COVER SHEET

7	4	4	3						

S.E.C. Registration Number

V U L C A N   I N D U S T R I A L   &   M I N I N G

C O R P O R A T I O N

(Company's Full Name)

7 t h   F l o o r ,   Q u a d   A l p h a   C e n t r u m

B u i L d i n g ,   1 2 5   P i o n e e r   S t r e e t

M a n D a l u y o n G   C i t y

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

Atty. Iris Marie U. Carpio-Duque	+63(2)6318078
Contact Person	Company Telephone Number

0 9	3 0	September 30, 2014 1 7 - Q		
Month	*Day*	**FORM TYPE**	*Month*	*Day*

Secondary License Type, If Applicable

S E C

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	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(2)(b) THEREUNDER

1. For the quarterly period ended SEPTEMBER 30, 2014

2. Commission identification number 3. BIR Tax Identification No.

 7443 000 – 062 – 736

4. Exact name of issuer as specified in its charter

 VULCAN INDUSTRIAL & MINING CORPORATION

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: .... (SEC Use Only)

....

7. Address of issuer's principal office Postal Code

 125 Pioneer Street Mandaluyong City 1550

8. Issuer's telephone number, including area code

 Tel (632) 631 – 80 - 78

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 RSA

Title of each class	Number of shares of common stock outstanding
Common	600,000,000

....

11. Are any or all of the securities listed on the Philippine Stock Exchange?

 Yes [X] No [ ]

12. Indicate by check mark whether the registrant:

 (a) has filed all reports required to be filed by Section 17 of the Code and RSC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 28 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or 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 [X] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The financial statements are filed as part of this Form 17-Q.

The interim financial reports of the Company are in compliance with the generally accepted accounting principles applied on a basis consistent with that of the preceding quarters/period.

The financial statements are prepared in conformity with the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Company has no revenue for the nine months ended September 30, 2014 and incurred a net loss of P3.4 million during the period, compared to a gross income of P10.04 million for nine months ended September 30, 2013, mainly attributable to gain from sale of treasury shares of the Company which resulted to net income of P4.9 million.

Total assets decreased from P1.02 billion as of end-September 30, 2013 to P1.00 million as of end-September 30, 2014 due to i) decrease in deferred exploration charges due to reversal of interest expenses which is chargeable to deferred exploration charges. The increased in Cash and cash equivalents and due from related parties was brought about by the advances made by National Book Store Inc. on their subscription to the Company's shares of stock.

Total liabilities decreased from P423.7 million as of end-September 2013 to P409.2 million as of end-September 2014, due to i) decrease in payable to related parties , which was applied as deposit for future subscription to the Company's shares of stock.

Deficit increased from P30.4 million as of end-September 2013 to P40.6 million as of end September 30, 2014 due to additional losses incurred by the Company.

Total Stockholders' equity decreased from P596.8 million as of September 30, 2013 to P595.8 million as of end-September 30, 2014 due additional losses incurred by the Company during the period.

The top five (5) key performance indicators of the Company and its wholly owned subsidiary are as follows:

	Sept. 30 2014	Dec.31,2013
Current Ratio	**2.28 : 1**	**1.26 : 1**
Current Assets	47,617,103	29,176,129
Current Liabilities	20,903,695	23,209,226
Asset to Equity Ratio	**1.69 : 1**	**1.65 : 1**
Total Assets	1,004,990,365	985,232,788
Stockholders Equity	595,839,550	598,079,224
Debt to Equity Ratio	**0.69 : 1**	**0.66 : 1**
Total Liabilities	409,150,815	387,153,564
Stockholders Equity	595,839,550	598,079,224
Equity to Debt Ratio	**1.46: 1**	**1.52 : 1**
Stockholders Equity	595,839,550	598,079,224
Total Liabilities	409,150,815	387,153,564
Book Value per Share	**P 1.00**	**P 0.98**
Stockholders Equity	595,839,550	589,079,224
Total # of Shares	600,000,000	600,000,000
Earnings/(Loss) per Share	**(P 0.006)**	**P 0.0006**
Net Income (Loss)	(3,412,849)	361,870
Total # of Shares	600,000,000	600,000,000

Management is not aware of any material event/s and uncertainties that would address the past nor would have material impact on future operations of the Company.

