

Re: TAGAYTAY MIDLANDS GOLF CLUB, INC._SEC FORM 201S (PRELIMINARY INFORMATION STATEMENT)_04 September 2023

CGFD LD <cgfd_ld@sec.gov.ph>

Mon 9/25/2023 3:05 PM

To: AMKL [REDACTED]

Cc: [REDACTED]
[REDACTED]
[REDACTED]

Dear Sir/Madam,

This refers to the Definitive Information Statement (DIS) and Management Report of **Tagaytay Midlands Golf Club, Inc.**, which was sent via email on 15 September 2023. We found that the said DIS and MR are in order, thus the company is advised that said reports are okay for distribution to its stockholders.

Your feedback is important to help us improve the delivery of our service to the public. To this end, kindly accomplish the Client Satisfaction Survey through this link: https://bit.ly/cgfd_ld_external

Your response is highly appreciated. Thank you.

On Fri, Sep 15, 2023 at 3:52 PM CGFD LD <cgfd_ld@sec.gov.ph> wrote:

Dear Sir/Madam,

This is to acknowledge receipt of your email. This will be forwarded to our handling Specialist.

*On **12 May 2021**, the Commission issued a **NOTICE** with subject "Revised Guidelines on the Submission of Documents, Issuance of Payment Assessment Form, Other Request and Compliance", as a Guidance for the covered companies indicated therein. To view the complete Notice, please click this link - <https://www.sec.gov.ph/notices/revised-guidelines-on-the-submission-of-documents-issuance-of-payment-assessment-form-other-requests-and-compliance/>. This will supersede CGFD Notices dated June 24, 2020 and July 20, 2020 and incorporate submission requirements in SEC Memorandum Circular No. 3, Series of 2021 applicable for CGFD covered companies.*

Insofar as the covered companies enumerated therein are concerned (and with respect to reports, applications, requests and other documents falling within our Department's jurisdiction), only the submissions that are compliant with the requirements provided in the abovementioned Notice and SEC Memorandum Circular No. 3, Series of 2021 shall be considered as filed with the Commission.

We encourage you to regularly monitor the SEC Website (www.sec.gov.ph) and/or the SEC's Facebook page for updates and announcements.

Thank you.

----- Forwarded message -----

From: AMKL [REDACTED]

Date: Fri, Sep 15, 2023 at 3:16 PM

Subject: TAGAYTAY MIDLANDS GOLF CLUB, INC._SEC FORM 201S (PRELIMINARY INFORMATION STATEMENT)_04 September 2023

To: CGFD LD <cgfd_ld@sec.gov.ph>

Cc: [REDACTED]
[REDACTED]
[REDACTED]

Gentlemen:

As directed, we resubmit herewith the Definitive Information Statement of Tagaytay Midlands Golf Club, Inc.

Thank you.

Regards,

Ann Margaret Lorenzo

Assistant Corporate Secretary



NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO: ALL STOCKHOLDERS

NOTICE is hereby given that there will be an annual meeting of the stockholders of **Tagaytay Midlands Golf Club, Inc.** (the "Corporation") on **07 October 2023, Saturday at 9:30 A.M** at the Midlands Veranda, Midlands Clubhouse, Brgy. Tranca, Talisay, Batangas, to consider the following:

AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Previous Meeting of Stockholders held on 15 October 2022.
5. Approval of Fiscal Year 2022 Operations and Results
6. Ratification of all Acts of the Board of Directors and Officers
7. Election of Directors
8. Appointment of External Auditors
9. Other Matters
10. Adjournment

The Board of Directors has fixed the close of business on **08 September 2023, Friday**, as the record date for the determination of the stockholders entitled to notice of, participation via remote communication, and voting in absentia at such meeting, and any adjournment thereof.

For those personally attending, pre-registration is encouraged and you may confirm your personal attendance by registering at www.tagaytayhighlands.com/annual-stockholders-meeting/. Registration may also be done on-site on the day of the annual meeting. Those who prefer to cast their vote in absentia may do so by registering online at www.tagaytayhighlands.com/annual-stockholders-meeting/ from **21 September 2023, Thursday until 30 September 2023, Saturday, at 5:30 P.M.** Upon verification of their registration credentials, an e-mail from the Corporation will be sent containing instructions on how they can cast their votes on matters to be taken up during the meeting using the Corporation's e-voting platform to be set up for the purpose. The e-voting platform will be accessible until **9:00 A.M. of 07 October 2023, Saturday**.

Stockholders may also send their duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Tektite Towers, Ortigas Center, Pasig City or via electronic copy by sending an e-mail to membership.th@tagaytayhighlands.com on or before **9:30 a.m. on 05 October 2023, Thursday**. For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

Validation of proxies is set on **05 October 2023, Thursday, at 12:00 N.N.** The votes already cast using the e-voting platform by that time will also be tallied on said date.

City of Pasig, Metro Manila, **12 September 2023**.

(Sgd.) ANN MARGARET K. LORENZO
Assistant Corporate Secretary

Our Definitive Statement, Financial Reports and Minutes of 2022 Annual Stockholders' Meeting can be downloaded at www.tagaytayhighlands.com/annual-stockholders-meeting/.

To access or view **Tagaytay Midlands Golf Club, Inc.'s 20-IS Definitive Statement**, you may use any of the following methods:

Via www.tagaytayhighlands.com/annual-stockholders-meeting/ website:

- Click on **Tagaytay Midlands Golf Club, Inc.** from the list under DEFINITIVE INFORMATION STATEMENT AND FINANCIAL REPORTS.

Via QR Code*

- Go to your mobile app store (App Store or Play Store) using your smart phone.
- Type in **QR Code Reader**. Choose an application under the category then download and install in your phone.
- Once installed, simply open the App, point the camera and scan the QR code.
- Once the QR code is in focus, the App will connect you to the site where you can download the 2022 Definitive Information Statement.
- Download the 2022 Definitive Information Statement.

QR CODE



Request for a soft copy

You may reach our team at membership.th@tagaytayhighlands.com to request for soft copy. Please provide your complete name and a valid email address.

Request for a hard copy

The hard copy of the 20-IS Definitive Information Statement shall be made available upon request of the shareholder. Please contact our team membership.th@tagaytayhighlands.com or call us (0917) 189-2410 and look for Ms. Lorela A. Digno. Please provide your complete name and postal address.

COVER SHEET

A 1 9 9 7 - 9 1 9 6
S.E.C. Registration Number

T A G A Y T A Y M I D L A N D S
G O L F C L U B , I N C .
(Company's Full Name)

B R G Y . T R A N C A T A L I S A Y B A T A N G A S
(Business Address: No. Street City / Town / Province)

MARIA CLARA T. KRAMER
Contact Person
(0917) 622 9939
Company Telephone Number

1 2 - 3 1
Month Day
Fiscal Year
1 0 - 0 7
Month Day
Annual Meeting

D E F I N I T I V E 2 0 - I S

N/A
Secondary License Type, If Applicable

S E C
Dept. Requiring this Doc.
Amended Articles Number/Section

Total No. of Stockholders
Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC personnel concerned

File Number
LCU

Document I.D.
Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes



NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO: **ALL STOCKHOLDERS**

NOTICE is hereby given that there will be an annual meeting of the stockholders of **Tagaytay Midlands Golf Club, Inc.** (the "Corporation") on **07 October 2023**, Saturday at **9:30 A.M** at the Midlands Veranda, Midlands Clubhouse, Brgy. Tranca, Talisay, Batangas, to consider the following:

AGENDA¹

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Previous Meeting of Stockholders held on 15 October 2022
5. Approval of Fiscal Year 2022 Operations and Results
6. Ratification of all Acts of the Board of Directors and Officers
7. Election of Directors
8. Appointment of External Auditors
9. Other Matters
10. Adjournment

The Board of Directors has fixed the close of business on **08 September 2023**, Friday, as the record date for the determination of the stockholders entitled to notice of, participation via remote communication, and voting in absentia at such meeting, and any adjournment thereof.

For those personally attending, pre-registration is encouraged and you may confirm your personal attendance by registering at www.tagaytayhighlands.com/annual-stockholders-meeting/ . Registration may also be done onsite on the day of the annual meeting. Those who prefer to cast their vote in absentia may do so by registering online at www.tagaytayhighlands.com/annual-stockholders-meeting/ from **21 September 2023, Thursday until 30 September 2023, Saturday, at 5:30 P.M.** Upon verification of their registration credentials, an e-mail from the Corporation will be sent containing instructions on how they can cast their votes on matters to be taken up during the meeting using the Corporation's e-voting platform to be set up for the purpose. The e-voting platform will be accessible until **9:00 A.M. of 07 October 2023, Saturday.**

Stockholders may also send their duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Tektite Towers, Ortigas Center, Pasig City or via electronic copy by sending an e-mail to membership.th@tagaytayhighlands.com on or before **09:30 a.m. on 05 October 2023, Thursday.** For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

Validation of proxies is set on **05 October 2023, Thursday, at 12:00 N.N.** The votes already cast using the e-voting platform by that time will also be tallied on said date.

City of Pasig, Metro Manila, **12 September 2023.**


ANN MARGARET K. LORENZO
Assistant Corporate Secretary

¹ See next page for the explanation for each agenda item.

RATIONALE FOR AGENDA ITEMS

Agenda Item No. 4. Approval of the Minutes of the Previous Meeting of Stockholders held last 15 October 2022

Copies of the Minutes of the 2022 Annual Stockholders' Meeting held last 15 October 2022 was made available to the stockholders shortly after the meeting last year at <https://www.tagaytayhighlands.com/wp-content/uploads/2023/03/ASM-221015-TMGCI.pdf> . Stockholders will be asked to approve the Minutes of the 2022 Annual Stockholders' Meeting as recommended by the Board of Directors.

Agenda Item No. 5. Presentation of 2022 Operations and Results

A report on the highlights of the performance of the Corporation for the year ended 2022, together with a summary of the 2022 Audited Financial Statements (AFS), will be presented to the Stockholders. The AFS has been reviewed by the Audit Committee and the Board of Directors and have been audited by the external auditors who declared an unqualified opinion on the same. Stockholders will be given an opportunity to raise questions regarding the operations and report of the Corporation. The stockholders will be requested to approve the President's Report together with the AFS.

Agenda Item No. 6. Ratification of all Acts of the Board of Directors and Management from the date of the last Annual Stockholders' Meeting to the date of this meeting.

All actions, proceedings, and contracts entered into, as well as resolutions made and adopted by the Board of Directors, the different committees, and of Management from the date of the last Stockholders Meeting held on 15 October 2022 up to the date of this stockholders' meeting (07 October 2023) shall be presented for confirmation, approval, and ratification.

Agenda Item No. 7. Election of Directors for 2023 to 2024

The candidates named in this Information Statement have been nominated for election to the Corporation's Board of Directors. Their proven expertise and qualifications based on current regulatory standards and the Corporation's own norms, will help sustain the Corporation's solid performance that will result to its stockholders' benefit. The profiles of the Directors are further detailed in the Corporation's Information Statement. If elected, they shall serve as such for one (1) year from 07 October 2023 or until their successors shall have been duly elected and qualified.

Agenda Item No. 8. Appointment of External Auditors

The Audit Committee has pre-screened and recommended, and the Board has endorsed for consideration of the stockholders, the appointment of Reyes Tacandong & Co. as the Corporation's External Auditor for 2023. The Stockholders will also be requested to delegate to the Board the authority to approve the appropriate audit fee for 2023.

PROXY FORM

The undersigned stockholder of Tagaytay Midlands Golf Club, Inc. (the "Corporation") hereby appoints _____, as attorney and proxy, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Corporation on **07 October 2023** and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Election of Directors.

___ 1.1. Vote for all nominees listed below:

1.1.1. Willy N. Ocier

1.1.2. Jerry C. Tiu

1.1.3. Hans T. Sy

1.1.4. Sergio C. Yu (Independent Director)

1.1.5. Ruben C. Tan (Independent Director)

1.1.6. Shirley C. Ong

1.1.7. Jacinto C. Ng, Jr.

___ 1.2. Withhold authority for all nominees listed above

___ 1.3 Withhold authority to vote for the nominees listed below:

2. Approval of minutes of previous Annual Stockholders' Meeting.

___ Yes ___ No ___ Abstain

3. Approval of the President's Report with the 2022 Audited Financial Statements.

___ Yes ___ No ___ Abstain

4. Ratification of all acts and resolutions of the Board of Directors and Management from date of last Stockholders' Meeting to 07 October 2023.

___ Yes ___ No ___ Abstain

5. Reappointment of Reyes Tacandong & Co. as external auditor.

___ Yes ___ No ___ Abstain

6. At their discretion, the proxies named above are authorized to vote upon such other matters as may be properly come before the meeting.

___ Yes ___ No ___ Abstain

Printed Name of Stockholders

Signature of Stockholder
/Authorized Signatory

Date

This Proxy need not be notarized, and when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this Proxy will be voted "for" the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the Information Statement and/or as recommended by Management or the Board of Directors. A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised.

A proxy is also considered revoked if the stockholder attends the meeting in person and expressed his intention to vote in person.

THIS PROXY FORM SHOULD BE RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE 05 OCTOBER 2023 (THURSDAY).

SECRETARY'S CERTIFICATE

I, _____, Filipino, of legal age and with office address at _____, do hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of _____ (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at _____;
2. Based on the records, during the lawfully convened meeting of the Board of Directors of the Corporation held on _____, the following resolution was passed and approved:

"RESOLVED, that the Chairman of the Stockholders' Meeting of Tagaytay Midlands Golf Club, Inc. ("Golf Club") be authorized and appointed, as he is hereby authorized and appointed, as the Corporation's Proxy (the "Proxy") to attend all meetings of the stockholders of the Golf Club whether the meeting is regular or special, or at any meeting postponed or adjourned therefrom, with full authority to vote the shares of stock of the Corporation held in the Golf Club and to act upon all matters and resolution that may come before or presented during meetings, or any adjournments thereof, in the name, place and stead of the Corporation.

"RESOLVED, FINALLY, that the Golf Club be furnished with a certified copy of this resolution and the Golf Club may rely on the continuing validity of this resolution until receipt of written notice of its revocation."

3. The foregoing resolution has not been modified, amended or revoked in accordance with the records of the Corporation presently in my custody.

IN WITNESS WHEREOF, I have signed this instrument in on _____.

Printed Name and Signature of the
Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on _____ in _____. Affiant exhibited to me his Competent Evidence of Identity by way of _____ issued on _____ at _____.

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

THIS SECRETARY'S CERTIFICATE SHOULD BE ATTACHED TO PROXY FORMS SUBMITTED BY CORPORATE STOCKHOLDERS.

TAGAYTAY MIDLANDS GOLF CLUB, INC. 2023 ANNUAL STOCKHOLDERS' MEETING

Guidelines for Voting in Absentia

The Board of Directors of Tagaytay Midlands Golf Club, Inc. (the "**Golf Club**") has set the date of the Golf Club's 2023 Annual Stockholders' Meeting (**ASM**) on **October 07, 2023** at **9:30 A.M.** The end of business day on **September 08, 2023** ("**Record Date**") has also been set as the record date for the determination of stockholders entitled to notice of, to attend, and to vote at such meeting and any adjournment thereof.

In light of the pandemic, the Board of Directors of the Club has also approved and authorized stockholders to exercise their right to vote *in absentia* or by proxy, if they opt not to attend the meeting in person.

REGISTRATION

The conduct of the meeting will be face to face, and stockholders may attend the meeting in person, the registration for which will be on-site and on the date of the annual meeting, and/or cast their votes *in absentia* by registering online until **30 September 2023, Saturday, 5:30 P.M.**

To register online (for online voting), the stockholders must send an e-mail to membership.th@tagaytayhighlands.com and submit the following requirements and documents, subject to verification and validation:

1. Individual Stockholders
 - 1.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others, in order to validate the registration of the shareholder.
 - 1.2. Stock certificate number
 - 1.3. Active e-mail address/es
 - 1.4. Active contact number/s, with area and country codes

2. Multiple Stockholders or with joint accounts
 - 2.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others in order to validate the registration of the shareholders
 - 2.2. Stock certificate number/s
 - 2.3. Active e-mail addresses of the stockholders
 - 2.4. Active contact numbers, with area and country codes
 - 2.5. Digital copy of an authorization letter executed by all named holders, authorizing a holder to vote for and on behalf of the account

3. Corporate Stockholders
 - 3.1. Digital copy of the Secretary's Certificate (or equivalent for non-resident) attesting to the authority of the representative to participate and vote for and on behalf of the corporation
 - 3.2. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others, to validate the registration of the authorized representative
 - 3.3. Active e-mail address/es of the authorized representative
 - 3.4. Active contact number of an authorized representative, with area and country codes

By providing the Golf Club with the foregoing documents for the purpose of validating credentials

and registration to participate and vote at the Golf Club's annual stockholders' meeting, **the registering stockholder is deemed to have consented to the Club's processing of his personal data in accordance with the Data Privacy Act.**

For ease of validation, the registering stockholder shall note the following:

- a. The ID submitted must clearly show his/her photo, full name, signature, residential address, and other personal details.
- b. Any duplicate submission and/or inconsistent information/documents may result to a failed registration.

ONLINE VOTING

1. After registration and upon verification of registration credentials, a link to the voting portal, with instructions, will be sent by the Golf Club to the qualified stockholder's registered e-mail address.
2. Log-in to the voting portal by clicking the link.
3. Upon accessing the portal, the stockholder can vote on each agenda item. A brief description of each item for stockholders' approval is appended to the Notice of Meeting.
 - 2.1 A stockholder has the option to vote "Yes", "No", or "Abstain" on each agenda item for approval.
 - 2.2 For the election of directors, the stockholder has the option to vote for all nominees, withhold vote for any of the nominees, or vote for certain nominees only.

Note: A stockholder may vote such number of his shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected (7 directors) multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast shall not exceed the number of shares owned by the stockholder.

4. Once the stockholder has finalized his vote, he can proceed to submit his vote by clicking the "Submit" button. After the electronic ballot has been submitted, the registered stockholder may no longer make any changes.

Please be advised that the voting platform will be made available from **21 September 2023 (Thursday)** until 9:00 in the morning of **07 October 2023 (Saturday)**.

OPEN FORUM

During the meeting, after all items in the agenda have been discussed, the Golf Club will have the Question-and-Answer Portion where representatives of the Golf Club shall answer questions and comments received from stockholders, as time will allow.

For any concerns, please email us at membership.th@tagaytayhighlands.com

For complete information on the annual meeting, please visit www.tagaytayhighlands.com.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS**

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

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter: **Tagaytay Midlands Golf Club, Inc.**
("the Golf Club" or "TMGCI")
3. **Brgy. Tranca, Talisay, Batangas**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number: **A1997-9196**
5. BIR Tax identification Code: **005-008-526-000**
6. Address of principal office: **Brgy. Tranca, Talisay, Batangas**
7. Registrant's telephone number, including area code: **(632) 635-3016**
8. Date, time and place of the meeting of security holders:
Date: **07 October 2023**
Time: **9:30 a.m.**
Place: **Midlands Veranda, Midlands Clubhouse, Brgy. Tranca, Talisay, Batangas**
9. Approximate date on which the Information Statement is to be sent or given to security holders: **15 September 2023.**
10. In case of Proxy Solicitations:
Name of Person Filing the Statement/Solicitor: Not Applicable
Address and Telephone No.: Not Applicable
11. Securities registered pursuant to Sections 8 and 12 of the Code or Section 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):
- | <u>Title of Each Class</u> | <u>Number of Shares of Common Stock Outstanding
and Amount of Debt Outstanding</u> |
|----------------------------|--|
| Proprietary Shares | 6,000 (As of 08 September 2023) |
12. Are any or all registrant's securities listed on a Stock Exchange?
Yes No

**WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE NOT REQUESTED
TO SEND US A PROXY.**

GENERAL INFORMATION

ITEM 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

DATE: **07 October 2023**

TIME: **9:30 a.m.**

PLACE: **Midlands Veranda, Midlands Clubhouse, Brgy. Tranca, Talisay, Batangas**

Mailing address: **Brgy. Tranca, Talisay Batangas**

Approximate date on which the Information Statement is to be sent or given to security holders: **15 September 2023**

ITEM 2. DISSENTER'S RIGHT OF APPRAISAL

The matters to be voted upon in the Annual Stockholders' Meeting on **07 October 2023** are not among the instances enumerated in Title X, Section 81 of the Revised Corporation Code whereby the right of appraisal, defined to be the right of any stockholder to dissent and demand payment of the fair value of his shares, may be exercised. The instances where the right of appraisal may be exercised are as follows:

1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code;
3. In case the Company decides to invest its funds in another corporation or business outside of its primary purpose; and
4. In case of merger or consolidation.

ITEM 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

- a. No person who has been a director or officer or a nominee for election as director of the Golf Club or associate of such persons, have a substantial interest, direct or indirect in any matter to be acted upon.
- b. No director of the Golf Club has informed the Club in writing that he intends to oppose any action to be taken by the Golf Club at the meeting.

CONTROL AND COMPENSATION INFORMATION

ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

- a. The Golf Club has **6,000** outstanding shares as of **08 September 2023**. Each common share shall be entitled to one (1) vote with respect to all matters to be taken up during the annual stockholders' meeting with the exception of the election of directors as indicated in item (c) below.
- b. The record date for determining stockholders entitled to notice of and to vote during the annual stockholder's meeting is on **08 September 2023**.
- c. In the forthcoming annual stockholders' meeting, stockholders shall be entitled to elect seven (7) members to the Board of Directors. Each stockholder may vote such number of shares for as many as seven (7) persons he may choose to be elected from the list of nominees, or he may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by seven (7) shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by seven (7).
- d. Security Ownership of Certain Record and Beneficial Owners

The following table shows the record and beneficial owners owning more than 5% of the outstanding capital stock of the Golf Club as of **08 September 2023**:

TITLE OF CLASS	NAME AND ADDRESS OF RECORD OWNER AND RELATIONS WITH THE ISSUER	NAME OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	CITIZENSHIP	NO. OF SHARES HELD	PERCENT OF CLASS
Proprietary share	Belle Corporation* 5th Flr., Tower A., Two E-Com Center, Palm Coast Avenue, Mall of Asia Complex, Pasay City, Metro Manila, Philippines	Same as record owner	Filipino	3,555 shares	59.25%

*Belle Corporation is a publicly-listed corporation. The following are the incumbent members of the Board of Directors of Belle Corporation are: Mr. Willy N. Ocier, Ms. Elizabeth Anne C. Uychaco, Mr. Jackson T. Ongsip, Mr. Joseph T. Chua, Mr. Jacinto C. Ng Jr., Mr. Armin Antonio B. RaquelSantos, Ms. Maria Gracia M. Pulido Tan, Mr. Amando M. Tetangco Jr., and Ms. Virginia A. Yap. All the members of the Board of Directors of Belle Corporation are Filipino citizens. Mr. Willy N. Ocier and/or Mr. Jackson T. Ongsip have been designated by Belle Corporation to vote on its behalf.

The top 20 stockholders of Belle Corporation as of **31 August 2023** are as follows:

	STOCKHOLDERS	TYPE / CLASS	OUTSTANDING & ISSUED SHARES
1	Belleshare Holdings, Inc.	Common	2,604,740,622
2	PCD Nominee Corporation (Filipino)	Common	2,546,303,759
3	PCD Nominee Corporation (Non-Filipino)	Common	1,947,427,508
4.	Sysmart Corporation	Common	1,629,355,469
5	Sybase Equity Investment Corporation.	Common	531,320,577
6	Social Security System	Common	442,402,786
7	Ng, Jacinto C. Jr.	Common	135,860,666
8	Eastern Securities Dev. Corp.	Common	111,730,866
9	Premium Leisure Corporation (form. Sinophil Corp)	Common	99,987,719

10	Ng, Jacinto L. Sr.	Common	88,835,833
11	Parallax Resources Inc.	Common	86,308,131
12	SLW Development Corporation	Common	66,082,333
13	F. Yap Securities, Inc.	Common	57,803,732
14	Eastern Sec. Devt. Corp.	Common	50,000,000
15	Willy N. Ocier	Common	47,026,709
16	Ng, Jacinto C. Jr. and/or Ng, Anita C.	Common	18,293,333
17	Lim Siew Kim	Common	6,200,000
18	James Go	Common	4,816,999
19	William T. Gabaldon	Common	4,000,000
20	Pacita K. Yap or Philip K. Yap	Common	3,500,000

Security Ownership of Management

The following is a tabular presentation of the shares beneficially owned by all directors, executive officers and nominees of the Golf Club as of **31 August 2023**:

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	Willy N. Ocier [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Hans T. Sy [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Jerry C. Tiu [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Manuel A. Gana [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Jacinto C. Ng, Jr. [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Shirley C. Ong [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	A. Bayani K. Tan [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Sergio C. Yu [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Manuel B. Sy [REDACTED]	1 share/Beneficial	Filipino	0.02%
Aggregate Security Ownership of Directors and Officers		9 shares		0.18%

Voting Trust Holders of 5% or more

The Corporation is not aware of any person holding more than 5% of the shares of the Corporation under a voting trust or similar agreement.

Changes in Control

From its incorporation to date there has been no change in control of the Corporation. Neither is the Corporation aware of any arrangement which may result in a change in control of it.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

a. Directors, Executive Officers, Promoters and Control Persons

The following are the incumbent Directors of the Golf Club who are likewise nominated for re-election as members of the Board of Directors for 2023-2024:

NAME	AGE	POSITION	CITIZENSHIP	TERM OF SERVICE
Willy N. Ocier	66	Director & Chairman	Filipino	1992 to present
Jerry C. Tiu	66	Director & President	Filipino	2001 to present
Hans T. Sy	68	Director	Filipino	1992 to present
Sergio C. Yu	65	Independent Director	Filipino	2021 to present
Shirley C. Ong	61	Director	Filipino	2010 to present
Jacinto C. Ng, Jr.	54	Director	Filipino	2001 to present

Mr. Ruben C. Tan is likewise nominated for election to the Board as independent director.

The following are the incumbent officers of the Golf Club:

NAME	AGE	POSITION	CITIZENSHIP	TERM OF SERVICE
Willy N. Ocier	66	Chairman	Filipino	1992 to present
Jerry C. Tiu	66	President	Filipino	2001 to present
Manuel A. Gana	66	Vice President /Treasurer	Filipino	2000 to present
Anna Francesca C. Respicio	38	Corporate Secretary	Filipino	2021 to present
María Clara T. Kramer	62	General Manager	Filipino	2010 to present

Upon recommendation of the Company's Corporate Governance Committee composed of Sergio C. Yu, Manuel B. Sy and Mr. Hans T. Sy, as required by the Golf Club's Manual of Corporate Governance, the following persons are nominated for election to the positions above-stated for the year 2023-2024, to hold office as such for one year or until their successors shall have been duly elected and qualified.

The nominees for independent directors, Mr. Sergio C. Yu and Mr. Ruben C. Tan, were nominated by Mr. Willy N. Ocier and Mr. A. Bayani K. Tan, respectively. Except as fellow stockholders of the Golf Club, the nominees for independent director are not related to the persons nominating them.

Presented below are brief write-ups on the nominees' business experience for at least the past five (5) years:

WILLY N. OCIER - Chairman

Mr. Willy N. Ocier, 66, Filipino, is the Chairman of the Board of the Golf Club. He is also the Vice Chairman of the Board of the Tagaytay Highlands International Golf Club, Inc., and a Director of The Country Club at Tagaytay Highlands. He is likewise the Executive Director and Chairman of Belle Corporation, the Chairman and Director of Premium Leisure Corp., APC Group, Inc., Pacific Online Systems Corporation, Total Gaming and Technologies, Inc. and PremiumLeisure and Amusement, Inc. He is also Vice Chairman of Highlands Prime, Inc. He is also the Chairman, President, and Chief Executive Officer of Philippine Global Communications, Inc., He is a Director of Leisure and Resorts World Corporation. He also sits as a Director to the following unaffiliated corporations, IVantage Equities, Philequity Management, Inc., Abacore Capital Holdings, Inc. and Toyota Corporation Batangas. He was formerly President and Chief Operating Officer of Eastern Securities Development Corporation.

Mr. Ocier graduated from Ateneo de Manila University with a Bachelor of Arts degree in Economics. In recognition of Mr. Ocier's corporate leadership and role in providing employment opportunities to Filipinos, the University of Batangas conferred him a degree in Doctor of Humanities, honoris causa.

HANS T. SY - Director

Mr. Hans T. Sy, 68, Filipino, is a Director of the Golf Club since 1992. He is the Chairman of the Board of the Tagaytay Highlands International Golf Club, Inc. since 1992, The Country Club at Tagaytay Highlands, Inc. since 1996, and The Spa and Lodge at Tagaytay Highlands since 2021. Currently he is the Chairman of the Executive Committee of SM Prime Holdings, Inc. and has been a Director since 1994. He previously held the position of President until September 2016. He has held key positions in businesses related to banking, real estate development, mall operations, as well as leisure and entertainment. In the SM Group, his other current positions include Adviser to the Board of SM Investments Corporation, Chairman of China Banking Corporation, and Chairman of National University.

Mr. Sy holds a Bachelor of Science degree in Mechanical Engineering from De La Salle University.

JERRY C. TIU - President

Mr. Tiu, 66, Filipino, is the President of Tagaytay Midlands Golf Club, Inc., as well as Tagaytay Highlands International Golf Club, Inc., The Country Club at Tagaytay Highlands Inc., and The Spa and Lodge at Tagaytay Highlands, Inc., since year 1999 up to present. He is also the President and Director of Tagaytay Highlands Community Condominium Association, Inc., Tagaytay Midlands Condominium Community Association, Inc., and Greenlands Community Homeowners Association, Inc. He is also the Vice-President and Director of The Highlands Prime Community Homeowners Association, Inc., The HPI's Horizon Community Condominium Owners' Association, Inc., and The Hillside at Tagaytay Highlands Community Homeowners' Association, Inc. He is an Independent Director of APC Group, Inc. and Premium Leisure Corp since 2021. He is also the former Director of Manila Polo Club from year 1996 to 1998.

He holds a Bachelor of Science degree in Commerce (Major in Marketing) from the University of British Columbia.

SHIRLEY C. ONG - Director

Ms. Ong, 61, Filipino, is a Director of the Club (since January 2010). She is a former Senior Vice President and the COO for Operations of Highlands Prime, Inc. (HPI) (Jan 2010-May 2013), former Senior Vice President of SM Land (May 2013-Oct 2013), former Senior Vice President of SM Prime Holdings Inc. for Residential Leisure (Oct 2013-May 2016) and currently, the Executive Vice President from May 2016 up to present. Before joining the Company, she was First Vice President for Business Development of Filinvest Alabang, Inc. (1995-2010). She brings with her over 27 years of experience, 21 years of which has been in various areas of real estate from city development, office/residential, high-rise development, residential village development including finance, marketing, sales and property management.

She earned her degree in Bachelor of Arts, Major in Economics from University of Sto. Tomas (Class of 1983) where she graduated as Cum Laude.

JACINTO C. NG, JR. - Director

Mr. Ng, 54, Filipino, is a Director of Tagaytay Midlands Golf Club, Inc. He is a Non-Executive Director of Belle Corporation since August 2000, a member of the Executive Committee, Audit Committee, and Risk Oversight Committee of Belle Corporation.

He is the Group Executive Officer of the Joy~Nostalg Group, chairman of the Joy~Nostalg Foundation, a member of the Rebisco Foundation, XS86 Men for Others Foundation, Xavier School Educational Trust Fund and Xavier School Inc.'s Board of Trustees.

Mr. Ng, Jr. holds a Bachelor of Science degree in Architecture from the University of the Philippines.

SERGIO C. YU – Independent Director

Mr. Yu, 65, Filipino, is currently a Chief Executive Officer (CEO) and President of Hyundai Elevator Services Philippines from September 14, 1993 to present and Hyco Industrial Sales Corporation – the exclusive distributor and after sales provider of Hyundai Elevators & Escalators from July 6, 1989 to present. He is also the Managing Director of Twingates Corporation and Managing Director at the University Athletic Association of the Philippines ("UAAP"). Mr. Yu graduated college at Far Eastern University, year 1975.

New Independent Director Nominee

The Corporate Governance Committee prequalified and endorsed to the Board the nomination of Mr. Ruben C. Tan as Independent Director to replace Mr. Manuel B. Sy.

Ruben C. Tan – Independent Director

Mr. Ruben C. Tan, 68, is currently an Independent Director of Tagaytay Highlands International Golf Club, Inc., The Country Club at Tagaytay Highlands, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc. He is the President of Glendale Mining & Development Corporation since 1997, Citimex, Inc. since 1984, Cedarside Industries, Inc. since 1996 and Barrington Carpets, Inc. since 1989. He likewise holds directorships in Blue Ridge Mineral Corporation since 2012, Eagle Crest Mining & Development Corporation since 2012, RJT Ramipaen Holdings, Inc. since 2011, RCHAMPS Realty Corporation since 2009, MIGWINS Realty Corporation since 2009, MAGADEV Properties, Inc. since 2002 and JESSALEX, Inc. since 2000. He is also a Corporate Secretary of CWC-Prime Industries Corporation since 2012, Tile Trends, Inc. since 2000 and Prime Floorcoverings Incorporated since 1994.

