of property and equipment and right-of-use assets whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. The factors that the Club considers important which could trigger an impairment review include a) significant underperformance relative to expected historical or projected future operating results; b) significant changes in the manner of usage of the acquired assets or the strategy for the Club's overall business; and c) significant negative industry or economic trends. The Club estimates the recoverable amount as the higher of the fair value less cost to sell 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 regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

Though management believes that the estimates and assumptions used in the determination of recoverable amounts are reasonable and appropriate, significant changes in these assumptions may materially affect the assessment of the recoverable amounts and any resulting impairment loss could have a material adverse effect in the results of operations.

The carrying amount of property and equipment and right-of-use assets amounted to ₱3,528,080,705 and ₱3,563,066,107 as at December 31, 2024 and 2023, respectively (see Notes 9 and 13).

Management has determined that there are no events or circumstances in 2024 and 2023 that may indicate that the carrying amounts of the assets are not recoverable.

c) Useful lives of Property and Equipment

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

The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment would increase recorded operating expenses and decrease noncurrent assets.

In 2024, the Club revised the useful life of "Villas and building" from 25 years to 50 years resulting in decrease in depreciation of ₱42,319,126.

The carrying amount of property and equipment, net of accumulated depreciation of ₱899,316,633 in 2024 and ₱842,131,294 in 2023, amounted to ₱3,504,609,481 and ₱3,546,815,456 as at December 31, 2024 and 2023, respectively (see Note 9).

d) Lease Term and Incremental Borrowing Rate

i. Lease Term

The Club entered into lease agreements as a lessee for the use of land, office spaces and equipment. The lease term applied in the calculation of right-of-use assets and lease liabilities is based on the contractual agreements with the lessor. There were no extension options applied in the calculation. The Club has also determined the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be extended or in any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

ii. Incremental Borrowing Rate

Significant management estimate was exercised by the Club in determining the discount rate, whether the implicit rate, if readily available, or the incremental borrowing rate, to be used in calculating the present value of right-of-use assets and lease liabilities. As the interest rate cannot be readily determined in the lease, the Club applied the weighted average incremental borrowing rate obtained from the bank ranging from 2.18% to 7.05%.

e) *Estimated Retirement Benefits Obligation*

The determination of the Club's retirement benefits obligation is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 20 and include, among others, discount rates and rates of compensation increase. While the Club believes that the assumptions made in the determination of retirement benefits are reasonable, significant differences in actual experience or significant changes in assumptions materially affect the retirement obligations.

The carrying amount of the Club's retirement benefits obligation as at December 31, 2024 and 2023 amounted to ₱53,256,143 and ₱33,454,223, respectively (see Note 20).

f) *Realizability of Deferred Tax Assets*

The Club recognizes deferred tax assets to the extent that it is probable that future taxable income will be available against which temporary differences can be utilized. Determining the realizability of deferred tax assets requires the assessment on the availability of taxable profit expected to be generated from the operations against which the deferred tax assets can be applied.

Based on management's assessment and judgment, deferred tax assets of ₱102,185,502 and ₱76,413,077 as at December 31, 2024 and 2023, respectively, are fully recoverable (see Note 21).

6. **CASH AND CASH EQUIVALENTS**

This account consists of:

	2024	2023
Cash on hand	₱3,066,716	₱2,900,446
Cash in banks	58,477,459	105,942,567
Short-term placement	235,291,047	225,223,484
	₱296,835,222	₱334,066,497

Cash in banks generally earn interest based on daily bank deposit rates. Short-term placement with a bank has a maturity of 45 days from the date of acquisition and earns interest at the prevailing market rates.

Interest earned on cash and cash equivalents amounting to ₱11,220,197, ₱5,441,736, ₱73,839, in 2024, 2023 and 2022, respectively, is included in "Other charges (net)" account (see Note 19).

There is no restriction on the Club's cash and cash equivalents, and these are available for general use.

7. TRADE AND OTHER RECEIVABLES (NET)

This account consists of:

	2024	2023
Trade receivables	P29,360,098	P20,677,499
Nontrade:		
Accrued interest receivable	1,192,925	122,121
Advances to officers and employees	414,612	466,239
Others	3,973,000	5,386,678
	34,940,635	26,652,537
Allowance for ECL	(3,018,733)	(3,018,733)
	P31,921,902	P23,633,804

Trade receivables, which pertain mainly from hotel bookings, financial institution for credit card transactions and concessionaires, are usually due within thirty (30) days and do not bear any interest.

Advances to officers and employees consist of cash advances for purchases of supplies and courier services subject to liquidation, and loans granted to employees that are unsecured, non-interest bearing, demandable and generally settled in cash.

Other receivables pertain to SSS claims receivables and receivables for shared utilities.

Allowance for ECL relates to the following:

	2024	2023
Trade receivables	P400,000	P400,000
Others	2,618,733	2,618,733
	P3,018,733	P3,018,733

The Club applies the simplified approach in measuring ECLs which uses a lifetime expected loss allowance for all trade and other receivables.

The Club's trade and other receivables are not held as collateral for its liabilities and are free from any liens and encumbrances.

8. PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	2024	2023
Advances to suppliers	P50,257,014	P37,828,636
Deferred input VAT	7,132,631	13,875,273
Creditable withholding tax	4,055,037	2,255,605
Input VAT	2,477,141	198,110
Prepayments:		
Insurance	116,568	422,336
Real property taxes	-	1,854,145
Others	609,890	844,357
	P64,648,281	P57,278,462

Advances to suppliers pertain to down payment for services to be rendered or goods to be delivered. These are recouped upon receipt of billing from contractors and reversed upon payment. These advances mainly consist of payments for the materials and other services related to the construction of Building 8.

Deferred input VAT pertains to VAT on accrued expenses and the unamortized portion of VAT on transportation equipment and costs of building construction with acquisition cost exceeding ₱1,000,000 and is amortized over a period of five years.

Others consist of inventories and advance payments for web hosting fee and maintenance of the Club's hotel system.

9. PROPERTY AND EQUIPMENT (NET)

The reconciliation of this account as at December 31, 2024 and 2023 is as follows:

December 31, 2024

	Land	Land improvements	Golf course	Golf course improvements	Villas and building	Villa improvements	Transportation Equipment	Maintenance and other fixed assets	Office furniture, fixtures and equipment	Kitchen and housekeeping equipment	Construction in progress	Total
Cost												
Balance, January 1, 2024	P1,650,598,400	P7,133,989	P807,124,935	P8,405,876	P1,623,036,611	P49,351,462	P69,749,192	P69,785,881	P96,956,125	P6,884,279	P-	P4,388,946,750
Additions	-	-	-	-	256,929	-	4,272,224	3,715,653	6,657,418	77,140	-	14,979,364
Balance, December 31, 2024	1,650,598,400	7,133,989	807,124,935	8,405,876	1,623,293,540	49,351,462	74,021,416	73,501,534	103,613,543	6,881,419	-	4,403,926,114
Accumulated depreciation												
Balance, January 1, 2024	-	7,133,989	193,709,984	8,405,876	375,349,371	49,351,462	54,905,964	62,457,962	84,147,919	6,668,767	-	842,131,294
Depreciation	-	-	16,142,498	-	28,984,752	-	4,587,168	2,804,478	4,493,723	172,720	-	57,185,335
Balance, December 31, 2024	-	7,133,989	209,852,482	8,405,876	404,334,123	49,351,462	59,493,132	65,262,440	88,641,642	6,841,487	-	899,316,633
Carrying amount, December 31, 2024	P1,650,598,400	P-	P597,272,453	P-	P1,218,959,417	P-	P14,528,284	P8,239,094	P14,971,901	P39,932	P-	P3,504,609,481

December 31, 2023

	Land	Land improvements	Golf course	Golf course improvements	Villas and building	Villa improvements	Transportation Equipment	Maintenance and other fixed assets	Office furniture, fixtures and equipment	Kitchen and housekeeping equipment	Construction in progress	Total
Cost												
Balance, January 1, 2023	P1,650,598,400	P7,133,989	P807,124,935	P8,405,876	P1,184,489,701	P49,351,462	P54,719,692	P65,403,131	P86,252,085	P6,569,972	P369,507,618	P4,289,556,862
Additions	-	-	-	-	69,039,292	-	15,079,560	4,382,750	10,704,039	234,307	-	99,389,888
Transfer	-	-	-	-	369,507,618	-	-	-	-	-	(369,507,618)	-
Balance, December 31, 2023	1,650,598,400	7,133,989	807,124,935	8,405,876	1,623,036,611	49,351,462	69,749,192	69,785,881	96,956,125	6,804,279	-	4,388,946,750
Accumulated depreciation												
Balance, January 1, 2023	-	6,260,649	177,567,485	8,405,876	304,055,770	49,351,462	51,994,811	57,061,514	81,232,000	6,412,909	-	742,342,476
Depreciation	-	-	16,142,499	-	71,293,601	-	2,911,153	5,396,548	2,915,919	255,858	-	99,788,818
Balance, December 31, 2023	-	6,260,649	193,709,984	8,405,876	375,349,371	49,351,462	54,905,964	62,457,962	84,147,919	6,668,767	-	842,131,294
Carrying amount, December 31, 2023	P1,650,598,400	P-	P613,414,951	P-	P1,247,687,240	P-	P14,843,228	P7,327,919	12,808,206	P135,512	P-	P3,546,815,456

Construction in progress pertains to cost incurred for Building 8, which was completed in 2023.