The Company is preparing for its intended acquisition by National Book Store, Inc. (NBS) for purposes of listing with the Exchange. It is well to note that NBS has recently subscribed to 850,000,000 shares from the increase in authorized capital stock of the Corporation. On October 30, 2014 the Securities and Exchange Commission approved the increase in authorized capital stock of the Company from P600 million to P4 billion.

In general, Management is not aware of any material event or uncertainty that has affected the current fiscal period and/or would have a material impact on future operations of the Company. The Company will continue to be affected by the Philippine business environment as may be influenced by any local/regional financial and political crises.

There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity. Should the Company's cash position be not sufficient to meet current requirements, the Company may consider to undertake programs to raise additional funds thru increase in capital and sale of Available-for-sale (AFS) financial assets to finance the various projects. The Company is also considering prospective investors for its various projects.

The Company has NO material commitments for capital expenditures EXCEPT for the Company's exploration and development costs in mineral projects

The standards mentioned in SEC Memorandum Circular No. 6 Series of 2013 are not applicable to the Company's interim financial statements as of the period ended-September 2014.

There will be no purchase /sale of significant equipment on the next twelve months.

The number of employees will have no significant change in the next twelve (12) months.

Any material commitments for capital expenditures- the Company has NO material commitments for capital expenditures EXCEPT for the Company's exploration and development costs in mineral projects.

Any 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 is not applicable

Any significant elements of income or loss that did not arise from the issuer's continuing operations is not applicable

Any seasonal aspects that had material effect on the financial condition or results of operations is not applicable

The Company activities expose it to a variety of financial risks. The Board of Directors reviews and approves on policies for managing each of these risks namely:

Credit Risk

Credit risk is the risk that the Company will incur losses if its counterparties fail to discharge their contractual obligations.

The Company manages and controls credit risk by doing business mostly only with affiliates and recognized, reputable and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit procedures. Receivables are monitored on an ongoing basis bringing the Company's exposure to bad debts to a minimum level. Since the Company trades only with related parties and recognized third parties there is no requirement for collateral. The Company's maximum exposure to credit risk equals the carrying amount of this receivables/financial instrument.

Liquidity Risk

Liquidity risk is defined as the risk the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing credit facilities from various suppliers. The Company mainly sources its funds from bank loans and payable to related parties.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows of the fair value of financial instruments. The Company has no interest rate risk as of the period ended-September 2014 and for the year ended 2013.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to equity price risk because of quoted financial assets held by the Company, which are classified on the financial statements of consolidated balance sheets as AFS financial assets.

Financial instruments

The Company recognizes a financial asset or a financial liability in the consolidated balance sheet when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date.

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

On initial recognition, the Company classifies its financial assets in the following categories: Held-for-Maturity (HTM) investments, AFS financial assets, and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates such designation at every financial reporting date.

Under PAS 39, all financial liabilities are recognized initially at fair value and in case of loans and borrowings, plus directly attributable transaction costs. Financial liabilities are classified as FVPL, loans and borrowings and derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as expense or income.

Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax benefits.

The Company's financial assets consist of loans and receivables and AFS investments. The Company's financial liabilities are classified as loans and borrowings. The Company has no financial assets and liabilities at FVPL and HTM investment.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments and all other financial instruments where there is no active market, fair value is determined by using generally accepted valuation techniques. Such techniques include using arm's length market transactions; reference to the current market value of another instrument, which are substantially the same; discounted cash flow analysis and other valuation models.

Financial Soundness Indicators

	Sept. 30, 2014	Sept. 30, 2013
Current Liquidity Ratios		
Current Ratios	2.28:1	0.07:1
Quick Ratios	2.28:1	0.07:1
Solvency Ratios	*2.46:1*	*0.01:1*
Debt-to-equity Ratios	*0.69:1*	*0.71*
Asset-to-equity Ratios	*1.69:1*	*1.71:1*
Interest Rate Coverage Ratios	*0*	*249.66:1*
Profitability Ratios		
Gross Profit Margin	0%	0%
Net Profit Margin	0%	0%

PART II - OTHER INFORMATION

There were items for disclosure that were made under SEC Form 17-C during the current interim period (01 January to 30 September 2014).