Mr. Tan holds a Bachelor of Science degree in Mechanical Engineering from the De La Salle University on 1978.

Key Officers

Manuel A. Gana

Mr. Gana, 66, Filipino, is the Vice President and Treasurer of the Golf Club. He is a Director, and the Vice President and Treasurer of the Tagaytay Highlands International Golf Club, Inc. He is currently a Board Adviser of Belle Corporation, and served as its President and Chief Executive Officer from March 2017 to April 2022. Previously, he served as Belle Corporation's Executive Vice President and Chief Financial Officer from 2000 to 2017, and as Vice President of Finance and Chief Financial Officer from 1997 to 1999 for MagiNet Corporation, which was then a subsidiary of Sinophil Corporation (now called Premium Leisure Corp.), a subsidiary of Belle. Prior to his career at the Belle Group, he was a Director of Investment Banking at Nesbitt Burns Securities Inc. in New York, USA. He also previously worked for Bank of Montreal and Merrill Lynch Capital Markets (both in New York, USA), and for Procter & Gamble Philippine Manufacturing Corporation.

Mr. Gana holds a Master of Business Administration degree from the Wharton School of the University of Pennsylvania, and degrees in Accounting and Economics from De La Salle University. He is a Certified Public Accountant.

Maria Clara T. Kramer

Ms. Kramer, 62, Filipino, is the General Manager of Tagaytay Midlands Golf Club, Inc. since July 2010. She is also the concurrent General Manager of Tagaytay Highlands International Golf Club, Inc., and The Country Club at Tagaytay Highlands, Inc. She is also General Manager of Tagaytay Highlands Community Condominium Association Inc., Tagaytay Midlands Community Homeowners Association, Inc., Greenlands Community Homeowners Association, Inc. and The Highlands Prime Community Condominium Owners Association Inc. starting 2018. She was a consistent Dean's Lister in Assumption College (San Lorenzo Village, Makati City) where she earned her bachelor's degree. She started her career in hotel industry back in December of 1983 when she joined the sales department of Manila Hotel as Sales Executive. In July 1990, she was hired by L'Fisher Hotel as Front Office Manager and later as PR & Promotions Manager until she got promoted in June 2001 and was tasked to manage the Sales and Marketing Department. As member of the management team, she actively took part in the formulation of major policies and

procedures of the Hotel. Ms. Kramer is also involved in various civic and social activities as member and resource speaker focusing on family, marriage and parenting.

Anna Francesca C. Respicio

Atty. Respicio, 38, Filipino, is the Corporate Secretary of the Club. She also serves as Corporate Secretary of Tagaytay Highlands International Golf Club, Inc., The Country Club at Tagaytay Highlands, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc. She is likewise the Corporate Secretary of the following reporting and/or listed companies: I-Remit, Inc. (2013 to date), Jolliville Holdings Corporation (2014 to date), Discovery World Corporation (2017 to date), and Sterling Bank of Asia, Inc. (A Savings Bank) (2018 to date). Atty. Respicio obtained her Bachelor of Arts degree (majored in philosophy) in 2007 and her Juris Doctor degree in 2011 from the Ateneo de Manila University. She likewise passed the real estate brokers licensure examination in 2015. She was admitted to the Philippine Bar in April 2012 and is currently a Partner at Tan Venturanza Valdez.

b. Material Pending Legal Proceedings

As of **30 July 2023**, there are no pending material legal proceedings, which the Golf Club is a party to.

c. Significant Employees

The Golf Club has no significant employees.

d. Involvement in Certain Legal Proceedings

The Golf Club is not aware of any of the following events wherein any of its directors, executive officers, nominees for election as director, executive officers, underwriter or control persons were involved during the past five (5) years up to the latest date.

- (a) any bankruptcy petition filed by or against any business of which any of the above persons was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any of the above persons in any type of business, securities, commodities or banking activities; and,
- (c) any finding by a domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, that any of the above persons has violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

e. Certain Relationships and Related Transactions

The Golf Club has not been involved in any transaction during the last two (2) years in which any of its directors, executive officers, nominees or security holders has direct or indirect material interest.

Belle Corporation owns 3,556 shares or 59.27% of the total outstanding shares of the Golf Club.

f. Disagreement with Director

None of the directors have resigned or declined to stand for re-election to the Board of Directors since the date of the last annual meeting of security holders because of a disagreement with the Golf Club on any matter relating to the Golf Club's operations, policies, or practices.

g. Family Relationships

None of the Directors, Executive Officers or persons nominated are related up to the fourth civil degree either by consanguinity or affinity.

ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The Club has no other arrangements with regards to the remuneration of its existing directors aside from the compensation received as above stated.

Except for the General Manager and President, the Directors do not receive any compensation from the Golf Club. The Directors do not receive any per diem.

SUMMARY COMPENSATION TABLE

Annual Compensation

(a) Name and Principal Position	(b) Year	€ Salary	(€)(e) Bonus	Others
A Jerry C. Tiu** (President)				
B Ma. Clara T. Kramer** (General Manager)				
TOTAL	2023	₱4,933,590.48		
	2022	₱4,743,837.00		
	2021	₱4,568,136.00		

**estimate amounts*

***these are the only top compensation Executives or Directors of the Company*

The Golf Club has no other arrangements, including consulting contracts, pursuant to which any director of the Golf Club was compensated, or is to be compensated, directly or indirectly, during the Golf Club's last completed calendar year, and the ensuing year.

ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

Reyes Tacandong & Co. ("RT&Co") will be recommended for reappointment as external auditor for 2023. Representatives of RT&Co are expected to be present at the 2023 Annual Stockholders' Meeting to respond to appropriate questions and will be given the opportunity to make a statement if they so desire.

Over the past five (5) years, there was no event where the previous external auditor or RT & Co. and the Company had any disagreement with regards to any matter relating to accounting principles or practices, disclosure of financial statements or auditing scope of procedure.

In compliance with SRC Rule 68, Part I 3(B) (ix) (Rotation of External Auditors) which requires the independent auditor or in the case of an auditing firm, the key audit partners, to comply with the provisions on long association of personnel (including partner rotation) with an audit client as prescribed in the Code of Ethics for Professional Accountants in the Philippines as adopted by the BOA and PRC, Ms. Belinda B. Fernando of RT & Co. has been designated by RT & Co. (the external audit firm) to be the signing partner for the examination of the financial statements of the Company. Ms. Fernando was first designated signing partner for the audit of the Club in 2021.

The Company paid RT & Co. ₱300,000 for external audit services for 2022, and ₱200,000 for 2021. For each of the last two (2) fiscal years, RT & Co. did not render services for tax accounting, planning, compliance, advice, or any other professional services for which it billed the Company the corresponding professional fees.

The Audit Committee, composed of Mr. Sergio C. Yu as Chairman, Mr. Manuel B. Sy and Mr. Hans T. Sy as Members, recommends to the Board of Directors the reappointment of the external auditors. The Board of Directors and the stockholders approve the Audit Committee's recommendation. The Executive Committee approves the audit fees as recommended by the Audit Committee.

OTHER MATTERS

ITEM 15. ACTION WITH RESPECT TO REPORTS

The Golf Club will seek the approval by the stockholders of the Minutes of the previous Stockholders' Meeting during which the following were taken up:

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Previous Meeting of Stockholders
5. Approval of Fiscal Year 2021 Operations and Results
6. Ratification of all Acts of the Board of Directors and Officers
7. Election of Directors
8. Appointment of External Auditors
9. Other Matters
10. Adjournment

The items covered with respect to the ratification of the acts of the Board of Directors and officers for the past year up to the date of the meeting are those items entered in the ordinary course of business, with those of significance having been covered by appropriate disclosures such as:

1. Appointment of Officers;
2. Corporation's Audited Financial Statements for 2022;
3. Budget for Capital Expenditure/Renovation and Other Projects;
4. Annual Stockholder's Meeting Schedule;
5. RFID Boom Gates System;
6. Increase of Special Budget Matrix and Bids Awards Committee Threshold;
7. Increase of Green Fee Rates;
8. Auction of Delinquency Shares;

9. Increase of Transfer Fee Rate;
10. Registration to the Extended Producer Responsibility Program;
11. Supplementary Membership Program and Family Membership Program;
12. Authorized Representative to Transact with BIR.

Management reports which summarize the acts of management for the year 2022 are included in the Company's Annual Report to be sent to the stockholders together with this Information Statement and shall be submitted for approval by the stockholders at the meeting. Accordingly, approval of the Annual Report will constitute approval and ratification of the acts of Management stated in the Annual Report during the period covered thereby.

Management reports will be submitted for approval by the stockholders at the meeting. Approval of the reports will constitute approval and ratification of the acts of management for the past year.

ITEM 19. VOTING PROCEDURES

Each stockholder shall be entitled to one vote, in person or thru proxy for each share with voting right. All elections and all questions, except as otherwise provided by law, shall be decided by the plurality vote of the stockholders present in person or by proxy, a quorum (majority of the issued and outstanding capital stock having voting powers) being present.

In the election of directors, the seven (7) nominees with the greatest number of votes will be elected directors. If the number of nominees for election as directors does not exceed the number of directors to be elected, the Secretary of the Meeting shall be instructed to cast all votes represented at the Meeting equally in favor of all such nominees. However, if the number of nominees for election as directors exceeds the number of directors to be elected, voting shall be done by ballot, and counting of votes shall be done by two (2) election inspectors appointed by the Chairman of the Meeting.

For motions on other corporate matters that will be submitted for approval and for such other matters as may properly come before the Meeting, a vote of the majority of the shares present or represented by proxy at the meeting is necessary for their approval. For the purpose of this year's annual stockholders' meeting, which will be held only in a virtual format, the stockholders may only vote through proxies or by remote communication (in absentia). The stockholders are encouraged to participate in the meeting by either of the following:

- i. by submitting duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Philippine Stock Exchange Centre, Ortigas Center, Pasig City, or via electronic copy by sending an e-mail membership.th@tagaytayhighlands.com on or before **05 October 2023, Thursday, at 9:30 A.M.**

For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

- ii. by registering their votes on the matters to be taken up during the meeting through the e-voting platform set up for the purpose. The e-voting portal will be open until **9:00 A.M. of 07 October 2023, Saturday**. The votes for or against the matter submitted shall be tallied by the Secretary.

Items 8, 9, 10, 11, 12, 13, 14, 16, 17 and 18 are not responded to in this report, the Golf Club having no intention to take any action with respect to the information required therein.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Pasig on 5 September 2023.

TAGAYTAY MIDLANDS GOLF CLUB, INC.

By:



JERRY C. TIU
President



TAGAYTAY MIDLANDS GOLF CLUB, INC, BUSINESS AND GENERAL INFORMATION

The Business

Tagaytay Midlands Golf Club, Inc. (Golf Club) was incorporated on June 10, 1997 as an exclusive membership club operating on a non-profit basis. Its primary purpose is to promote social, recreational and athletic activities among its shareholders on a non-profit basis, the nucleus of which will be the construction, development, and maintenance of golf course and other sports and recreational facilities.

The Golf Club entered into a Development Agreement (DA) with Belle Corporation (Belle) for the construction and development of a 36-hole golf course on April 17, 1997. The said DA was amended on December 15, 1999. The project cost in accordance with the amended DA will no less than be P2.65 billion. The terms of the amended DA call for as many subscriptions as there are shares, such that the shares to be issued to Belle as the development progresses will be at a ratio of one club share for every pre-agreed amount of development cost, inclusive of the initial capital contribution. The excess of such development cost over the Golf Club's entire capital stock value shall constitute additional paid-in capital of the Golf Club. As of August 31, 2021, the Golf Club has a 27-hole championship golf course.

For the development of the Golf Club's golf course, Belle Corporation (Belle), as the developer thereof, has contracted the American golf architect, Richard Bigler, to design the Golf Club's all-weather golf course. Given the Golf Club's gentler terrain, Bigler designed the golf course as a walking course, designed for normal golf from the front tees yet suitable for top-level international tournament play from the tournament tees.

The degree of competition in the industry varies considerably by sector and geography. Belle, the Golf Club's developer, competes with other developers for purchase of land. Although there are other clubs engaged in the same line of business as the Golf Club, such clubs do not have the facilities being offered by the Golf Club such as the country's first Funicular System, an all-weather and world-class championship golf course which features a two-hectare man-made lake and a golf clubhouse with an unobstructed view of the majestic Taal Volcano. One of the highlights of being a member at the Golf Club is the reciprocity arrangement with Tagaytay Highlands. The Golf Club members are entitled to the use of Tagaytay Highlands facilities and vice versa.

The Golf Club started commercial operations on April 16, 2000. The 5,829 sq. m. Golf Clubhouse, which opened to the members in November 1999, houses the 70-seater Golfer's Lounge which is exclusive for golfers only; The Veranda, a 170-seater restaurant serving continental and Filipino cuisine, overlooking the majestic Taal Lake; a pro shop; and male & female locker rooms equipped with steam and massage rooms.

Bankruptcy, Receivership or Similar Proceedings

The Midlands Golf Club has not been involved in any bankruptcy, receivership or similar proceedings for the past three (3) years.

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

The Midlands Golf Club has not engaged in any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets (not ordinary) for the past three (3) years.

Competition

There is no formal or organized secondary market for the purchase and sale of golf and country club shares in the Philippines. As such, holders of shares in the Golf Club who may wish to sell or dispose of their shares may not readily find a counterparty for the transaction at the desired asking price. At present, there is a growing number of golf and country clubs being established in various parts of the country. This may affect appreciation in the value of investment in the Golf Club.

Investments in leisure-oriented developments such as golf and country clubs are influenced by the economic and political conditions in the country. Any adverse economic and political developments in the country may affect the demand for such leisure facilities, and any anticipated appreciation in the prices of golf and country club shares.

Although there are other clubs engaged in the same line of business, the Golf Club has the only funicular system in the Philippines which has 48 seats.

Sources and availability of raw materials

The Golf Club's principal suppliers include The Turf Company, Kart Plaza, and VMJ Global Trading Inc. There are no existing major supply contracts entered into by the Club.

Transactions with and/or dependence on related parties

In the ordinary course of business, the Golf Club has transactions with affiliates which consist mainly of usage of Golf Club's facilities and services as well as reimbursement of certain operating expenses such as utilities, contract services and repairs and maintenance.

Government Regulations

The Golf Club has complied with licensing and regulatory requirements necessary for its development and operations.

Compliance with Environmental Laws

The Golf Club has complied with pertinent environmental laws and regulations and has received the Environmental Certificate Clearance issued by the Department of Energy and Natural Resources.

Employees

The Golf Club is run by a team of regular employees as follows:

Regular Employees (based on head count as of 31 August 2023)

GM & Department Heads	21
Supervisors	35
Rank and File	<u>26</u>
Total	<u>82</u>

All regular rank and file employees are subject to the Collective Bargaining Agreement which expires on June 30, 2024.

There has been no strike brought about by the Golf Club's employees in the past twenty (20) years.

Major Business Risks

The Golf Club has been sustaining its operational requirements through the collection of monthly dues from each member and the operation of restaurants and golf facilities. The Golf Club has no foreign currency exposures or obligations that will have a material impact on its short-term or long-term liquidity due to the depreciation of the peso. During the early part of the COVID-19 pandemic, the Club was experiencing reduced consumer demand owing to lost income and/or restrictions on consumers' ability to move freely and limitation of the Club's activities such as Country tournament, wedding, and corporate events. When the government announced a more relaxed community quarantine, the Club's revenues are picking up and are expected to return to its normal earning stream within the next one to two years.

Directors and Executive Officers

Please refer to discussion on *Directors and Executive Officers*.

Market Price of and Dividends on Registrant's Common Equity and Related Stockholder Matters

Market Information

The Golf Club has authorized and subscribed 6,000 proprietary shares, of which 59.25% is owned by Belle Corporation and the remaining shares are owned by other Golf Club members.

Top 20 shareholders are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES	%
Belle Corporation	3,555	59.25%
Highlands Prime, Inc.	43	0.72%
Klaas Holdings, Corp.	5	0.08%
Northwest Development Corporation	5	0.08%
Solid Manila Corporation	4	0.07%
Lancor Realty & Development Corp.	3	0.05%
Ajinomoto Philippines Corp.	3	0.05%
Nikkoshi Philippines Corp.	3	0.05%
Tiu, Jerry C.	4	0.07%
Others	2,375	39.58%
Grand Total	6,000	100.00%

Below are the high and low bid prices for the past three (3) years based on newspapers publications:

	HIGH	LOW
Quarter ended March 2020	820,000	700,000
Quarter ended June 2020	820,000	800,000
Quarter ended September 2020	750,000	700,000
Quarter ended December 2020	550,000	550,000
Quarter ended March 2021	650,000	650,000
Quarter ended June 2021	650,000	650,000
Quarter ended September 2021	700,000	700,000
Quarter ended December 2021	950,000	700,000
Quarter ended March 2022	1,300,000	1,300,000
Quarter ended June 2022	1,800,000	1,800,000

Quarter ended September 2022	1,500,000	1,500,000
Quarter ended December 2022	1,500,000	1,500,000
Quarter ended March 2023	1,500,000	1,500,000
Quarter ended June 2023	1,500,000	1,500,000

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

Dividends

The Midlands Golf Club does not declare dividends. In accordance with the Midlands Golf Club's Articles of Incorporation and By-Laws, no profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividends shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the asset of the Golf Club at the time of the dissolution or liquidation of the Midlands Golf Club.

Recent Sales of Unregistered or Exempt Securities

All the Club's securities are registered under the Securities Regulation Code. The Golf Club issued 587 shares to Belle for the construction and development costs of the additional nine holes. Moreover, there was no sale of reacquired securities, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities for the past three (3) years.

Management's Discussion and Analysis

The Golf Club derived its revenues from membership dues, food and beverage sales, and income from golf operations.

TMGCI

Financial Highlights

(In Million Pesos)

	June 30	June 30	Dec 31	Dec 31	Dec 31
	2023	2022	2022	2021	2020
Balance Sheet					
Total Assets	1,897.12	1,833.27	1,855.76	1,790.62	1,745.44
Total Liabilities	160.90	140.74	134.88	107.20	91.66
Total Members' Equity	1,736.22	1,692.52	1,720.88	1,683.42	1,653.78
Income Statement					
Total Revenues	159.68	138.40	287.55	270.83	234.28
Total Cost and Operating Expenses	143.17	129.21	250.09	240.06	239.61
Depreciation and amortization	24.31	25.81	50.85	51.97	63.98
Excess (Deficiency) of Revenue over Expenses	16.51	9.19	37.46	30.76	(5.33)

*Total Revenues include Membership Dues

RESULTS OF OPERATIONS

Six-Month Period Ended June 30, 2023 compared to June 30, 2022

REVENUES

The Golf Club's revenues of ₱44.92 million for the six-month period ended June 30, 2023, were higher by ₱13.84 million or 44.54%, compared to ₱31.08 million for the same period in 2022. This is mainly due to high patronage from members and guests as a result of the lifting of community restrictions related to Covid-19 pandemic.

Green Fees

The Golf Club recorded revenues from green fees of ₱19.91 million for the six-month period ended June 30, 2023, an increase of ₱8.81 million or 79.31%, from ₱11.10 million for the same period in 2022 due to higher patronage and increase in green fee rate in May 2023.

Food, Beverage and Sundries

The Golf Club posted an increase of ₱3.11 million or 32.17%, from ₱9.66 million for the six-month period ended June 30, 2022 to ₱12.77 million for the same period of 2023.

Golf Cart and Locker Rental

Golf cart and locker rental recorded an increase of ₱2.06 million or 22.67% from ₱9.11 million for the six-month period ended June 30, 2022 to ₱11.17 million for the same period of 2023.

Other Revenues

Other revenues decreased by ₱0.14 million or 11.16% from ₱1.21 million to ₱1.08 million for the six-month period ended June 30, 2023.

COST AND EXPENSES

The total cost and expenses showed an increase of ₱13.96 million or 10.80% from ₱129.21 million for the six-month period ended June 30, 2022 compared to ₱143.17 million for the six-month period ended June 30, 2023, as a result of higher capacity operations due to higher volume of business activities.

Cost of Sales

Cost of Sales showed an increase of ₱3.09 million or 31.90% for the six-month period ended June 30, 2023, from ₱9.70 million to ₱12.79 million. This is due to the higher revenues generated by the Club.

Cost of Services

The Golf Club's cost of services increased by ₱9.57 million or 9.27% from ₱103.32 million in 2022 to ₱112.89 million in 2023.

General and Administrative Expenses

The Golf Club recorded a consolidated general and administrative expenses of ₱17.48 million for the six-month period ended June 30, 2023, an increase of ₱1.29 million or 7.99% from ₱16.19 million for the same period of 2022, mainly due to the increase in personnel costs and outside services

OTHER INCOME (CHARGES)

Interest Income

The Golf Club's interest income increased by ₱5.36 million or 1,168.01% from ₱0.46 million for the six-month period ended June 30, 2022 to ₱5.82 million for the same period of 2023. The increase is mainly due to additional short-term investments and increase in interest rate from 1.12% to 5.25%.

Other Income - net

Other Income showed an increase of ₱2.59 million or 20.36% from ₱12.74 million for the six-month period ended June 30, 2022 to ₱15.33 million for the six-month period ended June 30, 2023. This is mainly due to increase in transfer fees and commission income.

MEMBERS' SUPPORT

During the six-month period ended June 30, 2023, membership dues decreased by ₱0.51 million or 0.55% from ₱94.12 million on June 30, 2022 to ₱93.61 million in June 30, 2023 due to discount applied on advance payment of membership dues.

PROVISION FOR INCOME TAX

Provision for income tax increased by ₱1.07 million or 1,168.01% from ₱0.09 million to ₱1.16 million. This is due to the final withholding taxes of interest income for the six-month period.

NET INCOME

The Golf Club's operations resulted to a net income of ₱15.35 million for the six-month ended June 30, 2023, as compared to ₱9.10 million net income of the same period in 2022.

December 2022 compared to December 2021

REVENUES

Revenues for the year December 31, 2022 increased by ₱12.68 million or 21.69% from ₱58.46 million for the year ended December 31, 2021 to ₱71.14 million for the same period in 2022. This is mainly due to the following:

Green Fees

The Golf Club's green fees recorded an increase of ₱ 6.8 million or 33.03% from ₱20.7 million in 2021 to ₱27.5 million in 2022.

Food, Beverage and Sundries

Food, beverage, and sundry increased by ₱3.2 million or 17.23% from ₱18.58 million in 2021 to ₱21.78 million in 2022.

Golf Cart and Locker Rental

The Golf Club's revenue from golf cart and locker rental showed an increase of ₱1.78 million from ₱17.98 million for the year 2021 to ₱19.76 million for the year 2022.

Other Revenues

Other revenues increased by ₱0.865 million from ₱1.21 million for the year 2021 to ₱2.10 million for the year 2022.

COST AND EXPENSES

The cost and expenses showed an increase of ₱10.03 million or 4.18% from ₱240.06 million for the year ended December 31, 2021 to ₱250.09 million for the year ended December 31, 2022, due to high volume of business as a result of the lifting of community quarantine in March 2022.

Cost of Sales

The Golf Club's cost of sales for the year ended December 31, 2022 showed an increase of ₱5.23 million or 31.39% from ₱16.66 million in 2021 to ₱21.9 million in 2022.

Cost of Services

Cost of services increased by ₱1.66 million or 0.86%, from ₱192.73 million in 2021 to ₱194.39 million for the year ended December 31, 2022.

General and Administrative Expenses

The Golf Club recorded a general and administrative expenses of ₱33.8 million, an increase of ₱3.13 million or 10.22% from ₱30.66 million for the year ended December 31, 2021. Mainly due to increase in personnel cost and bank charges amounting to ₱1.45 million and ₱0.51 million respectively.

OTHER INCOME (CHARGES)

Interest Income

The Golf Club's interest income showed an increase of ₱2.17 million or 534.21% from ₱0.41 million as of December 31, 2021 to ₱2.58 million for the year ended December 31, 2022.

Other Income - net

The Golf Club's other income recorded an increase of ₱0.62 million or 2.52% from ₱24.65 million for the year 2021 to ₱25.27 million for the year 2022.

MEMBERS' SUPPORT

Membership dues increased by ₱1.25 million or 0.67% from ₱187.31 million for the year 2021 to ₱188.56 million for the year ended December 2022 due to activation of membership for the year.

PROVISION FOR INCOME TAX

Provision for income tax-deferred decreased by ₱0.75 million or 52.23% from ₱1.45 million for the year ended December 31, 2021 to ₱0.69 million in December 31, 2022.

NET INCOME

The Club's operation in 2022 resulted to a net income of ₱36.77 million as compared to 2021 net income of ₱29.32 million.

December 2021 compared to December 2020

REVENUES

Revenues for the year December 31, 2021 increased by ₱32.39 million or 127% from ₱25.77 million as of December 31, 2020 to ₱58.46 million for the same period of 2021, as local government units eased community restrictions and age mobility restrictions related to Covid-19 pandemic.

Green Fees

The Golf Club's green fees recorded an increase of ₱ 11.74 million or 131.18% from ₱8.95 million in 2020 to ₱20.70 million in 2021.

Food, Beverage and Sundries

Food, beverage, and sundry increased by ₱9.64 million or 107.94% from ₱8.93 million in 2020 to ₱18.58 million in 2021.

Golf Cart, Locker Rental and Others

The Golf Club's revenue from golf cart, locker rental and others showed an increase of ₱11.30 million from ₱7.88 million for the year 2020 to ₱19.18 million for the year 2021.

COST AND EXPENSES

The cost and expenses showed an increase of ₱64.41 million or 36.67% from ₱175.65 million for the year ended December 31, 2020 to ₱240.06 million for the year ended December 31, 2021 since most of the facilities have resumed operations due to lifting of heavy Covid-19 restrictions.

Cost of Sales

The Golf Club's cost of sales for the year ended December 31, 2021 showed an increase of ₱7.17 million or 75% from ₱9.50 million to ₱16.66 million.

Cost of Services

Cost of services decreased by ₱5.98 million or 3%, from ₱198.72 million to ₱192.73 million for the year ended December 31, 2021.

General and Administrative expenses

The Golf Club recorded a general and administrative expenses of ₱30.66 million, a decrease of ₱0.733 million or 2.34% from ₱31.40 million for the year ended December 31, 2020. Mainly due to decrease in personnel cost and outside services.

OTHER INCOME (CHARGES)

Interest Expense

Interest expense of golf club decreased by ₱0.018 million or 100% for the year ended December 31, 2020 to December 31, 2021.

Interest Income

The Golf Club's interest income showed a decrease of ₱1.49 million or 79% from ₱1.89 million as of December 31, 2020 to ₱0.406 million for the year ended December 31, 2021.

Other Income - net

The Golf Club's other income recorded an increase of ₱8.1 million or 49% from ₱16.55 million for the year 2020 to ₱24.65 million for the year 2021.

MEMBERS' SUPPORT

Members' support decreased by ₱2.77 million or 1.46% from ₱190.08 million for the year 2020 to ₱187.31 million for the year ended December 2021 due to higher membership dues discount applied.

PROVISION FOR INCOME TAX

Provision for income tax deferred increased by ₱1.45 million or 100% for the year ended December 2021.

NET INCOME

The Club's operation in 2021 resulted to a net income of ₱29.32 million as compared to 2020 net loss of ₱5.33 million.

December 2020 compared to December 2019

REVENUES

Revenues for the year December 31, 2020 decreased by ₱34.57 million or 57% from ₱60.34 million as of December 31, 2019 to ₱25.77 million for the same period of 2020. Covid-19 pandemic has caused unprecedented impact to the club's operation as broken down below:

Green Fees

The Golf Club recorded revenue from green fees of ₱8.95 million in 2020, a decrease of ₱15.26 million or 63% from ₱24.21 million as of December 31, 2019.

Food, Beverage and Sundries

Revenue from food, beverage and sundries showed a decrease of ₱10.59 million or 54% from ₱19.52 million as of December 31, 2019 to ₱8.93 million for the same period of 2020.

Golf Cart, Locker Rental and Others

The Golf Club's revenue from golf cart, locker rental and others recorded a decrease of ₱8.72 million or 53% from ₱16.60 million as of December 31, 2019 to ₱7.88 million for the same period of 2020.

COST AND EXPENSES

The cost and expenses showed a decrease of ₱56.25 million or 19.01% from ₱295.86 million for the year ended December 31, 2019 to ₱239.61 million for the year ended December 31, 2020 which is mainly due to decrease of the following:

Cost of Sales

Cost of sales showed a decrease of ₱1.99 million or 17%, from ₱11.49 million for the twelve-month period ended December 31, 2019 to ₱9.50 million for the same period of 2020.

Cost of Services

The Golf Club's cost of services decreased by ₱49.60 million or 20%, from ₱248.32 million for the twelve-month period ended December 31, 2019 to ₱198.72 million for the same period of 2020.

General and Administrative Expenses

General and administrative expenses of the club showed a decrease of ₱4.66 million or 13% from ₱36.06 million as of December 31, 2019 to ₱31.40 million for the same period of 2020, mainly due to decrease in communication, light and water and decrease in taxes and licenses.

OTHER INCOME (CHARGES)

Interest Expense

The Golf Club's interest expense decreased by ₱0.139 million or 89% from ₱0.157 million for the year ended December 31, 2019 to ₱0.017 million for the same period of 2020, as there were no more vehicle lease financing as of July 2020.

Interest Income

Interest income of ₱2.37 million of 2020 decreased by ₱3.35 million or 59% from ₱5.72 million for the year ended December 31, 2019.

Other Income - net

Other income decreased by ₱17.26 million or 51% from ₱33.81 million to ₱16.55 million for the year ended December 31, 2020.

MEMBERS' SUPPORT

Members' support increased by ₱2.07 million or 1.10% from ₱188 million for the year 2019 to ₱190 million for the year ended December 2020.

NET INCOME

The Club's operation in 2020 resulted to a net loss of ₱5.33 million as compared to 2019 net loss of ₱11.29 million.

Financial Condition and Changes in Financial Condition

June 30, 2023 compared to December 31, 2022

ASSETS

The Tagaytay Midlands Golf Club, Inc. (the "Golf Club") has total assets of ₱1.90 billion as of June 30, 2023, compared to ₱1.86 billion as of December 31, 2022. The Club has current assets of ₱3.74 for each peso of current liabilities as of June 30, 2023, compared to ₱4.18 as of December 31, 2022.

Cash and Cash Equivalents

Cash and cash equivalents increased by ₱61.16 million or 17.67% from ₱346.03 million as of December 31, 2022 to ₱407.19 million as of June 30, 2023 mainly due to the net cash provided by operating activities of ₱83.49 million and decrease in other noncurrent assets of ₱4.14 million. This was offset by the additions to property and equipment of ₱26.46 million.

Trade and Other receivables

Trade and other receivables decreased by ₱18.67 million or 12.66% from ₱147.44 million as of December 31, 2022 to ₱128.77 million as of June 30, 2023. This is due to the decrease in charges to related parties, credit card and members by ₱16.55 million or 19.26%, ₱2.54 million or 63.70%, and ₱0.46 million or 0.84%, respectively. On the other hand, nontrade and other receivables increased by ₱0.88 million or 26.77%.

Inventories

Inventories increased by ₱0.03 million or 13.47% from ₱0.19 million as of December 31, 2022 to ₱0.22 million as of June 30, 2023. This is mainly due to increase in supplies amounting to ₱0.03 million.

Other Current Assets

Other current assets decreased by ₱3.17 million or 5.19% from ₱61.13 million as of December 31, 2022 to ₱57.96 million as of June 30, 2023. This is mainly due to the decrease in other prepaid expenses amounting to ₱5.94 million and deferred input VAT on capital goods by ₱0.01 million or 0.73%. On the other hand, there is an increase in deferred input VAT on unpaid services by ₱1.55 million or 4.75% and increase in prepaid insurance by ₱0.35 million and in creditable withholding tax amounting to ₱0.89 million.

Property and Equipment – Net

Property and equipment increased by ₱2.15 million or 0.17% from ₱1.281 billion as of December 31, 2022 to ₱1.283 billion as of June 30, 2023, due to depreciation charges of ₱24.17 million. There were additions to facilities and equipment by ₱2.94 million, office, furniture, fixture and equipment amounting to ₱0.79 million, land, buildings and improvement by ₱0.49 million and operating equipment by ₱0.27 million.

Net Retirement Asset

The Golf Club has net retirement asset of ₱4.72 million as of June 30, 2023 compared to ₱2.70 million as of December 31, 2022. The increase is mainly due to the contributions made to the retirement fund.

Other Noncurrent Assets

Other noncurrent assets decreased by ₱4.14 million or 24.53% from ₱16.90 million as of December 31, 2022 to ₱12.75 million as of June 30, 2023, mainly due to the decrease in deposit to contractors and suppliers of ₱3.33 million.

