



SuperCity Realty Development Corporation

Service... Reliability... Development... Care...

Date : August 14, 2012 File No. : PSE 2012-016
To : Ms. Janet A. Encarnacion From : SRDC
Head, Disclosure Department
Subject : SEC Form 17-Q for the Interim Reports Ended June 30, 2012

Madam:

We hereby submit/upload SEC Form 17-Q for the Interim Financial Reports for the quarter ended June 30, 2012

If you have further queries, please feel free to call the undersigned.

Thank you.

Prepared by:

A handwritten signature in black ink, appearing to read "Enrique C. Cunanan".

Enrique C. Cunanan
Officer-In-Charge

SEC Number **A20000838**
File Number **5**

**SUPERCITY REALTY DEVELOPMENT
CORPORATION**

(Company's Full Name)

**Unit 1223 City & Land Mega Plaza,
ADB Avenue Corner Garnet Rd.
Ortigas Center, Pasig City**

(Company Address)

638-7779

(Telephone Number)

December 31

(Calendar Year Ending – Month & Day)

SEC Form 17-Q

(Form Type)

Amendment Designation (If Applicable)

June 30, 2012

Period Ended Date

(Secondary License Type and File Number)

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 **June 30, 2012**
2. Commission identification number **A200008385** 3. BIR Tax Identification No. **206-816-824**
4. Exact name of issuer as specified in its charter
SUPERCITY REALTY DEVELOPMENT CORPORATION
5. Province, country or other jurisdiction of incorporation or organization
METRO MANILA, PHILIPPINES
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office Postal Code
UNIT 1223 CITY & LAND MEGA PLAZA, ADB AVE.
CORNER GARNET ROAD, ORTIGAS CENTER, PASIG CITY **1605**
8. Issuer's telephone number, including area code **(632)6387779**
9. Former name, former address and former fiscal year, if changed since last report **NOT APPLICABLE**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and of debt
amount outstanding	

COMMON SHARES – P 1 par value	No. of Shares	Amount
Authorized	155,000,000	155,000,000.00
Issued	110,000,000	110,000,000.00
Subscribed	110,000,000	110,000,000.00

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

Yes No

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

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code 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 twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

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

Yes No

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Financial Positions
As of June 30, 2012 and December 31, 2011

	<u>30-Jun-12</u>	<u>31-Dec-11</u>
ASSETS		
CURRENT ASSETS		
Cash	3,299,316	3,744,240
Trade & other receivables (Note 1)	56,455,577	57,366,382
Prepayments and other current assets (Note 2)	20,989,008	21,597,251
Total current assets	<u>80,743,901</u>	<u>82,707,873</u>
NON-CURRENT ASSETS		
Trade and other receivables (Note 3)	28,000	28,000
Property and equipment - net (Note 4)	913	1,825
Total non-current assets	<u>28,913</u>	<u>29,825</u>
TOTAL ASSETS	<u>80,772,814</u>	<u>82,737,698</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade and other payables (Note 5)	24,711,717	24,104,332
Due to related parties (Schedule D)	756,170	5,111,246
Provision for repairs	473,678	473,678
Total current liabilities	<u>25,941,565</u>	<u>29,689,256</u>
NON-CURRENT LIABILITIES		
Retirement benefit obligation	513,638	486,138
Total Liabilities	<u>26,455,204</u>	<u>30,175,394</u>
EQUITY		
Capital stock	110,000,000	110,000,000
Additional paid-in capital	1,509,641	1,509,641
Retained earnings	(57,192,032)	(58,947,337)
Total equity	<u>54,317,609</u>	<u>52,562,304</u>
TOTAL LIABILITIES AND EQUITY	<u>80,772,814</u>	<u>82,737,698</u>

*Based on
Audited FS
31-Dec-11

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Comprehensive Income
For the 6-month periods ended June 30, 2012 and 2011