SIGNATURES

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

Issuer VULCAN INDUSTRIAL & MINING CORPORATION

CHRISTOPHER M. GOTANCO
Vice-Chairman/COO and Chief
Corporate Information Officer

Date 11/11/2014

VULCAN INDUSTRIAL AND MINING CORPORATION
STATEMENT OF FINANCIAL POSITION

ASSETS	Unaudited 30-Sep-14	Audited 31-Dec-13
Current Assets		
Cash	8,273,520	986,195
Receivables	1,674,717	1,174,717
Due from related parties	37,614,559	26,960,909
Other current assets	54,308	54,308
Total Current Assets	47,617,103	29,176,129
Non Current Assets		
Available-for-sale (AFS) investments	11,138,340	9,965,165
Property and Equipment	87,863	87,863
Deferred exploration costs	946,147,060	946,003,631
Advances against royalties	-	-
Other non current assets	-	-
Total Non Current Assets	957,373,263	956,056,659
TOTAL ASSESTS	**1,004,990,365**	**985,232,788**
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	11,797,841	11,800,474
Due to related parties	1,701,741	1,601,741
Bank Loan	-	
Subscriptions payable	6,529,858	6,529,858
Retirement benefit obligation	874,255	3,223,546
Income Tax Payable	-	53,607
Total Current Liabilities	20,903,695	23,209,226
Non Current Liabilities		
Deposits for future stock subscriptions	388,247,120	363,944,338
Retirement benefit obligation	-	
Deferred revenue	-	
Total Non Current Liabilities	388,247,120	363,944,338
TOTAL LIABILITIES	409,150,815	387,153,564
EQUITY		
Capital Stock	600,000,000	600,000,000
Additional paid in capital	6,543,612	6,543,612
Net unrealized valuation gains on AFS investments	27,674,135	26,500,960
Actuarial gain (loss) on retirement benefit plan	2,226,460	2,226,460
Deficit	(40,604,657)	(37,191,808)
TOTAL EQUITY	595,839,550	598,079,224
TOTAL LIABILITIES AND EQUITY	**1,004,990,365**	**985,232,788**

VULCAN INDUSTRIAL AND MINING CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited Jan. to Sept. 2014	Unaudited July to Sept. 2014	Unaudited Jan. to Sept. 2013	Unaudited July to Sept. 2013
REVENUE				
Dividend income	65,237.81	-	115,238	-
General and Administrative expenses	3,478,086	1,740,808	5,144,881	2,228,410
Other Income (Charges)				
Gain on sale ofAFS	-	-	3,936,481	956,429
Gain on sale of treasury stock	-	-	6,011,875	
Interest expense	-	-	(19,606)	-
Loss on sale of treasury stock	-	-	(4,276)	-
	-	-	9,924,474	956,429
Income from continuing operatons before income tax	(3,412,849)	(1,740,808)	4,894,831	(1,271,982)
Provision for current income tax	-	-	-	-
Income from continuing operations after tax	(3,412,849)	(1,740,808)	4,894,831	(1,271,982)
Loss from discontinued operations after tax			-	-
Net Income	(3,412,849)	(1,740,808)	4,894,831	(1,271,982)
Other Comprehensive Income/Loss				
Net unrealized gains/(losses) on AFS investment	1,173,175	(1,164,467)	-	-
Total Other comprehensive Income/(Loss)	1,173,175	(1,164,467)	-	-
Total Comprehensive Income/(Loss)	(2,239,673)	(2,905,275)	4,894,831	(1,271,982)

Earnings/(Loss) per share was computed as follows:	Jan. to Sept. 2014	Jan. to Sept. 2013
Net Income/(Loss) Attributable to Equity	(3,412,849)	4,894,831
Weighted Average Number of Shares	600,000,000	600,000,000
Earnings/(Loss) Per Share	(0.006)	0.0082