LIABILITIES

The Golf Club has total liabilities of ₱134.88 million as of December 31, 2022 compared to ₱160.90 million as of June 30, 2023 due to the increase in trade and other payables by ₱26.02 million or 19.60%.

Trade and Other Payables

Trade and other payables increased by ₱26.02 million or 19.60% from ₱132.74 million as of December 31, 2022 to ₱158.77 million as of June 30, 2023, mainly due to the increase in membership dues collected in advance by ₱4.91 million or 9.77% and accrued expenses by ₱4.60 million or 102%.

Deferred Tax Liability

Deferred tax liability remained at ₱2.14 million as of June 30, 2023 and December 31, 2022.

MEMBERS' EQUITY

Members' equity increased by ₱15.35 million or 0.89% from ₱1.72 billion as of December 31, 2022, to ₱1.74 billion as of June 30, 2023, mainly due to the net income recorded for the six-month period ended June 30, 2023.

December 2022 compared to December 2021

ASSETS

The Golf Club has total assets of ₱1.86 billion as of December 31, 2022 as compared to ₱1.79 billion as of December 31, 2021, an increase of ₱65.14 million or 3.64%. The Golf Club has a current ratio of ₱4.18 for each peso of current liabilities as of December 31, 2022 as compared to ₱4.54 as of December 31, 2021.

Cash and Cash Equivalents

Cash and cash equivalents increased by ₱130.22 million or 60.34% from ₱215.81 million as of December 31, 2021 to ₱346.03 million as of December 31, 2022 due to the net cash used in operating activities of ₱168.16 million and net cash used in investing activities of ₱38.05 million

Trade and Other Receivables

Receivables decreased by ₱63.06 million or 29.96% from ₱210.49 million as of December 31, 2021 to ₱147.44 million as of December 31, 2022 which was the result of decrease in receivables from related parties by ₱54.21 million or 38.68% from ₱140.17 million in 2021 to ₱85.95 million in 2022, other nontrade receivables of ₱6.97 million or 67.87% from ₱10.27 million in 2021 to ₱3.30 million in 2022, and receivables from members by ₱4.6 million or 7.73% from ₱59.63 million in 2021 to ₱55.01 in 2022.

Inventories

Inventories decreased by ₱0.01 million or 7.06% from ₱0.204 million as of December 31, 2021 to ₱0.19 million as of December 31, 2022 due to decrease in supplies.

Other Current Assets

Other current assets increased by ₱8.13 million or 15.35% from ₱52.99 million in 2021 to ₱61.13 million in 2022. The increase is mainly due to deferred input VAT amounting to ₱4.15 million and creditable withholding tax amounting to ₱2.74 million.

Property and Equipment – Net

Property and equipment decreased by ₱23.76 million or 1.82% from ₱1.31 billion as of December 31, 2021 to ₱1.28 billion as of December 2022, due to depreciation charges of ₱50.57 million or 3.98%. There were additions to facilities and equipment amounting to ₱13.51 million or 2.35%, transportation equipment by ₱3.88 million or 19.37%, land, buildings and improvements by ₱2.76 million or 0.14%, office, furniture, fixtures and equipment by ₱2.45 million or 13.90% and operating equipment by ₱0.06 million or 0.79%.

Net Retirement Asset

Net retirement asset showed an increase of ₱2.70 million or 100% as of December 31, 2022, mainly due to contributions made to the retirement fund.

Other Noncurrent Assets

The increase in noncurrent assets is mainly due to the increase in deposit to contractors & suppliers by ₱12.68 million or 569.14% from ₱2.19 million in 2021 to ₱14.86 million in 2022.

LIABILITIES

Total liabilities increased by ₱27.68 million or 25.83% from ₱107.20 million as of December 31, 2021 to ₱134.88 million as of December 31, 2022, mainly due to increase in deferred tax liabilities amounting to ₱0.69 million or 47.77% and increase in trade and other payables by ₱27.04 million or 25.58% which mainly pertains to increase in trade payables of ₱16.50 million.

Trade and Other Payables

Trade and other payables increased by ₱27.04 million or 25.58% from ₱105.70 million as of December 31, 2021 to ₱132.74 million as of December 31, 2022, mainly due to increase in trade payables by ₱16.50 million or 58%, membership dues collected in advance by ₱6.84 million or 15.78%, auctioned membership liability by ₱3.90 million or 35.33%, refundable deposits by ₱1.6 million or 22.04%, concessionaires by ₱0.45 million or 26.71%, retention payable by ₱0.35 million or 20.87%, unclaimed gift certificate by ₱0.297 million or 50.84%. On the other hand, there is a decrease in nontrade payables by ₱1.6 million or 48.34%, accrued expenses by ₱1.43 million or 25% and decreased in statutory payables by ₱0.02 million or 0.71%.

MEMBERS' EQUITY

Members' equity increased by ₱37.45 million or 2.22% from ₱1.68 billion as of December 31, 2021 to ₱1.72 billion as of December 31, 2022 which is mainly due to net income recognized during the year.

December 2021 compared to December 2020

ASSETS

The Golf Club has total assets of ₱1.79 billion as of December 31, 2021 as compared to ₱1.75 billion as of December 31, 2020, an increase of ₱45.18 million or 2.59%. The Golf Club has a current ratio

of ₱4.54 for each peso of current liabilities as of December 31, 2021 as compared to ₱4.59 as of December 31, 2020.

Cash and Cash Equivalents

Cash and cash equivalents increased by ₱76.02 million or 54.39% from ₱139.78 million as of December 31, 2020 to ₱215.81 million as at December 31, 2021 due to the net cash provided in operating activities of ₱87.20 million and net cash provided in investing activities of ₱11.23 million.

Trade and Other Receivables

Receivables increased by ₱19.52 million or 10.22% from ₱190.97 million as of December 31, 2020 to ₱210.49 million as of December 31, 2021 which was the result of increase in receivables from members of ₱10.61 million or 21.65% from ₱49.01 million in 2020 to ₱59.63 million in 2021, related parties by ₱3.58 million or 2.62% from ₱136.58 million in 2020 to ₱140.17 million in 2021 and other nontrade receivables of ₱5.32 million or 86.10% from ₱6.18 million in 2020 to ₱11.51 million in 2021.

Inventories

Inventories decreased by ₱0.109 million or 34.87% from ₱0.314 million as of December 31, 2020 to ₱0.204 million as of December 31, 2021. This is mainly due to decrease in food and beverage by ₱0.056 million or 100%, and supplies amounting to ₱0.052 million or 20.54%.

Other Current Assets

Other current assets decreased by ₱9.52 million or 15.23% from ₱62.52 million in 2020 to ₱52.99 million in 2021. The decrease is mainly due to deferred input VAT amounting to ₱22.21 million.

Property and Equipment – Net

Property and equipment decreased by ₱40.60 million or 3.02% from ₱1.35 billion for the year 2020 to ₱1.31 billion for the year ended December 2021, due to depreciation charges of ₱48.53 million. There were additions to facilities and equipment amounting to ₱5.07 million or 0.89%, land, buildings and improvements by ₱1.03 million or 0.05%, office, furniture and fixtures by ₱0.903 million or 5.40%, transportation equipment by ₱0.039 million or 0.20%, and operating equipment amounting to ₱0.011 million or 0.13%.

Other Noncurrent Assets

The decrease in noncurrent assets is mainly due to the decrease in net property and equipment amounting to ₱40.60 million or 3.02% from ₱1.35 billion in 2020 to ₱1.31 billion in 2021.

LIABILITIES

Total liabilities increased by ₱15.54 million or 16.95% from ₱91.66 million as of December 31, 2020 to ₱107.20 million as of December 31, 2021, mainly due to deferred tax liabilities amounting to ₱1.45 million and increase in accounts payable and other current liabilities by ₱20.18 million or 23.60% which mainly pertains to increase in trade payables of ₱4.66 million.

Trade and Other Payables

Trade and other payables increased by ₱20.03 million or 23.38% from ₱85.52 million as of December 31, 2020 to ₱105.70 million as of December 31, 2021, mainly due to increase in membership dues collected in advance by ₱13.03 million, auctioned membership liability by ₱9.71 million, payable to concessionaires by ₱1.70 million, statutory payables by ₱1.17 million, and trade

payables amounting to ₱4.66 million. On the other hand, there is a decrease in unclaimed gift certificate by ₱6.57 million or 91.82%, stale check by ₱6.35 million or 87.06%, unidentified collections by ₱1.09 million or 64.56%, accrued expenses by ₱1.02 million or 14.95%, deferred income from consumables by ₱0.557 million or 12.55%, cash bond by ₱0.193 million or 2.60%, and other current liabilities amounting to ₱2.50 million or 37.56%.

Pension Liability

Pension liability showed a decrease of ₱5.94 million or 99.25% from ₱5.98 million to ₱0.045 million as of December 31, 2021, mainly due to contribution made to the retirement fund.

Deferred Tax Liability

Deferred tax liability increased by ₱1.45 million or 100% for the year ended December 2021. This is mainly due to receivable arising from transferred pension liability.

MEMBERS' EQUITY

Members' equity increased by ₱29.64 million or 1.79% from ₱1.65 billion as of December 31, 2020 to ₱1.68 billion as of December 31, 2021 which is mainly due to net income recognized during the year.

December 2020 compared to December 2019

ASSETS

The Golf Club has total assets of ₱1.74 billion as of December 31, 2020 as compared to ₱1.80 billion as of December 31, 2019, a decrease of ₱62.82 million or 3.48%. The Golf Club has a current ratio of ₱4.84 for each peso of current liabilities as of December 31, 2020 as compared to ₱3.11 as of December 31, 2019.

Cash and Cash Equivalents

Cash and cash equivalents decreased by ₱21.02 million or 13.07% from ₱160.81 million as at December 31, 2019 to ₱139.78 million as at December 31, 2020 due to the net cash used in operating activities of ₱19.35 million, net cash used in investing activities of ₱0.824 million, and net cash used in financing activities of ₱0.810 million.

Trade and Other Receivables

Receivables increased by ₱23.62 million or 14.13% from ₱167.18 million as at December 31, 2019 to ₱190.80 million as at December 31, 2020 which was the result of increase in related party receivables of ₱14.81 million or 12.16%, receivables from members of ₱7.77 million or 18.84% from ₱41.24 million in 2019 to ₱49.01 million in 2020 and other nontrade receivables of ₱1.36 million or 29.52% from ₱4.62 million in 2019 to ₱5.98 million in 2020.

Inventories

Inventories decreased by ₱0.209 million or 39.95% from ₱0.523 million as of December 31, 2019 to ₱0.314 million as of December 31, 2020. This is mainly due to decrease in food and beverage by ₱0.072 million or 56.25%, and supplies amounting to ₱0.136 million or 34.59%.

Other Current Assets

Other current assets decreased by ₱2.17 million or 3.65% from ₱59.28 million in 2019 to ₱57.12 million in 2020 due to decrease in deferred output vat and deferred input vat on capital goods for the year.

Property and Equipment – Net

Property and equipment decreased by ₱62.73 million or 4.45% from ₱1.41 billion for the year 2019 to ₱1.35 billion for the year ended December 2020, due to depreciation charges of ₱9.01 million or 12.39%.

Other Noncurrent Assets

The decrease in noncurrent assets is mainly due to the decrease in net property and equipment amounting to ₱62.73 million or 4.45% from ₱1.408 billion in 2019 to ₱1.346 billion in 2020.

LIABILITIES

Total liabilities decreased by ₱56.18 million or 39.49% from ₱142.26 million as at December 31, 2019 to ₱86.08 million as at December 31, 2020, mainly due to decrease in accounts payable and other current liabilities by ₱43.95 million or 35.43% which mainly pertains to decrease in trade payables of ₱18.44 million. Also, pension liability decreased by ₱11.44 million or 65.65% from ₱17.42 million in 2019 to ₱5.98 million in 2020 and payable to related party by ₱9.22 million or 63.83% from ₱14.45 million in 2019 to ₱5.23 million in 2020.

Trade and Other Payables

Trade and other payables decreased by ₱38.53 million or 31.06% from ₱124 million as of December 31, 2019 to ₱85.52 million as of December 31, 2020, mainly due to decrease in trade payables by ₱15.82 million or 59.03%, payables to related parties by ₱9.22 million or 63.83%, membership dues collected in advance by ₱3.98 million or 11.27%, statutory payables by ₱3.02 million or 68.89%, retention payable by ₱2.65 million or 61.05%, auctioned membership liability by ₱2.03 million or 21.79%, refundable deposits by ₱1.57 million or 17.44, accrued expenses by ₱0.319 million or 133.79%, and payables to concessionaires by ₱0.226 million or 14.59%. On the other hand, unclaimed gift certificate increased by ₱0.061 million or 0.86%, and others by ₱0.244 million or 5.86%.

Pension Liability

Pension liability showed a decrease of ₱11.44 million or 65.65% from ₱17.42 million to ₱5.98 million as of December 31, 2020, mainly due to contribution made to the retirement fund.

MEMBERS' EQUITY

Members' equity decreased by ₱6.64 million or 0.40% from ₱1.66 billion as of December 31, 2019 to ₱1.65 billion as at December 31, 2020 which is mainly due to total comprehensive loss recognized during the year which amounts to ₱6.64 million.

Below are the comparative key performance indicators of the Golf Club:

Performance Indicators	Formula for Calculation	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)	December 31, 2021 (Audited)
Current ratio	Current assets over current liabilities	4.22 : 1.00	4.18: 1.00	4.54 : 1.00
Acid-test ratio	Quick assets*** over current liabilities	3.84 : 1.00	3.72: 1.00	4.03 : 1.00
Solvency ratio	Net income(loss) before depreciation over total liabilities	0.034 : 1.00	0.76 : 1.00	0.76 : 1.00
Total liabilities to equity ratio	Total liabilities over total members' equity	0.07: 1.00	0.08 : 1.00	0.06 : 1.00
Asset-to-Equity ratio	Total Asset over Total Equity	1.07 : 1.00	1.08 : 1.00	1.06 : 1.00
Interest rate coverage ratio	Income from operations before depreciation over interest expense	n/a	n/a	n/a
Net Profit Margin	Net income/loss over total revenue	0.13 : 1.00	51.69%	50.15%
Return on equity	Net income (loss) over ave. members' equity	0.00: 1.00	2.16%	1.76%
Return on assets	Net income (loss) over ave. total assets	0.82%	0.50%	0.50%

* Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

***Cash plus receivables

As of the second quarter ended June 30, 2022, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on future operations, in respect of the following:

- i. Known trends, demands, commitments, events or uncertainties that would have a material impact on the Golf Club;
- ii. Events that will trigger direct or contingent financial obligation that is material to the Golf Club, including any default or acceleration of an obligation;

- iii. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Golf Club with unconsolidated entities or other persons created during the reporting period;
- iv. Material commitments for capital expenditures that are reasonably expected to have a material impact on the Golf Club's short-term or long-term liquidity;
- v. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- vi. Significant elements of income or loss that did not arise from the Golf Club's continuing operations;
- vii. Seasonal aspects that had a material impact on the Golf Club's results of operations; and
- viii. Material changes in the financial statements of the Golf Club from the interim period ended June 30, 2022, except as reported in the MD&A.

Disagreements with Accountants on Accounting and Financial Disclosure

No principal accountant or independent accountant of the Golf Club has resigned, was dismissed or has ceased to perform services during the calendar year covered by this report.

There was no disagreement with the accountants on any matter of accounting principles or practices, financial statement disclosures, or auditing scope procedure.

Mergers, Consolidations, Acquisitions and Similar Matters

There is no action to be taken with respect to any transaction involving the following:

- i. the merger or consolidation of the registrant into or with any other person or of any other person into or with the registrant;
- ii. the acquisition by the registrant or any of its security holders of securities of another person;
- iii. the acquisition by the registrant or any other going business or of the assets thereof;
- iv. the sale or other transfer of all or any substantial part of the assets of the registrar; or
- v. the liquidation or dissolution of the registrant.

ACQUISITION OR DISPOSITION OF PROPERTY

There is no action to be taken with respect to the acquisition or disposition of any property.

RESTATEMENT OF ACCOUNTS

There is no action to be taken with respect to the restatement of any asset, capital, or surplus account of the Golf Club.

DISCUSSION ON CORPORATE GOVERNANCE

The Golf Club remains focused on ensuring the adoption of systems and practices of good corporate governance in enhancing value for its shareholders.

In compliance with the initiative of the Securities and Exchange Commission ("SEC"), The Golf Club submitted its Revised Corporate Governance Manual (the "Manual") to the SEC on September 30, 2020, in compliance with the Code of Corporate Governance for Public Companies and Registered Issuers (SEC Memorandum Circular No. 24, Series of 2019) issued by the SEC on December 19, 2019, and made effective on January 12, 2020. This manual institutionalizes the principles of good corporate governance in the entire Company. The Golf Club believes that corporate governance, the framework of rules, systems and processes governing the performance of the Board of Directors and Management of their respective duties and responsibilities, and from which the organization's values and ethics emerge, is of utmost importance to the Company's shareholders and other stakeholders, which include, among others, clients, employees, suppliers, financiers, government and community in which it operates. The Company undertakes every effort possible to create awareness throughout the entire organization.

The Board establishes the major goals, policies and objectives of the Golf Club, as well as the means to monitor and evaluate the performance of Management. The Board also ensures that adequate internal control mechanisms are implemented and properly complied in all levels.

The Golf Club is not aware of any non-compliance with its Revised Manual on Corporate Governance, by any of its officers or employees.

UNDERTAKING TO PROVIDE COPIES OF THE ANNUAL REPORT

UPON WRITTEN REQUEST OF ANY SHAREHOLDER OF RECORD ENTITLED TO NOTICE OF AND VOTE AT THE MEETING, THE COMPANY SHALL FURNISH SUCH SHAREHOLDER WITH A COPY OF THE COMPANY'S INFORMATION STATEMENT AND ANNUAL REPORT (SEC FORM 17-A) WITHOUT CHARGE. ANY SUCH WRITTEN REQUEST SHALL BE ADDRESSED TO:

THE CORPORATE SECRETARY
TAGAYTAY MIDLANDS GOLF CLUB, INC.
BRGY. TRANCA, TALISAY, BATANGAS
PHILIPPINES


CERTIFICATION

I, **MICHELLE ANGELI T. HERNANDEZ**, Compliance Officer of **TAGAYTAY MIDLANDS GOLF CLUB, INC.** ("Club"), with SEC registration number A1997-9196 and principal office at Barangay Tranca, Talisay, Batangas, does hereby certify and state that:

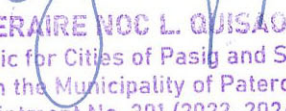
- 1) On behalf of the Club, I have caused this Definitive Information Statement (SEC Form 20-IS) to be prepared;
- 2) I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records; and
- 3) The Club will comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand this 04 SEP 2023 day of September 2023 in Pasig City.


MICHELLE ANGELI T. HERNANDEZ
Compliance Officer

04 SEP 2023
SUBSCRIBED AND SWORN to before me this _____ day of September 2023 in Pasig City affiant exhibiting to me her Tax Identification Number card with number  as competent evidence of her identity.

Doc. No. 472;
Page No. 96;
Book No. I;
Series of 2023.


JESERAIRE NOC L. QUISAOT
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 301 (2023-2024)
Commission Expires on December 31, 2024
2704 East Tower, Tektite Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 0573118/05.11.23/Pasig
IBP No. 340930/05.08.23/RSM
Roll of Attorneys No. 87050
Admitted to the Bar: 05.02.23

Re: Tagaytay Midlands Golf Club, Inc_SEC Form 17-A_02May2023

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>

Tue 5/2/2023 11:53 AM

To: Kaith Shaira D. Develos <[REDACTED]@tagaytayhighlands.com>

Thank you for reaching out to ictdsubmission@sec.gov.ph. Your submission is subject for Verification and Review of the Quality of the Attached Document only for **Secondary Reports**. Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order from receipt through the SEC Express System at <https://secexpress.ph/>. Or you may call 8737-8888 for further clarifications.

NOTICE

Please be informed that selected reports should be filed through ***ELECTRONIC FILING AND SUBMISSION TOOL (EFAST)***. <https://cifss-ost.sec.gov.ph/user/login>

such as: AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

Further, pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in **PORTABLE DOCUMENT FORMAT (PDF)** Secondary Reports such as:

17-A, 17-C, 17-L, 17-Q, ICASR, ICA-QR, ICA-AR, 23-A, 23-B, I-ACGR, ACGR, Monthly Reports, Quarterly Reports, Letters, OPC(ALTERNATE NOMINEE),GIS-G, 52-AR, IHAR,AMLA-CF,NPM,NPAM, BP-FCLC, CHINESEWALL, 39-AR,36-AR, PNFS, MCG, S10/SEC-NTCE-EXEMPT, through email at

ictdsubmission@sec.gov.ph

FOR **MC28**, please go to SEC website:

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

For your information and guidance.

Thank you and keep safe.

CERTIFICATION

I, **FREDERICK D. DEOCARIZA**, Financial Controller, is a duly authorized representative of **TAGAYTAY MIDLANDS GOLF CLUB, INC. ("Club")**, with SEC registration number A1997-9196 and principal office at Brgy. Tranca Talisay, Batangas, Philippines, does hereby certify and state that:

- 1) That on behalf of the Club, I have caused this Annual Report for the period ended 31 December 2022 (SEC Form 17-A) to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records; and
- 3) That the Club will comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail:

APR 05 2023

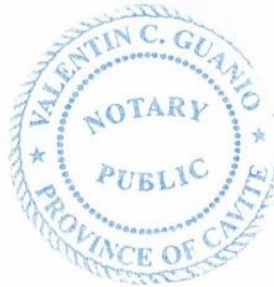
IN WITNESS WHEREOF, I have hereunto set my hand this _____.

FREDERICK D. DEOCARIZA
Financial Controller

APR 05 2023

SUBSCRIBED AND SWORN to before me this _____ in **TAGAYTAY CITY** City, _____ as competent evidence of identity.

Doc. No. 379;
Page No. 77;
Book No. 28;
Series of 2023.



ATTY. VALENTIN C. GUANIO
JP Rizal Avenue, Kaybagal South, Tagaytay City
Commission Expires on DECEMBER 31, 2024
PTR No. 5131980/January 3, 2023
ROLL No. 22908
IBP LIFETIME RES. NO. 02892
MCLE COMPLIANCE NO. VII-0016975

A 1 9 9 7 - 9 1 9 6
S.E.C. Registration Number

T A G A Y T A Y M I D L A N D S
G O L F C L U B , I N C .

(Company's Full Name)

B R G Y . T R A N C A T A L I S A Y B A T A N G A S

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

Ms. Anna Francesca C. Respicio
Contact Person
632-0905
Company Telephone Number

1 2 - 3 1
Month Day
Calendar Year

1 7 - A
FORM TYPE

0 5 - 3 1
Month Day
Annual Meeting

N/A
Secondary License Type, If Applicable

S E C
Dept. Requiring this Doc.

N/A
Amended Articles Number/Section

2,930
Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

TAGAYTAY MIDLANDS GOLF CLUB, INC.
(A Nonprofit Corporation)
Supplementary Schedules Required
By the Securities and Exchange Commission
As of and for the Calendar Year Ended December 31, 2022

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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 CORPORATION CODE OF THE PHILIPPINES

1. For the Twelve months ended **31 December 2022**
2. SEC Identification Number: **A1997-9196** 3. BIR Tax Identification Number: **005-008-526-000**

4. Exact name of issuer as specified in its charter **Tagaytay Midlands Golf Club, Inc**

5. **Makati, Metro Manila, Philippines**
Province, Country or other jurisdiction of
incorporation or organization

6. (SEC Use Only)
Industry Classification Code:

7. **Brgy. Tranca, Talisay, Batangas**
Address of principal office

4220
Postal Code

8. Registrant's telephone number, including area code: **(046) 413-3808**

NOT APPLICABLE

9. Former name, former address, and former fiscal year,
if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information
on number of shares and amount of debt is applicable only to corporate registrants):

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Proprietary Shares	6,000

11. Are any or all of Registrant's securities listed on a Stock Exchange?
[] Yes [X] No

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 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 12 months (or for such shorter period that the registrant was required to file such reports);

[] Yes [X] No

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

[] Yes [X] No

13. Aggregate market value of voting stock held by non-affiliates: **₱ 3,601,500,000**

**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 SRC subsequent to the distribution of securities under a plan confirmed by a court or the SEC. **NOT APPLICABLE**

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

Tagaytay Midlands Golf Club, Inc. (Golf Club) was incorporated on June 10, 1997 as an exclusive membership club operating on a non-profit basis. Its primary purpose is to promote social, recreational and athletic activities among its shareholders on a non-profit basis, the nucleus of which will be the construction, development, and maintenance of golf course and other sports and recreational facilities.

The Golf Club entered into a Development Agreement (DA) with Belle Corporation (Belle) for the construction and development of a 36-hole golf course on April 17, 1997. The said DA was amended on December 15, 1999. The project cost in accordance with the amended DA will no less than be P2.65 billion. The terms of the amended DA call for as many subscriptions as there are shares, such that the shares to be issued to Belle as the development progresses will be at a ratio of one club share for every pre-agreed amount of development cost, inclusive of the initial capital contribution. The excess of such development cost over the Golf Club's entire capital stock value shall constitute additional paid-in capital of the Golf Club. As of December 31, 2022, the Golf Club has a 27-hole championship golf course.

For the development of the Golf Club's golf course, Belle Corporation (Belle), as the developer thereof, has contracted the American golf architect, Richard Bigler, to design the Golf Club's all-weather golf course. Given the Golf Club's gentler terrain, Bigler designed the golf course as a walking course, designed for normal golf from the front tees yet suitable for top-level international tournament play from the tournament tees.

The degree of competition in the industry varies considerably by sector and geography. Belle, the Golf Club's developer, competes with other developers for purchase of land. Although there are other clubs engaged in the same line of business as the Golf Club, such clubs do not have the facilities being offered by the Golf Club such as the country's first Funicular System, an all-weather and world-class championship golf course which features a two-hectare man-made lake and a golf clubhouse with an unobstructed view of the majestic Taal Volcano. One of the highlights of being a member at the Golf Club is the reciprocity arrangement with Tagaytay Highlands. The Golf Club members are entitled to the use of Tagaytay Highlands facilities and vice versa.

The Golf Club started commercial operations on April 16, 2000. The 5,829 sq. m. Golf Clubhouse, which opened to the members in November 1999, houses the 70-seater Golfer's Lounge which is exclusive for golfers only; The Veranda, a 170-seater restaurant serving continental and Filipino cuisine, overlooking the majestic Taal Lake; a pro shop; and male & female locker rooms equipped with steam and massage rooms.

Bankruptcy, Receivership or Similar Proceedings

The Midlands Golf Club has not been involved in any bankruptcy, receivership or similar proceedings for the past three (3) years.

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

The Midlands Golf Club has not engaged in any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets (not ordinary) for the past three (3) years.

Competition

There is no formal or organized secondary market for the purchase and sale of golf and country club shares in the Philippines. As such, holders of shares in the Golf Club who may wish to sell or dispose of their shares may not readily find a counterparty for the transaction at the desired asking price. At present, there is a growing number of golf and country clubs being established in various parts of the country. This may affect appreciation in the value of investment in the Golf Club.

Investments in leisure-oriented developments such as golf and country clubs are influenced by the economic and political conditions in the country. Any adverse economic and political developments in the country may affect the demand for such leisure facilities, and any anticipated appreciation in the prices of golf and country club shares.

Although there are other clubs engaged in the same line of business, the Golf Club has the only funicular system in the Philippines which has 48 seats.

Sources and availability of raw materials

The Golf Club's principal suppliers include The Turf Company and Kart Plaza. There are no existing major supply contracts entered into by the Club.

Transactions with and/or dependence on related parties

In the ordinary course of business, the Golf Club has transactions with the related parties which consist mainly of usage of Golf Club's facilities and services as well as reimbursement of certain operating expenses such as utilities, contract services, repairs and maintenance and labor cost. Moreover, this also includes payments of food and beverage costs, room and spa, massage charges and shuttle services of the Company's employees. The outstanding balances as at year-end are unsecured, noninterest-bearing, due and demandable and settlement occurs in cash.

Government Regulations

The Golf Club has complied with licensing and regulatory requirements necessary for its development and operations.

Compliance with Environmental Laws

The Golf Club has complied with pertinent environmental laws and regulations and has received the Environmental Certificate Clearance issued by the Department of Energy and Natural Resources.

Employees

The Golf Club is run by a team of regular employees as follows:

Regular Employees*	
GM & Department Heads	23
Supervisors	33
Rank and File	<u>26</u>
Total	<u>82</u>

All regular rank and file employees are subject to the Collective Bargaining Agreement which expires in June 30, 2024.

(* based on head count as of December 31, 2022)

There has been no strike brought about by the Golf Club's employees in the past twenty (20) years.

Major Business Risks

The Golf Club has been sustaining its operational requirements through the collection of monthly dues from each member and the operation of restaurants and golf facilities. The Golf Club has no foreign currency exposures or obligations that will have a material impact on its short-term or long-term liquidity due to the depreciation of the peso.

Item 2. Properties

The Golf Club is located in Tranca, Talisay, Batangas. The Club has complete rights and substantial ownership over the property. In addition, certain transportation equipment of the Golf Club are mortgaged as a security for the Golf Club's loans payable. There are no limitations as to the ownership brought about by the terms and conditions of any encumbrances.

The principal properties include the 27-hole golf course incorporating a man-made lake, the Golf Clubhouse which houses two restaurants, a pro shop and Administrative Offices, and the 48-seater funicular system.

Item 3. Legal Proceedings

As of the year ended December 31, 2022, there is no material pending legal proceedings which the Golf Club is a party to.

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

During the fourth quarter of the 2022 calendar/fiscal year, the Club held its annual stockholders' meeting (on October 15, 2022). In said annual meeting, the following items were voted upon by the stockholders: (1) Approval of Minutes of Previous Meeting of Stockholders, (2) Approval of 2021 Operations and Results, and the 2021 Audited Financial Statements, (3) Ratification of Corporate Acts, (4) Appointment of External Auditor, and (5) Election of Directors. In the election of directors, the following persons were elected as directors of the Club:

1. Hans T. Sy
2. Willy N. Ocier
3. Jerry C. Tiu
4. Shirley C. Ong
5. Jacinto C. Ng, Jr.
6. Manuel B. Sy (independent)
7. Sergio C. Yu (independent)

All items were affirmatively voted upon (no negative votes and no abstentions) by 3,570 stockholders, representing 62.87% of all stockholders in good standing and entitled to vote. No other matter were submitted to security holders other than at the annual meeting.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

Proprietary Shares

The Golf Club has authorized and subscribed 6,000 proprietary shares, of which 59.27% is owned by Belle Corporation and the remaining shares are owned by other club members. There are 3,556 holders of the Golf Club's proprietary shares.

The top 20 shareholders are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES	%
Belle Corporation	3,556	59.27%
Highlands Prime, Inc.	43	0.72%
Klaas Holdings Corp.	5	0.08%
Northwest Development Corporation	5	0.08%
Solid Manila Corp.	4	0.07%
Tiu, Jerry C.	4	0.07%
Lancor Realty & Development Corp.	3	0.05%
Yek Holdings, Inc.	3	0.05%
Nikkoshi Philippines Corp.	3	0.05%
Others	2,371	39.52%
Grand Total	6,000	100.00%

Market Value of Security

Below are the high and low bid prices for the past three (3) years based on newspaper publications:

	HIGH	LOW
Quarter ended March 2020	820,000	700,000
Quarter ended June 2020	820,000	800,000
Quarter ended September 2020	750,000	700,000
Quarter ended December 2020	550,000	550,000
Quarter ended March 2021	650,000	650,000
Quarter ended June 2021	650,000	650,000
Quarter ended September 2021	900,000	700,000
Quarter ended December 2021	950,000	700,000
Quarter ended March 2022	1,300,000	1,300,000
Quarter ended June 2022	1,800,000	1,500,000
Quarter ended September 2022	1,500,000	1,500,000
Quarter ended December 2022	1,500,000	1,500,000

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

Dividends

The Midlands Golf Club does not declare dividends. In accordance with the Midlands Golf Club's Articles of Incorporation and By-Laws, no profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividends shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the asset of the Golf Club at the time of the dissolution or liquidation of the Midlands Golf Club.

Recent Sales of Unregistered or Exempt Securities

All the Club's securities are registered under the Securities Regulation Code. The Golf Club issued 587 shares to Belle for the construction and development costs of the additional nine holes. Moreover, there was no sale of reacquired securities, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities for the past three (3) years.

Item 6. Management's Discussion and Analysis (MD&A)

Results of Operations

December 2022 compared to December 2021

REVENUES

Revenues for the year December 31, 2022 increased by ₱12.68 million or 21.69% from ₱58.46 million for the year ended December 31, 2021 to ₱71.14 million for the same period in 2022. This is mainly due to the following:

Green Fees

The Golf Club's green fees recorded an increase of ₱ 6.8 million or 33.03% from ₱20.7 million in 2021 to ₱27.5 million in 2022.