Account Title	April-June 2012	April-June 2011	Jan - June 2012	Jan - June 2011
REVENUES	15,234,598	12,240,701	24,119,698	13,057,209
CONTRACT COSTS	12,930,073	10,862,883	20,019,349	11,518,110
GROSS PROFIT	2,304,525	1,377,818	4,100,349	1,539,099
OPERATING EXPENSES				
Administrative expenses (Note 6)	635,761	561,897	1,198,555	1,267,122
Other operating expenses (Note 7)	243,659	233,435	424,513	422,027
	879,420	795,332	1,623,068	1,689,149
OPERATING PROFIT	1,425,105	582,486	2,477,281	(150,050)
OTHER INCOME (CHARGES)				
Other gains - net	17,750	6,486	30,298	16,836
	17,750	6,486	30,298	16,836
INCOME BEFORE TAX	1,442,855	588,973	2,507,579	(133,213)
TAX EXPENSE	432,857	176,692	752,274	(39,964)
NET INCOME	1,009,999	412,281	1,755,305	(93,249)
Earning Per Share				
Net Income	1,009,999	412,281	1,755,305	(93,249)
Shares Outstanding	110,000,000	110,000,000	110,000,000	110,000,000
Earning per share	0.0092	0.0037	0.0160	(0.0008)

Note 1	Trade & other receivables	As Of	
		06/30/2012	12/31/2011
	Current:		
	Contract receivable (net of impairment)	56,372,835	52,274,954
	Advances to officers and employees	12,000	-
	Due from related parties(net of impairment)	-	5,072,001
	Others	70,742	19,427
		56,455,577	57,366,382

Note 2	Prepayments and other current assets	As Of	
		06/30/2012	12/31/2011
	Creditable Withholding tax	18,320,985	18,141,727
	Advances to suppliers and subcontractors	2,622,131	3,409,631
	Prepaid Expenses	45,893	45,893
		20,989,008	21,597,251

Note 3	Non-current:	As Of	
		06/30/2012	12/31/2011
	Security Deposits	24,000	24,000
	Others	4,000	4,000
		28,000	28,000

Note 4	Property and equipment - net	Furniture	Transportation	Construction	Total
		and Fixtures	Equipment	Equipment	
	Balance at January 1, 2011 net of accumulated depreciation & amortization	1,825	-	-	1,825
	Additions	-	-	-	-
	Disposals	-	-	-	-
	Depreciation & amortization charges for the January - June	912	-	-	912
	Balance at June 30, 2011 net of accumulated depreciation and amortization	913	-	-	913

Note 5	Trade and other payables	As Of	
		06/30/2012	12/31/2011
	Trade	2,455,766	2,436,765
	Output VAT	-	118,178
	Advances from customers	6,276,553	6,544,397
	Deferred output valued-added taxes	11,945,674	11,251,119
	Retention fees	3,468,408	2,680,908
	Provision for contract losses	-	-
	Accrued subcontractors' fees	-	19,148
	Other payables and accrued expenses	565,317	1,053,817
	Total	24,711,717	24,104,332

Note 6

	April - June		January - June	
	2012	2011	2012	2011
Administrative Expenses:				
Salaries and employee benefits	182,530	178,009	356,799	353,031
Taxes and licenses	51,130	90,080	386,304	461,474
Depreciation and amortization	456	914	912	1,828
Professional fees	363,750	255,000	378,750	375,000
Rent	37,895	37,895	75,790	75,790
	<u>635,761</u>	<u>561,897</u>	<u>1,198,555</u>	<u>1,267,122</u>

Note 7

	April - June		January - June	
	2012	2011	2012	2011
Other Operating Expenses:				
Subscription	10,202	5,041	15,243	10,150
Contractual and service fees	149,673	135,005	284,678	270,010
Light and water	13,744	21,642	26,082	38,886
Stationery and supplies	9,426	10,096	9,609	12,056
Communications	8,324	6,565	13,234	13,164
Miscellaneous	52,290	55,086	75,667	77,761
	<u>243,659</u>	<u>233,435</u>	<u>424,513</u>	<u>422,027</u>

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Changes in Equity
For the 6-month periods ended June 30, 2012 and 2011