VULCAN INDUSTRIAL & MINING CORPORATION
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	Sept. 30, 2014	Sept. 30, 2013
Balances, at January 1		
Capital Stock	600,000,000	600,000,000
Additional Paid-in capital	6,543,612	531,737
Net unrealized valuation gain/(loss) on available for sale (AFS) financial assets	26,500,960	29,673,093
Actuarial gain/(loss) on retirement benefit plan	2,226,460	-
Deficit, beginning	(37,191,808)	(35,327,218)
Add: Net Income/(Loss) during the period	(3,412,849)	4,894,831
Deficit, ending	(40,604,657)	(30,432,387)
Other Comprehensive Income/(Loss)	1,173,175	(3,021,000.00)
Balances, at September 30	**595,839,550**	**596,751,443**

VULCAN INDUSTRIAL & MINING CORPORATION
STATEMENTS OF CASH FLOWS

	FOR THE PERIOD			
	Jan. 1 to Sept. 30 2014	July 1 to Sept. 30 2014	Jan. 1 to Sept. 30 2013	July 1 to Sept. 30 2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income/(Loss)	(3,412,849)	(1,675,571)	4,894,831	(1,271,982)
Loss form discontinued operations before income tax				
Adjustment to reconcile net income to net cash providec by (used in) operating activities:				
Depletion, Depreciation and amortization	-	-	47,659	43,571
Changes in operating assets & liabilities				
Decrease (increase) in:				
Accounts Receivable-net	(500,000)	(300,000)	263,426	113,317
Due from Related Parties	(10,653,650)	(12,024,314)	(6,928,049)	851,251
Prepaid expenses and other current assets	-	-	(321,310)	(583)
Increase (decrease) in:				
Accounts payable and accrued expenses	(2,633)	98	(918,735)	17,994
Payable to related parties	100,000	(1,703,607)	32,525,592	-
Income Tax Payable	(53,607)	-	-	-
Retirement benefits	(2,349,291)	(549,999)	(3,055,422)	(866,383)
Net cash used in operating activities	(16,872,028)	(16,253,391)	26,507,993	(1,112,814)
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in:				
Deferred exploration cost and other charges	(143,429)	(22,854)	(33,150,681)	(110,000)
Decrease in available-for-sale (AFS) financial assets	-		3,899,000	-
Net cash used in investing activities	**(143,429)**	**(22,854)**	(29,251,681)	(110,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from sales of treasury stocks	-	-	5,837,397	-
Changes in unrealized valuation gain (loss) on AFS	-	-	(3,021,000)	-
Payment of subcriptions	24,302,783	24,302,783		
Net cash provided by financing activities	24,302,783	24,302,783	2,816,397	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,287,325	8,026,538	72,709	(1,222,814)
CASH AND CASH EQUIVALENTS, BEGINNING	986,195	246,982	748,345	2,043,868
CASH AND CASH EQUIVALENTS, END	**8,273,520**	**8,273,520**	821,054	821,054

NOTES TO FINANCIAL STATEMENTS

Corporate Information

Vulcan Industrial & Mining Corporation (The Company) was registered with the Securities and Exchange Commission (SEC) on January 13, 1953. The Company was listed in the Philippine Stock Exchange on 1970.

The Company is involved in finding, developing and producing mineral properties.

The registered office address of the Company is at 7th Floor QUAD Alpha Centrum Bldg., 125 Pioneer Street, Mandaluyong City.

Status of operations

The group has a number of mineral properties that are in various stages of exploration and has participation in several petroleum projects in the Philippines. The ability of the Company to realize its deferred exploration cost depends on the success of its exploration activities and future development work proving the viability of its mining properties that can produce minerals in commercial quantities and the discovery of oil and gas that can be produced in commercial quantities, which cannot be determined at this stage.

The Company has incurred cumulative losses from operations resulting in a deficit amounting to P40.6 million as of September 30, 2014. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as going concern. However, Management is confident that with the renewed interest in mining and oil and gas industry and the continuing support of related parties, the going concern issue will be resolved favorably.