Land improvements pertain to the fences constructed around the Club's premises.

The depreciation of property and equipment is allocated as follows:

	2024	2023	2022
Other direct cost – note 16	P54,147,529	P97,068,642	P68,422,275
General and administrative expenses – note 18	3,037,810	2,720,176	2,879,763
	P57,185,339	P99,788,818	P71,302,038

As at December 31, 2024 and 2023, Management believes that there is no indication that the Club's property and equipment are impaired.

The Club's property and equipment are not held as collateral for its liabilities and are free from any liens and encumbrances.

10. TRADE AND OTHER PAYABLES

This account consists of:

	2024	2023
Trade payables – notes 11 and 23	P98,775,014	P113,665,851
Accrued expenses	283,435,513	241,424,808
Retention payable	28,421,958	29,933,319
Payable to government agencies	12,954,887	11,132,119
Refundable deposits – note 23	1,737,385	1,737,385
Others	17,214,623	17,214,623
	P442,539,380	P415,108,105

Trade payables are non-interest bearing and are normally settled within twelve (12) months.

Retention payable represents 10% of the contract amount due to the contractors related to construction of Building 8.

Payable to government agencies include SSS payable, HDMF payable, withholding taxes and other taxes payable.

Refundable deposits represent security deposits paid by concessionaires.

Others consist mainly of the Club's unpaid share of common expenses with a third party under the old management. These common expenses include service assessment, transportation, water and other related expenses.

Accrued expenses consist of accruals for:

	2024	2023
Breakfast fee and other charges	P153,381,585	P116,490,288
Management fees – note 11	47,875,078	47,875,078
Contractors	33,864,148	45,103,701
Advertising and promotions	25,674,038	26,057,962
Security and janitorial services	10,282,632	2,698,923
Laundry and water	4,118,656	-
Rental – note 23	2,621,000	459,366
Electricity	1,264,795	-
Repairs and maintenance	899,169	-
Professional fees	374,640	363,440
Accrued interest on lease liabilities – note 13	155,892	530,404
Other accrued expenses	2,923,880	1,845,646
	P283,435,513	P241,424,808

Breakfast fee and other charges pertain to resort fee collected by the Club and breakfast cost that are payable to concessionaires.

Accrual to contractors pertain to billings not yet received related to the construction of Building 8.

Accrued advertising and promotions pertain to commission related to hotel revenue and food and beverage.

Other accrued expenses pertain mostly to the Club's printing and other operational expenses.

Accrued expenses and other payables are normally settled in the next financial period.

In 2023, the Company reversed certain accounts payable amounting to P342,264. Gain on reversal of these liabilities is included in "Other charges (net)" in the 2023 statement of comprehensive income (see Note 19).

11. RELATED PARTY TRANSACTIONS

The Club, in the normal course of business, has transactions with related parties. The following are the specific relationship, amount of transactions, account balances, terms and conditions and the nature of the consideration to be provided in settlement.

Relationship

Related Party	Relationship
GEPI	Developer and common key officers
Fil-Estate Urban Dev't Corp. (FEUDC)	Common key officers
Global Estate Resorts Inc. (GERI)	Common key officers
Golforce, Inc.	Common key officers
Fil-Estate Management, Inc. (FEMI)	Common key officers
Fil-Estate Realty Corporation (FERC)	Common key officers

Transaction and account balance

Transactions to related parties include revenue and cost of services, management fees, unit owner's fees, transfer of properties, and cash advances for working capital requirements. The cash advances consist mainly of payments for utilities and other transfer taxes for the issuance of member stock certificates, and payments made to affiliates, suppliers and contractors.

a. Advances from related parties

The details of the advances from related parties are as follow:

	Amount of advances		Outstanding balance	
	2024	2023	2024	2023
GERI	P2,422,034	P2,564,370	P58,162,151	P55,740,117
GEPI	-	-	57,479,394	57,479,394
FEUDC	(8,989,146)	5,141,453	53,841,681	62,830,827
FEMI	-	-	5,885,357	5,885,357
FERC	-	-	5,773,835	5,773,835
Golforce, Inc.	(1,050,000)	-	4,045,794	5,095,794
	(P7,617,112)	P7,705,823	P185,188,212	P192,805,324

These advances are unsecured, unguaranteed, noninterest bearing and have no definite repayment terms. These advances are settled through cash payment and through offsetting.

The Club offset advances from related parties against trade receivables amounting to P10,834,584 and P2,174,919 in 2024 and 2023, respectively.

In addition, certain expenses of the Club amounting to P2,422,034 and P5,530,904 in 2024 and 2023, respectively, were paid by FEUDC and GERI directly to suppliers. Unpaid amount as at December 31, 2024 and 2023 amounted to P112,003,832 and P118,570,944, respectively, is included under "Advances from related parties" in the statements of financial position.

The reconciliation on the changes in the Club's liabilities arising from financing activities, including both cash and noncash changes for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Balance at beginning of year	P192,805,324	P185,099,501
Payments	(20,873,730)	-
Noncash changes – Accounts receivable offsetting		
Expenses paid by related parties directly to the suppliers	2,422,034	5,530,904
Offsetting of advances from related parties to receivables	10,834,584	2,174,919
Balance at end of year	P185,188,212	P192,805,324

Changes from financing cash flows pertain to net of advances and payments during the year.

b. Management fees

In 2017, the Club and GERI entered into an agreement whereby the latter shall provide technical guidance in terms of management and supervision of the Club's operations. There were no management fees incurred in 2024, 2023 and 2022. As at December 31, 2024 and 2023, the Club has unpaid balance of ₱7,815,444, which is included in accrued expenses under "Trade and other payables" in the statements of financial position (see Note 10).

In 2019, the Club and FEUDC entered into an agreement whereby the latter shall provide strategies, directions and guidelines and help manage, supervise, operate, administer and market the villa hotel units of the Club and all of its attendants and facilities. There were no management fees incurred in 2024, 2023 and 2022. As at December 31, 2024 and 2023, the Club has unpaid management fees of ₱40,059,634, inclusive of VAT which is included in accrued expenses under "Trade and other payables" in the statements of financial position (see Note 10).

c. Deposit for future stock subscription

In 2016, certain villa (Building 7a) with carrying amount of ₱307,401,347 was transferred by GEPI to the Club in exchange for shares of stock. Additional cost amounting to ₱1,506,093 was incurred in 2017.

In 2019, "Deposit for future stock subscription" amounting to ₱308,907,440 was reclassified from current liability to equity as the turnover document was already executed on April 10, 2019. GEPI is entitled to 1,116 common shares of the Club with 105 class C-1 shares, 38 class C-2 shares and 973 class D shares in exchange for the transfer and conveyance of Building 7a with a cost of ₱308,907,440. In the agreement, the Club shall issue the Class C-1 and C-2 shares only after GEPI shall have transferred and fully exhausted (to its buyers) all its outstanding and issued Class C-1 and C-2 shares, but not to exceed 105 Class C-1 and 38 Class C-2 shares, with the remainder (973 shares) to be issued with Class D shares.

A total of 1,116 common shares of the Club were issued at a price of ₱276,799 (see Note 14).

d. Cost for the use of FEUDC villa

The Club was billed by FEUDC for the use of its villas by guests who booked rooms with the Club. Total cost and charges billed amounted to ₱23,332,950 in 2024, ₱3,214,012 in 2023 and nil in 2022 and is included under "Direct costs" in the statements of comprehensive income (see Note 16). As at December 31, 2024 and 2023, the Club has unpaid amount for room charges billed by FEUDC amounting to ₱10,834,583 and ₱2,174,919, respectively (see Note 10).

Key Management Remuneration

Remuneration of the Club's key management personnel are as follow:

	2024	2023	2022
Short-term employee benefits	₱24,605,620	₱22,322,497	₱12,138,290
Post-employment benefits	2,890,401	2,093,827	1,511,524
	₱27,496,021	₱24,416,324	₱13,649,814

There are no termination benefits, share-based payments and other long-term benefits paid or payable to key management personnel as of December 31, 2024, 2023 and 2022.

12. CONTRACT LIABILITIES

This account consists of:

	2024	2023
Advance payments for:		
Accommodation	P39,592,330	P51,808,395
Rental from concessionaires – note 23	5,395,323	1,764,180
Membership dues	2,880,049	7,545,784
	P47,867,702	P61,118,359

Accommodation paid in advance pertains to payments from customers for advance booking of rooms while advance rental from concessionaires pertains to payments from concessionaires covering the subsequent period rental.