Food, beverage and sundries

Food, beverage, and sundry increased by ₱3.2 million or 17.23% from ₱18.58 million in 2021 to ₱ 21.78 million in 2022.

Golf cart and Locker rental

The Golf Club's revenue from golf cart and locker rental showed an increase of ₱1.78 million from ₱17.98 million for the year 2021 to ₱19.76 million for the year 2022.

Other Revenues

Other revenue increased by ₱0.865 million from ₱1.21 million for the year 2021 to ₱2.07 million for the year 2022.

COST AND EXPENSES

The cost and expenses showed an increase of ₱10.03 million or 4.18% from ₱240.06 million for the year ended December 31, 2021 to ₱250.09 million for the year ended December 31, 2022, due to high volume of business as a result of the lifting of community quarantine in March 2022.

Cost of Sales

The Golf Club's cost of sales for the year ended December 31, 2022 showed an increase of ₱5.23 million or 31.39% from ₱16.66 million in 2021 to ₱21.9 million in 2022. This is mainly due to relatively higher sales. This includes food and beverage cost and sundry inventory cost.

Cost of Services

Cost of services increased by ₱1.66 million or 0.86%, from ₱192.73 million in 2021 to ₱194.39 million for the year ended December 31, 2022, mainly due to the increased of club tournament expense and caddy expense.

General and Administrative expenses

The Golf Club recorded a consolidated general and administrative expenses of ₱33.8 million, an increase of ₱3.13 million or 10.22% from ₱30.66 million for the year ended December 31, 2021. Mainly due to increase in personnel cost and bank charges amounting to ₱1.45 million and ₱0.51 million respectively.

OTHER INCOME (CHARGES)

Interest Income

The Golf Club's interest income showed an increase of ₱2.17 million or 534.21% from ₱0.41 million as of December 31, 2021 to ₱2.58 million for the year ended December 31, 2022.

Other Income - net

The Golf Club's other income recorded an increase of ₱0.62 million or 2.52% from ₱24.65 million for the year 2021 to ₱25.27 million for the year 2022.

MEMBERS' SUPPORT

Membership dues increased by ₱1.25 million or 0.67% from ₱187.31 million for the year 2021 to ₱188.56 million for the year ended December 2022 due to activation of membership for the year.

PROVISION FOR INCOME TAX

Provision for income tax-deferred decreased by ₱0.75 million or 52.23% from ₱1.45 million for the year ended December 31, 2021 to ₱0.69 million in December 31, 2022.

NET INCOME

The Club's operation in 2022 resulted to a net income of ₱36.77 million as compared to 2021 net income of ₱29.32 million.

December 2021 compared to December 2020

REVENUES

Revenues for the year December 31, 2021 increased by ₱32.39 million or 127% from ₱25.77 million as of December 31, 2020 to ₱58.46 million for the same period of 2021, as local government units eased community restrictions and age mobility restrictions related to Covid-19.

Green Fees

The Golf Club's green fees recorded an increase of ₱ 11.74 million or 131.18% from ₱8.95 million in 2020 to ₱20.70 million in 2021.

Food, beverage and sundries

Food, beverage, and sundry increased by ₱9.64 million or 107.94% from ₱8.93 million in 2020 to ₱18.58 million in 2021.

Golf cart and Locker rental

The Golf Club's revenue from golf cart, locker rental and others showed an increase of ₱10.45 million from ₱7.52 million for the year 2020 to ₱17.98 million for the year 2021.

Other Revenues

Other revenues increased by ₱0.846 million from ₱0.358 million for the year 2020 to ₱1.21 million for the year 2021.

COST AND EXPENSES

The cost and expenses showed an increase of ₱0.453 million or 0.19% from ₱239.61 million for the year ended December 31, 2020 to ₱240.06 million for the year ended December 31, 2021 since most of the facilities have resumed operations due to lifting of heavy Covid-19 restrictions.

Cost of Sales

The Golf Club's cost of sales for the year ended December 31, 2021 showed an increase of ₱7.17 million or 75% from ₱9.50 million in 2020 to ₱16.66 million in 2021.

Cost of Services

Cost of services decreased by ₱5.98 million or 3%, from ₱198.72 million to ₱192.73 million for the year ended December 31, 2021.

General and Administrative expenses

The Golf Club recorded a consolidated general and administrative expenses of ₱30.66 million, a decrease of ₱0.73 million or 2.34% from ₱31.40 million for the year ended December 31, 2020. Mainly due to decrease in personnel cost and outside services.

OTHER INCOME (CHARGES)

Interest Income

The Golf Club's interest income showed a decrease of ₱1.49 million or 79% from ₱1.89 million as of December 31, 2020 to ₱0.41 million for the year ended December 31, 2021.

Other Income - net

The Golf Club's other income recorded an increase of ₱8.1 million or 49% from ₱16.55 million for the year 2020 to ₱24.65 million for the year 2021.

MEMBERS' SUPPORT

Membership dues decreased by ₱2.77 million or 1.46% from ₱190.08 million for the year 2020 to ₱187.31 million for the year ended December 2021 due to higher membership dues discount granted to members who paid advance monthly dues.

PROVISION FOR INCOME TAX

Provision for income tax deferred increased by ₱1.45 million or 100% for the year ended December 2021.

NET INCOME

The Club's operation in 2021 resulted to a net income of ₱29.32 million as compared to 2020 net loss of ₱5.33 million.

December 2020 compared to December 2019

REVENUES

Revenues for the year December 31, 2020 decreased by ₱34.57 million or 57% from ₱60.34 million in 2019 to ₱25.77 million in 2020. Covid-19 pandemic has caused unprecedented impact to the club's operation as broken down below:

Green Fees

The Golf Club recorded a consolidated revenue from green fees of ₱8.95 million in 2020, a decrease of ₱15.26 million or 63% from ₱24.21 million as of December 31, 2019.

Food, beverage and sundries

Revenue from food, beverage and sundries showed a decrease of ₱10.59 million or 54% from ₱19.52 million as of December 31, 2019 to ₱8.93 million for the same period of 2020.

Golf cart, Locker rental and Others

The Golf Club's revenue from golf cart, locker rental and others recorded a decrease of ₱8.72 million or 53% from ₱16.60 million for the year ended December 31, 2019 to ₱7.88 million for the same period in 2020.

COST AND EXPENSES

The cost and expenses showed a decrease of ₱56.25 million or 19.01% from ₱295.86 million for the year ended December 31, 2019 to ₱239.61 million for the year ended December 31, 2020 which is mainly due to decrease in the following:

Cost of Sales

Cost of sales showed a decrease of ₱1.99 million or 17%, from ₱11.49 million for the twelve-month period ended December 31, 2019 to ₱9.50 million for the same period in 2020.

Cost of Services

The Golf Club's cost of services decreased by ₱49.60 million or 20%, from ₱248.32 million for the twelve-month period ended December 31, 2019 to ₱198.72 million for the same period in 2020.

General and Administrative Expenses

General and administrative expenses of the club showed a decrease of ₱4.66 million or 13% from ₱36.06 million as of December 31, 2019 to ₱31.40 million for the same period in 2020, mainly due to decrease in communication, light and water and decrease in taxes and licenses.

OTHER INCOME (CHARGES)

Interest Expense

The Golf Club's consolidated interest expense decreased by ₱0.139 million or 89% from ₱0.16 million for the year ended December 31, 2019 to ₱0.02 million for the same period in 2020.

Interest Income

Interest income of ₱2.37 million of 2020 decreased by ₱3.35 million or 59% from ₱5.72 million for the year ended December 31, 2019.

Other Income - net

Other income decreased by ₱17.26 million or 51% from ₱33.81 million to ₱16.55 million for the year ended December 31, 2020.

MEMBERS' SUPPORT

Membership dues increased by ₱2.07 million or 1.10% from ₱188 million for the year 2019 to ₱190.00 million for the year ended December 2020.

NET INCOME

The Club's operation in 2020 resulted to a net loss of ₱5.33 million as compared to 2019 net loss of ₱11.29 million.

Financial Condition and Changes in Financial Condition

December 2022 compared to December 2021

ASSETS

The Golf Club has total assets of ₱1.86 billion as of December 31, 2022 as compared to ₱1.79 billion as of December 31, 2021, an increase of ₱65.14 million or 3.64%. The Golf Club has a current ratio of ₱4.18 for each peso of current liabilities as of December 31, 2022 as compared to ₱4.54 as of December 31, 2021.

Cash and Cash equivalents

Cash and cash equivalents increased by ₱130.22 million or 60.34% from ₱215.81 million as of December 31, 2021 to ₱346.03 million as of December 31, 2022 due to the net cash used in operating activities of ₱168.16 million and net cash used in investing activities of ₱38.05 million

Trade and Other receivables

Receivables decreased by ₱63.06 million or 29.96% from ₱210.49 million as of December 31, 2021 to ₱147.44 million as of December 31, 2022 which was the result of decrease in receivables from related parties by ₱54.21 million or 38.68% from ₱140.17 million in 2021 to ₱85.95 million in 2022, other nontrade receivables of ₱6.97 million or 67.87% from ₱10.27 million in 2021 to ₱3.30 million in 2022, and receivables from members by ₱4.6 million or 7.73% from ₱59.63 million in 2021 to ₱55.01 in 2022.

Inventories

Inventories decreased by ₱0.01 million or 7.06% from ₱0.204 million as of December 31, 2021 to ₱0.19 million as of December 31, 2022 due to decrease in supplies.

Other Current Assets

Other current assets increased by ₱8.13 million or 15.35% from ₱52.99 million in 2021 to ₱61.13 million in 2022. The increase is mainly due to deferred input VAT amounting to ₱4.15 million and creditable withholding tax amounting to ₱2.74 million.

Property and Equipment – Net

Property and equipment decreased by ₱23.76 million or 1.82% from ₱1.31 billion as of December 31, 2021 to ₱1.28 billion as of December 2022, due to depreciation charges of ₱50.57 million or 3.98%. There were additions to facilities and equipment amounting to ₱13.51 million or 2.35%, transportation equipment by ₱3.88 million or 19.37%, land, buildings and improvements by ₱2.76 million or 0.14%, office, furniture, fixtures and equipment by ₱2.45 million or 13.90% and operating equipment by ₱0.06 million or 0.79%.

Net Retirement Asset

Net retirement asset showed an increase of ₱2.70 million or 100% as of December 31, 2022, mainly due to contributions made to the retirement fund.

Other Noncurrent Assets

The increase in noncurrent assets is mainly due to the increase in deposit to contractors & suppliers by ₱12.68 million or 569.14% from ₱2.19 million in 2021 to ₱14.86 million in 2022.

LIABILITIES

Total liabilities increased by ₱27.68 million or 25.83% from ₱107.20 million as of December 31, 2021 to ₱134.88 million as of December 31, 2022, mainly due to increase in deferred tax liabilities amounting to ₱0.69 million or 47.77% and increase in trade and other payables by ₱27.04 million or 25.58% which mainly pertains to increase in trade payables of ₱16.50 million.

Trade and Other Payables

Trade and other payables increased by ₱27.04 million or 25.58% from ₱105.70 million as of December 31, 2021 to ₱132.74 million as of December 31, 2022, mainly due to increase in trade payables by ₱16.50 million or 58%, membership dues collected in advance by ₱6.84 million or 15.78%, auctioned membership liability by ₱3.90 million or 35.33%, refundable deposits by ₱1.6 million or 22.04%, concessionaires by ₱0.45 million or 26.71%, retention payable by ₱0.35 million or 20.87%, unclaimed gift certificate by ₱0.297 million or 50.84%. On the other hand, there is a decrease in nontrade payables by ₱1.6 million or 48.34%, accrued expenses by ₱1.43 million or 25% and decreased in statutory payables by ₱0.02 million or 0.71%.

Pension Liability

Pension liability showed a decrease of ₱0.04 million or 100% as of December 31, 2022.

MEMBERS' EQUITY

Members' equity increased by ₱37.45 million or 2.22% from ₱1.68 billion as of December 31, 2021 to ₱1.72 billion as of December 31, 2022 which is mainly due to net income recognized during the year.

December 2021 compared to December 2020

ASSETS

The Golf Club has total assets of ₱1.79 billion as of December 31, 2021 as compared to ₱1.75 billion as of December 31, 2020, an increase of ₱45.18 million or 2.59%. The Golf Club has a current ratio of ₱4.54 for each peso of current liabilities as of December 31, 2021 as compared to ₱4.59 as of December 31, 2021.

Cash and Cash equivalents

Cash and cash equivalents increased by ₱76.02 million or 54.39% from ₱139.78 million as of December 31, 2020 to ₱215.81 million as of December 31, 2021 due to the net cash used in operating activities of ₱87.22 million and net cash used in investing activities of ₱11.23 million.

Trade and Other receivables

Receivables increased by ₱19.52 million or 10.22% from ₱190.97 million as of December 31, 2020 to ₱210.49 million as of December 31, 2021 due to increase in receivables from members of ₱10.61 million or 21.65% from ₱49.01 million in 2020 to ₱59.63 million in 2021, related parties by ₱3.58 million or 2.62% from ₱136.58 million in 2020 to ₱140.17 million in 2021 and receivables from others of ₱5.32 million or 86.10% from ₱6.00 million in 2020 to ₱11.51 million in 2021.

Inventories

Inventories decreased by ₱0.11 million or 34.87% from ₱0.31 million as of December 31, 2020 to ₱0.20 million as of December 31, 2021. This is mainly due to decrease in food and beverage by ₱0.06 million or 100%, and supplies amounting to ₱0.05 million or 20.54%.

Other Current Assets

Other current assets decreased by ₱9.52 million or 15.23% from ₱62.52 million in 2020 to ₱52.99 million in 2021. This is mainly due to decrease in deferred input VAT by ₱22.22 million or 42.67%. This was offset in increase in prepaid expenses by ₱12.48 or 3662.26%.

Property and Equipment – Net

Property and equipment decreased by ₱40.60 million or 3.02% from ₱1.35 billion for the year 2020 to ₱1.31 billion for the year ended December 2021, due to depreciation charges of ₱48.53 million or 3.97%. There were additions to facilities and equipment amounting to ₱5.07 million or 0.89%, land, buildings and improvements by ₱1.03 million or 0.05%, office, furniture and fixtures by ₱0.90 million or 5.40%, transportation equipment by ₱0.04 million or 0.20%, and operating equipment amounting to ₱0.011 million or 0.13%.

Other Noncurrent Assets

The decrease in noncurrent assets is mainly due to the decrease in deferred input VAT by ₱1.86 million or 39.34% and computer software by ₱0.28 million or 24.00%. These were offset in increase

in advances to contractors by ₱1.99 million or 1048.49% and refundable deposits by ₱0.01 million or 46.00%.

LIABILITIES

Total liabilities increased by ₱15.54 million or 16.95% from ₱91.66 million as of December 31, 2020 to ₱107.20 million as of December 31, 2021, mainly due to deferred tax liabilities amounting to ₱1.45 million and increase in accounts payable and other current liabilities by ₱20.18 million or 23.60% which mainly pertains to increase in trade payables of ₱4.66 million.

Trade and Other Payables

Trade and other payables increased by ₱20.03 million or 23.38% from ₱85.00 million as of December 31, 2020 to ₱105.00 million as of December 31, 2021, mainly due to increase in membership dues collected in advance by ₱13.03 million, auctioned membership liability by ₱9.71 million, payable to concessionaires by ₱1.70 million, statutory payables by ₱1.17 million, and trade payables amounting to ₱4.66 million. On the other hand, there is a decrease in unclaimed gift certificate by ₱6.57 million or 91.82%, stale check by ₱6.35 million or 87.06%, unidentified collections by ₱1.09 million or 64.56%, accrued expenses by ₱1.02 million or 14.95%, deferred income from consumables by ₱0.55 million or 12.55%, cash bond by ₱0.19 million or 2.60%, and other current liabilities amounting to ₱2.50 million or 37.56%.

Pension Liability

Pension liability showed a decrease of ₱5.94 million or 99.25% from ₱5.98 million as of December 31, 2020 to ₱0.045 million as of December 31, 2021, mainly due to contributions made to the retirement fund.

Deferred Tax Liability

Deferred tax liability increased by ₱1.45 million or 100% for the year ended December 2021. This is mainly due to receivable arising from transferred pension liability.

MEMBERS' EQUITY

Members' equity increased by ₱29.64 million or 1.79% from ₱1.65 billion as of December 31, 2020 to ₱1.68 billion as of December 31, 2021 which is mainly due to net income recognized during the year which amounts to ₱29.64 million.

December 2020 compared to December 2019

ASSETS

The Golf Club has total assets of ₱1.75 billion as of December 31, 2020 as compared to ₱1.80 billion as of December 31, 2019, a decrease of ₱62.82 million or 3.48%. The Golf Club has a current ratio of ₱4.84 for each peso of current liabilities as of December 31, 2020 as compared to ₱3.10 as of December 31, 2019.

Cash and Cash equivalents

Cash and cash equivalents decreased by ₱21.02 million or 13.07% from ₱160.81 million as of December 31, 2019 to ₱139.78 million as of December 31, 2020 due to the net cash used in operating activities of ₱19.35 million, net cash used in investing activities of ₱0.82 million, and net cash used in financing activities of ₱0.81 million.

Trade and Other receivables

Receivables increased by ₱23.62 million or 14.13% from ₱167.18 million as of December 31, 2019 to ₱190.80 million as of December 31, 2020 which was the result of increase in related party receivables of ₱14.81 million or 12.16%, receivables from members of ₱7.77 million or 18.84% from ₱41.24 million in 2019 to ₱49.01 million in 2020 and receivables from others of ₱1.36 million or 29.52% from ₱4.62 million in 2019 to ₱5.98 million in 2020.

Inventories

Inventories decreased by ₱0.21 million or 39.95% from ₱0.52 million as of December 31, 2019 to ₱0.31 million as of December 31, 2020. This is mainly due to decrease in food and beverage by ₱0.07 million or 56.25%, and supplies amounting to ₱0.14 million or 34.59%.

Other Current Assets

Other current assets decreased by ₱2.17 million or 3.65% from ₱59.28 million in 2019 to ₱57.12 million in 2020. This is mainly due to decrease in deferred input VAT by ₱2.97 million or 5.34%. This was offset in increase in prepaid expenses by ₱0.75 or 19.06% and prepaid expenses by to ₱0.02 or 5.03%.

Property and Equipment – Net

Property and equipment decreased by ₱62.73 million or 4.45% from ₱1.41 billion for the year 2019 to ₱1.35 billion for the year ended December 2020, due to depreciation charges of ₱9.01 million or 12.39%.

Other Noncurrent Assets

The decrease in noncurrent assets is mainly due to the decrease in computer software amounting to ₱0.24 million or 16.67% and advances to contractors and suppliers amounting to ₱0.16 or 46.36%. These were offset in deferred input VAT amounting to ₱0.06 million or 1.30% and refundable deposits amounting to ₱0.03 million or 100%.

LIABILITIES

Total liabilities decreased by ₱56.18 million or 39.49% from ₱142.26 million as of December 31, 2019 to ₱86.08 million as of December 31, 2020, mainly due to decrease in accounts payable and other current liabilities by ₱43.95 million or 35.43% which mainly pertains to decrease in trade payables of ₱18.44 million. Additionally, pension liability decreased by ₱11.44 million or 65.65% from ₱17.42 million in 2019 to ₱5.98 million in 2020 and payable to related party by ₱9.22 million or 63.83% from ₱14.45 million in 2019 to ₱5.23 million in 2020.

Trade and Other Payables

Trade and other payables decreased by ₱38.53 million or 31.06% from ₱124.00 million as of December 31, 2019 to ₱85.52 million as of December 31, 2020, mainly due to decrease in trade payables by ₱15.82 million or 59.03%, payables to related parties by ₱9.22 million or 63.83%, membership dues collected in advance by ₱3.98 million or 11.27%, statutory payables by ₱3.02 million or 68.89%, retention payable by ₱2.65 million or 61.05%, auctioned membership liability by ₱2.03 million or 21.79%, refundable deposits by ₱1.57 million or 17.44%, accrued expenses by ₱0.319 million or 133.79%, and payables to concessionaires by ₱0.23 million or 14.59%. On the other hand, unclaimed gift certificate increased by ₱0.06 million or 0.86%, and others by ₱0.24 million or 5.86%.

Pension Liability

Pension liability showed a decrease of ₱11.44 million or 65.65% from ₱17.42 million as of December 31, 2019 to ₱5.98 million as of December 31, 2020, mainly due to contributions made to the retirement fund.

MEMBERS' EQUITY

Members' equity decreased by ₱6.64 million or 0.40% from ₱1.66 billion as of December 31, 2019 to ₱1.65 billion as of December 31, 2020 which is mainly due to net loss recognized during the year which amounts to ₱6.64 million.

Schedule of Financial Soundness Indicators

Tagaytay Midlands Golf Club, Inc.

As of December 31, 2022, 2021 and 2020

<i>Performance Indicators</i>	<i>Formula for Calculation</i>	<i>December 31, 2022 (Audited)</i>	<i>December 31, 2021 (Audited)</i>	<i>December 31, 2020 (Audited)</i>
Current ratio	Current assets over current liabilities	4.18 : 1.00	4.54 : 1.00	4.59 : 1.00
Acid-test ratio	Quick assets*** over current liabilities	3.72 : 1.00	4.03 : 1.00	3.86 : 1.00
Solvency ratio	Net income(loss) before depreciation over total liabilities	0.76 : 1.00	0.76 : 1.00	0.64 : 1.00
Total liabilities to equity ratio	Total liabilities over total members' equity	0.08 : 1.00	0.06 : 1.00	0.06 : 1.00
Asset-to-equity ratio	Total assets over total members' equity	1.08 : 1.00	1.06 : 1.00	1.06 : 1.00
Interest rate coverage ratio	Income from operations before depreciation over interest expense	n/a	n/a	n/a
Net Profit Margin	Net income/loss over total revenue	51.69%	50.15%	-2.47%
Return on equity	Net income (loss) over ave. members' equity	2.16%	1.76%	-0.31%

During the year ended December 31, 2022 except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on future operations, in respect of the following:

- i. Known trends, demands, commitments, events or uncertainties that would have a material impact on the Golf Club;
- ii. Events that will trigger direct or contingent financial obligation that is material to the Golf Club, including any default or acceleration of an obligation;
- iii. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Golf Club with unconsolidated entities or other persons created during the reporting period;
- iv. Material commitments for capital expenditures that are reasonably expected to have a material impact on the Golf Club's short-term or long-term liquidity;
- v. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- vi. Significant elements of income or loss that did not arise from the Golf Club's continuing operations;
- vii. Seasonal aspects that had a material impact on the Golf Club's results of operations; and
- viii. Material changes in the financial statements of the Golf Club from the year ended December 31, 2021, except as reported in the MD&A.

TAGAYTAY MIDLANDS GOLF CLUB, INC.
(A Nonprofit Corporation)

NOTES TO FINANCIAL STATEMENTS

1. The Golf Club's financial report is in compliance with generally accepted accounting principles. The accounting policies and methods of computation followed in the annual financial statements as of December 31, 2022 are the same as compared with the annual financial statements as of December 31, 2021.
2. There are no material events or uncertainties known to management that had a material impact on the seasonal aspects of the Golf Club's results of operations.
3. There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
4. There are no material changes in estimates of amounts reported in the current financial year or changes in estimates of amounts reported in prior financial years.
5. There are no material events subsequent to the end of the accounting period that have not been reflected in the financial statements for the period December 31, 2022.
6. There are no material changes in the composition of the club during the accounting period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

7. The Golf Club has no contingent liabilities or contingent assets.
8. There are no material contingencies existing as of December 31, 2022 that can have a material effect in the decision making of the financial statement users.
9. The Golf Club did not purchase any interest in another entity that is to be considered as business combination under PFRS 3.
10. The Golf Club applied PFRS 16 (Leases) using the modified retrospective approach, with an initial application date of January 1, 2019. The Golf Club has not restated the comparative information, which continues to be reported under PAS 17.
11. The Golf Club applied Philippine Interpretation IFRIC 23 (Uncertainty over Income Tax Treatments) and have no impact on the Golf Club's financial position or performance.
12. The Golf Club applied PFRS 9 using the modified retrospective approach, with an initial application date of January 1, 2018. The Golf Club has not restated the comparative information, which continues to be reported under PAS 39.
13. The Golf Club applied PFRS 15 (Revenue from Contracts with Customers) using the modified retrospective approach, with an initial application as of January 1, 2018.

Item 7. Financial Statements

The audited balance sheet as of December 31, 2022 and December 31, 2021, and the related statements of revenues and expenses and cash flows for each of the three years in the period ended December 31, 2022 are attached herewith as part of this Form 17-A. Also accompanying the financial statements is a statement of management's responsibility over them.

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

There have been no disagreements with any accountant or any matter of accounting principles or practices, financial statement disclosure or auditing scope of procedure.

Independent Public Accountants, External Audit Fees and Services

Reyes Tacandong & Co. ("RT&Co"), the Company's external auditor for 2021-2022, will be recommended for re-appointment as such for the current year. Representatives of RT&Co are expected to be present at the Annual Stockholders' Meeting to respond to appropriate questions and will be given the opportunity to make a statement if they so desire.

Over the past five (5) years, there has been no event where RT&Co. and the Company have had any disagreement regarding any matter relating to accounting principles or practices, disclosure of financial statements or auditing scope of procedure.

In compliance with the SRC Rule 68, paragraph 3 (b) and (ix) (Rotation of External Auditors) which states that signing partner shall be rotated after every five (5) years of engagement with a two-year cooling-off period for the re-engagement of the same signing partner, the Company engaged Belinda B. Fernando of RT&Co. for the examination of financial statements of 2021- 2022.

The Company paid RT & Co. ₱284,000 for external audit services for 2022, and ₱280,000 for external audit services for 2021. For each of the last two (2) fiscal years, Reyes Tacandong & Co. did not render services for tax accounting, planning, compliance, advice, or any other professional services for which it billed the Company the corresponding professional fees.

The Audit Committee, composed of Mr. Ruben C. Tan as Chairman, Mr. Johnip G. Cua and Mr. Hans T. Sy as Members, recommends to the Board of Directors the appointment of the external auditors. The Board of Directors and the stockholders approve the Audit Committee's recommendation. The Executive Committee approves the audit fees as recommended by the Audit Committee.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

The following are the incumbent Directors and Executive Officers of the Golf Club

NAME	NATIONALITY	POSITION	AGE	TERM OF OFFICE
Willy N. Ocier	Filipino	Chairman	66	1992 to present
Hans T. Sy	Filipino	Director	67	1992 to present
Jerry C. Tiu	Filipino	President	65	2001 to present
Shirley C. Ong	Filipino	Director	61	2010 to present
Jacinto C. Ng, Jr.	Filipino	Director	53	2001 to present
Manuel B. Sy	Filipino	Independent Director	65	2021 to present
Sergio C. Yu	Filipino	Independent Director	65	2021 to Present
Manuel A. Gana	Filipino	Vice President / Treasurer	65	2000 to present
Anna Francesca C. Respicio	Filipino	Corporate Secretary	37	2021 to present
Maria Clara T. Kramer	Filipino	General Manager	61	2010 to present

A brief write-up on the incumbent directors and principal officers are as follows:

WILLY N. OCIER

Mr. Willy Ocier, 66, Filipino, is the Chairman and Director of Tagaytay Midlands Golf Club, Inc. He was also the Chairman of The Spa and Lodge at Tagaytay Highlands Inc. until October 2020 and The Country Club at the Tagaytay Highlands, Inc. until 2021. He is also an Executive Director and Chairman of Belle Corporation. He is also the Chairman and Director of Premium Leisure Corp., APC Group, Inc., Pacific Online Systems Corporation, Total Gaming and Technologies, Inc. and Premium Leisure and Amusement, Inc. He is also the Vice Chairman of Tagaytay Highlands International Golf Club, Inc. and Highlands Prime, Inc. Mr. Ocier is also the Chairman, President, and Chief Executive Officer of Philippine Global Communications, Inc. He is a Director of Leisure and Resorts World Corporation. He also sits as a Director to the following unaffiliated corporations, IVantage Equities, Philequity Management, Inc., Abacore Capital Holdings, Inc. and Toyota Corporation Batangas. He was formerly the President and Chief Operating Officer of Eastern Securities Development Corporation.

Mr. Ocier graduated from Ateneo de Manila University with a Bachelor of Arts degree in Economics. In recognition of Mr. Ocier's corporate leadership and role in providing employment

opportunities to Filipinos, the University of Batangas conferred him a degree in Doctor of Humanities, honoris causa.

HANS T. SY

Mr. Hans Sy, 67, Filipino, is the Director of the Tagaytay Midlands Golf Club, Inc. ("TMGCI") since 1992 up to present and The Country Club at Tagaytay Highlands, Inc. ("TCCATHI") from 1996 up to present. Also, he is the Chairman of the Board of the Golf Club from 1992 up to present and Chairman of The Spa & Lodge at Tagaytay Highlands, Inc. ("TSL") from 2021 to 2022. Mr. Hans T. Sy is the Chairman of the Executive Committee of SM Prime and has been a Director of the Company since 1994. He previously held the position of President of SM Prime until September 2016. He also held key positions in several companies engaged in banking, real estate development, mall operations, as well as leisure and entertainment. He is currently Adviser to the Board of SM Investments Corporation, Chairman of China Banking Corporation, and Chairman of National University. Mr. Sy holds a B.S. Mechanical Engineering degree from De La Salle University.

JERRY C. TIU

Mr. Jerry Tiu, 65, Filipino, is the President of Tagaytay Midlands Golf Club, Inc., as well as Tagaytay Highlands International Golf Club, Inc., The Country Club at Tagaytay Highlands Inc., and The Spa and Lodge at Tagaytay Highlands, Inc., since year 1999 up to present. He is also the President and Director of Tagaytay Highlands Community Condominium, Tagaytay Midlands Condominium Community Association, Inc., and Greenland Community Homeowners Association, Inc.. He is also the Vice-President and Director of The Highlands Prime Community Homeowners Association, Inc., The HPI's Horizon Community Condominium Owners' Association, Inc., and The Hillside at Tagaytay Highlands Community Homeowners' Association, Inc.. Concurrently, he is Chairman of Mega Magazine Publishing, Inc. from year 1992 up to present. He is a Director of Pacific Online Systems Corporation, Philippine Global Communications Inc. and PLDT-Philcom, Inc. He is an Independent Director of APC Group, Inc. and Premium Leisure Corp since 2021. He is also the former Director of Manila Polo Club from year 1996 to 1998. He holds a Bachelor of Science degree in Commerce (Major in Marketing) from the University of British Columbia.

SHIRLEY C. ONG

Ms. Shirley Ong, 61, Filipino, is a Director of the Club (since January 2010). She is a former Senior Vice President and the COO for Operations of Highlands Prime, Inc. (HPI) (Jan 2010-May 2013), former Senior Vice President of SM Land (May 2013-Oct 2013), former Senior Vice President of SM Prime Holdings Inc. for Residential Leisure (Oct 2013-May 2016) and currently, the Executive Vice President from May 2016 up to present. Before joining the Company, she was First Vice President for Business Development of Filinvest Alabang, Inc. (1995-2010). She brings with her over 27 years of experience, 21 years of which has been in various areas of real estate from city development, office/residential, high-rise development, residential village development including finance, marketing, sales and property management. She earned her degree in Bachelor of Arts, Major in Economics from University of Sto. Tomas (Class of 1983) where she graduated as Cum Laude and took an Advance Bank Management Program from Asian Institute of Management (Class of 1993).

JACINTO C. NG, JR.

Mr. Jacinto Ng, 53, Filipino, is a Director of Tagaytay Midlands Golf Club, Inc. He is a Non-Executive Director since August 2000, a member of the Executive Committee, Audit Committee, and Risk Oversight Committee of Belle Corporation, and concurrently a Director of Highlands Prime, Inc.

He is the Group Executive Officer of the Joy~Nostalg Group, chairman of the Joy~Nostalg Foundation, a member of the Rebisco Foundation, XS86 Men for Others Foundation, Xavier School Educational Trust Fund and Xavier School Inc.'s Board of Trustees.

Mr. Ng holds a Bachelor of Science degree in Architecture from the University of the Philippines.

MANUEL B. SY – Independent Director

Mr. Manuel Sy, 65, Filipino, is nominated by Mr. A. Bayani K. Tan as Independent Director of Tagaytay Midlands Golf Club, Inc.. He is also Independent Director at The Country Club at Tagaytay Highlands, Inc. from 2021 to 2022.

Also, Mr. Sy is a President of New Golden City Builders & Development Corporation since 1987 to present and President and CEO of Citigold Resources and Development Corporation, since 2000 to present. He is also a Director at Sapphire Residences from 2010 to present, Blue Sapphire from 2010 to present, and Crescent Park Residences from 2010 to present. Mr. Sy is also a BOD and Treasurer at Penhurst Parkplace since 2007 to present and Corporate Secretary at Total 2000 from 1993 to present. He studied B.S. Civil Engineering at Mapua Inst. Of Tech.