	Authorized Shares	Issued and Outstanding Shares	Capital Stock	Additional Paid-in Capital	Retained Earnings (Deficit)	Total
Balance at January 1, 2012	115,000,000	110,000,000	P 110,000,000	P 1,509,641	(P 58,947,337)	P 52,562,304
Net Income for Jan.-June	-	-	-	-	1,755,305	1,755,305
Balance at June 30, 2012	115,000,000	110,000,000	110,000,000	1,509,641	(57,192,032)	54,317,609
Balance at January 1, 2011	115,000,000	110,000,000	P 110,000,000	P 1,509,641	(P 40,095,755)	P 71,413,886
Net Income for Jan.-June	-	-	-	-	(93,249)	(93,249)
Balance at June 30, 2011	115,000,000	110,000,000	110,000,000	1,509,641	(40,189,004)	71,320,637

SUPERCITY REALTY DEVELOPMENT CORPORATION
Statements of Cash Flows
For the 6-month periods ended June 30, 2012 and 2011

	Jan - June 2012	Jan - June 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	2,507,579	(133,213)
Adjustments for:		
Depreciation and amortization	912	1,828
Interest income	30,298	12,188
Operating income before working capital changes	<u>2,538,789</u>	<u>(119,197)</u>
Decrease (Increase) in trade and other receivables	910,805	1,325,153
Decrease (Increase) in construction materials		-
Decrease (Increase) in prepayments and other current assets	608,244	(1,934,356)
Increase (Decrease) in trade payables and other payables	607,385	501,246
Increase (Decrease) retirement benefit obligation	<u>27,500</u>	<u>27,500</u>
Cash Generated from (used in) Operations	4,692,724	(199,654)
Interest paid	-	-
Applied for Income taxes	<u>(752,274)</u>	<u>39,964</u>
Net Cash From (Used in) Operating Activities	<u>3,940,450</u>	<u>(159,690)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	(30,298)	(12,188)
Termination of Held-to-maturity investment	-	2,007,440
Acquisitions of property and equipment	<u>-</u>	<u>-</u>
Net Cash From (Used in) Investing Activities	<u>(30,298)</u>	<u>1,995,252</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for Non-Interest-Bearing Loans	(4,355,076)	-
Proceeds from interest-bearing loans	<u>-</u>	<u>-</u>
Net Cash From (Used in) Financing Activities	<u>(4,355,076)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(444,924)	1,835,562
CASH AT BEGINNING OF YEAR	<u>3,744,240</u>	<u>811,259</u>
CASH AT END OF PERIOD	<u>3,299,316</u>	<u>2,646,821</u>

SUPERCITY REALTY DEVELOPMENT CORPORATION

Schedule of Aging of Accounts Receivable Trade

As of June 30, 2012

Client	Current	1 - 30 days	31 - 60 days	61 - 90 days	Overdue	Total
Verdant Point (VPC)	4,097,881			5,480,591	46,794,363	56,372,835
Total	4,097,881	-	-	5,480,591	46,794,363	56,372,835

Item 1.5. Earnings Per Share

The Company's earnings per share is presented on the face of the Income Statements on page 5 of this report. Said earnings per share is computed by dividing net income by the number of outstanding common shares.

Item 1.6. Disclosure that the issuer's interim financial report is in compliance with the accordance with generally accepted accounting principles in the Philippines as set forth in PFRSs

The interim financial report of the Company is in compliance with accordance with generally accepted accounting principles in the Philippines as set forth in PFRSs

Item 1.7. Notes to Financial Statements

Item 1.7.a. Accounting Policies and Methods

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. The principal accounting policies adopted in preparing the financial statements of the Company are as follows:

1. The financial statements have been prepared in accordance with generally accepted accounting principles in the Philippines as set forth in PFRSs.

New Interpretations, Revisions and Amendments to PFRS

(a) Effective in 2011 that are Relevant to the Company

In 2011, the Company adopted the following amendment, interpretation and annual improvements to PFRS that are relevant to the Company and effective for financial statements for the annual period beginning on or after July 1, 2010 or January 1, 2011:

PAS 24 (Amendment)	:	Related Party Disclosure
Philippine Interpretations International Financial Reporting Interpretations Committee (IFRIC) 19	:	Extinguishing Financial Liabilities with Equity Instruments
Various Standards	:	2010 Annual Improvements to PFRS

Discussed below are relevant information about these interpretation, amended standards and annual improvements.