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

These advance payments will be recognized as revenues in the period when they are actually earned, which is when the service is actually rendered.

13. LEASE LIABILITIES

The Club has the following long-term lease agreements as lessee:

a. Satellite office in Pasig City

The Club entered into a lease agreement for its satellite office located in Pasig City for a period of three years in 2020. In 2024, the lease agreement was renewed until July 2027.

In 2018, the Club leased an additional floor for its office space for a period of three years. The lease agreement was renewed for another three years in 2021 and 2024.

b. Welcome Center

The Club entered into a lease agreement for the Welcome Center, a facility of the Club where tourists wait for the boat that will take them to the Island of Boracay, located in Caticlan, Malay, Aklan. The premises leased by the Club, with an area of 5,815 square meters, are owned by two individuals.

Land with an area of 3,023 sq.m.

Under the terms and conditions of the agreement, the Club shall lease the premises for a period of six years commencing from December 1, 2022. In consideration for the use and occupancy of the said premise, the Club agreed to pay monthly rental of ₱140,710, net of withholding tax and VAT, with 5% escalation rate per annum. The lease may be renewed or extended as mutually agreed upon by both parties. The lessee, at its option, may pre-terminate the lease in the event that the lessee is permanently deprived of the peaceful use, possession and enjoyment of the leased premises by reason of force majeure. Security deposit related to the lease agreement amounted to ₱200,000 as at December 31, 2024 and 2023 and is included under "Security deposit" in the statements of financial position (see Note 10).

Land with an area of 2,792 sq.m.

Under the terms and conditions of the agreement, the Club shall lease the premises for a period of six years commencing from December 22, 2022. In consideration for the use and occupancy of the said premise, the Club agreed to pay monthly rental of ₱129,453, net of VAT and other taxes, with 5% escalation rate per annum. The lease may be renewed or extended as mutually agreed upon by both parties. The lessee, at its option, may pre-terminate the lease in the event that the lessee is permanently deprived of the peaceful use, possession and enjoyment of the leased premises by reason of force majeure. Security deposit related to the lease agreement amounted to ₱184,000 as at December 31, 2024 and 2023 and is included under "Security deposit" in the statements of financial position (see Note 10).

The details of the lease liabilities as of December 31 follow:

	2024		2023	
	Future MLP	PV of MLP	Future MLP	PV of MLP
Not later than one year	₱10,567,949	₱9,172,084	₱7,795,614	₱6,795,439
Later than one year but not later than five years	19,972,620	18,388,628	16,053,026	14,107,294
Total	30,540,569	27,560,712	23,848,640	20,902,733
Amount representing interest expense	(2,979,857)	-	(2,945,907)	-
Present value of minimum lease payments (MLP)	₱27,560,712	₱27,560,712	₱20,902,733	₱20,902,733

The roll-forward of lease liabilities as at December 31 is as follows:

	2024	2023
As at January 1	₱20,902,733	₱26,852,653
Additions (renewal/ adjustment of lease)	14,683,448	941,969
Interest expense – note 19	1,739,998	1,265,015
Payments	(9,765,467)	(8,156,904)
As at December 31	27,560,712	20,902,733
Less: current portion	9,172,084	6,795,439
Noncurrent portion	₱18,388,628	₱14,107,294

As at December 31, 2024 and 2023, unpaid interest on lease liabilities amounted to P155,892 and P530,404, respectively, and is included as accrued expenses under "Trade and other payables" (see Note 10).

Right-of-use assets (net)

The reconciliation as at December 31 is as follows:

December 31, 2024

	Right-of-use of land	Right-of-use of building	Total
<u>Cost</u>			
Balance, January 1, 2024	P18,839,388	P11,709,732	P30,549,120
Additions – renewal of lease	-	14,683,448	14,683,448
Write-off – end of lease term	-	(11,709,732)	(11,709,732)
Balance, December 31, 2024	18,839,388	14,683,448	33,522,836
<u>Accumulated amortization</u>			
Balance, January 1, 2024	3,139,898	11,158,571	14,298,469
Amortization	3,139,898	4,322,977	7,462,875
Write-off – end of lease term	-	(11,709,732)	(11,709,732)
Balance, December 31, 2024	6,279,796	3,771,816	10,051,612
Carrying amount, December 31, 2024	P12,559,592	P10,911,632	P23,471,224

December 31, 2023

	Right-of-use of land	Right-of-use of building	Total
<u>Cost</u>			
Balance, January 1, 2023	P17,897,419	P11,709,732	P29,607,151
Additions – adjustment of lease	941,969	-	941,969
Balance, December 31, 2023	18,839,388	11,709,732	30,549,120
<u>Accumulated amortization</u>			
Balance, January 1, 2023	-	8,192,726	8,192,726
Amortization	3,139,898	2,965,845	6,105,743
Balance, December 31, 2023	3,139,898	11,158,571	14,298,469
Carrying amount, December 31, 2023	P15,699,490	P551,161	P16,250,651

The amortization of right-of-use assets is allocated as follows:

	2024	2023	2022
Other direct cost – note 16	P3,139,898	P3,139,898	P-
General and administrative expenses – note 18	4,322,977	2,965,845	3,903,245
	P7,462,875	P6,105,743	P3,903,245

14. MEMBERS' EQUITY

Class "A", "B" and "C" common shares may be sold to an individual, corporation, partnership, or association, irrespective of nationality. Every registered owner of one (1) common share shall be entitled to one (1) membership in the Club and subject to the Club's rules and regulations and shall be entitled to the use of bedroom suite(s) in the Club's lodging facilities for a period of time during certain months of the year.

For Class "A" shares, the bedroom suite(s) in the Club's lodging facilities may be used for a total of two weeks annually during the months of March, April and May.

Class "A1" is entitled to the use of one (1) bedroom suite
Class "A2" is entitled to the use of two (2) bedroom suites
Class "A3" is entitled to the use of three (3) bedroom suites

For Class "B" shares, the bedroom suite(s) in the Club's lodging facilities may be used for a total of two weeks annually during the months of October, November, December, January and February.

Class "B1" is entitled to the use of one (1) bedroom suite
Class "B2" is entitled to the use of two (2) bedroom suites
Class "B3" is entitled to the use of three (3) bedroom suites

For Class "C" shares, the bedroom suite(s) in the Club's lodging facilities may be used for a total of two weeks annually during the months of June, July, August and September.

Class "C1" is entitled to the use of one (1) bedroom suite
Class "C2" is entitled to the use of two (2) bedroom suites
Class "C3" is entitled to the use of three (3) bedroom suites

Class "D" common shares may be sold to any individual, corporation or a partnership irrespective of nationality or citizenship. Every registered owner of Class "D" common shares shall be entitled to one (1) membership in the Club and, subject to the Club's rules and regulations, shall be entitled to the use of the golf and country club facilities all year round but is not entitled to any lodging rights.

Except for the five (5) Founders' shares, voting rights of all the other classes of the shares are suspended. The Founders' shares shall have the exclusive right to vote and be voted for in the election of directors for a period of five (5) years from the date of approval by the SEC of the Amended Articles of Incorporation. Thereafter, the voting rights of all the common shares shall be revived, thus, putting them on equal footing in all respects with the Founders' shares.

The Founders' shares shall have the same rights as a Class A-3 common share. In addition, only holders of Founders shares may vote at any meeting of the members and be elected to the BOD of the Corporation for a period of five (5) years from the date of approval by the SEC of the amended Articles of Incorporation.

No transfer of shares of stock of the Club, which will reduce the stock ownership of Filipino citizens to less than the minimum percentage of the outstanding capital stock required by law to be owned by Filipino citizens, shall be allowed or permitted to be recorded in the books of the Club. Any transfer made in violation hereof shall be null and void and shall not be registrable in the books of the Club.

The authorized number of shares based on the Amended Articles of Incorporation and the number of outstanding shares as at December 31 are as follow:

	Authorized		Outstanding	
	2024	2023	2024	2023
Class A-1	232 shares	232 shares	232 shares	232 shares
Class A-2	429 shares	429 shares	429 shares	429 shares
Class A-3	268 shares	268 shares	268 shares	268 shares
Class B-1	547 shares	547 shares	547 shares	547 shares
Class B-2	596 shares	596 shares	596 shares	596 shares
Class B-3	286 shares	286 shares	286 shares	286 shares
Class C-1	1,302 shares	1,302 shares	1,302 shares	1,302 shares
Class C-2	956 shares	956 shares	956 shares	956 shares
Class C-3	384 shares	384 shares	384 shares	384 shares
Class D	20,920 shares	20,920 shares	14,699 shares	14,699 shares
	25,920 shares	25,920 shares	19,699 shares	19,699 shares

Of the total 19,699 issued and outstanding shares in 2024 and 2023, five (5) shares are Founders' shares.