SERGIO C. YU – Independent Director

Mr. Sergio Yu, 65, Filipino, is currently a Chief Executive Officer (CEO) and President of Hyundai Elevator Services Philippines from September 14, 1993 to present and Hyco Industrial Sales Corporation – the exclusive distributor and after sales provider of Hyundai Elevators & Escalators from July 6, 1989 to present. He is also the Managing Director of Twingates Corporation and Managing Director at the University Athletic Association of the Philippines (“UAAP”). Mr. Yu graduated college at Far Eastern University, year 1975.

Principal Officers

ANNA FRANCESCA C. RESPICIO

Ms. Anna Francesca C. Respicio, 37, Filipino, is the incumbent Corporate Secretary of the Club. She is also one of the Directors of First Abacus Financial Holdings Corporation. She is likewise Corporate Secretary of the following listed companies, Discovery World Corporation, I-Remit, Inc., Jolliville Holdings Corporation, as well as the following registered corporations: Sterling Bank of Asia, Inc. (A Savings Bank), Tagaytay Highlands International Golf Club, Inc., The Country Club At Tagaytay Highlands, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc. She obtained her Bachelor of Arts degree (Major in Philosophy) in 2007 and her juris Doctor degree in 2011 from Ateneo de Manila University. She is currently a Partner at Tan Venturanza Valdez. She was admitted to the Philippine bar in April 2012.

MANUEL A. GANA

Mr. Manuel Gana, 65, Filipino, is the Vice President and Treasurer of the Club. Mr. Gana is the former President and Chief Executive Officer of Belle Corporation until April 2022. He joined Belle in 1997 as Vice President for Corporate Development and Special Projects, during which time he was also assigned as the Vice President-Finance and Chief Financial Officer for MagiNet Corporation, which was then a subsidiary of Sinophil Corporation (now called Premium Leisure Corporation), a subsidiary of Belle. He is also a Director, Vice-President and Treasurer of Tagaytay Highlands International Golf Club, Inc. Previously, he was Director of Investment Banking at Nesbitt

Burns Securities Inc. in New York. He also previously worked for Bank of Montreal and Merrill Lynch Capital Markets (both in New York), and for Procter & Gamble Philippine Manufacturing Corporation. Mr. Gana holds a Master of Business Administration degree from the Wharton School of the University of Pennsylvania, and degrees in Accounting and Economics from De La Salle University. He is a Certified Public Accountant.

MARIA CLARA T. KRAMER

Ms. Maria Clara Kramer, 61, Filipino, is the General Manager of Tagaytay Midlands Golf Club, Inc. since July 2010. She is also the concurrent General Manager of Tagaytay Highlands International Golf Club, Inc., and The Country Club at Tagaytay Highlands, Inc. She is also General Manager of Tagaytay Highlands Community Condominium Association Inc., Tagaytay Midlands Community Homeowners Association, Inc., Greenlands Community Homeowners Association, Inc. and The Highlands Prime Community Condominium Owners Association Inc. starting 2018. She was a consistent Dean's Lister in Assumption College (San Lorenzo Village, Makati City) where she earned her bachelor's degree. She started her career in hotel industry back in December of 1983 when she joined the sales department of Manila Hotel as Sales Executive. In July 1990, she was hired by L'Fisher Hotel as Front Office Manager and later as PR & Promotions Manager until she got promoted in June 2001 and was tasked to manage the Sales and Marketing Department. As member of the management team, she actively took part in the formulation of major policies and procedures of the Hotel. Ms. Kramer is also involved in various civic and social activities as member and resource speaker focusing on family, marriage and parenting.

Significant Employee

The Golf Club has no significant employees.

Family Relationship

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 Club to become directors or executive officers.

Involvement in Certain Legal Proceedings

The Country Club is not aware of any of the following events wherein any of its directors, executive officers, underwriter or control persons were involved during the past five (5) years up to the latest date:

- (a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- (c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and

- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Item 10. Executive Compensation

Except for the General Manager and President, the Directors and Executive Officers do not receive any compensation from the Golf Club.

Annual Compensation

Named Group:

Name and Principal Position	Year	Salary (Php)	Bonus (Php)
Jerry C. Tiu (President)	2020		
	2021		
	2022		
Maria Clara T. Kramer (General Manager)	2020		
	2021		
	2022		
Total Salaries	2020	₱2,396,307	
	2021	₱4,568,136	
	2022	₱4,743,837	

Item 11. Security Ownership of Certain Beneficial Owners and Management

- (1) Security Ownership of Certain Record and Beneficial Owners

The following table shows the record and beneficial owners owning more than 5% of the outstanding capital stock of the Golf Club as of **December 31, 2022**

TITLE OF CLASS	NAME AND ADDRESS OF RECORD/BENEFICIAL OWNER	AMOUNT AND NATURE OF RECORD/BENEFICIAL OWNERSHIP	PERCENT OF CLASS
Proprietary share	Belle Corporation* 5 th Floor Tower A, Two E-com Center, Palm Coast Avenue, Mall of Asia Complex, CBP 1-A, Pasay City 1300, Philippines	3,556 shares	59.27%

*Belle Corporation is a publicly-listed corporation. The following are the incumbent members of the Board of Directors of Belle Corporation are: Mr. Willy N. Ocier, Ms. Elizabeth Anne C. Uychaco, Mr. Jackson T. Ongsip, Mr. Jaime J. Bautista, Mr. Jacinto C. Ng Jr., Ms. Maria Gracia M. Pulido Tan, Mr. Amando M. Tetangco Jr., Ms. Virginia A. Yap, Joseph T. Chua and Armin Antonio B. Raquel Santos. All the members of the Board of Directors of Belle Corporation are Filipino citizens. Mr. Willy N. Ocier has been designated by Belle Corporation to vote on its behalf.

The top 20 stockholders of Belle Corporation (as of 31 December 2022) are as follows:

	STOCKHOLDERS	TYPE / CLASS	NUMBER OF STOCKS
1	Belleshares Holdings, Inc.	Common	2,604,740,622
2	PCD Nominee Corporation Filipino	Common	2,542,885,933
3	PCD Nominee Corporation Non-Filipino	Common	1,950,754,668
4	Sysmart Corporation	Common	1,629,355,469
5	Sybase Equity Investment Corp.	Common	531,320,577
6	Social Security System	Common	442,402,786
7	Jacinto C. Ng Jr.	Common	135,860,666
8	Eastern Securities Dev. Corp.	Common	111,730,866
9	Premium Leisure Corp. (former Sinophil Corp)	Common	99,987,719
10	Ng, Jacinto L. Sr.	Common	88,835,833
11	Parallax Resources Inc	Common	86,308,131
12	SLW Development Corporation	Common	66,082,333
13	F. Yap Securities, Inc.	Common	57,803,732
14	Eastern Sec. Devt. Corp.	Common	50,000,000
15	Willy N. Ocier	Common	47,026,709
16	Jacinto Ng, Jr. &/or Anita C. Ng	Common	18,293,333
17	Lim Siew Kim	Common	6,200,000
18	James Go	Common	4,816,999
19	William T. Gabaldon	Common	4,000,000
20	Pacita K. Yap or Philip K. Yap	Common	3,500,000

(2) Security Ownership of Management

The following is a tabular presentation of the shares beneficially owned by all directors and executive officers of the Golf Club as of **December 31, 2022**

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	Willy N. Ocier [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Hans T. Sy [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Jerry C. Tiu [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Jacinto C. Ng, Jr. [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Shirley C. Ong [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	A. Bayani K. Tan [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Sergio C. Yu [REDACTED]	1 share/Beneficial	Filipino	0.02%

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	Manuel B. Sy [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	Manuel A. Gana [REDACTED]	1 share/Beneficial	Filipino	0.02%
Aggregate Security Ownership of Directors and Officers		9 shares		0.18%

(3) Voting Trust Holders of 5% or more

The Corporation is not aware of any person holding more than 5% of the shares of the Corporation under a voting trust or similar agreement.

(4) Changes in Control

From its incorporation to date there has been no change in control of the Corporation. Neither is the Corporation aware of any arrangement which may result in a change in control of it.

Item 12. Certain Relationships and Related Transactions

The Golf Club has not been involved in any transaction during the last five (5) years in which any of its directors, executive officers, nominees or security holders has direct or indirect material interest.

Belle Corporation owns 3,556 shares or 59.27% of the total outstanding shares of the Club.

PART IV- CORPORATE GOVERNANCE

Item 13. Corporate Governance

The Club remains focused on ensuring the adoption of systems and practices of good corporate governance in enhancing value for its shareholders.

In compliance with the initiative of the Securities and Exchange Commission ("SEC"), the Club submitted its Corporate Governance Manual (the "Manual") to the SEC. This manual institutionalizes the principles of good corporate governance in the entire Company. The Club believes that corporate governance, the framework of rules, systems, and processes governing the performance of the Board of Directors and Management of their respective duties and responsibilities, and from which the organization's values and ethics emerge, is of utmost importance to the Club's shareholders and other stakeholders, which include, among others, clients, employees, suppliers, financiers, government, and community in which operates. The Club undertakes every effort possible to create awareness throughout the entire organization.

The Club has complied with the relevant SEC circulars and rules on good corporate governance. The Club also appointed members of various Board level committees. These committees consist of the Corporate Governance Committee (tasked with ensuring compliance with and proper observance of corporate governance principles and practices), the Board Risk Oversight Committee (tasked to assist the Board in overseeing the Club's practices and processes relating to risk assessment and risk management; maintaining an appropriate risk culture, reporting financial and business risks and associated internal controls, and the Audit Committee (tasked to represent and assist the Board in its general oversight of the Club's accounting and financial reporting processes, audits of the financial statements, and internal control and audit functions.)

A Compliance Officer was also appointed. Members of various committees are elected annually and to serve for a term of one (1) year.

As proof of compliance with leading practices and principles of Good Governance, the Club has formally adopted a manual on Corporate Governance and submits to SEC its Integrated Annual Corporate Governance Reports.

The Board establishes the major goals, policies, and objectives of the Club, as well as the means to monitor and evaluate the performance of Management. The Board also ensures that an adequate internal control mechanism is implemented and properly complied in all levels.

The Club is not aware of any non-compliance with its Manual on Corporate Governance, by any of its officers or employees.

PART V - EXHIBITS AND SCHEDULES

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

(a) Exhibits

Exhibit "D"	Financial Statements (meeting the requirements of RSA Rule 48-1)
Exhibit "E"	Indebtedness to Unconsolidated Subsidiaries and Related Parties
Exhibit "F"	Property and Equipment
Exhibit "F"	Accumulated Depreciation
Exhibit "K"	Proprietary Certificates

(b) Reports on SEC Form 17-C

The following SEC Form 17-C was filed pursuant to the provision of the Security Regulation Code:

Date of Report	Information
26 August 2022	Annual Stockholders Meeting and Approval of Amended By-Laws
20 October 2022	Results of Annual Stockholders Meeting and OBD meetings

SIGNATURES

Pursuant to the requirements of Section 17 of the SRC 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 Tagaytay City on April 14, 2023.

By:



JERRY C. TIU
Director / President



MARIA CLARA T. KRAMER
General Manager



FREDERICK D. DEOCARIZA
Financial Controller

APR 14 2023

SUBSCRIBED AND SWORN to before me this ____ day of _____ 2023 affiants exhibiting to me their Competent Evidence of Identity, as follows:

NAME	COMPETENT EVIDENCE OF IDENTITY (C.E.I.)	EXPIRY DATE	PLACE OF ISSUE
JERRY C. TIU	PASSPORT NO. [REDACTED]	January 22, 2030	DFA NCR EAST
MARIA CLARA T. KRAMER	PASSPORT NO. [REDACTED]	February 17, 2029	DFA NCR SOUTH
FREDERICK D. DEOCARIZA	DRIVER'S LICENSE [REDACTED]	November 23, 2031	

ATTY. VALENTIN C. GUANIO
JP Rizal Avenue, Kaybagal South, Tagaytay City
Commission Expires on DECEMBER 31, 2024
PTR No. 5131980/January 3, 2023
ROLL No. 22908
IBP LIFETIME RES. NO. 02892
MCLE COMPLIANCE NO. VII-0016975

Doc. No. 374
Page No. 76;
Book No. 64;
Series of 2023.





SIGNATURES

Pursuant to the requirements of Section 17 of the SRC and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on _____ 2023.

By:


ANNA FRANCESCA C. RESPICIO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 24 APR 2023 day 2023 of at Pasig City, Metro Manila, affiant having exhibited to me her Philippine Passport No.  issued on 15 December 2021 at DFA Manila and TIN  as her competent evidence of identity.


JANINE T. TUTANES
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 202 (2023-2024)
Commission Expires on December 31, 2024
2704 East Tower, Tektite Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 9004903/01.04.23/Pasig
IBP No. 260918/01.05.23/RSM
Roll of Attorneys No. 79361
Admitted to the Bar: 05.16.22

Doc. No. 127 ;
Page No. 27 ;
Book No. 1 ;
Series of 2023.

TAGAYTAY MIDLANDS GOLF CLUB, INC.
(A Nonprofit Corporation)

INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

FORM 17-A, Item 7

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Financial Statements

Statement of Management's Responsibility for Financial Statements	
Independent Auditor's Report	
Statements of Financial Position as of December 31, 2022 and 2021	
Statements of Comprehensive Income	
For the years ended December 31, 2022, December 31, 2021 and December 31, 2020	
Statements of Changes in Members' Equity	
For the years ended December 31, 2022, December 31, 2021 and December 31, 2020	
Statements of Cash Flows	
For the years ended December 31, 2022, December 31, 2021 and December 31, 2020	
Notes to Financial Statements	

Supplementary Schedules

Independent Auditor's Report on Supplementary Schedules

Supplementary Schedules Required by Annex 68-J

A.	Financial Assets	NA
B.	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	NA
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	NA
F.	Guarantees of Securities of Other Issuers	NA
G.	Capital Stock	Attached

TAGAYTAY MIDLANDS GOLF CLUB, INC.
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
DECEMBER 31, 2022

Schedule A. Financial Assets

Name of Issuing Entity and Association of Each Issue	Amount Shown in the Statement of Financial Position	Income Received and Accrued
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NOT APPLICABLE: The Company has no financial assets measured at fair value through profit or loss.

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties) As at December 31, 2022

Name and Designation	Balance as at January 1, 2022	Additions	Deductions		Current	Non-Current	Balance as at December 31, 2022
			Amount Collected	Amount Written Off			
<hr/>							

NOT APPLICABLE: *All receivables arise from the ordinary course of business.*

Schedule C - Amounts Receivable from and Payable to Related Parties which are Eliminated during the Consolidation of Financial Statements
As at December 31, 2022

Due from subsidiaries

Name and Designation	Balance as at January 1, 2022	Additions	Deductions		Current	Non- Current	Balance as at December 31, 2022
			Amount Collected	Amount Written Off			
Not Applicable: The Company does not prepare consolidated financial statements							

Schedule D - Long Term Debt
As at December 31, 2022

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long term debt" in related balance sheet
---------------------------------------	--------------------------------	---	--

Not Applicable: The Company has no long-term debt

Schedule E - Indebtedness to Related Parties
As at December 31, 2022

Name	Balance, January 1, 2022	Balance, December 31, 2022
------	--------------------------	----------------------------

Not Applicable: The Company has no long-term indebtedness to a related party.

Schedule F - Guarantees of Securities of Other Issuers
As at December 31, 2022

Name of Issuing Entity of Securities Guaranteed by the Company for which this statement is filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which the Statement is Filed	Nature of Guarantee
--	---	---	---	---------------------

Not Applicable: The Company has no guarantees of securities of other issuers

Schedule G - Capital Stock
December 31, 2022

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions, and Other Rights	Number of Shares Held By		
				Related parties	Directors, Officers and Employees	Others
Common	6,000	6,000	-	3,556	8	2,436

TAGAYTAY MIDLANDS GOLF CLUB, INC.
(A Nonprofit Corporation)

INDEX TO EXHIBITS

FORM 17-A

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Financial Statements	
(3) Plan of Acquisition, Reorganization, Arrangements, Liquidation, or Succession	NA
(5) Instruments Defining the Rights of Security Holders, Including Indentures	NA
(8) Voting Trust Agreement	NA
(9) Material Contracts	NA
(10) Annual Report to Security Holders, Form 11-Q or Quarterly Report to Security Holders	NA
(13) Letter re: Change in Certifying Accountants	NA
(16) Report Furnished to Security Holders	NA
(18) Subsidiaries of the Registrant	NA
(19) Published Report Regarding Matters Submitted to Vote of Security Holders	NA
(20) Consent of Experts and Independent Counsel	NA
(21) Power of Attorney	NA
(29) Additional Exhibits	NA
NA Not Applicable	

-



Midlands Golf Club Tagaytay <tagaytay.midlandsgolf@gmail.com>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>
To: TAGAYTAY.MIDLANDSGOLF@gmail.com
Cc: [REDACTED]

Tue, May 2, 2023 at 5:22 AM

Hi TAGAYTAY MIDLANDS GOLF CLUB INC.,

Valid files

- EAFS005008526ITRTY122022.pdf
- EAFS005008526AFSTY122022.pdf
- EAFS005008526RPTTY122022.pdf
- EAFS005008526TCRTY122022-02.pdf
- EAFS005008526TCRTY122022-03.pdf
- EAFS005008526TCRTY122022-01.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-42WMST3X0CGDH95C7MM44YSPS086D7D9EB**
Submission Date/Time: **May 02, 2023 05:22 AM**
Company TIN: **005-008-526**

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;
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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Tagaytay Midlands Golf Club, Inc. (the Company)** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2022 and 2021, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

Reyes Tacandong & Co., the independent auditors appointed by the stockholders for the periods December 31, 2022 and 2021, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

A large black rectangular redaction box covering the signature of Willy N. Ocier.

Willy N. Ocier
Chairman of the Board

A black rectangular redaction box covering the signature of Jerry C. Tiu.

Jerry C. Tiu
President

A black rectangular redaction box covering the signature of Maria Clara T. Kramer.

Maria Clara T. Kramer
General Manager

A black rectangular redaction box covering the signature of Frederick D. Deocariza.

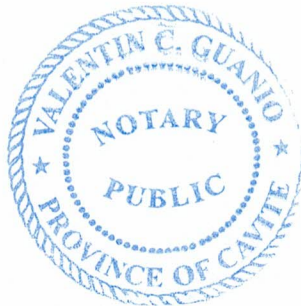
Frederick D. Deocariza
Financial Controller

Signed this _____ day of 05 APR 2023, 2023.

SUBSCRIBED AND SWORN to before me this _____ day of 05 APR 2023, 2023 affiants exhibiting to me their competent evidence of identity, as follows

NAME	Competent Evidence of Identity	Expiry Date	Place of Issue
WILLY N. OCIER	PASSPORT# [REDACTED] TIN# [REDACTED]	August 19, 2031	DFA MANILA
JERRY C. TIU	PASSPORT# [REDACTED] TIN# [REDACTED]	January 22, 2030	DFA NCR EAST
MARIA CLARA T. KRAMER	PASSPORT# [REDACTED] TIN# [REDACTED]	February 17, 2029	DFA NCR SOUTH
FREDERICK D. DEOCARIZA	DRIVERS LICENSE# [REDACTED] TIN# [REDACTED]	November 23, 2031	

Doc. No. 373 ;
Page No. 74 ;
Book No. 208 ;
Series of 2023.



ATTY. VALENTIN C. GUANIO
JP Rizal Avenue, Kaybagal South, Tagaytay City
Commission Expires on DECEMBER 31, 2024
PTR No. 5131980/January 3, 2023
ROLL No. 22908
IBP LIFETIME RES. NO. 02892
MCLE COMPLIANCE NO. VII-0016975

INDEPENDENT AUDITORS' REPORT

The Members and the Board of Directors
Tagaytay Midlands Golf Club, Inc.
Barangay Tranca
Talisay, Batangas

Opinion

We have audited the accompanying financial statements of Tagaytay Midlands Golf Club, Inc. (the Company), which comprise the statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

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 Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to the audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A (Annual Report) for the year ended December 31, 2022, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS and SEC Form 17-A for the year ended December 31, 2022 are expected to be made available to us after the date of this auditors' report.

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

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



Other Matter

The financial statements of the Company as at and for the year ended December 31, 2020 were audited by another auditor, whose report dated May 28, 2021, expressed an unmodified opinion on those financial statements.

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

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

In preparing the financial statements, management is responsible for assessing the 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.

Those charged with governance are responsible for overseeing the Company'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, these 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

REYES TACANDONG & Co.

BELINDA B. FERNANDO

Partner

CPA Certificate No. 81207

Tax Identification No. 102-086-538-000

BOA Accreditation No. 4782; Valid until April 13, 2024

SEC Accreditation No. 81207-SEC Group A

Issued January 30, 2020

Valid for Financial Periods 2019 to 2023

BIR Accreditation No. 08-005144-004-2022

Valid until October 16, 2025

PTR No. 9564560

Issued January 3, 2023, Makati City

April 1, 2023

Makati City, Metro Manila

TAGAYTAY MIDLANDS GOLF CLUB, INC.
STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2022	2021
ASSETS			
Current Assets			
Cash and cash equivalents	4	₱346,029,600	₱215,806,309
Trade and other receivables	5	147,437,776	210,493,294
Inventories		190,156	204,593
Other current assets	6	61,132,267	52,998,779
Total Current Assets		554,789,799	479,502,975
Noncurrent Assets			
Property and equipment	7	1,281,368,208	1,305,128,063
Net retirement asset	16	2,699,706	–
Other noncurrent assets	8	16,897,547	5,986,912
Total Noncurrent Assets		1,300,965,461	1,311,114,975
		₱1,855,755,260	₱1,790,617,950
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	9	₱132,744,412	₱105,704,829
Noncurrent Liabilities			
Net retirement liability	16	–	45,150
Deferred tax liability	18	2,135,436	1,445,110
Total Noncurrent Liabilities		2,135,436	1,490,260
Total Liabilities		134,879,848	107,195,089
Equity			
Proprietary membership certificates	11	532,500,000	532,500,000
Additional paid-in capital	11	1,810,633,418	1,810,633,418
Deficit		(620,406,478)	(657,175,533)
Cumulative remeasurement loss on net retirement asset/liability	16	(1,851,528)	(2,535,024)
Total Equity		1,720,875,412	1,683,422,861
		₱1,855,755,260	₱1,790,617,950

See accompanying Notes to Financial Statements.

TAGAYTAY MIDLANDS GOLF CLUB, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(With Comparative Figures for 2020)

	Note	2022	2021	2020
REVENUES				
Green fees		₱27,531,433	₱20,696,020	₱8,952,527
Food, beverage and sundries		21,780,322	18,578,852	8,934,532
Golf cart and locker rental		19,757,026	17,977,726	7,522,758
Others		2,070,320	1,205,211	358,976
		71,139,101	58,457,809	25,768,793
COSTS AND EXPENSES				
Cost of sales	13	21,895,541	16,664,635	9,495,595
Cost of services	13	194,394,492	192,732,974	198,715,793
General and administrative expenses	14	33,798,191	30,664,342	31,397,481
		250,088,224	240,061,951	239,608,869
OTHER INCOME (CHARGES)				
Interest income	4	2,577,862	406,465	1,893,638
Interest expense		-	-	(17,514)
Other income - net	15	25,273,408	24,651,469	16,552,397
		27,851,270	25,057,934	18,428,521
DEFICIENCY OF REVENUES OVER COSTS AND EXPENSES BEFORE MEMBERS' SUPPORT				
		(151,097,853)	(156,546,208)	(195,411,555)
MEMBERS' SUPPORT				
Membership dues		188,557,234	187,309,667	190,081,735
EXCESS (DEFICIENCY) OF REVENUES AND MEMBERS' SUPPORT OVER COSTS AND EXPENSES				
		37,459,381	30,763,459	(5,329,820)
PROVISION FOR DEFERRED INCOME TAX				
	18	690,326	1,445,110	-
NET INCOME (LOSS)				
		36,769,055	29,318,349	(5,329,820)
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Item not to be reclassified to profit or loss -</i>				
Remeasurement gain (loss) on net retirement asset/liability	16	683,496	322,625	(1,312,215)
TOTAL COMPREHENSIVE INCOME (LOSS)				
		₱37,452,551	₱29,640,974	(₱6,642,035)
BASIC AND DILUTED INCOME (LOSS) PER PROPRIETARY MEMBERSHIP CERTIFICATE				
	12	₱6,128	₱4,886	(₱888)

See accompanying Notes to Financial Statements.

TAGAYTAY MIDLANDS GOLF CLUB, INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(With Comparative Figures for 2020)

	Note	2022	2021	2020
PROPRIETARY MEMBERSHIP				
CERTIFICATES	11	₱532,500,000	₱532,500,000	₱532,500,000
ADDITIONAL PAID-IN CAPITAL	11	1,810,633,418	1,810,633,418	1,810,633,418
DEFICIT				
Balance at beginning of year		(657,175,533)	(686,493,882)	(681,164,062)
Net income (loss)		36,769,055	29,318,349	(5,329,820)
Balance at end of year		(620,406,478)	(657,175,533)	(686,493,882)
CUMULATIVE REMEASUREMENT LOSS				
ON NET RETIREMENT				
ASSET/LIABILITY				
	16			
Balance at beginning of year		(2,535,024)	(2,857,649)	(1,545,434)
Remeasurement gain (loss)		683,496	322,625	(1,312,215)
Balance at end of year		(1,851,528)	(2,535,024)	(2,857,649)
		₱1,720,875,412	₱1,683,422,861	₱1,653,781,887

See accompanying Notes to Financial Statements.

TAGAYTAY MIDLANDS GOLF CLUB, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(With Comparative Figures for 2020)

	Note	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) before income tax		₱37,459,381	₱30,763,459	(₱5,329,820)
Adjustments for:				
Depreciation and amortization	7,8	50,899,358	51,973,634	63,975,912
Interest income	4	(2,577,862)	(406,465)	(1,893,638)
Retirement expense	16	2,199,441	2,194,620	3,126,103
Reversal of accruals	15	(387,794)	(587,104)	(2,047,959)
Unrealized foreign exchange loss (gain)	15	(116,663)	(55,069)	42,400
Provision for expected credit loss (ECL)	5	-	-	392,266
Reversal of allowance for ECL	5	-	-	(70,000)
Interest expense		-	-	17,514
Operating income before working capital changes		87,475,861	83,883,075	58,212,778
Decrease (increase) in:				
Trade and other receivables		63,423,182	(19,497,210)	(24,149,097)
Inventories		14,437	109,542	209,002
Other current assets		(5,398,169)	9,812,240	(2,480,696)
Increase (decrease) in trade and other payables		27,427,377	20,618,841	(25,897,389)
Net cash generated from operations		172,942,688	94,926,488	5,894,598
Contributions to plan assets	16	(3,690,516)	(7,237,148)	(11,421,351)
Income tax paid		(2,735,319)	(292,898)	(1,227,888)
Interest received		2,210,198	381,119	2,555,142
Retirement benefits paid	16	(570,285)	(574,655)	(4,456,369)
Net cash provided by (used in) operating activities		168,156,766	87,202,906	(8,655,868)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment	7	(26,809,319)	(11,085,820)	(11,595,083)
Decrease (increase) in other noncurrent assets		(11,240,819)	(147,506)	79,006
Net cash used in investing activities		(38,050,138)	(11,233,326)	(11,516,077)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of:				
Loans		-	-	(791,988)
Interest		-	-	(18,119)
Cash used in financing activities		-	-	(810,107)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		130,106,628	75,969,580	(20,982,052)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		116,663	55,069	(42,400)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		215,806,309	139,781,660	160,806,112
CASH AND CASH EQUIVALENTS AT END OF YEAR	4	₱346,029,600	₱215,806,309	₱139,781,660

See accompanying Notes to Financial Statements.

	Note	2022	2021	2020
COMPONENTS OF CASH AND CASH EQUIVALENTS				
	4			
Cash on hand		₱2,177,686	₱956,811	₱1,110,700
Cash in banks		104,615,827	73,818,999	40,997,935
Cash equivalents		239,236,087	141,030,499	97,673,025
		₱346,029,600	₱215,806,309	₱139,781,660

See accompanying Notes to Financial Statements.

TAGAYTAY MIDLANDS GOLF CLUB, INC.

NOTES TO FINANCIAL STATEMENTS

AS AT AND FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(With Comparative Information for 2020)

1. Corporate Information

Tagaytay Midlands Golf Club, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 10, 1997. The Company was established to promote social, recreational and athletic activities among its members by providing and maintaining clubhouses and a golf course on a nonprofit basis, the nucleus of which will be the construction, development and maintenance of golf course and other sports and recreational facilities.

The registered office address of the Company is located at Barangay Tranca, Talisay, Batangas.

On July 23, 1997, the SEC granted the Company its permit to offer its proprietary membership certificates to the public (see Note 11). Belle Corporation (Belle), a publicly-listed company in the Philippines, owns 59.27% and 59.23% of the Company's proprietary membership certificates as at December 31, 2022 and 2021, respectively.

The Company's financial statements as at and for the years ended December 31, 2022 and 2021 (with comparative figures and information for 2020) was approved and authorized for issuance by the Board of Directors (BOD) on April 1, 2023, as reviewed and recommended for approval by the Audit Committee on the same date.

2. Summary of Significant Accounting Policies

Basis of Preparation and Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) issued by the Philippine Financial and Sustainability Reporting Standards Council (formerly Financial Reporting Standards Council) and adopted by the SEC, including SEC pronouncements. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS), Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC) and SEC provisions.

The summary of significant accounting policies used in the preparation of the financial statements has been consistently applied to all the years presented, unless otherwise stated.

Measurement Bases

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

The financial statements of the Company have been prepared on a historical cost basis, except for plan assets which is measured at fair value and retirement liability which is measured at the present value of defined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability.

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 Company uses market observable data to the extent possible when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- 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.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 19.

Adoption of Amended PFRS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following amended PFRS:

- Amendments to PAS 16, *Property, Plant and Equipment - Proceeds Before Intended Use* – The amendments prohibit deducting from the cost of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for its intended use. Instead, the proceeds and related costs from such items shall be recognized in profit or loss. There is no transition relief for first-time adopters.
- Amendments to PAS 37, *Onerous Contracts - Cost of Fulfilling a Contract* – The amendments specify which costs shall be included when assessing whether a contract is onerous or loss-making. The ‘costs of fulfilling’ a contract comprise the ‘costs that relate directly to the contract’. These costs can either be incremental (e.g., the costs of direct labor and materials) or can be an allocation of costs directly related to fulfilling a contract (e.g., depreciation of fixed assets). At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other component of equity, as applicable. Accordingly, the comparatives are not restated.
- Annual Improvements to PFRS 2018 to 2020 Cycle:
 - Amendment to PFRS 9, *Financial Instruments - Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities* – The amendment clarifies which fees an entity shall include when it applies the ‘10 per cent’ test in assessing whether to derecognize a financial liability (i.e. whether the terms of a new or modified financial liability is substantially different from the terms of the original financial liability). These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on the other’s behalf. The amendment applies to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applied the amendment.

- Amendment to PFRS 16, *Leases - Lease Incentives* – The amendment removed from Illustrative Example 13 the illustration of the reimbursement of leasehold improvements by the lessor. The objective of the amendment is to avoid any potential confusion regarding the treatment of lease incentives because of how the requirements for lease incentives are illustrated.

The adoption of the amended PFRS did not materially affect the financial statements of the Company. Additional disclosures were included in the financial statements, as applicable.

Amendments to PFRS Issued but not yet Effective

Relevant amendments to PFRS which are not yet effective for the year ended December 31, 2022 and have not been applied in preparing the financial statements are summarized below.

Effective for annual periods beginning on or after January 1, 2023:

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information. The amendments should be applied prospectively. Earlier application is permitted.
- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods. Earlier application is permitted.
- Amendments to PAS 12, *Income Taxes - Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2024 -

- Amendments to PAS 1, *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity’s right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 – Noncurrent Liabilities with Covenants for that period.

Under prevailing circumstances, the adoption of the foregoing amendments to PFRS is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

Financial Assets and Liabilities

Date of Recognition. The Company recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

Initial Recognition. Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

“Day 1” Difference. Where 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 Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference.

Classification of Financial Instruments. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost, and (c) financial assets at fair value through other comprehensive income (FVOCI). The classification of a financial instrument largely depends on the Company’s business model and on the purpose for which the financial instruments are acquired or incurred and whether these are quoted in an active market.

Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2022 and 2021, the Company does not have financial assets at FVOCI and financial assets and liabilities at FVPL.

Financial Assets at Amortized Cost. A financial asset shall be measured at amortized cost if 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.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized or impaired and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

This category includes cash and cash equivalents, trade and other receivables, and refundable deposits (presented under “Other noncurrent assets” account).

Financial Liabilities at Amortized Cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

This category includes trade and other payables (excluding membership dues collected in advance and statutory payables).

Reclassification of Financial Assets

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income (OCI).

Impairment of Financial Assets at Amortized Cost

The Company recognizes an allowance for expected credit loss (ECL) on financial assets at amortized cost based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, the Company has applied the simplified approach and has calculated ECL based on the lifetime ECL. Simplified approach requires that ECL should always be based on the lifetime ECL. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Company uses specific identification approach in determining the loss given default (recoverable amount or outstanding balance).