On January 15, 2013, the Board of Directors (BOD) approved the retirement of all its employees under its former policies as a result of the Company's change in management.

Basis of preparation

The financial statements of the Company have been prepared under the historical cost basis. The financial statements are presented in Philippine Peso, which is the Company's functional currency.

Statement of compliance

The financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

PFRS 9

This standard is effective for annual periods beginning on or after January 2015. It introduces new requirements on the classification and measurement of financial assets. It uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing many different rules in PAS 39, Financial Instruments: Recognition and Measurement. The approach in the new standard is based on how entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different methods in PAS 39. The company expects significant impact on its financial statements when it adopts this standard.

The company has decided not to early adopt either PFRS 9(2009) of PFRS 9 (2010) for its financial reporting. The company continues to assess the impact of the new and amended accounting standard and interpretation effective subsequent to 2011 on its financial statements in the period of initial application. Additional disclosures required by the amendments will be included in the financial statements when the amendments are adopted.

Accounting Estimates and Assumptions

The key assumptions concerning the future and other key source of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Impairment of loans and receivables
The Group evaluates specific accounts where the Group has information that certain customers or third parties are unable to meet their financial obligations. Factors, such as the Group's length of relationship with the customers or other parties and the customers' or other parties' current credit status, are considered in determining the amount of impairment that will be recorded relating to trade and other receivables account. The allowance is re-evaluated and adjusted as additional information is received.

In addition to specific allowances against individually significant loans and receivables, the Group also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This takes into consideration the credit risk characteristics such as customer type, geographical location, payment history, past due status and term.

Impairment of AFS financial assets
The Company treats AFS financial assets as impaired when there has been a significant or prolonged decline in fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant' of 'prolonged' required judgment. In addition, the Company evaluates other factors, including normal volatility in share price for quoted equities and the future cash flows and the discount factors for unquoted securities.

Impairment of other current assets
The Company estimates the allowance for impairment of inventories included under the "Other current assets" account, based on the age of inventories. The amounts and timing of recorded expenses for any period would differ if different judgments or different estimates are made. An increase in the decline in value of inventories would increase recorded expenses and decrease current assets.

Estimating useful lives of property and equipment
The Company estimates the useful lives of property and equipment based on the period over which assets are expected to be available for use. The estimated useful lives of the property and equipment 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 the assets. In addition, the estimation of the useful lives of property and equipment is based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the 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.

Recoverability of deferred exploration costs
The Company assesses impairment on deferred exploration cost when facts and circumstances suggest that the carrying amount of the assets may exceed its recoverable amount.

Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Reserves, are as follows:*

- the period for which the Company has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially variable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development of by sale.

The Company reviews the carrying values of its mineral property interests whenever events of changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts.

Impairment of non-financial assets
The Company performs asset impairment review on its other current assets, investments and advances, property and equipment, and other noncurrent assets when certain impairment indicators are present. This requires the estimation of the asset's recoverable amount. Impairment losses, if any, are recognized in the statement of operations in those expense categories consistent with the function of the impaired asset. Changes in estimates and assumptions may result to additional provision for impairment.

Valuation of financial assets and financial liabilities
The Company carries certain financial assets and financial liabilities at fair value, which requires the use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable evidence, the amount of changes in fair value would differ if the Company utilized a different valuation methodology. Any change in fair value of these financial assets and financial liabilities would affect the profit or loss and equity.

Estimating retirement benefits cost
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. The assumed discount rates were determined using the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as of the balance sheet dates. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. In accordance with PAS 16, actual results that differ from the Company's assumptions are accumulated and amortized over future periods and therefore, generally affect the Company's recognized expense and recorded obligation in such future periods. While management believes that its assumptions are the assumptions may materially affect the Company's pension and other retirement obligations.