Based on the Certificate of Permit to Offer Securities issued on April 25, 1996, the offered shares are as follow:

	No. of shares
Class A-1	1,500 shares
Class A-2	1,500 shares
Class A-3	600 shares
Class B-1	860 shares
Class B-2	860 shares
Class B-3	760 shares
Class C-1	960 shares
Class C-2	960 shares
Class C-3	640 shares
	8,640 shares

Under the Amended Registration Statement filed in 2013, the Club will only be offering 5,000 shares of various classes for sale to the public. The 5,000 shares include the 4,658 shares already covered by the previously issued Permit to Sell of 8,640 shares and an additional 342 Class "C-1" shares which is the subject of registration under the Amended Registration Statement to augment the 960 Class "C-1" shares previously approved for public offering.

Class	Total Shares per Permit to Sell	Shares to be offered for sale	Subject for Registration
Class A-1	1,500 shares	232 shares	-
Class A-2	1,500 shares	429 shares	-
Class A-3	600 shares	268 shares	-
Class B-1	860 shares	547 shares	-
Class B-2	860 shares	596 shares	-
Class B-3	760 shares	286 shares	-
Class C-1	960 shares	960 shares	342 shares
Class C-2	960 shares	956 shares	-
Class C-3	640 shares	384 shares	-
	8,640 shares	4,658 shares	342 shares

To date, of the 5,000 shares, 3,940 shares have been issued by the Club to the Developer and consequently sold to the public under a secondary offering as approved by the SEC. The 3,940 shares are broken down as follow:

	No. of shares
Class A-1	232 shares
Class A-2	286 shares
Class A-3	255 shares
Class B-1	401 shares
Class B-2	409 shares
Class B-3	123 shares
Class C-1	1,178 shares
Class C-2	872 shares
Class C-3	184 shares
	3,940 shares

The amount of proprietary membership and additional paid-in capital recognized in the statements of changes in member's equity as at December 31, 2024 and 2023 is as follows:

Outstanding and issued shares	Stated value	Proprietary membership	Additional paid-in capital	Amount
6,480	P100	P648,000	P-	P648,000
4,591	100	459,100	1,270,783,088	1,271,242,188
5,429	100	542,900	1,502,589,500	1,503,132,400
2,083	100	208,300	576,549,708	576,758,008
1,116	100	111,600	308,795,840	308,907,440
19,699		P1,969,900	P3,658,718,136	P3,660,688,036

15. REVENUES

The Club's revenue from villa operations is derived from rental of villas to non-members and members, who exceeded the allowed number of guests and days of stay granted to them as members.

Revenue from golf operations and other activities is generated from fees charged by the Club for the use of golf course and other facilities. Details are as follow:

	2024	2023	2022
Green fees	P28,892,705	P28,573,178	P11,998,750
Golf operations:			
Golf cart	7,451,964	5,774,867	2,426,987
Golf set	2,162,349	1,821,518	742,277
Others	93,071	56,161	47,500
Transfer fee	2,250,000	2,526,786	870,536
Land and sea transfer	175,736	352,723	391,080
Rental from concessionaires			
– note 23	5,983,520	-	150,000
Access fees	-	-	2,678
Other activities:			
Horseback riding	335,089	391,107	172,411
Breakage and losses charged to customers	614,882	347,566	205,180
Others	7,941,886	5,995,083	1,943,115
	P55,901,202	P45,838,989	P18,950,514

Green fees pertain to fees paid by guests to the Club for the use of the golf course.

Access fees pertain to the fees paid by guests of other resorts for the use of the Club's Welcome Center facility to access the island.

Others arise from zipline, proshop sales, ID card, billiards, table tennis, babysitting, post cards, virtual golf, steam bath, jacuzzi, laundry, parking fee, access fee for swimming pool and other penalties charged to customers.

The Club determines that income from Villa operations, Membership dues and Golf and other activities shall be recognized over time as the services are being rendered to the customers while income from food and beverage shall be recognized at a point in time upon delivery and billing to customers.

Reclassification

In 2024, the Club reclassified revenue from breakfast from "Food and beverage" to "Villa operations" for proper presentation. Comparative figures in 2023 and 2022 were also reclassified for consistency and comparability.

16. DIRECT COSTS

This account consists of:

	2024	2023	2022
Cost of service	P35,761,882	P15,027,993	P70,204
Cost of sales	64,787,126	59,473,808	31,619,428
Other direct costs	402,343,765	327,932,719	189,704,482
	P502,892,773	P402,434,520	P221,394,114

Cost of sales is composed of cost of food and beverage.

Cost of service consists of:

	2024	2023	2022
Room and other charges – note 11	P23,332,950	P3,214,012	P-
Rent – note 23	12,410,450	11,806,106	-
Others	18,482	7,875	70,204
	P35,761,882	P15,027,993	P70,204

Room and other charges pertain to billings from FEUDC for the use of its villas by the guests who booked rooms with the Club (see Note 11).

Rent expense pertains to rental fees equivalent to 20% of revenue, net of VAT, generated from operations of Paseo Villas paid to its non-member unit owners (see Note 23).

Other direct costs consist of:

	2024	2023	2022
Security and janitorial services	P91,987,126	P34,427,918	P11,473,092
Power, light and water	75,796,732	64,907,958	35,173,724
Salaries, wages and benefits – note 20	61,082,557	44,774,614	30,090,165
Depreciation and amortization – notes 9 and 13	57,287,427	100,208,540	68,422,275
Supplies	50,647,884	23,616,024	10,543,995
Laundry	23,589,615	25,469,735	12,181,071
Repairs and maintenance	22,313,256	18,732,996	9,717,396
Taxes and licenses	10,354,311	7,884,776	6,625,086
Fees and dues	2,609,644	3,251,701	2,049,710
Gas and oil	1,801,182	1,801,064	-
Insurance	1,766,979	797,873	527,468
Rent – note 23	696,606	-	1,685,213
Professional fees	301,597	314,432	283,846
Freight and delivery	140,242	827,713	415,946
Communication	70,015	98,938	67,481
Transportation and travel	66,100	8,280	6,735
Advertising and promotion	-	52,800	36,393
Miscellaneous	1,832,492	757,357	404,886
	P402,343,765	P327,932,719	P189,704,482

Security and janitorial in 2024 includes the manpower cost outsourced by the Club for repairs and repainting of villas.

Supplies in 2024 includes the cost for the change of supplies for some villas.

Repairs and maintenance pertain to the cost related to maintenance of villas and golf course.

17. SELLING EXPENSES

This account pertains to payments for advertising and promotions for magazine features, online travel agencies for hotel bookings made by Club's guests, and commission related to hotel revenue and food and beverage. Advertising and promotions amounted to ₱40,977,811, ₱38,164,670 and ₱14,851,039 in 2024, 2023 and 2022, respectively.

18. GENERAL AND ADMINISTRATIVE EXPENSES

This account consists of:

	2024	2023	2022
Salaries, wages and benefits – note 20	₱55,904,894	₱41,107,504	₱32,281,668
Supplies	12,039,620	13,732,785	3,245,212
Depreciation and amortization – notes 9 and 13	7,360,787	5,686,021	6,783,008
Gas and oil	6,776,120	5,672,269	4,934,331
Professional fees – note 11	3,867,508	2,715,608	1,928,785
Freight and delivery	2,867,662	1,512,550	363,497
Fees and dues	2,177,988	2,377,730	1,543,480
Security services	2,061,966	1,660,602	1,593,925
Insurance	1,867,706	1,744,600	1,018,656
Transportation and travel	1,593,931	701,727	312,809
Representation and entertainment	1,166,397	1,167,725	942,113
Taxes and licenses	1,104,106	4,085,087	4,755,000
Printing and reproduction	1,074,508	576,979	212,721
Light and water	666,871	825,716	1,050,562
Rent – note 23	413,821	560,616	262,000
Communication	326,441	760,453	485,501
Repairs and maintenance	101,496	100,979	962,271
Seminars and training	13,921	33,158	6,182
Miscellaneous	3,442,329	3,520,566	3,217,612
	₱104,828,072	₱88,542,675	₱65,899,333

Miscellaneous includes input VAT attributable to VAT exempt transactions which are expensed during the year.

19. OTHER CHARGES (NET)

This account consists of:

	2024	2023	2022
Bank charges	₱13,162,315	₱14,728,178	₱7,043,355
Interest expense – note 13	1,739,998	1,265,015	147,816
Interest income – note 6	(11,220,197)	(5,441,736)	(73,839)
Gain on reversal of liabilities – note 10	-	(342,264)	-
	₱3,682,116	₱10,209,193	₱7,117,332

Bank charges include service charges of bank for credit card payments of customers.

20. EMPLOYEE BENEFITS

Salaries and employee benefits expense

Expenses recognized for salaries, wages and benefits under cost and expenses are presented below:

	2024	2023	2022
Short-term benefits	P112,353,461	P81,868,990	P55,245,278
Post-employment benefits	4,633,990	4,013,128	7,126,555
	P116,987,451	P85,882,118	P62,371,833

Post-employment benefits

The Club has an unfunded, defined benefit retirement plan computed based on the projected unit credit method. The Club's latest actuarial valuation report was December 31, 2024. The computation of retirement benefit costs is based on Republic Act (R.A.) No. 7641, Retirement Law.