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial assets at amortized cost, which comprise of cash and cash equivalents, nontrade receivables, and refundable deposits (presented under "Other noncurrent assets" account), the Company applies the general approach in measuring the ECL. The ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECL that result from default events on a financial instrument that are possible within 12 months after the reporting date.

However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

A financial asset is written off when there is no reasonable expectation of recovering the financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

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

When the Company has transferred its right to receive cash flows from an asset 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 Company'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 Company could be required to repay.

Financial Liabilities. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability. Otherwise, the financial instrument is classified as equity.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the weighted average method. All costs directly attributable to acquisition such as the purchase price, transport cost and taxes that are not subsequently recoverable from taxing authorities are included as part of the cost of inventories.

The net realizable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of marketing and distribution. In determining the net realizable value, the Company considers any adjustment necessary for obsolescence.

When the net realizable value of inventories is lower than its cost, the inventories are written down to its net realizable value and the excess of the cost over the net realizable value is charged to profit or loss.

Other Current Assets

This account mainly consists of deferred input value-added tax (VAT), prepayments, creditable withholding taxes (CWT), and input VAT.

Deferred Input VAT. Deferred input VAT represents VAT on the unpaid portion of availed services and the unamortized amount of input VAT on capital goods.

In accordance with the Revenue Regulations (RR) No. 16-2005, as amended by RR. No. 13-2018, input VAT on purchases or imports of the Company of capital goods (depreciable assets for income tax purposes) made prior to January 1, 2022, with an aggregate acquisition cost (exclusive of VAT) in each of the calendar months exceeding ₱1.0 million are claimed as credit against output VAT over 60 months or the estimated useful lives of capital goods, whichever is shorter.

Where the aggregate acquisition cost (exclusive of VAT) of the existing or finished depreciable capital goods purchased or imported during any calendar month does not exceed ₱1.0 million or if the purchase was made on or after January 1, 2022, the total input VAT will be allowable as credit against output VAT in the month of acquisition.

Deferred input VAT that is expected to be realized within 12 months after the financial reporting period is classified as current asset, otherwise this is classified as noncurrent asset.

Prepayments. Prepayments are expenses not yet incurred but paid in advance. Prepayments are apportioned over the period covered by the payment and charged to the appropriate account in profit or loss when incurred. Prepayments that are expected to be realized for no more than 12 months after the reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

CWT. CWT represents the amount withheld by the Company's customers in relation to its income. CWT is stated at its net realizable amount and can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation.

VAT. Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of tax recoverable from the taxation authority is included as part of "Other current assets" account in statement of financial position.

Property and Equipment

Property and equipment, except land and construction in progress, is stated at cost less accumulated depreciation and any impairment in value. Land is stated at cost, including transaction costs less any impairment in value.

The initial cost of property and equipment consists of its purchase price, including import duties, nonrefundable taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred if the recognition criteria are met.

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to profit or loss in the period when the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. The depreciation periods for property and equipment, based on the above policies, are as follows:

<u>Asset Type</u>	<u>Number of Years</u>
Building and improvements	20
Facilities and equipment	2 to 10
Furniture, fixtures and equipment	5
Transportation equipment	5

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

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. 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 asset) is included in profit or loss in the year the asset is derecognized.

Construction in progress, which includes cost of construction and other direct costs, is stated at cost and is not depreciated until such time as the relevant assets are completed and put into operational use. Assets under construction are reclassified to a specific category of property and equipment when the construction and other related activities necessary to prepare the assets for their intended use are completed and the assets are available for use.

Fully depreciated assets are retained as property and equipment until these are no longer in use.

Other Noncurrent Assets

This account mainly consists of deferred input VAT, advances to contractors and suppliers, and computer software.

Advances to Contractors and Suppliers. Advances to contractors and suppliers pertain to amounts paid in advance for goods or services to be utilized or incurred in connection with the Company's operations. These are recognized as asset in the statement of financial position or charged to profit or loss, upon actual receipt of goods or services.

Computer Software. Costs associated with developing or maintaining computer software are recognized as expense when incurred. Costs that are directly associated with identifiable and unique software controlled by the Company and will generate economic benefits exceeding cost beyond one year are recognized as intangible assets.

Expenditure which enhances or extends the performance of the computer software beyond their original specifications is recognized as capital improvements and added to the original cost of the computer software. Computer software is recognized as assets and amortized using the straight-line method over their estimated useful life of five years. The estimated useful life and amortization method are reviewed periodically to ensure that the period and method of amortization are consistent with the expected pattern of economic benefits from computer software.

Impairment of Nonfinancial Assets

The Company assesses at each reporting date whether there is an indication that the nonfinancial assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal or its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

Proprietary Membership Certificates and Additional Paid-in Capital (APIC)

Proprietary membership certificates are measured at par value for all proprietary membership certificates issued. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as APIC. Incremental costs directly attributable to the issuance of new proprietary membership certificates are shown in equity as a deduction, net of tax, from the APIC, if any.

Deficit

Deficit represents the cumulative balance of the Company's results of operations.

OCI

OCI comprises items of income and expense that are not recognized in profit or loss for the year. This includes cumulative remeasurement loss on net retirement asset/liability.

Basic and Diluted Income (Loss) per Proprietary Membership Certificate

The Company computes its basic income (loss) per proprietary membership certificate by dividing net income (loss) for the period attributable to ordinary equity holders of the Company by the weighted average number of proprietary membership certificate outstanding during the period.

Diluted income (loss) per proprietary membership certificate amounts are computed in the same manner, adjusted for the dilutive effect of any potential proprietary membership certificate. As at December 31, 2022, 2021 and 2020, the Company has no potential dilutive proprietary membership certificate.

Members' Support

Members' support pertains to membership dues which are recognized in the statements of comprehensive income over time based on the applicable period. Members' advance payments are recognized as part of "Membership dues collected in advance" under "Trade and other payables" account in the statements of financial position.

Revenue Recognition

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Company performs its obligations; (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

Disaggregation of revenue based on major sources is presented on the statement of comprehensive income.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as a principal in all of its revenue sources.

The following specific recognition criteria must also be met before revenue is recognized:

Green Fees, Golf Cart and Locker Rental, and Other Revenues. Revenue from green fees, golf cart and locker rental, and others are recognized upon satisfaction of performance obligation of transferring the promised services to the customer.

Food, Beverages and Sundries. Revenue from the sale of food, beverages and sundries is recognized at a point in time when the related orders are served.

Interest Income. Interest is recognized as it accrues taking into account the effective yield on the asset, net of final tax.

Membership Transfer and Assignment Fees. Revenue is recognized at point in time upon transfer and assignment of member shares.

Other Income. Revenue is recognized at point in time when earned or when services have been rendered.

Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Cost of Sales. Cost of sales is recognized as expense when the related goods are sold.

Cost of Services. Cost of services is recognized as expense when the related services are rendered.

General and Administrative Expenses. These constitute costs of administering the business and costs incurred to sell and market goods and services. These are expensed as incurred.

Interest Expense. Interest expense is recognized in profit or loss using the effective interest method.

Employee Benefits

Short-term Benefits. The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the year. Short-term employee benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences and bonuses and non-monetary benefits.

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

Retirement Benefits. The net retirement asset or liability is the aggregate of the fair value of plan assets (FVPA) reduced by the present value of the defined benefit obligation (DBO) at the end of the reporting period.

Retirement benefit costs are actuarially determined using the projected unit credit method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The cost of providing benefits under the defined benefit plan is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost;
- Net interest on the net retirement liability or plan asset; and
- Remeasurements of net retirement liability or plan asset.

Service costs which include current service costs, past service costs, and gains or losses on non-routine settlements are recognized as expense in profit or loss. Current service costs are the increase in the present value of the DBO in the current period. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

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

Remeasurements comprising actuarial gains and losses and return on plan assets are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held in trust and managed by a trustee bank. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. FVPA is based on market price information. When no market price is available, the FVPA is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the FVPA is higher than the present value of the DBO, the measurement of the resulting retirement plan asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Company's right to be reimbursed of some or all of the expenditure required to settle a DBO is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Leases

The Company assesses whether the contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, it has both of the following:

- i. the right to obtain substantially all of the economic benefits from the use of the identified asset; and
- ii. the right to direct the use of the identified asset.

If the Company has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

The Company as a Lessee. Leases are recognized as right-of-use (ROU) assets, with corresponding lease liabilities, at the date at which the leased assets are available for use by the Company, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value in which case the lease payments associated with those leases are recognized as an expense on a straight-line basis.

The Company as a Lessor. Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income under operating leases is recognized on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rent income. Contingent rents are recognized as revenue in the period in which these are earned.

Operating lease income is recognized if it is probable that the entity will collect the consideration. In evaluating whether collectability of the amount of consideration is probable, the Company considers the customer's ability and intention to pay. If the collection of the rentals is not probable, operating lease income is recognized only to the extent collectible.

Income Taxes

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

Deferred Tax. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future.

Deferred tax assets are recognized for all temporary differences and carryforward benefits of unused tax credits from the net operating loss carryover (NOLCO) that are expected to reduce taxable profit in the future. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rate and tax laws that have been enacted or substantively enacted at reporting date.

Current tax and deferred tax are recognized in profit or loss except to the items recognized directly in equity or in OCI.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. The Company has club operations as its only segment.

Related Parties and Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

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

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

Events after the Reporting Date

Events after the reporting date that provide additional information about the Company's financial position at reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are non-adjusting events are disclosed in the notes to financial statements when material.

Comparatives

When necessary, comparative figures have been reclassified to conform to the changes in the presentation of the current year.

3. Significant Judgments, Accounting Estimates and Assumptions

The preparation of the financial statements in accordance with PFRS requires management to exercise judgment, make estimates and use assumptions that affect amounts of assets, liabilities, income and expenses reported in the financial statements and related notes. The judgment, estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at reporting date.

While the management believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Determining the Classification of Financial Instruments. The Company exercises judgments in classifying a financial instrument on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statements of financial position.

The classification of financial assets depends on the results of the business model test and "solely payment of principal and interest" test performed by the Company. The Company exercises judgment in determining the business model to be used in managing its financial instruments to achieve their business objectives.

The Company determines that the primary business model used in the management of its financial assets is to hold the financial asset to collect contractual cash flows representing solely payments of principal and interest. Consequently, all financial assets are measured at amortized cost.

Evaluating for Consistency of Lease Commitments. The evaluation of whether an arrangement contains a lease is based on its substance. An arrangement is, or contains a lease when the fulfillment of the arrangement depends on specific asset or assets and the arrangement conveys a right to use the asset.

Classifying Lease Commitments - The Company as a Lessor. The Company, as a lessor, has accounted for the lease agreements for its store space and cell site under an operating lease. The Company has determined that it has not transferred the significant risks and rewards of ownership of the leased properties to the lessee because of the following factors:

- a) the lessee will not acquire ownership of the leased properties upon termination of the lease;
- b) the lessee was not given an option to purchase the assets at a price that is sufficiently lower than the fair value at the date of the option;
- c) the lease term is not a major part of the economic life of the asset; and
- d) the present value of the minimum lease payments is not substantially all of the fair value of the leased asset.

Rent income earned from the lease amounted to ₱1.0 million and ₱0.9 million in 2022 and 2021, respectively (₱0.4 million in 2020) (see Note 17).

Classifying Lease Commitments - The Company as a Lessee. The Company elected to apply the recognition exemption on leases of low-value assets and short-term leases. The related rent expense on these lease agreements are recognized in profit or loss.

Rent expense amounted to ₱1.3 million and ₱1.9 million in 2022 and 2021, respectively (₱2.3 million in 2020) (see Note 17).

Accounting Estimates and Assumptions

The key estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the Company's financial statements. Actual results could differ from such estimates.

Assessing ECL on Financial Assets at Amortized Cost. For receivables from members, the Company uses specific identification approach in determining balance of receivables from each member to be potentially uncollectible, when it meets the following criteria: (a) the member is more than 120 days past due on its contractual payments, i.e. principal and/or interest including penalties; and (b) the current market value of the shares of each member is below its outstanding receivables. The current market value of the shares is considered as collateral in case of non-payment of members, as the Company has the current right to rescind the shares and sell it in an auction. The Company determines the loss given default (recoverable amount of outstanding receivables) in computing the provision for ECL.

For receivable from related parties, the Company uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing for ECL. The provision for ECL are re-evaluated and adjusted as additional information is received.

For other financial assets at amortized cost, the Company applies the general approach in measuring ECL. The Company assessed that cash in banks and cash equivalents are deposited with reputable counterparty banks that possess good credit ratings. For nontrade receivables and refundable deposits, the Company considers the financial capacity of the counterparty to pay the obligations to the Company as they fall due.

The Company did not recognize provision for ECL in 2022 and 2021 (provision for ECL amounted to ₱0.4 million in 2020). Allowance for ECL amounted to ₱0.8 million as at December 31, 2022 and 2021. The Company reversed allowance for ECL amounting to ₱0.1 million in 2020 due to collection of receivables from members (see Note 5).

The carrying amounts of financial assets at amortized cost are as follows:

	Note	2022	2021
Cash in banks and cash equivalents	4	₱343,851,914	₱214,849,498
Trade and other receivables	5	147,437,776	210,493,294
Refundable deposits*	8	11,500	36,500

*Presented under "Other noncurrent assets" account.

Estimating the Useful Lives of Depreciable Property and Equipment. The Company estimates the useful lives of the depreciable property and equipment based on the period over which these 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, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, estimation of the useful life is 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 changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. Management will increase the depreciation and amortization charges where the period of consumption is less than the previously estimated period of consumption.

There were no changes in the estimated useful lives of depreciable property and equipment in 2022, 2021 (and 2020). The carrying amount of depreciable property and equipment amounted to ₱327.5 million and ₱355.4 million as at December 31, 2022 and 2021, respectively (see Note 7).

Assessing Impairment of Nonfinancial Assets. The Company assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amounts of these assets may not be recoverable. The factors that the Company considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the higher of the asset's value in use or estimated fair value less cost to sell. In determining value in use, the present value of estimated future cash flows expected to be generated from the continued use of the assets is determined using estimates and assumptions that can materially affect the financial statements.

The Company assessed that there were no impairment indicators, hence no impairment loss was recognized in 2022, 2021 (and 2020). The carrying amounts of nonfinancial assets are as follows:

	Note	2022	2021
Property and equipment	7	₱1,281,368,208	₱1,305,128,063
Other current assets	6	61,132,267	52,998,779
Other noncurrent assets*	8	16,886,047	5,950,412

*Excluding refundable deposits.

Estimating the Retirement Benefits. The determination of the Company's obligation and cost for retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 16 to the financial statements.

Retirement expense amounted to ₱2.2 million in 2022 and 2021 (₱3.1 million in 2020). Net retirement asset amounted to ₱2.7 million as at December 31, 2022. Net retirement liability amounted to ₱45,150 as at December 31, 2021 (see Note 16).

Assessing the Realizability of Deferred Tax Assets. The Company reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company has unrecognized deferred tax assets amounting to ₱116.0 million and ₱134.5 million as at December 31, 2022 and 2021, respectively (see Note 18). Management has assessed that it is not probable that sufficient taxable income will be available to allow all of the deferred tax assets to be utilized.

4. Cash and Cash Equivalents

This account consists of:

	2022	2021
Cash on hand	₱2,177,686	₱956,811
Cash in banks	104,615,827	73,818,999
Cash equivalents	239,236,087	141,030,499
	₱346,029,600	₱215,806,309

Cash on hand consists of funds kept in different outlets. Cash in banks earn interest at the prevailing bank deposit rates.

Cash equivalents pertain to short-term placements which are made for varying periods of up to three months depending on the immediate cash requirements of the Company, and earn interest based on prevailing market interest rates.

Interest income earned amounted to ₱2.6 million and ₱0.4 million in 2022 and 2021, respectively (₱1.9 million in 2020). Interest receivable, included in "Nontrade" under "Trade and other receivables" account, amounted to ₱429,297 and ₱61,633 as at December 31, 2022 and 2021, respectively (see Note 5).

5. Trade and Other Receivables

This account consists of:

	Note	2022	2021
Trade:			
Related parties	10	₱85,953,872	₱140,166,042
Members		55,014,178	59,625,956
Credit card		3,979,706	1,242,954
Nontrade		3,298,318	10,266,640
		148,246,074	211,301,592
Less allowance for ECL		808,298	808,298
		₱147,437,776	₱210,493,294

Receivables from related parties consist of charges for the use of the Company's facilities. These receivables are noninterest-bearing and are due and demandable.

Trade receivables from members pertain to billings by the Company for the services it rendered to members. This account also includes outstanding membership dues. Members' accounts are normally on a 30 to 60 days' term. Unsettled members' accounts for more than 60 days are considered past due. The Company has the option to put members' proprietary shares into auction in case of nonpayment of members' accounts when the account is more than 120 days past due.

Receivable from credit card pertains to receivable from local banks arising from the use by the Company's members of credit card in payment of their dues. These are noninterest-bearing and are normally settled within the following month.

Nontrade receivables mainly pertain to interest receivable, and advances to employees and third parties, which are noninterest-bearing and generally have 30 to 90 days' term.

Movement in allowance for ECL is as follows:

	Note	2022	2021	2020
Balance at beginning of year		₱808,298	₱808,298	₱486,032
Provision	13, 14	–	–	392,266
Reversal	15	–	–	(70,000)
Balance at end of year		₱808,298	₱808,298	₱808,298

In 2020, the Company reversed allowance for ECL due to collection from members.

6. Other Current Assets

This account consists of:

	2022	2021
Deferred input VAT on:		
Services	₱32,582,550	₱28,299,327
Capital goods	1,409,508	1,546,535
Prepayments	11,763,024	12,824,233
CWT	7,741,390	5,006,071
Input VAT	7,635,795	5,322,613
	₱61,132,267	₱52,998,779

Prepayments mainly pertain to taxes paid in advance and unamortized portion of insurance for the Company's properties, health insurance of directors and officers, advance payments for the monthly golf course maintenance. These are expected to be utilized and consumed within one year.

7. Property and Equipment

Movements in this account are as follows:

	2022						Total
	Land	Building and Improvements	Facilities and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost							
Balances at beginning of year	₱948,444,086	₱1,004,285,659	₱584,236,071	₱17,040,768	₱20,050,860	₱1,275,331	₱2,575,332,775
Additions	-	2,756,947	13,862,864	2,161,265	3,884,151	4,144,092	26,809,319
Balances at end of year	948,444,086	1,007,042,606	598,098,935	19,202,033	23,935,011	5,419,423	2,602,142,094
Accumulated Depreciation							
Balances at beginning of year	-	696,272,548	540,495,744	14,129,222	19,307,198	-	1,270,204,712
Depreciation	-	27,370,733	20,648,195	1,207,693	1,342,553	-	50,569,174
Balances at end of year	-	723,643,281	561,143,939	15,336,915	20,649,751	-	1,320,773,886
Carrying Amount	₱948,444,086	₱283,399,325	₱36,954,996	₱3,865,118	₱3,285,260	₱5,419,423	₱1,281,368,208

	2021						Total
	Land	Building and Improvements	Facilities and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
Cost							
Balances at beginning of year	₱948,444,086	₱1,003,259,356	₱579,093,769	₱16,200,013	₱20,010,993	₱402,800	₱2,567,411,017
Additions	-	1,026,303	8,306,364	840,755	39,867	872,531	11,085,820
Retirement	-	-	(3,164,062)	-	-	-	(3,164,062)
Balances at end of year	948,444,086	1,004,285,659	584,236,071	17,040,768	20,050,860	1,275,331	2,575,332,775
Accumulated Depreciation							
Balances at beginning of year	-	668,075,489	523,479,213	13,015,343	17,108,109	-	1,221,678,154
Depreciation	-	28,197,059	20,180,593	1,113,879	2,199,089	-	51,690,620
Retirement	-	-	(3,164,062)	-	-	-	(3,164,062)
Balances at end of year	-	696,272,548	540,495,744	14,129,222	19,307,198	-	1,270,204,712
Carrying Amount	₱948,444,086	₱308,013,111	₱43,740,327	₱2,911,546	₱743,662	₱1,275,331	₱1,305,128,063

Depreciation and amortization recognized in profit and loss consists of:

	Note	2022	2021	2020
Property and equipment		₱50,569,174	₱51,690,620	₱63,740,067
Computer software	8	330,184	283,014	235,845
		₱50,899,358	₱51,973,634	₱63,975,912

Depreciation and amortization are allocated as follows:

	Note	2022	2021	2020
Cost of services	13	₱48,988,931	₱50,163,677	₱62,091,758
General and administrative expenses	14	1,910,427	1,809,957	1,884,154
		₱50,899,358	₱51,973,634	₱63,975,912

The cost of fully depreciated property and equipment still being used by the Company amounted to ₱1,132.4 million and ₱1,093.7 million as at December 31, 2022 and 2021, respectively.

Construction in progress pertains to construction of deep well, locker room and other ongoing projects that are expected to be completed in 2023.

8. Other Noncurrent Assets

This account consists of:

	2022	2021
Advances to contractors and suppliers	₱14,861,745	₱2,186,419
Deferred input VAT on capital goods - net of current portion	1,458,273	2,867,780
Computer software	566,029	896,213
Refundable deposits	11,500	36,500
	₱16,897,547	₱5,986,912

Advances to contractors and suppliers represent payment for construction of property and equipment which will be recouped upon every progress billing payment depending on the percentage of accomplishment.

Computer software pertains to the cost of the Company's accounting and information system. Movements in the computer software are as follows:

	Note	2022	2021
Cost			
Balance at beginning and end of year		₱1,415,072	₱1,415,072
Accumulated Amortization			
Balance at beginning of year		518,859	235,845
Amortization	7	330,184	283,014
Balance at end of year		849,043	518,859
Carrying Amount		₱566,029	₱896,213

9. Trade and Other Payables

This account consists of:

	Note	2022	2021
Trade:			
Third parties		₱23,569,264	₱15,407,023
Related parties	10	21,393,160	13,052,889
Membership dues collected in advance		50,191,560	43,350,702
Auctioned membership liability		14,944,615	11,042,704
Refundable deposits		8,858,110	7,258,110
Nontrade		1,706,297	3,302,764
Accrued expenses:			
Outside services		2,485,060	4,574,482
Professional fees		767,325	268,880
Employee benefits		299,475	167,575
Utilities		245,870	176,758
Insurance		173,728	241,243
Others		522,375	360,150
Statutory payables		2,510,089	2,528,111
Payable to concessionaire	17	2,154,105	1,699,966
Retention payable		2,040,679	1,688,272
Unclaimed gift certificate		882,700	585,200
		₱132,744,412	₱105,704,829

Trade payables are noninterest-bearing and are normally settled on a 30 to 60 days' term.

Payables to related parties arise from the use by the Company's members of facilities of the related parties. This also consists of reimbursement of operating expenses to related parties. These payables are due and demandable.

Membership dues collected in advance pertain to membership dues that are already collected but are not yet earned as at reporting date. This is expected to be classified as members' support within the next financial year.

Auctioned membership liability refers to the unclaimed net proceeds or the excess of the bid price over the amount of receivables from delinquent members whose shares were sold at auction. These are normally claimed within 30 to 180 days.

Refundable deposits pertain to cash receipts from members upon assignment of shares which is expected to be refunded within one year. The amount paid is refundable upon completion of terms and conditions.

Nontrade payables are noninterest-bearing and are normally settled within a year.

Accrued expenses are generally settled within the following month.

Statutory payables pertain to obligations to government agencies that are normally settled in the following month.

Payable to concessionaires pertain to food and beverage sales collected by the Company for RMD Food Corporation which are remitted every month.

Retention payable pertains to amount withheld from contractors of the Company until the completion of specified conditions based on the agreement.

Unclaimed gift certificate refers to the gift certificates issued by the Company for the availment by the members of services and products of the Company. Paid and Universal gift certificates are recognized as liability upon receipt of cash. Barter, Complimentary and Reward gift certificates are recognized as expense upon issuance.

The Company reversed accruals amounting to ₱0.4 million and ₱0.6 million in 2022 and 2021, respectively (₱2.0 million in 2020) (see Note 15).

10. Related Party Transactions

The Company has the following transactions and balances with its related parties:

Related Party	Transaction	Amount of Transactions			Outstanding Balances	
		2022	2021	2020	2022	2021
Shareholder						
	Utilities	₱2,589,185	₱314,839	₱606,807		
<i>Trade and other payables (see Note 9)</i>	Repairs and maintenance	424,026	1,583,113	779,429	₱2,314,179	₱4,561,230
Related parties with common shareholder						
	Green fees					
<i>Trade and other receivables (see Note 5)</i>	Food, beverage and sundries					
	Golf cart and locker rental	₱61,932,532	₱49,404,356	₱47,629,980	₱85,953,872	₱140,166,042
<i>Trade and other payables (see Note 9)</i>	Reimbursement of expenses/ club services	₱196,098,638	₱67,307,715	₱40,278,364	₱19,078,981	₱8,491,659
Plan assets						
<i>Retirement plan assets (see Note 16)</i>	Contributions	₱3,690,516	₱7,237,148	₱11,421,351	₱26,513,022	₱23,127,361

Terms and Conditions of Transactions with Related Parties

The outstanding balances as at year-end are unsecured, noninterest-bearing, due and demandable and settlement occurs in cash. The Company has not made any provision for ECL relating to the amounts owed by the related parties. This assessment is undertaken each financial year by examining the financial position of the related parties and the market in which the related parties operate.

Transactions with a Shareholder

The Company has an agreement with Belle wherein Belle will provide utilities and repairs and maintenance works on the Company's facilities.

Transactions with Other Belle Clubs

Reciprocity Agreements. On October 6, 1999, the Company entered into a Reciprocity Agreement with other Belle Clubs that are substantially owned by Belle, whereby members of the Company and other Belle Clubs will be allowed to enjoy the use of each other's facilities, subject to rules and regulations. This agreement shall remain in effect until mutually terminated by the parties. Other payables arising from this arrangement include collections on behalf of other Belle Clubs.

Others. The Company also has transactions for reimbursement of operating expenses such as contract services, repairs and maintenance, utilities and labor cost. Moreover, this also includes payments of food and beverage costs, room and spa, massage charges and shuttle services of the Company's employees.

Transactions with Retirement Benefit Plan

The Company has a retirement benefit plan in the form of a bank-trustee managed account with BDO Unibank, Inc. - Trust and Investments Group. The Company's transactions with the retirement fund mainly pertain to contributions during the year.

Compensation of Key Management Personnel

Compensation of key management personnel are as follows:

	2022	2021	2020
Short-term employee benefits	₱10,207,537	₱9,371,353	₱7,459,538
Long-term employee benefits	1,633,806	1,472,401	1,320,907
	₱11,841,343	₱10,843,754	₱8,780,445

11. Equity

Track Record of Registration of Securities

The following summarizes the information on the Company's registration of securities under the Securities Regulation Code:

Date of SEC Approval	Authorized Shares	Number of Shares Issued	Issue/Offer Price
July 23, 1997	6,000	6,000	₱1,500,000 to ₱3,000,000

The authorized capital stock of the Company amounted to ₱600,000,000 divided into 6,000 shares with par value of ₱100,000 per share. The details of the Company's proprietary membership certificates and APIC as at December 31, 2022 and 2021 are as follows:

Authorized and subscribed	₱600,000,000
Subscription receivable	(67,500,000)
<u>Proprietary membership certificates</u>	<u>₱532,500,000</u>
Excess of pre-agreed amount of development cost over total par value of shares	₱2,044,000,000
Subscription receivable	(233,366,582)
<u>APIC</u>	<u>₱1,810,633,418</u>

Development Agreement

The Company entered into a Development Agreement (DA) with Belle for the construction and development of a 36-hole golf course on April 17, 1997. The said DA was amended on December 15, 1999. The terms of the amended DA call for as many subscriptions as there are shares, such that the shares to be issued to Belle as the development progresses will be in proportion to pre-agreed amount of development cost, inclusive of the initial capital contribution.

The excess of such development cost over the total par value of the Company's shares of stock shall constitute APIC of the Company.

As at December 31, 2018, 18 holes were already constructed for which 4,738 shares have been issued to Belle. In 2019, additional 9 holes were developed and turned-over to the Company with a total development cost of ₱264.5 million for which additional 587 shares were issued to Belle. Subscriptions receivable pertains to the remaining 9 holes for development.

Restrictive Conditions

The Company is an exclusive club and is organized on a nonprofit basis for the sole benefit of its members. The ownership of all shares of stock of the Company is subject to the following restrictive conditions:

- a. No issuance or transfer of shares of stock of the Company which would reduce the stock ownership of Philippine citizens or nationals to less than the minimum percentage of the outstanding capital stock required by any applicable provisions of the Constitution, law, or regulation to be owned by Philippine citizens or nationals, shall be made or effected by, or shall be recorded in the books of the Company.
- b. No holder, of any class of shares of the Company shall have, as such holder any preemptive right to acquire, purchase, or subscribe for any share of the capital stock of any class of the Company which it may issue or sell, whether out of the number of shares authorized by the Articles of Incorporation as originally filed, or by any amendment thereof, or out of shares of the capital stock of any class of the Company acquired by it after the issue thereof; nor shall any holder of any class of shares of the Company have, as such shareholder, have any preemptive right to acquire, purchase, or subscribe for any obligation which the Company may issue or sell that shall be convertible into or exchangeable for any shares of the capital stock of any class of the Company or to which shall be attached or appertain any warrant or any instrument that shall confer upon the owner of such obligation, warrant, or instrument the right to subscribe for, or to acquire or purchase from the Company, any share of its capital stock of any class.
- c. No profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividend shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the asset of the Company at the time of the dissolution or liquidation of the Company.
- d. The members of the Company shall be subject to the payment of monthly dues and other dues and assessments and subject to such rules and conditions as may be prescribed in the By-Laws or by the BOD to meet the expenses for the general operations of the Company, and the maintenance and improvement of its premises and facilities, in addition to such fees as may be charged for the actual use of the facilities. In the case of a shareholder who is a corporate shareholder, the designated representative shall be initially billed for such dues. In case of nonpayment by the representative, the corporate shareholder shall be ultimately liable for the payment of such dues. Such dues together with all other obligations of the shareholders to the Company, shall constitute a first lien on the shares, second only to any lien in favor of the national or local government, and in the event of delinquency such shares may be ordered sold by the BOD in the manner provided in the By-Laws to satisfy said dues or other obligations of the shareholders.

- e. Any shareholder selling or disposing of his/its share(s) in the Company shall pay a transfer fee in such amount as may be determined by the BOD from time to time. Said transfer fee shall be levied and collected at the time of transfer in the Company's Stock and Transfer Book. Any transfer of shares, except transfer by hereditary succession, made in violations of these conditions shall be null and void and shall not be recorded in the books of the Company.
- f. Except in the case of legally married spouses, shares of stock of the Company may be registered only in the name of a single person, firm, entity, association or corporation. In the case of legally married spouses, one of the spouses may be entitled to apply for membership in the Company. Juridical entities may also designate only one individual playing representative for each share of stock owned by them.
- g. A holder of a share of stock of the Company is not an ipso facto member of the Company, and he must file an application for Company membership, which shall be subject to the approval of the BOD. If an application for membership of a shareholder is disapproved by the BOD, the shareholder shall dispose of his share within a period of 60 days from notice of such disapproval. In the event of his failure to affect such transfer, his share shall be offered for sale at auction in the manner prescribed in the By-Laws or by the BOD.
- h. In case any shareholder or member violates the provisions of the Articles of Incorporation or the By-Laws or the rules and regulations of the Company, or the resolutions duly promulgated by the BOD or the shareholders, or commit any other act or conduct which the BOD may deem injurious to the interest or hostile to the objects of the Company, such shareholder or member may be expelled by the BOD in the manner provided in the By-Laws upon proper notice and hearing. A shareholder/member who is so expelled shall then ceases to be a shareholder/member and shall have no right with respect to his share except the right to demand payment therefore in accordance with these By-Laws. The Company shall have a period of 30 days from the expulsion of the shareholder to make payment of his share/s, and upon such payment the shareholder shall forthwith transfer and assign the share/s held by him as directed by the Company.
- i. All certificates of stock of the Company shall contain an appropriate reference to the foregoing limitations and restrictions, and stock may be issued or transferred in the books of the Company only in accordance with the terms and provisions of such limitations and restrictions.

12. Basic and Diluted Income (Loss) Per Proprietary Membership Certificate

Basic and diluted income (loss) per proprietary membership certificate is computed as follows:

	Note	2022	2021	2020
(a) Net income (loss)		₱36,769,055	₱29,318,349	(₱5,329,820)
(b) Weighted average number of proprietary membership certificates	11	6,000	6,000	6,000
Basic income (loss) per proprietary membership certificate (a/b)		₱6,128	₱4,886	(₱888)

In 2022, 2021 (and 2020), the Company has no potential dilutive proprietary membership certificates outstanding, therefore basic income (loss) per proprietary membership certificate is the same as diluted income (loss) per proprietary membership certificate.