Cash and Cash Equivalents

	September 30, 2014	December 31, 2013
Cash on hand and in bank	8,273,520	986,195
Cash equivalents	-	-
	8,273,520	986,195

Cash in banks earns interest at the respective bank deposit rates. Cash equivalents are short-term investments that are made for varying periods of up to three months depending on the cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Receivables

	September 30, 2014	December 31, 2013
Unimpaired	1,674,717	1,174,717
Impaired	3,948,300	3,948,300
	5,623,017	5,123,017
Less: allowance for impairment losses	3,948,300	3,948,300
	1,674,717	1,174,717

Trade receivables are non-interest bearing and generally have due within 30 days. Other receivables consist of advances to officers and employees, among others.

Other Current Assets

	September 30, 2014	December 31, 2013
Advances to suppliers	745,829	745,829
Input VAT	46,308	46,308
	792,137	792,137
Less: allowance for impairment losses	737,829	737,829
	54,308	54,308

Advances against royalties are deposits made to owners of mining area wherein the Company operates/conducts exploration activities. The advances are deductible from future royalty obligations of the Company and will be refunded in case exploration activities in the related area are unsuccessful.

AFS Financial Assets

	September 30, 2014	December 31, 2013
Investment in quoted shares of stocks of:		
Philodrill	4,224,966	4,621,057
Other quoted equity securities	6,839,089	5,269,823
	11,064,055	9,890,880
Investment in unquoted shares of stocks of:		
Other unquoted equity investments	74,285	74,285
	11,138,340	9,965,165

Quoted shares consist of equity securities that are traded at the Philippine Stock Exchange. The fair values of these listed shares are based on their bid market as of the last trading day during the period.

Company will continue to carry as part of its investments.

Deferred Exploration Cost

	September 30, 2014	December 31, 2013
Deferred Exploration Costs:		
Petroleum exploration	872,146,374	872,146,374
Mineral exploration projects	78,192,368	78,048,939
	950,338,742	950,195,313
Allowance for impairment losses	4,191,682	4,191,682
	946,147,060	946,003,631

The Company is participant in several SCs and GSECs entered into the Philippine government through the DOE to conduct exploration, exploitation and development activities in the contract areas designated in the SCs and GSECs. These SCs and GSECs provide for certain minimum work expenditure obligations and the drilling of a specific number of wells and are covered by operating agreements which set forth the participating interest rights and obligations.

Trade and other Payables

	September 30, 2014	December 31, 2013
Accrued expenses	7,426,997	7,426,997
Statutory liabilities	658,690	658,690
Others	3,712,154	3,714,787
	11,797,841	11,800,474

Advances to related parties

The amounts due from related parties are as follows:

	September 30, 2014	December 31, 2013
VMC	36,389,467	25,735,817
APHC	685,919	685,919
UPMC	539,173	539,173
	37,614,559	26,960,909

The amounts payable to related parties consist of the following:

	September 30, 2014	December 31, 2013
Palawan Granite	709,242	709,242
San Jose (SJ)	892,499	892,499
APHC	100,000	
	1,701,741	1,601,741

Retirement Benefits

On January 15, 2013, the BOD approved the retirement of all its employees under its former policies as a result of the Group's change in management.

Prior to the payment of retirement benefits, the Company has unfunded defined benefit retirement plan covering all its regular full-time employees. The benefits are computed equivalent to one-half month's salary for every year of service with six months or more of service considered one year.

Capital Stock

As of September 30, 2014 and December 31, 2013 there is a total of 600,000,000 issued shares.

VULCAN INDUSTRIAL & MINING CORPORATION
Aging of Accounts Receivable
Sept. 30, 2014

	TOTAL	1-60 days	61-90 days	90-120 days	over 120 days
Types of Accounts Receivable					
a. Trade receivable	388,831	-	-	-	388,831
b. Non-Trade receivable					
b. Advances for Liquidation	840,638	300,000.00	120,000.00		420,638
c. Advances to Officers and Employees	202,731				202,731
d. Advances Against Royalties	1,745,147				1,745,147
c. Others	2,445,669				2,445,669
	5,623,016	300,000	120,000	-	5,203,016
Less: Allowance for Doubtful Accounts	3,948,299	-	-	-	3,948,299
Net Receivable	1,674,717	300,000	120,000	-	1,254,717