The retirement benefits expense recognized in the statements of comprehensive income is as follows:

	2024	2023	2022
Current service cost	P2,409,284	P1,982,141	P4,857,103
Interest cost	2,224,706	2,030,987	2,269,452
	P4,633,990	P4,013,128	P7,126,555

The retirement benefits expense is allocated as follows:

	2024	2023	2022
Direct costs – note 16	P2,550,997	P2,190,335	P3,734,274
General and administrative expenses – note 18	2,082,993	1,822,793	3,392,281
	P4,633,990	P4,013,128	P7,126,555

The remeasurement loss (gain) recognized in other comprehensive income is as follows:

	2024	2023	2022
Actuarial loss (gain) due to:			
Experience adjustments	P6,455,482	P1,661,594	(P3,045,744)
Changes in financial assumptions	9,475,613	2,114,518	(19,825,232)
	P15,931,095	P3,776,112	(P22,870,976)

Remeasurement loss (gain) is presented in other comprehensive income, net of tax of P3,982,774 in 2024, P944,028 in 2023, and P5,717,744 in 2022.

The movements in remeasurement gain on retirement benefits as of December 31 are as follow:

	2024	2023
Balance at beginning of year	(P19,741,019)	(P22,573,103)
Remeasurement loss on retirement benefits for the year, net of tax	11,948,321	2,832,084
Balance at end of year	(P7,792,698)	(P19,741,019)

The movements in the retirement benefits obligation recognized in the statements of financial position are as follow:

	2024	2023
Balance at beginning of year	P33,454,223	P26,038,289
Retirement benefits expense	4,633,990	4,013,128
Remeasurement loss on retirement benefits	15,931,095	3,776,112
Retirement benefits paid	(763,165)	(373,306)
Balance at end of year	P53,256,143	P33,454,223

The movements in the present value of the retirement benefits obligation are as follow:

	2024	2023
Balance at beginning of year	P33,454,223	P26,038,289
Current service cost	2,224,706	1,982,141
Interest cost	2,409,284	2,030,987
Remeasurement loss on retirement benefits	15,931,095	3,776,112
Benefits paid	(763,165)	(373,306)
Balance at end of year	P53,256,143	P33,454,223

The principal actuarial assumptions used are as follow:

	2024	2023
Discount rate	5.90%	6.65%
Expected salary increase	3.00%	1.00%

Risk Arising from the Retirement Plan

The Club has an unfunded retirement plan of P53,256,143 and P33,454,223 as at December 31, 2024 and 2023, respectively. While there is no minimum required funding, the amount without fund may expose the Club to cash flow risk for 10-15 years when a significant number of employees are expected to retire.

Maturity Profile of Undiscounted Benefit Payments

The weighted average duration of the Club's defined benefit obligation is 19 years and 18 years as at December 31, 2024 and 2023, respectively.

The maturity analysis on the Club's undiscounted benefit payments are as follow:

December 31, 2024

	1 year and less	More than 1 to 5 years	More than 5 to 10 years	More than 10 to 15 years	More than 15 to 20 years	More than 20 years
Normal retirement	P2,659,888	P11,945,650	P23,935,372	P56,933,131	P86,377,368	P319,737,469

December 31, 2023

	1 year and less	More than 1 to 5 years	More than 5 to 10 years	More than 10 to 15 years	More than 15 to 20 years	More than 20 years
Normal retirement	P1,418,155	P9,094,513	P19,910,041	P38,187,490	P37,671,524	P156,554,274

Principal Actuarial Assumption Sensitivity

The following illustrates the sensitivity to a reasonably possible change in each key assumption, with all other variables held constant, of the Club's retirement benefits obligation. The sensitivity analysis is prepared assuming the fair value of asset does not vary during the period. A +/-1% and +/-0.5% increase or decrease in salary increase and discount rate, respectively, is used when reporting this risk internally to key management personnel and represents management's assessment of the reasonably possible change in salary increase and discount rate.

The impact on the Club's retirement benefits obligation as at December 31, 2024 which affects the Club's cash flow is as follows:

Increase (decrease)		Present value of obligation	Increase (decrease) on retirement benefits obligation
Discount rate	+0.5%	P51,111,283	(P2,144,860)
	-0.5%	55,626,957	2,370,814
Salary increase	+1%	58,197,975	4,941,832
	-1%	49,184,461	(4,071,682)

Regulatory Framework in which the Retirement Obligation Operates

In accordance with the provisions of the Labor Code, the Club is required to pay eligible employees at least the minimum regulatory benefit upon retirement, subject to age and service requirements.

Responsibilities of Trustees

Since the Club does not have a formal, trustee retirement plan, there are no trustees yet.

Plan Amendments, Curtailments or Settlements

There was no plan amendment, curtailment or settlement recognized for the years ended December 31, 2024 and 2023.

21. INCOME TAXES

Income tax expense (benefit) consists of:

	2024	2023	2022
Current	P1,456,659	P2,602,388	P762,614
Deferred	(21,789,651)	4,814,559	(4,226,912)
	(P20,332,992)	P7,416,947	(P3,464,298)

The reconciliation of pretax income (loss) computed at the applicable statutory tax rate to income tax expense (benefit) is as follows:

	2024	2023	2022
Income (loss) before income tax	(P72,194,411)	P30,821,273	(P13,300,791)
Tax at statutory tax rate at 25%	(18,048,603)	7,705,318	(3,325,198)
Add (deduct) tax effects of:			
Expenses allocated to tax – exempt membership dues	8,034,592	9,302,070	7,170,352
Depreciation expense – right-of-use assets	1,865,719	1,526,436	975,811
Nondeductible taxes and licenses	-	693,288	874,908
Nondeductible interest expense	435,000	316,254	36,954
Income subjected to final tax	(2,805,049)	(1,360,434)	(18,459)
Rent expense for long-term leases	(2,441,367)	(2,062,917)	(696,644)
Tax-exempt membership dues	(7,373,284)	(8,703,068)	(8,482,022)
	(P20,332,992)	P7,416,947	(P3,464,298)

The details of deferred tax assets as at December 31, 2024 and 2023 are as follow:

	2024	2023
NOLCO	P68,829,306	P47,317,789
Retirement benefits obligation*	13,314,035	8,363,556
Contract liabilities	11,246,914	13,393,144
MCIT	4,821,661	3,365,002
Accrual for management fees and advertising	3,218,903	3,218,903
Allowance for ECL	754,683	754,683
	P102,185,502	P76,413,077

*Includes deferred tax liability on remeasurement gain under Other comprehensive income amounting to P2,597,566 and P6,580,339 as at December 31, 2024 and 2023, respectively.

The Club subjected to income tax those advance payments for accommodation and rental from concessionaires that were received from customers amounting to nil and P1,940,731 in 2024 and 2023, respectively.

MCIT

The details of MCIT at December 31 are as follow:

Year incurred	Amount	Addition	Expired	Balance	Year of Expiry
2022	P762,614	P-	P-	P762,614	2025
2023	2,602,388	-	-	2,602,388	2026
2024	-	1,456,659	-	1,456,659	2027
	P3,365,002	P1,456,659	P-	P4,821,661	

NOLCO

Year incurred	Year of expiry	Amount	Additions	Applied	Expired	Balance
2020	2025	P123,033,877	P-	P35,248,344	P-	P87,785,533
2021	2026	97,431,141	-	-	-	97,431,141
2022	2025	4,054,486	-	-	-	4,054,486
2024	2027	-	86,046,067	-	-	86,046,067
		P224,519,504	P86,046,067	P35,248,344	P-	P275,317,227

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulation (RR) No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that 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.

22. LEGAL MATTERS

The Club is a party to other lawsuits and claims arising in the normal course of business. However, the Club's management and legal counsel believe that the eventual liabilities under these lawsuits or claims will not have a material effect on the Club's financial statements. Accordingly, no provision for probable losses arising from said lawsuits and claims have been recognized in the financial statements as at December 31, 2024 and 2023.

23. OPERATING LEASES

The Club's operating leases are as follow:

Club as lessee

a. Paseo Villas

In 2012, the Club entered into an agreement with the unit owners of Paseo Villas to manage and enroll their units in hotel pool. The agreement shall be effective for a period of 15 years commencing on the date of signing of the agreement, automatically renewable for another 15 years at the end of each term, unless terminated by either party. Rental is equivalent to 20% of revenues, net of VAT, other charges and taxes.

b. Equipment

The Club entered into a short-term lease agreement with a third party for the use of equipment for the Club's operation. In consideration of the lease, the Club agreed to pay monthly rental of ₱23,492, net of VAT.

c. Welcome Center

The Club entered into a lease agreement for the Welcome Center, a facility of the Club where tourists wait for the boat that will take them to the Island of Boracay, located in Caticlan, Malay, Aklan. The premises leased by the Club, with an area of 5,815 square meters, are owned by two individuals.