13. Cost of Sales and Services

Cost of Sales

This account consists of:

	2022	2021	2020
Food cost	₱15,863,403	₱12,354,111	₱7,189,539
Beverage cost	4,856,061	3,227,231	2,030,961
Sundry inventory cost	1,176,077	1,083,293	275,095
	₱21,895,541	₱16,664,635	₱9,495,595

Cost of Services

This account consists of:

	Note	2022	2021	2020
Depreciation and amortization	7	₱48,988,931	₱50,163,677	₱62,091,758
Personnel costs		43,370,463	43,040,710	49,151,670
Repairs and maintenance		38,480,554	40,645,784	27,604,985
Communication, light and water		21,028,570	23,192,597	18,375,269
Outside services		9,726,701	9,707,139	10,656,114
Taxes and licenses		5,629,881	5,652,525	5,968,619
Club tournament		3,971,923	1,006,846	448,328
Supplies		3,960,960	3,248,140	3,543,878
Fuel and oil		3,433,865	2,479,244	1,991,541
Caddy expense		2,196,902	195,016	594,218
Bank charges		1,726,700	1,520,751	1,010,446
Rent	17	1,165,644	1,728,817	1,744,747
Retirement expense	16	1,099,720	1,097,310	1,563,051
Laundry		1,094,837	697,509	1,403,775
Insurance		1,030,644	1,341,481	482,755
Representation		596,980	482,405	507,711
Waste disposal		588,506	1,311,778	475,160
Dues and subscriptions		243,450	338,730	506,715
Transportation and travel		134,663	558,659	539,237
Provision for ECL	5	-	-	196,133
Others		5,924,598	4,323,856	9,859,683
		₱194,394,492	₱192,732,974	₱198,715,793

Others pertain to costs incurred from events and other activities held by the Company.

Details of personnel costs are as follows:

	2022	2021	2020
Salaries and wages	₱38,543,137	₱36,194,675	₱35,809,854
Employee benefits and others	13,370,791	13,941,705	19,289,642
	₱51,913,928	₱50,136,380	₱55,099,496

Personnel costs recognized in profit or loss are as follows:

	Note	2022	2021	2020
Cost of services		₱43,370,463	₱43,040,710	₱49,151,670
General and administrative expenses	14	8,543,465	7,095,670	5,947,826
		₱51,913,928	₱50,136,380	₱55,099,496

14. General and Administrative Expenses

This account consists of:

	Note	2022	2021	2020
Personnel costs	13	₱8,543,465	₱7,095,670	₱5,947,826
Taxes and licenses		5,587,644	5,604,064	5,925,143
Outside services		5,422,411	5,315,683	6,010,205
Repairs and maintenance		3,049,850	2,663,220	2,263,933
Depreciation and amortization	7	1,910,427	1,809,957	1,884,154
Bank charges		1,726,700	1,220,138	1,010,446
Waste disposal		1,460,194	1,295,367	1,007,139
Communication, light and water		1,430,102	1,642,663	1,371,287
Retirement expense	16	1,099,721	1,097,310	1,563,052
Insurance		849,803	547,249	349,582
Fuel and oil		537,497	54,478	758,965
Supplies		520,466	511,636	627,210
Transportation and travel		407,045	351,769	164,148
Rent	17	99,259	169,643	548,256
Representation		47,116	322,353	44,181
Laundry		18,939	58,156	80,570
Donations and contributions		–	91,237	275,000
Provision for ECL	5	–	–	196,133
Others		1,087,552	813,749	1,370,251
		₱33,798,191	₱30,664,342	₱31,397,481

Others pertain to expenses related to club activities which are not individually material.

15. Other Income - Net

This account consists of:

	Note	2022	2021	2020
Membership transfer fees		₱13,057,822	₱15,977,989	₱5,544,165
Members' penalties and charges		4,451,501	2,839,144	1,539,679
Assignment fees		3,220,322	2,548,803	1,064,219
Commissions		2,184,463	1,134,015	1,042,551
Store space rental	17	823,610	654,545	217,695
Reversal of accruals	9	387,794	587,104	2,047,959
Cell site rental	17	204,840	204,840	204,840
Unrealized foreign exchange gain (loss)		116,663	55,069	(42,400)
Income from member's fund assessment		–	–	3,631,711
Claims from insurance		–	–	377,513
Reversal of allowance for ECL	5	–	–	70,000
Others		826,393	649,960	854,465
		₱25,273,408	₱24,651,469	₱16,552,397

Membership transfer fees include income derived from transfer of right by an individual member through selling of shares and transfer of right through change of designee by a corporate member.

Members' penalties and charges pertain to collection from members for late payments of membership dues and other charges.

Assignment fees refer to income arising from assignment of members' right to any other party for the right to use the facilities of the Company.

Commission income includes share of the Company to the income of its concessionaires and green fees.

Income from members' fund assessment pertains to the monthly fund assessment charged by the Company to each member.

Others pertain to income derived from events held by the Company which include wedding ceremonies, seminars, golf tournaments, among others.

16. Retirement Benefits

The Company is a participant to the Tagaytay Highlands Multiemployer Retirement Plan which is non-contributory defined benefit plan. The plan provides a retirement benefit equal to one hundred percent (100%) of plan salary for every year of credited service or in accordance with the collective bargaining agreement. Benefits are paid in a lump sum upon retirement or separation in accordance with the terms of the plan.

The retirement benefit obligation is determined using the projected unit credit method. The latest available actuarial report of the Company is as at December 31, 2022.

The components of retirement expense are as follows:

	2022	2021	2020
Current service cost	₱2,286,566	₱2,112,270	₱2,558,063
Net interest expense (income)	(87,125)	82,350	568,040
	₱2,199,441	₱2,194,620	₱3,126,103

The components of retirement expense recognized in profit or loss are as follows:

	Note	2022	2021	2020
Cost of services	13	₱1,099,720	₱1,097,310	₱1,563,051
General and administrative expenses	14	1,099,721	1,097,310	1,563,052
		₱2,199,441	₱2,194,620	₱3,126,103

The components of net retirement asset (liability) are as follows:

	2022	2021
FVPA	P26,513,022	P23,127,361
Present value of DBO	(23,575,127)	(23,172,511)
Effect of the asset ceiling	(238,189)	-
	P2,699,706	(P45,150)

The changes in fair value of plan assets are as follows:

	2022	2021
Balance at beginning of year	P23,127,361	P15,825,879
Contributions	3,690,516	7,237,148
Remeasurement loss	(1,513,530)	(612,333)
Interest income	1,208,675	676,667
Balance at end of year	P26,513,022	P23,127,361

The changes in present value of the retirement liability are as follows:

	2022	2021
Balance at beginning of year	P23,172,511	P21,810,837
Current service cost	2,286,566	2,112,270
Remeasurement loss (gain) on DBO due to changes in:		
Financial assumptions	(2,552,435)	(1,941,674)
Experience adjustments	117,220	1,006,716
Interest expense	1,121,550	759,017
Benefits paid from book reserve	(570,285)	(574,655)
Balance at end of year	P23,575,127	P23,172,511

The cumulative remeasurement loss recognized in OCI are as follows:

	2022	2021
Balance at beginning of year	P2,535,024	P2,857,649
Remeasurement loss (gain):		
DBO	(2,435,215)	(934,958)
Plan assets	1,513,530	612,333
Effect of asset ceiling	238,189	-
	(683,496)	(322,625)
Balance at end of year	P1,851,528	P2,535,024

The principal actuarial assumptions used to determine retirement benefits are as follows:

	2022	2021
Discount rate	6.94%	4.84%
Salary increase rate	4.00%	4.00%

The sensitivity analysis based on reasonably possible changes of the assumptions are as follows:

	Change in Assumption	Effect on the present value of retirement liability	
		2022	2021
Discount rate	+100bps	(₱1,046,304)	(₱1,253,493)
	-100bps	1,149,960	1,398,387
Salary increase rate	+100bps	1,172,271	1,396,135
	-100bps	(1,084,448)	(1,274,699)

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the DBO at the end of each reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement while all other assumptions remained unchanged.

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed more responsible.

The composition of plan assets for benefits as at December 31 is as follows:

	2022	2021
Debt instruments - government bonds	93%	98.29%
Debt Instruments - other bonds	8.82%	1.21%
Cash and cash equivalents	1.54%	–
Unit investment trust funds	1.19%	0.91%
Others (market gain/loss, accrued receivables net of payables, etc.)	-4.55%	-0.41%
	100.00%	100.00%

The retirement plan exposes the Company to actuarial risks as follows:

Investment and Interest Risks. The present value of retirement liability for consistency is calculated using a discount rate determined by reference to market yields to government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments and if the return on plan asset falls below this rate, it will create a deficit in the plan.

Longevity and Salary Risks. The present value of retirement liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

Maturity analysis of the undiscounted benefit payments as at reporting date are as follows:

	2022	2021
Within 1 year	₱9,156,377	₱7,648,754
More than 1 year to 5 years	8,927,927	7,465,775
More than 5 years	19,013,312	17,141,010
	₱37,097,616	₱32,255,539

The weighted average duration of the retirement liability is 4.7 years and 5.7 years as at December 31, 2022 and 2021, respectively.

17. Significant Agreements

The Company as a Lessee

The Company has lease agreement with Belle for the lease of its staff house. The lease term is mutually renewed every year, unless written notice of termination or cancellation is served by either party to the other at least 30 days in advance.

The Company also leases a five-door and eight-door building with lease terms of 12 months or less and leases of office equipment that is of low value. The Company applied the short-term lease and lease of low-value assets recognition exemptions for these leases.

Rent expense is presented in the statements of comprehensive income as follows:

	Note	2022	2021	2020
Cost of services	13	₱1,165,644	₱1,728,817	₱1,744,747
General and administrative expenses	14	99,259	169,643	548,256
		₱1,264,903	₱1,898,460	₱2,293,003

The Company as a Lessor

Store Space

The Company has a lease agreement with a third party for the lease of its store space. The lease term is mutually renewed every year, unless earlier terminated and may be renewed for a period to be mutually agreed upon by both parties.

Rent income amounted to ₱0.8 million and ₱0.7 million in 2022 and 2021, respectively (₱0.2 million in 2020) (see Note 15).

Cell Site

The Company has entered into a memorandum of agreement with Smart Communications, Inc. (Smart), wherein Smart will lease the land owned by the Company for cell sites situated in the area. The agreement is effective from August 12, 2013 until August 11, 2023 unless earlier terminated and may be renewed for a period to be mutually agreed upon by both parties.

Cell site rental income recognized by the Company amounted to ₱0.2 million in 2022 and 2021 (₱0.2 million in 2020) (see Note 15).

Concession

The Company has a concession agreement with a food and beverage service provider, which operates a restaurant within the Company's premises to provide services to their members and guests.

The Company charges the concessionaire commission based on monthly sales. Commission income from concessionaire amounted to ₱0.9 million and ₱0.2 million in 2022 and 2021, respectively (₱0.3 million in 2020).

Payables to concessionaire which pertains to food and beverage sales collected by the Company amounted to ₱2.2 million and ₱1.7 million as at December 31, 2022 and 2021, respectively (see Note 9).

18. Income Tax

The Company has no provision for current income tax due to its taxable loss position in 2022 and 2021 (and 2020). Provision for deferred income tax amounted to ₱0.7 million and ₱1.4 million in 2022 and 2021, respectively (nil in 2020).

On June 26, 2019, the Supreme Court (SC) released a decision discussing that membership dues, assessment fees, etc. are exempt from income tax and VAT. This is the SC case G.R. No. 228539 entitled “Association of Non-Profit Clubs, Inc. (ANPC) vs. Bureau of Internal Revenue” which was rendered final and executory with the Entry of Judgment made at the SC Second Division.

SC ruled that, for as long as these membership fees, assessment dues, and the like are treated as collections by recreational clubs from their members as an inherent consequence of their membership, and are, by nature, intended for the maintenance, preservation, and upkeep of the clubs' general operations and facilities, then these fees cannot be classified as “the income of recreational clubs from whatever source” that are “subject to income tax”. Instead, they only form part of capital from which no income tax may be collected or imposed.

The components of the Company’s deferred tax liabilities are as follows:

	2022	2021
Receivable arising from transferred net retirement liability	₱1,431,343	₱1,431,343
Net retirement asset	674,927	–
Unrealized foreign exchange gain	29,166	13,767
	₱2,135,436	₱1,445,110

Provision for deferred income tax is presented in profit or loss.

The components of the Company’s unrecognized deferred tax assets are as follows:

	2022	2021
NOLCO	₱112,948,237	₱131,384,788
Excess of contribution over service cost	2,893,266	2,927,271
Allowance for ECL	202,075	202,075
Net retirement liability	–	11,288
	₱116,043,578	₱134,525,422

These deferred tax assets amounting to ₱116.0 million and ₱134.5 million as at December 31, 2022 and 2021, respectively, were not recognized since management believes that it is not probable that taxable income will be available against which the deferred tax assets can be utilized.

Under the Republic Act No. 11494, *Bayanihan to Recover as One Act*, and Revenue Regulations No. 25-2021, the Company is allowed to carry over its operating losses incurred for the taxable years 2020 and 2021 for the next five years immediately following the year of such loss.

The details of NOLCO which can be claimed as deduction from future taxable income are shown below.

Year Incurred	Beginning Balance	Incurred	Expired	Ending Balance	Valid Until
2022	₱-	₱123,236,219	₱-	₱123,236,219	2025
2021	129,373,393	-	-	129,373,393	2026
2020	199,128,267	-	-	199,128,267	2025
2019	197,037,492	-	(197,037,492)	-	2022
	₱525,539,152	₱123,236,219	(₱197,037,492)	₱451,737,879	

The reconciliation of provision for (benefit from) income tax computed at the statutory tax rate and the effective tax rate follows:

	2022	2021	2020
Provision for (benefit from) income tax at statutory income tax rate	₱9,364,845	₱7,690,865	(₱1,598,946)
Expired NOLCO	49,259,373	-	-
Change in unrecognized deferred tax assets	(18,495,611)	12,947,953	58,304,766
Effect of change in income tax rate	-	20,343,567	-
Tax effects of:			
Nontaxable membership dues	(47,139,309)	(46,827,417)	(57,024,521)
Nondeductible expenses	8,345,494	7,391,758	886,792
Interest income subjected to final tax	(644,466)	(101,616)	(568,091)
	₱690,326	₱1,445,110	₱-

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)

On March 26, 2021, the CREATE Act was signed into law by the President of the Philippines and took effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Under the CREATE Act, the RCIT of domestic corporations was revised from 30% to 25% or 20% depending on the amount of total assets or taxable income. In addition, MCIT was changed from 2% to 1% of gross income for a period three years. The changes in income tax rates were applied retrospectively beginning July 1, 2020.

In 2022 and 2021, the current income tax rates used in preparing the financial statements are 25% RCIT and 1% MCIT. The change in tax rate has no impact in 2020 as the Company has no provision for current and deferred income tax in 2020.

19. Financial Assets and Financial Liabilities

Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist of cash and cash equivalents, trade and other receivables, refundable deposits (presented under "Other noncurrent assets" account), and trade and other payables (excluding membership dues collected in advance and statutory payables). The main purpose of these financial instruments is to provide funds for the Company's operations and capital expenditures.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and manage the Company's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to credit risk and liquidity risk from the use of its financial instruments. The BOD reviews and approves the policies for managing each of these risks.

Credit Risk. Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Company limits its exposure to credit risk by depositing its cash in banks with highly reputable and pre-approved financial institutions. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to credit losses is not significant.

The Company's maximum exposure to credit risk is equal to the carrying amount of its financial assets. The Company has no concentration of credit risk.

The tables below show the credit quality by class of financial assets based on the Company's credit rating system.

	2022				
	Neither Past Due nor Impaired		Past Due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Simplified approach -					
Trade receivables	₱144,139,458	₱-	₱-	₱808,298	₱144,947,756
12-month ECL:					
Cash in banks and cash equivalents	343,851,914	-	-	-	343,851,914
Nontrade receivables	3,298,318	-	-	-	3,298,318
Refundable deposits*	-	11,500	-	-	11,500
	₱491,289,690	₱11,500	₱-	₱808,298	₱492,109,488

*Presented under "Other noncurrent assets" account in the statements of financial position.

	2021				
	Neither Past Due nor Impaired		Past Due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Simplified approach -					
Trade receivables	₱200,226,654	₱-	₱-	₱808,298	₱201,034,952
12-month ECL:					
Cash in banks and cash equivalents	214,849,498	-	-	-	214,849,498
Nontrade receivables	10,266,640	-	-	-	10,266,640
Refundable deposits*	-	36,500	-	-	36,500
	₱425,342,792	₱36,500	₱-	₱808,298	₱426,187,590

*Presented under "Other noncurrent assets" account in the statements of financial position.

The credit quality of the financial assets was determined as follows:

- High grade - applies to customers and counterparties that always pay on time or even before maturity.
- Standard grade - applies to receivable from counterparties that always pay on due date if they are reminded or followed up by the Company.

- Past due but not impaired - items with history of frequent default, nevertheless, the amounts are still collectible.
- Impaired - those that are long outstanding or those that have been provided with an allowance for ECL.

Liquidity Risk. Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. The Company's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information. The Company considers obtaining borrowings as the need arises.

As at December 31, 2022 and 2021, the Company's trade and other payables (excluding membership dues collected in advance and statutory payables) are generally settled within a year.

Capital Management

The primary objective of the Company's capital management is to ensure that the Company has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, whenever there are changes in economic conditions. To manage or adjust the capital structure, the Company may obtain additional support from members. No changes were made in the objectives, policies or processes as at December 31, 2022 and 2021. The Company considers its equity as capital employed and monitors capital using the monthly cash position report and financial statements.

Fair Value of Financial Assets and Liabilities

The table below presents the carrying amount and fair value of financial instruments:

	2022		2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at Amortized Cost				
Cash and cash equivalents	₱346,029,600	₱346,029,600	₱215,806,309	₱215,806,309
Trade and other receivables	147,437,776	147,437,776	210,493,294	210,493,294
Refundable deposits*	11,500	11,500	36,500	36,500
	₱493,478,876	₱493,478,876	₱426,336,103	₱426,336,103
Financial Liability at Amortized Cost				
Trade and other payables**	₱80,042,763	₱80,042,763	₱59,826,016	₱59,826,016

*Presented under "Other noncurrent assets" account in the statements of financial position.

**Excluding membership dues collected in advance and statutory payables with an aggregate amount of ₱52.7 million and ₱45.9 million as at December 31, 2022 and 2021, respectively.

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

Cash and Cash Equivalents, Trade and Other Receivables, Trade and Other Payables (excluding Membership Dues Collected in Advance and Statutory Payables). Due to the short-term nature and demandable feature of these financial instruments, their fair values approximate the carrying amounts as at reporting date.

Refundable Deposits. These are presented at cost since the timing and amounts of future cash flows related to the refundable deposits are linked to the termination of the contract with the electricity provider which cannot be reasonably and reliably estimated.

There were no transfers between levels in the fair value hierarchy in 2022 and 2021.

**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

The Members and the Board of Directors
Tagaytay Midlands Golf Club, Inc.
Barangay Tranca
Talisay, Batangas

We have audited the accompanying financial statements of Tagaytay Midlands Golf Club, Inc. (the Company) as at and for the years ended December 31, 2022 and 2021, on which we have rendered our report dated April 1, 2023.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has one (1) stockholder owning one hundred (100) or more shares.

REYES TACANDONG & Co.



BELINDA B. FERNANDO

Partner

CPA Certificate No. 81207

Tax Identification No. 102-086-538-000

BOA Accreditation No. 4782; Valid until April 13, 2024

SEC Accreditation No. 81207-SEC Group A

Issued January 30, 2020

Valid for Financial Periods 2019 to 2023

BIR Accreditation No. 08-005144-004-2022

Valid until October 16, 2025

PTR No. 9564560

Issued January 3, 2023, Makati City

April 1, 2023

Makati City, Metro Manila

**REPORT OF INDEPENDENT AUDITORS
ON SUPPLEMENTARY SCHEDULES FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

The Members and the Board of Directors
Tagaytay Midlands Golf Club, Inc.
Barangay Tranca
Talisay, Batangas

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Tagaytay Midlands Golf Club, Inc. (the Company) as at and for the years ended December 31, 2022 and 2021 and have issued our report thereon dated April 1, 2023. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary schedules for submission to the Securities and Exchange Commission are the responsibility of the Company's management.

The supplementary schedules include the following:

- Schedule of Financial Soundness Indicators as at and for the years ended December 31, 2022 and 2021
- Schedules required Annex 68-J of the Revised Securities Regulation Code (SRC) Rule 68 as at and for the year ended December 31, 2022

The financial soundness indicators are not measures of operating performance defined by the Philippine Financial Reporting Standards and may not be comparable to similarly titled measures presented by other companies. The components of these financial soundness indicators have been traced to the Company's financial statements as at and for the years ended December 31, 2022 and 2021, and no material exceptions were noted.

The supplementary schedules are presented for purposes of complying with Revised SRC Rule 68, and are not part of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

REYES TACANDONG & Co.



BELINDA B. FERNANDO

Partner

CPA Certificate No. 81207

Tax Identification No. 102-086-538-000

BOA Accreditation No. 4782; Valid until April 13, 2024

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PTR No. 9564560

Issued January 3, 2023, Makati City

April 1, 2023

Makati City, Metro Manila

TAGAYTAY MIDLANDS GOLF CLUB, INC.

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2022 and 2021

Ratio	Formula	2022	2021
Current Ratio	Total current assets	₱554,789,799	₱479,502,975
	Divided by: Total current liabilities	132,744,412	105,704,829
	Current Ratio	4.18	4.54
Acid Test Ratio	Total current assets	₱554,789,799	₱479,502,975
	Less: Inventories	(190,156)	(204,593)
	Other current assets	(61,132,267)	(52,998,779)
	Quick assets	493,467,376	426,299,603
	Divide by: Total current liabilities	132,744,412	105,704,829
	Acid Test Ratio	3.72	4.03
Solvency Ratio	Net income	₱36,769,055	₱29,318,349
	Add: Depreciation and amortization	50,899,358	51,973,634
	Net income before depreciation and amortization	87,668,413	81,291,983
	Divided by: Total liabilities	134,879,848	107,195,089
	Solvency Ratio	65.00%	75.84%
Debt-to-Equity Ratio	Total liabilities	₱134,879,848	₱107,195,089
	Divided by: Total equity	1,720,875,412	1,683,422,861
	Debt-to-Equity Ratio	0.08	0.06
Asset-to-Equity Ratio	Total assets	₱1,855,755,260	₱1,790,617,950
	Divided by: Total equity	1,720,875,412	1,683,422,861
	Asset-to-Equity Ratio	1.08	1.06
Return on Equity	Net income	₱36,769,055	₱29,318,349
	Divided by: Average total equity	1,702,149,137	1,668,602,374
	Return on Equity	2.16%	1.76%
Return on Assets	Net income	₱36,769,055	₱29,318,349
	Divided by: Average total assets	1,823,186,605	1,768,028,944
	Return on Assets	2.02%	1.66%
Net Profit Margin	Net income	₱36,769,055	₱29,318,349
	Divided by: Revenue	71,139,101	58,457,809
	Net Profit Margin	51.69%	50.15%

TAGAYTAY MIDLANDS GOLF CLUB, INC.

**SEC SUPPLEMENTARY SCHEDULES AS REQUIRED BY
PAR. 7 PART II OF REVISED SRC RULE 68
DECEMBER 31, 2022**

Table of Contents

<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Financial Assets	N/A
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	N/A
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	N/A
D	Long-Term Debt	N/A
E	Indebtedness to Related Parties	N/A
F	Guarantees of Securities of Other Issuers	N/A
G	Proprietary Membership Certificates	Attached

Notes:

A - None to report. The Company has no financial assets measured at fair value through profit or loss.

B - None to report. All receivables arise from the ordinary course of business.

C - Not applicable. The Company does not prepare consolidated financial statements.

D - None to report. The Company has no long-term debt.

E - None to report. The Company has no long-term indebtedness to a related party.

F - None to report. The Company has no guarantees of securities of other issuers.

** No profit inures to the exclusive benefit of any of the Company's members and no dividend shall be declared in their favor, hence, a supplementary schedule of reconciliation of retained earnings available for dividend declaration as at December 31, 2022 is not applicable.*

TAGAYTAY MIDLANDS GOLF CLUB, INC.

SCHEDULE G – PROPRIETARY MEMBERSHIP CERTIFICATES

DECEMBER 31, 2022

<i>Title of issue</i>	<i>Number of proprietary membership certificates authorized</i>	<i>Number of certificates issued and outstanding as shown under statement of financial position</i>	<i>Number of certificates reserved for options, warrants, conversion and other rights</i>	<i>Number of proprietary membership certificates held by</i>		
				<i>Related parties</i>	<i>Directors, officers and employees</i>	<i>Others</i>
Proprietary Membership Certificates	6,000	6,000	–	3,556*	8	2,436

*Include subscription receivable amounting to ₱67,500,000 (675 shares).

Re: Tagaytay Midlands Golf Club, Inc._SEC Form - 17Q_08Aug2023

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>

Tue 8/8/2023 1:23 PM

To:Kaith Shaira D. Develos <shaira.develos@tagaytayhighlands.com>

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

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

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

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

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

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

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

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

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

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

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

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

For your information and guidance.

Thank you.


CERTIFICATION

I, **FREDERICK D. DEOCARIZA**, Financial Controller, is a duly authorized representative of **TAGAYTAY MIDLANDS GOLF CLUB, INC. ("Club")**, with SEC registration number A1997-9196 and principal office at Brgy. Tranca Talisay, Batangas, Philippines, does hereby certify and state that:

- 1) That on behalf of the Club, I have caused this Quarterly Report for the period ended 30 June 2023 (SEC Form 17-Q) to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records; and
- 3) That the Club with comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail:

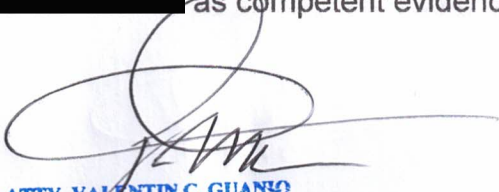
IN WITNESS WHEREOF, I have hereunto set my hand this AUG 0 8 2023.


FREDERICK D. DEOCARIZA
Financial Controller

SUBSCRIBED AND SWORN to before me this AUG 0 8 2023 in TAGAYTAY CITY City,
affiant exhibiting to me his Driver's License No.  as competent evidence
of identity.

Doc. No. 261 ;
Page No. 54 ;
Book No. 212 ;
Series of 2023.




ATTY. VALENTIN C. GUANO
JP Rizal Avenue, Kaybagal South, Tagaytay City
Commission Expires on DECEMBER 31, 2024
PTR No. 5131980/January 3, 2023
ROLL No. 22908
IBP LIFETIME RES NO. 02892
MCLE COMPLIANCE NO. VII-0016975

A 1 9 9 7 - 9 1 9 6
S.E.C. Registration Number

T A G A Y T A Y M I D L A N D S
G O L F C L U B , I N C .

(Company's Full Name)

B R G Y . T R A N C A T A L I S A Y B A T A N G A S

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

Maria Clara T. Kramer
Contact Person
632-0905
Company Telephone Number

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Month Day
Calendar Year

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FORM TYPE

0 6 - 3 0
Month Day
For the Quarter Ended

Secondary License Type, If Applicable

S E C
Dept. Requiring this Doc.

N / A
Amended Articles Number/Section

2 9 3 5
Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(b)(2) THEREUNDER

1. For the quarterly period ended: **June 30, 2023**

2. SEC identification number: **A1997-9196**

3. BIR Tax Identification No.: **005-008-526-000**

4. **Tagaytay Midlands Golf Club, Inc.**

Exact name of issuer as specified in its charter

5. **Makati, Metro Manila, Philippines**

Province, country or other jurisdiction
of incorporation or organization

6. (SEC Use Only)
Industry Classification Code:

7. **Brgy. Tranca, Talisay Batangas**

Address of issuer's principal office

4220
Postal Code

8. **(046) 483-3808**

Issuer's telephone number, including area code

9. **Year ended December 31**

Calendar year

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
Proprietary Shares	6,000

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No [**x**]

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

Yes [**x**] No []

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

Yes [] No [**x**]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The following financial statements are attached as Exhibits:

1. Unaudited Statement of Financial Position as of June 30, 2023 and Audited Statement of Financial Position as of December 31, 2022;
2. Unaudited Statement of Income for the six-month period ended June 30, 2023 and June 30, 2022 and three-month period ended June 30, 2023 and June 30, 2022;
3. Unaudited Statement of Changes in Members' Equity as of June 30, 2023 and June 30, 2022;
4. Unaudited Statement of Cash Flows for the three-month period ended June 30, 2023 and June 30, 2022.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Financial Condition

As of June 30, 2023 compared to Year Ended December 31, 2022

TOTAL ASSETS

The Tagaytay Midlands Golf Club, Inc. ("The Golf Club") has total assets of ₱1.90 billion as of June 30, 2023, compared to ₱1.86 billion as of December 31, 2022. The Club has current assets of ₱3.74 for each peso of current liabilities as of June 30, 2023, compared to ₱4.18 as of December 31, 2022.

Cash and Cash equivalents

Cash and cash equivalents increased by ₱61.16 million or 17.67% from ₱346.03 million as of December 31, 2022 to ₱407.19 million as of June 30, 2023 mainly due to the net cash provided by operating activities of ₱83.49 million and decrease in other noncurrent assets of ₱4.14 million. This was offset by the additions to property and equipment of ₱26.46 million.

Trade and Other receivables

Trade and other receivables decreased by ₱18.67 million or 12.66% from ₱147.44 million as of December 31, 2022 to ₱128.77 million as of June 30, 2023. This is due to the decrease in charges to related parties, credit card and members by ₱16.55 million or 19.26%, ₱2.54 million or 63.70%, and ₱0.46 million or 0.84%, respectively. On the other hand, other trade and other receivables increased by ₱0.88 million or 26.77%.

Inventories

Inventories increased by ₱0.03 million or 13.47% from ₱0.19 million as of December 31, 2022 to ₱0.22 million as of June 30, 2023. This is mainly due to increase in supplies amounting to ₱0.03 million.

Other Current Assets

Other current assets decreased by ₱3.17 million or 5.19% from ₱61.13 million as of December 31, 2022 to ₱57.96 million as of June 30, 2023. This is mainly due to the decrease in other prepaid

expenses amounting to ₱5.94 million and deferred input VAT on capital goods by ₱0.01 million or 0.73%. On the other hand, there is an increase in deferred input VAT on unpaid services by ₱1.55 million or 4.75% and increased in prepaid expense – insurance by ₱0.35 million and in creditable withholding tax amounting to ₱0.89 million.

Property and Equipment – Net

Property and equipment increased by ₱2.15 million or 0.17% from ₱1.281 billion as of December 31, 2022 to ₱1.283 billion as of June 30, 2023, due to depreciation charges of ₱24.17 million. There were additions to facilities and equipment by ₱2.94 million, office, furniture, fixture and equipment amounting to ₱0.79 million, land, buildings and improvement by ₱0.49 million and operating equipment by ₱0.27 million.

Net Retirement Asset

The Golf Club has net retirement asset of ₱4.72 million as of June 30, 2023 compared to ₱2.70 million as of December 31, 2022. The increase is mainly due to the contributions made to the retirement fund.

Other Noncurrent Assets

Other noncurrent assets decreased by ₱4.14 million or 24.53% from ₱16.90 million as of December 31, 2022 to ₱12.75 million as of June 30, 2023, mainly due to the decrease in deposit to contractors and suppliers of ₱3.33 million.

LIABILITIES

The Golf Club has total liabilities of ₱134.88 million as of December 31, 2022 compared to ₱160.90 million as of June 30, 2023 due to the increase in trade and other payables by ₱26.02 million or 19.60%.

Trade and Other Payables

Trade and other payables increased by ₱26.02 million or 19.60% from ₱132.74 million as of December 31, 2022 to ₱158.77 million as of June 30, 2023, mainly due to the increase in membership dues collected in advance by ₱4.91 million or 9.77% and accrued expenses by ₱4.60 million or 102%.

Deferred Tax Liability

Deferred tax liability remained at ₱2.14 million as of June 30, 2023 and December 2022.

MEMBERS' EQUITY

Members' equity increased by ₱15.35 million or 0.89% from ₱1.72 billion as of December 31, 2022, to ₱1.74 billion as of June 30, 2023, mainly due to the net income recorded for the six-month period ended June 30, 2023.

Results of Operations

Six-month period ended June 30, 2023 compared to June 30, 2022

REVENUES

The Golf Club's revenues of ₱44.92 million for the six-month period ended June 30, 2023, were higher by ₱13.84 million or 44.54%, compared to ₱31.08 million for the same period in 2022. This

is mainly due to high patronage from members and guests as a result of the lifting of community restrictions related to Covid-19.

Green Fees

The Golf Club recorded revenues from green fees of ₱19.91 million for the six-month period ended June 30, 2023, an increase of ₱8.81 million or 79.31%, from ₱11.10 million for the same period in 2022 due to higher patronage and increase in green fee rate in May 2023.