Land with an area of 3,023 sq.m.

Under the terms and conditions of the agreement, the Club shall lease the premises for a period of six years commencing from August 1, 2015. Upon its expiration in 2021, the Club and the lessor mutually agreed to renew the lease agreement for a period of one year commencing from August 1, 2021. The lease was renewed for a period of six years commencing from December 1, 2022 (see Note 13).

Land with an area of 2,792 sq.m.

Under the terms and conditions of the agreement, the Club shall lease the premises for a period of six years commencing from September 22, 2015. Upon its expiration in 2021, the Club and the lessor mutually agreed to renew the lease agreement for a period of one year commencing from September 22, 2021. The lease was renewed for a period of six years commencing from December 22, 2022 (see Note 13).

Rent expense related to these lease agreements are allocated as follows:

	2024	2023	2022
Direct cost – note 16	₱696,606	₱-	₱1,685,213
General and administrative expenses – note 18	413,821	560,616	262,000
	₱1,110,427	₱560,616	₱1,947,213

Rental expense for the use of Paseo Villas amounted to ₱12,410,450 in 2024, ₱11,806,106 in 2023 and nil in 2022, included in cost of service under "Direct cost" (see Note 16). As at December 31, 2024 and 2023 the unpaid amount to unit owners of Paseo Villas amounted to ₱17,260,780 and ₱16,768,012, respectively, is included in trade payables under "Trade and other payables" (see Note 10).

The Club has an accrued rental expense amounting to ₱2,621,000 and ₱459,366 as at December 31, 2024 and 2023, respectively (see Note 10).

Club as lessor

The Club entered into an agreement with third party concessionaires whereby the concessionaires will set up and operate stores and other facilities inside the Club for a term of not more than one year. The agreements are renewable upon mutual agreement of the parties. The agreement provides that the concessionaires shall pay a fixed monthly rent plus a certain percentage of their monthly gross sales. Security deposit equivalent to two-month of the fixed monthly fees was paid by each concessionaire as required under the contract.

Starting April 2020, there were no rentals received from its third-party concessionaires since the Club's operations have been temporarily closed due to the pandemic. This arrangement will apply until such time when business conditions improve.

Refundable deposits as at December 31, 2024 and 2023 amounted to P1,737,385, included under "Trade and other payables" in the statements of financial position (see Note 10). Advance payment received from concessionaires as at December 31, 2024 and 2023 amounting to P5,395,323 and P1,764,180, respectively, is included under "Contract liabilities" in the statements of financial position (see Note 12).

Rental from concessionaires amounting to P5,983,520, nil and P150,000 in 2024, 2023 and 2022, respectively, is included under "Golf operations and other activities" in the statements of comprehensive income (see Note 15).

24. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Club is exposed to a variety of financial risks which result from both its operating and financing activities. The Club's risk management is coordinated in close cooperation with the BOD and focuses on actively securing the Club's short-to medium-term cash flows by minimizing the exposure to financial markets.

The Club does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The financial risks to which the Club is exposed are as follow:

(a) Foreign Currency Risk

The Club has no significant exposure to foreign currency risk as most of its transactions are denominated in Philippine peso.

(b) Credit Risk

Credit risk is the risk that the Club will incur a loss from customers or counterparties that fail to discharge their contractual obligations. The Club manages credit risk by setting limits on the amount of risk the Club is willing to accept from counterparties and by monitoring exposures in relation to such limits. The Club's credit risk is primarily attributable to its cash, receivables and other noncurrent assets. The Club reviews the recoverable amount of each trade debt and debt instrument on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts.

For banks and financial institutions, only independently rated parties with high credit ratings are accepted. For its receivables, the balances are actively monitored on an ongoing basis by taking into account the financial position, past collection experience and other factors to avoid significant concentrations of credit risk.

Maximum credit risk exposure

The table below shows the maximum exposure to credit risk of the Club as at December 31, 2024 and 2023:

		December 31, 2024		
	Basis of ECL	Gross carrying amount	Loss allowance	Net carrying amount
Cash and cash equivalents	(a)	P293,768,506	P-	P293,768,506
Trade and other receivables (net)*	(b) Lifetime ECL	34,526,023	3,018,733	31,507,290
Security deposit	(c)	560,049	-	560,049
		P328,854,578	P3,018,733	P325,835,845

**Except advances to officers and employees of P414,612*

		December 31, 2023		
	Basis of ECL	Gross carrying amount	Loss allowance	Net carrying amount
Cash and cash equivalents	(a)	P331,166,051	P-	P331,166,051
Trade and other receivables (net)*	(b) Lifetime ECL	26,186,298	3,018,733	23,167,565
Security deposit	(c)	560,049	-	560,049
		P357,912,398	P3,018,733	P354,893,665

**Except advances to officers and employees of P466,239*

- (a) Cash and cash equivalents are assessed to have low credit risk at each reporting period. These are held by reputable banking institutions.
- (b) For trade and other receivables, the Club has applied the simplified approach to measure the loss allowance at lifetime ECLs. The Club determines the ECLs based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.
- (c) The expected impairment loss on other noncurrent asset is immaterial; hence, no ECL is recognized.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers over a period of twenty-four (24) months before December 31, 2024 and 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. In 2024 and 2023, the Club's ECL rate is zero for accounts that are current and those 1 to 60 days past due because there has been no experience of loss or default from hotel booking agents, credit cards and other contracting parties. The provision matrix to compute ECL on its trade and other receivables considers the historical observed default rates of hotel booking agents, financial institution for credit card transactions and concessionaires, adjusted for forward-looking estimates and disregards the loss experience on certain transactions in the past which is not applicable to the Club's current operations.

The loss allowance for trade and other receivables is determined as follows:

December 31, 2024

	Current	No. of days past due			Total
		Less than 30 days	31 days to 1 year	Over 1 year	
Gross carrying amount*	P1,192,925	P26,590,769	P3,723,596	P3,018,733	P34,526,023
Lifetime ECL	P-	P-	P-	P3,018,733	P3,018,733

*Excluding advances to officers and employees amounting to P414,612

December 31, 2023

	Current	No. of days past due			Total
		Less than 30 days	31 days to 1 year	Over 1 year	
Gross carrying amount*	P1,537,617	P434,068	P21,195,880	P3,018,733	P26,186,298
Lifetime ECL	P-	P-	P-	P3,018,733	P3,018,733

*Excluding advances to officers and employees amounting to P466,239

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Club and if past due for more than one (1) year.

The table below shows the aging analysis of cash, trade and other receivables and other noncurrent assets as at December 31, 2024 and 2023:

December 31, 2024

	Cash and cash equivalents	Trade and other receivables*	Security deposit	Total
Neither past due nor impaired	P293,768,506	P1,192,925	P560,049	P295,521,480
Past due but not impaired				
Less than 30 days	-	26,590,769	-	26,590,769
30 days and over	-	3,723,596	-	3,723,596
Impaired	-	3,018,733	-	3,018,733
	P293,768,506	P34,526,023	P560,049	P328,854,578

*Except advances to officers and employees of P414,612

December 31, 2023

	Cash and cash equivalents	Trade and other receivables*	Security deposit	Total
Neither past due nor impaired	P331,166,051	P1,537,617	P560,049	P333,263,717
Past due but not impaired				
Less than 30 days	-	434,068	-	434,068
30 days and over	-	21,195,880	-	21,195,880
Impaired	-	3,018,733	-	3,018,733
	P331,166,051	P26,186,298	P560,049	P357,912,398

*Except advances to officers and employees of P466,239

Credit quality of financial assets

i. Neither past due nor impaired

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade and other receivables include receivables in the ordinary course of business and advances to related party. Credit risk is reduced to an acceptable low level through liquidation within the allowed number of days set in accordance with the Club's policy.

ii. Past due but not impaired

Financial assets past due but not impaired consist of trade and other receivables not collected within the credit term policy of the Club. These receivables are not considered in default as the nonpayment is not from financial difficulty of the borrower.

iii. Past due and impaired

Trade and other receivables that are impaired amounting to P3,018,733 as of December 31, 2024 and 2023 are those long outstanding trade and other receivables that have not been collected despite sending demand letters and for which the Club believes that the receivables may not be collected. Full provision has been recognized for such receivables.

The credit risk for security deposit and cash bond is considered negligible as the amount is insignificant.

(c) Liquidity Risk

The Club has significant exposure to liquidity risk because of significant payables and advances from related parties. Although these liabilities have no fixed terms and non-interest bearing, the Club's financial assets are not sufficient to pay off its financial liabilities. The Club manages liquidity by identifying events that would trigger liquidity problems, providing contingency plans, identifying potential sources of funds and monitoring compliance with liquidity risk and policy.

The following requirements summarize the maturity profile of the financial liabilities based on the remaining undiscounted contractual obligations as well as the analyses of the maturity profile of the financial assets in order to provide a complete view of the contractual commitments and liquidity.

Financial assets

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected dates the assets will be realized.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date.

December 31, 2024

	Up to 1 year	>1 year to 5 years	Total
Cash and cash equivalents	P293,768,506	P-	P293,768,506
Trade and other receivables (net)*	31,507,290	-	31,507,290
Security deposit	-	560,049	560,049
Total financial assets	325,275,796	560,049	P325,835,845
Trade and other payables**	429,584,493	-	429,584,493
Advances from related parties	185,188,212	-	185,188,212
Lease liabilities	9,172,084	18,388,628	27,560,712
Total financial liabilities	623,944,789	18,388,628	642,333,417
	(P298,668,993)	(P17,828,579)	(P316,497,572)

* Excluding advances to officers and employees amounting to P414,612

** Excluding payable to government agencies and provision amounting to P12,954,887

December 31, 2023

	Up to 1 year	>1 year to 5 years	Total
Cash and cash equivalents	P331,166,051	P-	P331,166,051
Trade and other receivables (net)*	23,167,565	-	23,167,565
Security deposit	-	560,049	560,049
Total financial assets	354,333,616	560,049	354,893,665
Trade and other payables**	403,975,986	-	403,975,986
Advances from related parties	192,805,324	-	192,805,324
Lease liabilities	6,795,439	14,107,294	20,902,733
Total financial liabilities	603,576,749	14,107,294	617,684,043
	(P249,243,133)	(P13,547,245)	(P262,790,378)

* Excluding advances to officers and employees amounting to P466,239

** Excluding payable to government agencies and provision amounting to P11,132,119

Trade and other payables to third parties are managed through cash advances from related parties.

(d) *Capital Risk Objective and Management*

The Club's objective when managing capital is to safeguard the entity's ability to continue as a going concern so that it can continue to sustain its operations and that the members will be able to enjoy the benefits provided by the Club. At present and as a result of losses incurred in prior years, the Club manages its capital through proper management of its cash flow and in relation to its results of operations as well as its advances from related parties.

The Club monitors its capital gearing by measuring the ratio of current liabilities to total capital. As at December 31, 2024 and 2023, the Club's gearing ratio follows:

	2024	2023
Total current liabilities (a)	P684,767,378	P675,827,227
Total equity	3,267,816,725	3,331,629,252
Total current liabilities and equity (b)	P3,952,584,103	P4,007,456,479
Gearing ratio (a/b)	17%	17%

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

25. FAIR VALUE INFORMATION

Assets and liabilities not measured at fair value

The Club's financial assets and liabilities which are not measured at fair value but for which fair value is disclosed include cash and cash equivalents, trade and other receivables, trade and other payables, advances from related parties and current portion of lease liabilities.

Management considers that the carrying amounts of these financial assets and liabilities approximate their fair value due to their short-term duration.

The carrying amount and fair value of the categories of noncurrent financial assets presented in the statements of financial position are shown below:

	2024		2023		Fair value hierarchy	Valuation technique
	Carrying values	Fair values	Carrying values	Fair values		
Financial asset						
Other noncurrent assets	P560,049	P527,858	P560,049	P528,654	Level 2	Discounted cash flow
Financial liability						
Lease liabilities – noncurrent	P18,388,628	P18,388,628	P14,107,294	P14,107,294	Level 2	Discounted cash flow

Other noncurrent assets. The fair values of the Club's noncurrent assets are determined based on the present value of estimated future cash flows using prevailing market rates. The discount rate used was 6.10% and 5.94% as at December 31, 2024 and 2023, respectively.

Lease liabilities – noncurrent. The fair value of the lease liabilities approximates its carrying amount as it is determined based on the present value of estimated future cash flows using prevailing market rates. The discount rate used ranges from 2.18% to 6.79% as at December 31, 2024 and 2023.

There were no changes on the valuation techniques nor any transfers to other levels for the years ended December 31, 2024 and 2023.

26. SUPPLEMENTARY INFORMATION REQUIRED UNDER RR NO. 15-2010

On December 28, 2010, the BIR issued RR No.15-2010, which amended certain provisions of RR No. 21-2002 prescribing the manner of compliance with any documentary and/or procedural requirements in connection with the preparation and submission of financial statements and income tax returns. Section 2 of RR No. 21-2002 was further amended to include in the Notes to Financial Statements information on taxes, duties and license fees paid or accrued during the year in addition to what is mandated by PFRS.

Presented below are the detailed information on taxes, duties and license fees paid or accrued by the Club during the taxable year ended December 31, 2024:

a) Output VAT

	2024	
	Revenues	Output VAT
Subject to 12% VAT		
Green fee	P28,892,705	P3,467,125
Food and beverage	10,453,627	1,254,435
Golf and other golf related income	479,106,209	57,492,745
	518,452,541	62,214,305
Exempt sales	32,305,000	-
	P550,757,541	P62,214,305

b) Input VAT

The movement in input VAT for the year ended December 31, 2024 is as follows:

Balance, January 1, 2024	P198,110
Add: Current year's domestic purchase/payment for:	
Goods other than capital goods	10,613,788
Capital goods not subject to amortization	523,568
Services lodged under cost of sales and good sold	30,650,720
Amortized portion of input VAT	5,959,476
Total available input VAT	47,945,662
Less: Claims for:	
Applied against output tax during the year	(42,744,353)
Input VAT allocated to VAT Exempt	(2,724,168)
Input VAT deferred for succeeding period	-
Balance, December 31, 2024	P2,477,141

c) *Documentary stamp tax*

The Club paid documentary stamp taxes amounting to ₱273,100 in 2024 for insurance purposes.

d) *Taxes and licenses*

The details of taxes and licenses account for the year ended December 31, 2024 follow:

	2024
Real property tax	₱7,372,580
Business license	3,359,550
Filing fee	374,295
Documentary stamp tax	273,100
Vehicle registration	66,433
Miscellaneous	12,459
	₱11,458,417

e) *Withholding taxes*

The details of total withholding taxes for the year ended December 31, 2024 follow:

	2024
Withholding tax on compensation	₱3,857,877
Expanded withholding taxes	6,853,339
	₱10,711,216

f) *Deficiency tax assessment and tax cases*

The Club has no tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR.

* * *

**Supplemental Written Statement to
Accompany Independent Auditors' Report**

To the Board of Directors and Members of
FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.
(A Nonprofit and Stock Corporation)
Barangay Balabag, New Coast
Island of Boracay, Municipality of Malay
Province of Aklan

We have audited the accompanying financial statements of **Fairways & Bluewater Resort Golf & Country Club, Inc., (A Nonprofit and Stock Corporation) (the Club)** for the year ended December 31, 2024, on which we have rendered the attached report dated April 3, 2025. In connection with our audit, we obtained a certification from the Club's corporate secretary as to the number of stockholders and their corresponding shareholdings as at December 31, 2024. In relation to the certification issued by the corporate secretary, we conducted certain tests necessary to validate the related Club's entries and balances.

In compliance with SRC Rule 68, As Amended and based on the certification received from the Club's corporate secretary and the results of the work performed, as at December 31, 2024, the Club has three (3) members owning one hundred (100) or more shares each.

Diaz Murillo Dalupan and Company

Tax Identification No. 003-294-822

BOA/PRC No. 0234, effective until June 23, 2026

BIR Accreditation No. 08-001911-000-2025, effective until March 11, 2028



Alexes B. Abella

Partner

CPA Certificate No. 96749

Tax Identification No. 201-766-994

PTR No. 10478582, January 9, 2025, Makati City

BIR Accreditation No. 08-001911-004-2025, effective until March 11, 2028

April 3, 2025

Global Reach, Global Quality

Head Office : 7th Floor, Don Jacinto Building, De la Rosa corner Salcedo Sts., Legaspi Village, Makati City 1229 Philippines • Phone: +63(2) 8894 5892 / 8844 9421 / Fax: +63(2) 8818 1872
Cebu Office : Unit 504 Cebu Holdings Building, Cebu Business Park, Mabolo, Cebu City 6000 Philippines • Phone: +63(32) 415 8108 - 10 / Fax: +63(32) 232 8029
Davao Office : 3rd Floor Building B Plaza De Luisa, Ramon Magsaysay Avenue, Davao City 8000 Philippines • Phone/Fax: +63(82) 222 6638
Palawan Office : 2F MRC Building, Pineda Road, Brgy. San Pedro, Puerto Princesa City, Palawan 5300 Philippines • Phone: +63(48) 716 1580
Website : www.dmdcpa.com.ph

Statement Required by Rule 68, Part I, Section 5,
Securities Regulation Code (SRC).
As Revised on August 19, 2019

The Board of Directors and Members
FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.
(A Nonprofit and Stock Corporation)
Barangay Balabag, New Coast
Island of Boracay, Municipality of Malay
Province of Aklan

We have audited the accompanying financial statements of **Fairways & Bluewater Resort Golf & Country Club, Inc. (A Nonprofit and Stock Corporation) (the Club)** as at and for the year ended December 31, 2024, on which we have rendered the attached report dated April 3, 2025. The supplementary information shown in schedule of financial soundness indicators, as additional component required by Rule 68, Part I, Section 5 of the Securities Regulation Code, is presented for purposes of filing with the Securities and Exchange Commission and is not a required part of the basic financial statements. Such information is the responsibility of management and has been subjected to auditing procedures applied in the audit of basic financial statements. In our opinion, the information has been prepared in accordance with Rule 68 of the Securities Regulation Code.