Food, beverage and sundries

The Golf Club posted an increase of ₱3.11 million or 32.17%, from ₱9.66 million for the six-month period ended June 30, 2022 to ₱12.77 million for the same period of 2023.

Golf cart and Locker rental

Golf cart and locker rental recorded an increase of ₱2.06 million or 22.67% from ₱9.11 million for the six-month period ended June 30, 2022 to ₱11.17 million for the same period of 2023.

Other Revenues

Other revenues decreased by ₱0.14 million or 11.16% from ₱1.21 million to ₱1.08 million for the six-month period ended June 30, 2023.

COST AND EXPENSES

The total cost and expenses showed an increase of ₱13.96 million or 10.80% from ₱129.21 million for the six-month period ended June 30, 2022 compared to ₱143.17 million for the six-month period ended June 30, 2023, as a result of higher capacity operations due to higher volume of business activities.

Cost of Sales

Cost of Sales showed an increase of ₱3.09 million or 31.90% for the six-month period ended June 30, 2023, from ₱9.70 million to ₱12.79 million. This is due to the higher revenues generated of the Club.

Cost of Services

The Golf Club's cost of services increased by ₱9.57 million or 9.27% from ₱103.32 million in 2022 to ₱112.89 million in 2023.

General and Administrative expenses

The Golf Club recorded a consolidated general and administrative expenses of ₱17.48 million for the six-month period ended June 30, 2023, an increase of ₱1.29 million or 7.99% from ₱16.19 million for the same period of 2022. Mainly due to the increase in personnel costs and outside services.

OTHER INCOME (CHARGES)

Interest Income

The Golf Club's interest income increased by ₱5.36 million or 1168.01% from ₱0.46 million for the six-month period ended June 30, 2022 to ₱5.82 million for the same period of 2023. The increase

is mainly due to additional short-term investments and increase in interest rate from 1.12% to 5.25%.

Other Income - net

Other Income showed an increase of 2.59 million or 20.36% from ₱12.74 million for the six-month period ended June 30, 2022 to ₱15.33 million for the six-month period ended June 30, 2023. This is mainly due to increase in transfer fees and commission income.

MEMBERS' SUPPORT

During the six-month period ended June 30, 2023, membership dues decreased by ₱0.51 million or 0.55% from ₱94.12 million on June 30, 2022 to ₱93.61 million in June 30, 2023 due to discount applied on advance payment of membership dues.

PROVISION FOR INCOME TAX

Provision for income tax increased by ₱1.07 million or 1168.01% from ₱0.09 million to ₱1.16 million during the second quarter of 2023. This is due to the final withholding taxes of interest income for the quarter.

NET INCOME

The Golf Club's operations resulted to a net income of ₱15.35 million for the six-month ended June 30, 2023, as compared to ₱9.10 million net income of the same period in 2022.

For the quarter ended June 30, 2023 compared to June 30, 2022

REVENUES

The Golf Club's revenues of ₱19.20 million for the three-month period ended June 30, 2023, were higher by ₱1.63 million or 9.29%, compared to ₱17.56 million for the same period in 2022. This is mainly due to high patronage from members and guests as a result of the lifting of community restrictions related to Covid-19.

Green Fees

The Golf Club recorded revenues from green fees of ₱8.02 million for the three-month period ended June 30, 2023, an increase of ₱1.75 million or 28.01%, from ₱6.26 million for the same period in 2022 due to higher patronage and increase in green fee rate in May 2023.

Food, beverage and sundries

The Golf Club posted a decrease of ₱0.05 million or 0.92%, from ₱5.89 million for the three-month period ended June 30, 2022 to ₱5.84 million for the same period of 2023.

Golf cart and Locker rental

Golf cart and locker rental recorded an increase of ₱0.09 million or 1.72% from ₱4.95 million for the three-month period ended June 30, 2022 to ₱5.03 million for the same period of 2023.

Other Revenues

Other revenues decreased by ₱0.15 million or 33.19% from ₱0.46 million to ₱0.31 million for the three-month period ended June 30, 2023.

COST AND EXPENSES

The total cost and expenses showed an increase of ₱2.57 million or 3.98% from ₱64.59 million for the three-month period ended June 30, 2022 compared to ₱67.16 million for the three-month period ended June 30, 2023, as a result of higher volume of business activities.

Cost of Sales

Cost of Sales showed a decrease of ₱0.35 million or 5.64% for the three-month period ended June 30, 2023, from ₱6.20 million to ₱5.85 million.

Cost of Services

The Golf Club's cost of services increased by ₱4.37 million or 8.94% from ₱48.87 million in 2022 to ₱53.24 million in 2023. This is mainly due to increase in communication, light and water by ₱2.91 million or 44.74% and personnel cost by ₱0.94 million or 8.55%.

General and Administrative expenses

The Golf Club recorded a consolidated general and administrative expenses of ₱8.07 million for the three-month period ended June 30, 2023, a decrease of ₱1.45 million or 15.23% from ₱9.52 million for the same period of 2022. Mainly due to the decrease in communication, light and water and repairs and maintenance.

OTHER INCOME (CHARGES)

Interest Income

The Golf Club's interest income increased by ₱3.31 million or 910.20% from ₱0.36 million for the three-month period ended June 30, 2022 to ₱3.68 million for the same period of 2023. The increase is mainly due to additional short-term investments and increase in interest rate.

Other Income - net

Other Income showed a decrease of ₱0.37 million or 5.10% from ₱7.22 million for the three-month period ended June 30, 2022 to ₱6.85 million for the three-month period ended June 30, 2023. This is mainly due to decrease in penalties and charges to members.

MEMBERS' SUPPORT

During the three-month period ended June 30, 2023, membership dues decreased by ₱0.42 million or 0.87% from ₱47.82 million on June 30, 2022 to ₱47.40 million in June 30, 2023 due to discount applied on advance payment of membership dues.

PROVISION FOR INCOME TAX

Provision for income tax increased by ₱0.67 million or 1112.24% from ₱0.06 million to ₱0.74 million during the second quarter of 2023. This is due to the final withholding taxes of interest income for the quarter.

NET INCOME

The Golf Club's operations resulted to a net income of ₱9.26 million for the three-month ended June 30, 2023, as compared to ₱8.36 million net income of the same period in 2022.

Below are the comparative key performance indicators of the Golf Club:

<i>Performance Indicators</i>	<i>Formula for Calculation</i>	<i>June 30, 2023 (Unaudited)</i>	<i>June 30, 2022 (Unaudited)</i>	<i>December 31, 2022 (Audited)</i>
Current ratio	Current assets over current liabilities	3.74 : 1.00	3.84 : 1.00	4.18 : 1.00
Acid-test ratio	Quick assets*** over current liabilities	3.38 : 1.00	3.51 : 1.00	3.72 : 1.00
Solvency ratio	Net income(loss) before depreciation over total liabilities	0.11 : 1.00	0.07 : 1.00	0.76 : 1.00
Total liabilities to equity ratio	Total liabilities over total members' equity	0.09: 1.00	0.08 : 1.00	0.08 : 1.00
Asset-to-Equity ratio	Total Asset over Total Equity	1.09 : 1.00	1.08 : 1.00	1.08 : 1.00
Interest rate coverage ratio	Income from operations before depreciation over interest expense	n/a	n/a	n/a
Net Profit Margin	Net income/loss over revenue	34.17%	29.28%	51.69%
Return on equity	Net income (loss) over ave. members' equity	0.89%	0.54%	2.16%
Return on assets	Net income (loss) over ave. total assets	0.82%	0.50%	2.02%

* Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

***Cash plus receivables

As of the second quarter ended June 30,2023, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on future operations, in respect of the following:

- i. Known trends, demands, commitments, events or uncertainties that would have a material impact on the Golf Club;
- ii. Events that will trigger direct or contingent financial obligation that is material to the Golf Club, including any default or acceleration of an obligation;
- iii. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Golf Club with unconsolidated entities or other persons created during the reporting period;
- iv. Material commitments for capital expenditures that are reasonably expected to have a material impact on the Golf Club's short-term or long-term liquidity;
- v. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- vi. Significant elements of income or loss that did not arise from the Golf Club's continuing operations;

- vii. Seasonal aspects that had a material impact on the Golf Club's results of operations; and
- viii. Material changes in the financial statements of the Golf Club from the interim period ended June 30, 2023, except as reported in the MD&A.

PART II - OTHER INFORMATION

Other Required Disclosures

1. The attached interim financial reports were prepared in compliance with the Philippine Financial Reporting Standards (PFRS). The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2022.

The adoption of the following PFRS standards, which are effective January 1, 2020, enumerated below does not have significant impact on its financial statements.

- i. Amendments to PFRS 3, *Business Combinations, Definition of a Business*
 - ii. Amendments to PFRS 7, *Financial Instruments: Disclosures* and PFRS 9, *Financial Instruments, Interest Rate Benchmark Reform*
 - iii. Amendments to Philippine Accounting Standards (PAS) 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*
 - iv. Amendments to PFRS 16, *COVID-19-related Rent Concessions*
2. There are no material events or uncertainties known to management that had a material impact on the seasonal aspects of the Club's results of operations.
 3. There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
 4. There are no material changes in estimates of amounts reported in prior interim periods of prior financial years.
 5. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the period June 30, 2023.
 6. There are no material changes in the composition of the club during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
 7. The Club has no contingent liabilities or contingent assets.
 8. There are no material contingencies existing as of interim period that can have a material effect in the decision making of the financial statement users.
 9. The application of the amendment on PAS 27 (Separate Financial Statements) will have no significant impact on the Club's financial position or financial performance.
 10. The amendment on PFRS 1 (Government Loans) does not apply to the Club.

11. There will be no impact on the Club's financial position and performance for the application of PFRS 10 (Consolidated Financial Statements)
12. The application of PFRS 12 (Disclosure of Interests in Other Entities) will have no impact on the Club's financial position or performance.
13. The Club does not anticipate that the adoption of PFRS 13 (Fair Value Measurement) will have a significant impact on the financial position or performance.
14. The Golf Club has not been involved in any bankruptcy, receivership or similar proceedings for the past three (3) years.
15. The Golf Club has not engaged in any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets (not ordinary) for the past three (3) years.
16. All the Club's securities are registered under the Securities Regulation Code. There were no sale of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities for the past three (3) years.
17. The Golf Club is a non-profit corporation and as such, does not declare dividends to its shareholders. In accordance with the Golf Club's Articles of Incorporation and By-Laws, no profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividends shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the asset of the Club at the time of the dissolution or liquidation of the Golf Club.

EXHIBITS AND SCHEDULES

Exhibit "A" Financial Statements (Statements of Financial Position, Statements of Income, Statements of Changes in Members' Equity, and Statements of Cash Flows, Statement of Accounts)

SIGNATURES

Pursuant to the requirements of the Revised Securities Act, Tagaytay Midlands Golf Club, Inc. has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TAGAYTAY MIDLANDS GOLF CLUB, INC.


FREDERICK D. DEOCARIZA
Financial Controller

Date Signed: August 8, 2023


MARIA CLARA T. KRAMER
General Manager

Date Signed: August 8, 2023

**TAGAYTAY MIDLANDS
GOLF CLUB, INC.
(A Nonprofit Corporation)**

UNAUDITED STATEMENTS OF FINANCIAL POSITION

As of June 30, 2023 and December 31, 2022

	June 30 2 0 2 3 (Unaudited)	December 31 2 0 2 2 (Audited)
A S S E T S		
Current Assets		
Cash and cash equivalents (see schedule 1)	₱ 407,187,524	₱ 346,029,600
Trade and other receivables (see schedule 2)	128,769,641	147,437,779
Inventories - at cost (see schedule 3)	215,774	190,156
Other current assets (see schedule 4)	57,957,719	61,132,265
Total Current Assets	594,130,657	554,789,800
Noncurrent Assets		
Property and equipment - net (see schedule 5)	1,283,517,685	1,281,368,208
Net retirement asset	6,723,757	2,699,706
Other noncurrent assets (see schedule 6)	12,752,856	16,897,546
	1,302,994,297	1,300,965,460
	₱ 1,897,124,955	₱ 1,855,755,260
LIABILITIES AND MEMBERS' EQUITY		
Current Liability		
Trade and other payables - (see schedule 7)	₱ 158,765,384	₱ 132,744,412
Total Current Liabilities	158,765,384	132,744,412
Noncurrent Liabilities		
Deferred tax liability	2,135,436	2,135,436
Total Noncurrent Liabilities	2,135,436	2,135,436
Total Liabilities	160,900,820	134,879,849
Members' Equity		
Proprietary certificates - P100,000 par value		
Property certificates	532,500,000	532,500,000
Additional paid-in capital	1,810,633,418	1,810,633,418
Deficit	(605,057,756)	(620,406,478)
Other comprehensive (income) / loss	(1,851,528)	(1,851,528)
Net Members' Equity	1,736,224,134	1,720,875,413
	₱ 1,897,124,955	₱ 1,855,755,260

**TAGAYTAY MIDLANDS
GOLF CLUB, INC.**

STATEMENTS OF INCOME				
For the six-months period ended June 30, 2023 and June 30, 2022				
	January to June	January to June	This Quarter	
	2 0 2 3	2 0 2 2	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
REVENUE				
Clubhouse operations:				
Green fees	₱ 19,911,520	₱ 11,104,480	₱ 8,017,320	₱ 6,263,003
Food, beverage and sundries	12,765,300	9,658,265	5,835,881	5,889,798
Golf cart and locker rental	11,169,663	9,105,360	5,033,132	4,947,812
Other	1,076,171	1,211,329	308,758	462,114
	44,922,654	31,079,434	19,195,090	17,562,728
COSTS AND EXPENSES				
Cost of sales - (see schedule 8)	(12,788,641)	(9,695,384)	(5,846,251)	(6,195,576)
Cost of services - (see schedule 8)	(112,893,135)	(103,319,686)	(53,238,147)	(48,870,824)
General and administrative expenses - (see schedule 9)	(17,483,362)	(16,190,152)	(8,071,500)	(9,521,324)
	(143,165,139)	(129,205,223)	(67,155,898)	(64,587,724)
OTHER INCOME				
Interest income	5,817,157	458,764	3,678,425	364,127
Other income - (see Schedule 10)	15,330,240	12,737,037	6,851,796	7,219,730
	21,147,397	13,195,801	10,550,462	7,621,352
DEFICIENCY OF REVENUES OVER COSTS AND EXPENSES BEFORE MEMBERS' SUPPORT				
Membership dues	₱ 93,607,241	₱ 94,121,358	₱ 47,403,413	₱ 47,820,337
EXCESS OF REVENUES AND MEMBERS' SUPPORT OVER COST AND EXPENSES				
	16,512,153	9,191,370	9,993,067	8,416,693
Provision for Income Tax				
Current	1,163,431	91,753	735,685	60,688
Deferred	-	-	-	0
	1,163,431	91,753	735,685	60,688
NET INCOME	₱ 15,348,722	₱ 9,099,617	₱ 9,257,382	₱ 8,356,005
Income per share (see schedule 11)	₱ 2,558	₱ 1,517	₱ 1,543	₱ 1,393

**TAGAYTAY MIDLANDS
GOLF CLUB, INC.
(A Nonprofit Corporation)**

**UNAUDITED STATEMENTS OF CHANGES IN MEMBERS' EQUITY
For the Six-months period ended June 30, 2023 and June 30, 2022**

	Proprietary Certificates	Additional Paid-in Capital	Deficit	Remeasurement Loss on Defined Benefit Plan - Net of tax	Net Members' Equity
Balances at December 31, 2021	532,500,000	1,810,633,418	(657,175,536)	(2,535,024)	1,683,422,859
Net income	-	-	9,099,617	-	9,099,617
Other comprehensive income - net of tax	-	-	-	-	-
Total comprehensive income	-	-	9,099,617	-	9,099,617
Issuance of shares	-	-	-	-	-
Balances at March 31, 2022	532,500,000	1,810,633,418	(648,075,919)	(2,535,024)	1,692,522,477
Balances at December 31, 2021	532,500,000	1,810,633,418	(619,722,984)	(2,535,024)	1,720,875,410
Net income	-	-	15,348,722	-	15,348,722
Subscriptions receivable	-	-	-	-	-
Other comprehensive income - net of tax	-	-	-	-	-
Total comprehensive income	-	-	15,348,722	-	15,348,722
Balances at March 31, 2023	532,500,000	1,810,633,418	(604,374,262)	(2,535,024)	1,736,224,135

**TAGAYTAY MIDLANDS
GOLF CLUB, INC.**
UNAUDITED STATEMENT OF CASH FLOWS
As of June 30, 2023 and June 30, 2022

	Jan-23 to Jun-23	Jan-22 to Jun-23
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of expenses over revenues	₱ 16,512,153	₱ 9,191,370
Adjustments for		
Depreciation and amortization	24,313,768	25,808,286
Interest Income	(5,817,157)	(458,764)
Pension cost	1,099,721	1,097,310
Unrealized foreign exchange gain	16,440	(63,431)
Operating Income before working capital changes	36,124,924	35,574,771
Decrease (increase) in:		
Receivables	18,668,139	43,357,699
Inventories	(25,618)	23,019
Prepaid expenses and other current assets	3,174,547	7,344,170
Increase in accounts payable and other current liabilities	26,020,972	11,860,600
Net cash generated from operations	83,962,964	98,160,259
Interest received	4,653,726	231,039
Contribution to the Plan	(1,845,258)	(1,845,258)
Benefits paid	(3,278,514)	(271,679)
Net cash provided by (used in) operating activities	₱ 83,492,918	₱ 96,274,361
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(26,463,245)	(14,008,995)
Decrease (increase) in other noncurrent assets	4,144,691	2,367,259
Net cash used in investing activities	₱ (22,318,554)	₱ (11,641,736)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of loans	-	-
Payment of loans	-	-
Interest paid	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVAL	61,174,364	84,632,625
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(16,440)	63,431
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	346,029,600	215,806,311
CASH AND CASH EQUIVALENTS AT END OF PERIOD	₱ 407,187,524	₱ 300,502,368

**TAGAYTAY MIDLANDS
GOLF CLUB, INC.**

SCHEDULE OF ACCOUNTS

	June 30 2023 (Unaudited)	December 31 2022 (Audited)
Schedule 1		
CASH AND CASH EQUIVALENT		
Cash equivalents	₱ 300,779,798	₱ 239,236,087
Cash in banks	104,625,719	104,615,827
Cash on hand	1,782,008	2,177,686
	₱ 407,187,524	₱ 346,029,600
Schedule 2		
TRADE AND OTHER RECEIVABLES		
Trade:		
Related parties	₱ 69,402,430	₱ 85,953,873
Members	54,549,557	55,014,179
Credit Card	1,444,601	3,979,706
Others	4,181,350	3,298,319
	129,577,939	148,246,077
Less: Allowance for expected credit loss	(808,298)	(808,298)
	₱ 128,769,641	₱ 147,437,779
Schedule 3		
INVENTORIES		
Supplies	215,774	190,156
	₱ 215,774	₱ 190,156
Schedule 4		
OTHER CURRENT ASSETS		
Creditable withholding tax	₱ 8,619,755	₱ 7,741,390
Deferred input VAT on:		
Unpaid services	34,129,765	32,582,549
Capital goods	1,399,176	1,409,508
Input VAT	7,635,795	7,635,795
Prepaid expenses:		
Prepaid Expense - Others	5,591,668	11,532,923
Prepaid Expense - Insurance	581,559	230,101
	₱ 57,957,718	₱ 61,132,265
Schedule 5		
PROPERTY AND EQUIPMENT - NET		
Land, buildings and improvements	₱ 1,955,972,228	₱ 1,955,486,692
Facilities and Equipment	591,304,827	588,363,567
Transportation Equipment	24,192,252	23,935,011
Office, Furniture, Fixtures and Equipment	20,862,183	20,071,628
Operating equipment	8,564,492	8,296,588
Artifacts	569,185	569,185
	2,601,465,168	2,596,722,672
Less: Accumulated Depreciation	1,344,946,147	1,320,773,887
	₱ 1,256,519,021	₱ 1,275,948,786
Construction in progress	26,998,663	5,419,423
	₱ 1,283,517,685	₱ 1,281,368,208

**TAGAYTAY MIDLANDS
GOLF CLUB, INC.**

SCHEDULE OF ACCOUNTS

	June 30 2022 (Unaudited)	December 31 2022 (Audited)
Schedule 6		
OTHER NON CURRENT ASSETS		
Deposit - Contractors & Suppliers	₱ 11,532,036	₱ 14,861,745
Deferred Input Vat - CAPEX	762,798	1,458,274
Computer Software	424,522	566,029
Other Assets - Refundable Deposits	33,500	11,500
	₱ 12,752,856	₱ 16,897,547

Schedule 7

TRADE AND OTHER PAYABLES

Trade:

Third Parties	₱ 29,690,663	₱ 23,569,266
Related Party	24,629,203	21,393,160
Membership dues collected in advance	55,097,204	50,191,561
Auctioned membership liability	17,336,238	14,944,616
Accrued Expenses		
Outside services	4,928,634	2,485,060
Employee benefits	1,260,398	299,475
Utilities	418,655	245,870
Agency Payroll	399,375	130,793
Professional fees	395,440	767,325
Laundry	50,960	76,440
Rental	5,541	5,541
Insurance	(0.00)	173,728
Other Accrued Expenses (messengerial and maintenance	1,637,345	309,600
Refundable Deposits	9,374,097	8,858,110
Retention payable	4,356,913	2,040,679
Concessionaires	2,983,097	2,154,105
Statutory Payables	1,925,583	2,510,089
Unclaimed gift certificate	866,600	882,698
Other Payables	3,409,437	1,706,298
	₱ 158,765,384	₱ 132,744,412

TAGAYTAY MIDLANDS GOLF CLUB, INC.
(A Nonprofit Corporation)

SCHEDULE OF ACCOUNTS

	January - June 2023 (Unaudited)	January - June 2022 (Unaudited)	April - June 2023 (Unaudited)	April - June 2022 (Unaudited)
Schedule 8				
COST OF SALES AND SERVICES				
Cost of Sales	12,210,239	9,179,362	5,557,136	5,906,290
Sundry Inventory Cost	578,403	516,022	289,115	289,286
Total Cost of Sales	₱ 12,788,641.50	₱ 9,695,384.16	₱ 5,846,250.99	₱ 6,195,575.65
Depreciation	23,374,926	24,908,309	11,678,284	12,446,819
Personnel costs	23,508,027	21,450,599	11,994,633	11,050,034
Repairs and maintenance	19,524,676	18,805,054	9,616,451	9,258,761
Communication, light and water	16,012,804	18,099,974	9,405,430	6,498,097
Club tournament	8,235,711	517,410	370,680	310,589
Outside services	6,207,531	4,697,573	3,109,701	2,310,527
Taxes and licenses	2,842,142	2,874,977	1,382,289	1,382,799
Supplies	2,274,280	1,616,353	1,050,821	827,876
Fuel and oil	1,564,300	1,590,970	643,408	745,933
Laundry	1,358,133	433,277	499,509	202,739
Caddy Expense	1,210,534	1,078,351	573,821	654,451
Bank charges	1,017,701	828,646	428,534	365,415
Rent	608,327	574,260	320,477	312,733
Retirement expense	549,860	548,655	274,930	274,328
Entertainment, amusement and recreation	357,695	164,035	135,690	93,990
Insurance	395,514	538,502	185,712	290,045
Waste disposal	318,256	218,263	150,583	103,006
Dues and subscriptions	121,491	180,032	26,869	91,857
Transportation and travel	379,764	948,716	208,200	373,102
Others	3,031,461	3,245,731	1,182,126	1,277,722
TOTAL COST OF SERVICES	₱ 112,893,135	₱ 103,319,686	₱ 53,238,147	₱ 48,870,824

TAGAYTAY MIDLANDS GOLF CLUB, INC.
(A Nonprofit Corporation)

SCHEDULE OF ACCOUNTS

	January - June 2023 (Unaudited)	January - June 2022 (Unaudited)	April - June 2023 (Unaudited)	April - June 2022 (Unaudited)
Schedule 9				
General and Administrative Expenses				
Personnel costs	4,415,233	4,045,552	2,050,524	2,131,117
Taxes and licenses	2,816,377	2,849,788	1,366,521	1,370,683
Outside services	3,742,335	3,385,979	2,034,184	1,897,807
Repairs and maintenance	1,533,026	1,468,123	733,842	825,822
Bank charges	1,017,701	828,646	428,534	365,415
Depreciation	938,842	947,146	483,886	498,703
Retirement expense	549,860	548,655	274,930	274,328
Communication, light and water	354,123	338,697	(129,091)	1,239,523
Insurance	320,211	417,042	145,382	234,495
Waste disposal	318,256	218,263	150,583	103,006
Supplies	286,614	198,516	127,513	109,731
Fuel and oil	273,403	136,917	133,945	127,280
Transportation and travel	179,798	83,149	58,185	32,639
Entertainment, amusement and recreation	28,083	17,013	5,817	1,894
Rent	12,379	32,266	3,279	(22,237)
Others	697,121	674,400	203,465	323,884
	₱ 17,483,362	₱ 16,190,152	₱ 8,071,500	₱ 9,521,324

TAGAYTAY MIDLANDS GOLF CLUB, INC.

(A Nonprofit Corporation)

SCHEDULE OF ACCOUNTS

Schedule 10

OTHER INCOME

	January - June 2023 (Unaudited)	January - June 2022 (Audited)	April - June 2023 (Unaudited)	April - June 2022 (Audited)
Membership Transfer fees	₱ 9,233,188	6,430,272 ₱	3,816,914 ₱	3,575,357
Commission Income	2,117,827	902,177	773,240	262,894
Assignment fees	1,779,693	1,470,357	804,857	914,416
Members' penalties and charges	1,419,020	2,771,670	1,137,536	2,009,678
Proshop Rental	130,485	327,273	(65,242)	163,636
Cell Site Rental	102,420	102,420	51,210	51,210
Reversal of accruals	-	404,236	-	100,870
Foreign exchange gain (loss)	(16,440)	63,431	20,240	37,495
Miscellaneous Income	564,046	265,201	313,042	104,175
	₱ 15,330,240	12,737,037 ₱	6,851,796 ₱	7,219,730

Schedule 11

INCOME PER SHARE

Income per share is computed by dividing the excess of expenses over revenues by the weighted average number of shares issued and outstanding during the year.

The Club's reported income per share for each of the three months in the period ended June 30, 2023 and 2022 were computed as follows:

	Apr-23 to Jun-23	Apr-22 to Jun-23
(a) Net Income	₱ 9,257,382	₱ 8,356,005
(b) Weighted average number of shares outstanding	6,000	6,000
(c) Income / (Loss per share) (a / b)	₱ 1,543	₱ 1,393

The Club's reported income/(loss) per share for each of the six months in the period ended June 30, 2023 and 2022 were computed as follows:

	Jan-22 to Jun-23	Jan-21 to Jun-23
(a) Net Income	₱ 15,348,722	₱ 9,099,617
(b) Weighted average number of shares outstanding	6,000	6,000
(c) Income /(Loss) per share (a / b)	₱ 2,558	₱ 1,517


CERTIFICATION OF INDEPENDENT DIRECTOR


I, **RUBEN C. TAN**, Filipino, of legal age and a resident of 769 Harvard St. Wack-Wack Village, Mandaluyong City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **TAGAYTAY MIDLANDS GOLF CLUB, INC.**
2. I am affiliated with the following companies or organizations:

COMPANY / ORGANIZATION	POSITION / RELATIONSHIP	PERIOD OF SERVICE
Independent Director	Tagaytay Midlands Golf Club, Inc.	2017 - Present
Independent Director	The Country Club at Tagaytay Highlands, Inc.	2017 - Present
Independent Director	The Spa and Lodge at Tagaytay Highlands, Inc.	2017 - Present
President	Glendale Mining & Development Corporation	1997 to Present
Director	Blue Ridge Mineral Corporation	2012 to Present
Director	Eagle Crest Mining & Development Corporation	2012 to Present
Corporate Secretary	CWC-Prime Industries Corporation	2012 to Present
Director	RJT Ramipaen Holdings Inc.	2011 to Present
Director	RCHAMPS Realty Corporation	2009 to Present
Director	MIGWINS Realty Corporation	2009 to Present

Done this 14 SEP 2023 day of _____ 2023 at PASIG CITY


Affiant

PASIG CITY SUBSCRIBED AND SWORN to before me this 14 SEP 2023 day of _____ 2023 at _____, affiant personally appeared before me and exhibited to me his Passport No. TIN:  as his competent evidence of identity.

Doc. No. 181;
Page No. 38;
Book No. 79;
Series of 2023.



ROBERTO ROLANDO L. GEOTINA
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 215 (2022-2023)
Commission Expires on December 31, 2023
2704 East Tower, Teklito Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 9084906/01.04.23/Pasig City
IBP No. 260919/01.05.23/RSM
Roll of Attorneys No. 78571
Admitted to the Bar on 13 May 2022

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SERGIO C. YU**, Filipino, of legal age and a resident of #6 Dove Street cor. Swallow Drive, Green Meadows Subdivision, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **TAGAYTAY MIDLANDS GOLF CLUB, INC.** and have been its independent director since 2023.
2. I am affiliated with the following companies or organizations:

COMPANY / ORGANIZATION	POSITION / RELATIONSHIP	PERIOD OF SERVICE
HYCO INDUSTRIAL SALES CORP. / Philippines	Chief Executive Officer, President	July 1989 to Present
HYUNDAI Elevator Services Phils., Inc. / Philippines	Chief Executive Officer, President	September 1993 to Present
TWINGATES CORPORATION / Philippines	Managing Director	Jan. 2012 to Present
UNIVERSITY ATHLETIC ASSO. OF THE PHILIPPINES / Philippines	Managing Director	2016 to Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **TAGAYTAY MIDLANDS GOLF CLUB, INC.** as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
 1. I am not related to any director/officer/substantial shareholder of **TAGAYTAY MIDLANDS GOLF CLUB, INC.**, as provided under Rule 38.2.3 of the Securities Regulation Code.
 2. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
 3. I do not hold any government position and therefore do not request written permission or consent from the any head of a government agency/department to be an independent director in **TAGAYTAY MIDLANDS GOLF CLUB, INC.** pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVII of the Revised Civil Service Rules.

4. I shall faithfully and diligently comply with my duties and responsibilities as an independent director under the Securities Regulation Code and its Implementing rules and Regulations, Code of Corporate Governance, and other SEC issuances.

Done this 14 SEP 2023 day of PASIG CITY 2023 at _____.



SERGIO C. YU
Affiant

SUBSCRIBED AND SWORN to before me this 14 SEP 2023 day of PASIG CITY 2023 at _____, affiant personally appeared before me and exhibited to me his Passport No. TIN: [REDACTED] as his competent evidence of identity.

Doc. No. 180;
Page No. 37;
Book No. 14;
Series of 2023.

ROBERTO ROLANDO L. GEOTINA
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 215 (2022-2023)
Commission Expires on December 31, 2023
2704 East Tower, Teklito Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 9004906/01.04.23/Pasig City
IBP No. 260919/01.05.23/RSM
Roll of Attorneys No. 78571
Admitted to the Bar on 13 May 2022

REPUBLIC OF THE PHILIPPINES)
PASIG CITY, METRO MANILA) S.S.

CERTIFICATION


ANN MARGARET K. LORENZO, of legal age, Filipino, with office address at 2704 East Tower, Tektite Towers (Formerly: Philippine Stock Exchange Centre), Exchange Road, Ortigas Center, Pasig City, Metro Manila, after having been sworn to in accordance with law, does hereby certify that:

1. I am the duly elected and incumbent Assistant Corporate Secretary of **TAGAYTAY MIDLANDS GOLF CLUB, INC.** (the "Corporation"), a corporation organized and existing under the laws of the Philippines, with principal office at Tagaytay Highlands Complex, Barangay Calabuso, Tagaytay City 4120, Cavite, Philippines;

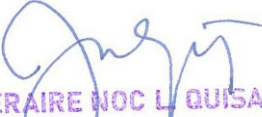
2. Based on the information provided to the Corporation by the members of its Board of Directors and its principal executive officers, none of said members of the Board of Directors and principal executive officers of the Corporation are presently employed by any office or agency of the Philippine Government.

IN ATTESTATION OF THE ABOVE, this Certificate has been signed this 04 SEP 2023 day of September 2023 in Pasig City, Metro Manila.


ANN MARGARET K. LORENZO
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 04 SEP 2023 day of September 2023 in Pasig City, Metro Manila, affiant exhibiting to me her Philippine Passport No.  issued on 09 November 2018 at DFA NCR East which expires on 08 November 2028 as competent evidence of her identity.

Doc. No. 469;
Page No. 95;
Book No. I;
Series of 2023.


JESERAIRE NOC L. QUISAOT
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 301 (2023-2024)
Commission Expires on December 31, 2024
2704 East Tower, Tektite Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 0573118/05.11.23/Pasig
IBP No. 340930/05.08.23/RSM
Roll of Attorneys No. 87050
Admitted to the Bar: 05.02.23