Diaz Murillo Dalupan and Company
Tax Identification No. 003-294-822
BOA/PRC No. 0234, effective until June 23, 2026
BIR Accreditation No. 08-001911-000-2025, effective until March 11, 2028


Alexes B. Abella

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FAIRWAYS & BLUEWATER RESORT GOLF and COUNTRY CLUB
INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024

Report of Independent Auditors on Supplementary Schedules Filed Separately
from the Basic Financial Statements

(1) Supplementary Schedules to Financial Statements
(Annex 68-J, SRC Rule 68)

Schedule

A	Financial Assets (Marketable Securities)	na
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	1
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	na
D	Long-Term Debt	na
E	Indebtedness to Related Parties	2
F	Guarantees of Securities of Other Issuers	na
G	Capital Stock	3

(2) Reconciliation of Retained Earnings Available for Dividend Declaration na

(3) Map Showing the Relationship Between and Among Related Parties na

(4) List of Standards and Interpretations under Philippine Financial Reporting Standards
as of December 31, 2024 na

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2024
(Amounts in Philippine Pesos)

Name & Designation of Debtor	Balance at Beginning of Period	Additions	DEDUCTIONS		ENDING BALANCE		Balance at end of Period
			Amounts Collected	Amounts Written Off / Reversed	Current	Not Current	
Advances to Officers & Employees							
Acosta, Jocelyn	6,600.00				6,600.00	P	6,600.00
Acosta, Julie Ann	3,906.25		3,125.00		781.25		781.25
Agusila, Jona	(11,131.75)		3,623.61		(14,755.36)		(14,755.36)
Alagon, Venice	(11,286.78)		695.71		(11,982.49)		(11,982.49)
Albios, Mary Grace	711.00				711.00		711.00
Alvarez, Ruby	23,081.00				23,081.00		23,081.00
Anonuevo, Jomar	-	1,250.00			1,250.00		1,250.00
Candari, Robert	-	1,000.00			1,000.00		1,000.00
Baylon, Elmer	1,250.00		1,250.00		-		-
Bayona, Frankie	2,250.00				2,250.00		2,250.00
Bela-ong, Joan	26,316.65				26,316.65		26,316.65
Belaro, Cristi	(11,132.19)		695.71		(11,827.90)		(11,827.90)
Cabrales, Michael	(12,523.57)		695.71		(13,219.28)		(13,219.28)
Carbungco, Rona	54,754.58				54,754.58		54,754.58
Carrido, Neil	3,000.00		3,000.00		-		-
Carino, Eric	21,567.69				21,567.69		21,567.69
Carino, Flordeliza	43,135.65				43,135.65		43,135.65
Casiple, Rodney	1,750.00		1,750.00		-		-
Cubar, Suzette	8,161.06		6,528.88		1,632.18		1,632.18
Daanoy, Larry	4,500.00				4,500.00		4,500.00
De Leon, Ma. Berndardita	36.38		36.38		0.00		0.00
Delfinado, Rachelle	14,067.87				14,067.87		14,067.87
Delmindo, Anthoynny		1,500.00			1,500.00		1,500.00
Duran, Mario	48,508.16	26,000.00	22,521.20		51,986.96		51,986.96
Eya, Ferdinand	(0.00)	4,174.42			4,174.42		4,174.42
Gallardez, Jullan	1,250.00		1,250.00		-		-
Garcia, Val Josep		500.00			500.00		500.00
Genoguín, Don Zebedee	(22,663.02)		10,682.09		(33,345.11)		(33,345.11)
Glodo, Aires	500.00		500.00		-		-
Globe Telecom		834.96			834.96		834.96
Ibanez, Venjie	1,750.00		1,750.00		-		-
Mabunay, Joven	1,750.00				1,750.00		1,750.00
Magabilin, Gall Ali	11,675.00				11,675.00		11,675.00
Modina, Elena	1,623.20				1,623.20		1,623.20
Morada, Gemma	500.00		500.00		-		-
Musni, Ryan		500.00			500.00		500.00
Philhealth Premium	385.70		385.70		(0.00)		(0.00)
Pacunayen, Malen	10,875.00		10,875.00		-		-
Pauig, Aileen	(11,132.09)		695.71		(11,827.80)		(11,827.80)
Pantua, Marjorie	1,600.00		1,600.00		-		-
Peracullo, Arthur	250.00		250.00		-		-
Ramos, Jerome	(11,132.09)		695.71		(11,827.80)		(11,827.80)
Saiceda, Francis	250.00				250.00		250.00
Santos, Jonjie	[0.00]	695.77			695.77		695.77
Silvano, Mark Josep	1,400.00		1,400.00		-		-
Sison, Mara Maris	36,793.04				36,793.04		36,793.04
Solidum, Rogle	1,750.00		1,650.00		100.00		100.00
Tan, King Albert	(11,132.08)		695.71		(11,827.79)		(11,827.79)
Tejones, Emelina	47,593.04		9,915.20		37,677.84		37,677.84
Tibunsay, Norberto	8,980.59				8,980.59		8,980.59

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB

SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)

DECEMBER 31, 2024

(Amounts in Philippine Pesos)

Name & Designation of Debtor	Balance at Beginning of Period	Additions	DEDUCTIONS		ENDING BALANCE		Balance at end of Period
			Amounts Collected	Amounts Written Off / Reversed	Current	Not Current	
Tutay, Jenelyn	8,000.00		4,030.00		3,970.00		3,970.00
Unlayao, Maribeth	(2,021.09)				(2,021.09)		(2,021.09)
Vrsquez, Goddess		2,715.00			2,715.00		2,715.00
Vinas, Val Xavier	169,871.73				169,871.73		169,871.73
	P 466,238.93	P 39,170.15	90,797.32	-	414,611.76	-	P 414,611.76

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES (LONG TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2024
(Amounts in Philippine Pesos)

<i>Name of Related Party</i>	<i>Balance at Beginning of Period</i>	<i>Balance at End of Period</i>
GLOBAL ESTATE RESORTS INC	55,740,117	58,162,151
GLOBAL-ESTATE PROPERTIES, INC.	57,479,394	57,479,394
FIL ESTATE REALTY CORP	5,773,835	5,773,835
FIL ESTATE URBAN DEVELOPMENT CORP	62,830,827	53,841,681
GOLFORCE INC	5,095,794	4,045,794
FIL-ESTATE MANAGEMENT INC	5,885,357	5,885,357
TOTAL	192,805,324	185,188,212

FAIRWAYS & BLUEWATER RESORT GOLF & COUNTRY CLUB, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
As of December 31, 2024 and 2023

Ratio	Formula	2024	2023
Current ratio	Total current assets divided by total current Liabilities	57%	61%
	Total current assets	P393,405,405	
	Divide by: Total current liabilities	684,767,378	
	Current ratio	57%	
Acid test ratio	Quick assets (total current assets less prepayments and other current assets) divided by total current Liabilities	48%	53%
	Total current assets	P393,405,405	
	Less: Prepayments and other current assets	64,648,281	
	Quick assets	328,757,124	
	Divide by: Total current liabilities	684,767,378	
	Acid test ratio	48%	
Debt to equity ratio	Total liabilities divided by total equity	23%	22%
	Total liabilities	P756,412,149	
	Divide by: Total equity	3,267,819,512	
	Debt to equity ratio	23%	
Asset to equity ratio	Total assets divided by total equity	1.23:1	1.22:1
	Total assets	P4,024,231,661	
	Divide by: Total equity	3,267,819,512	
	Asset to equity ratio	1.23:1	
Interest rate coverage ratio	Earnings before interest and taxes divided by interest expense	4,049%	2,536%
	Income before income tax	(P72,194,411)	
	Add: Interest expense	1,739,998	
	Earnings before interest and taxes	(70,454,413)	
	Divide by: Interest expense	1,739,998	
	Interest rate coverage ratio	4,049%	

APPENDIX B

Ratio	Formula	2024	2023
Return on assets	Net income divided by average total assets (total assets beginning plus total assets ending divided by two)	(0.01%)	0.01%
	Total assets, beginning		
	Total assets, ending		
	Divide by:		
	Average total assets		
	Return on assets		
Return on equity	Net income divided by total equity	(0.02%)	0.01%
	Net income		
	Divide by: Total equity		
	Return on equity		
Net profit (loss) margin	Net income divided by total revenue	(9.00%)	4.00%
	Net income		
	Divide by: Total revenue		
	Net profit margin		