- (i) PAS 24 (Amendment), *Related Party Disclosures* (effective from January 1, 2011). The amendment simplifies and clarifies the definition of a related party by eliminating

inconsistencies in determining related party relationships. The amendment also provides partial exemption from the disclosure requirements for government-related entities to disclose details of all transactions with the government and other government-related entities. The adoption of this amendment did not result in any significant change on the Company's disclosures of related parties in its financial statements.

- (ii) Philippine Interpretation IFRIC 19, *Extinguishing Financial Liabilities with Equity Instruments* (effective from July 1, 2010). This interpretation clarifies the accounting when an entity renegotiates the terms of a financial liability through issuance of equity instruments to extinguish all or part of the financial liability. These transactions are sometimes referred to as "debt for equity" exchanges or swaps. The interpretation requires the debtor to account for a financial liability which is extinguished by equity instruments as follows:
- the issue of equity instruments to a creditor to extinguish all or part of a financial liability is consideration paid in accordance with PAS 39, *Financial Instruments: Recognition and Measurement*;
 - the entity measures the equity instruments issued at fair value, unless this cannot be reliably measured;
 - if the fair value of the equity instruments cannot be reliably measured, then the fair value of the financial liability extinguished is used; and,
 - the difference between the carrying amount of the financial liability extinguished and the consideration paid is recognized in profit or loss.

The adoption of the interpretation did not have a material effect on the Company's financial statements as it did not extinguish financial liabilities through equity swap during the year.

- (iii) 2010 Annual Improvements to PFRS. Most of these amendments became effective for annual periods beginning on or after July 1, 2010 or January 1, 2011. Among those improvements, only the following amendments were identified to be relevant to the Company's financial statements but which did not have any material impact on its financial statements:
- PAS 1 (Amendment), *Presentation of Financial Statements: Clarification of Statement of Changes in Equity* (effective from July 1, 2010). The amendment clarifies that, for each component of equity, an entity may present an analysis of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Company does not have any other comprehensive income, thus, this amendment has no significant impact on the Company's financial statements.
 - PFRS 7 (Amendment), *Financial Instruments: Clarification of Disclosures* (effective from January 1, 2011). The amendment clarifies the disclosure requirements which emphasize the interaction between quantitative and qualitative disclosures about the nature and extent of risks arising from financial instruments. It also amends the required disclosure of financial assets including the financial effect of collateral held as security. This amendment has no significant effect on the financial statements since the Company already provides adequate information in its financial statements in compliance with the disclosure requirements.

(b) Effective in 2011 that are not Relevant to the Company

The following amendments and improvements to PFRS are mandatory for accounting periods beginning on or after January 1, 2011 but are not relevant to the Company's financial statements:

PAS 32 (Amendment)	:	Financial Instruments: Presentation – Classification of Rights Issues
PFRS 1 (Amendments)	:	First-time Adoption of PFRS – Limited Exemption from PFRS 7 Comparative Disclosures
2010 Annual Improvements		
PAS 21 (Amendment)	:	The Effects of Changes in Foreign Exchange Rates
PAS 28 (Amendment)	:	Investment in Associates
PAS 31 (Amendment)	:	Interests in Joint Ventures
PAS 34 (Amendment)	:	Interim Financial Reporting – Significant Events and Transactions
PFRS 3 (Amendment)	:	Business Combinations
PFRS 7 (Amendment)	:	Financial Instruments: Disclosures – Clarification of Disclosures
IFRIC 13 (Amendment)	:	Customer Loyalty Programmes – Fair Value Award Credits

(c) *Effective Subsequent to 2011 but not Adopted Early*

There are new and amended PFRS that are effective for periods subsequent to 2011. Management has initially determined the following pronouncements, which the Company will apply in accordance with their transitional provisions, to be relevant to its financial statements:

- (i) PFRS 7 (Amendment), *Financial Instruments: Disclosures – Transfers of Financial Assets* (effective from July 1, 2011). The amendment requires additional disclosures that will allow users of financial statements to understand the relationship between transferred financial assets that are not derecognized in their entirety and the associated liabilities; and, to evaluate the nature of, and risk associated with any continuing involvement of the reporting entity in financial assets that are derecognized in their entirety. The Company does not usually enter into this type of arrangement with regard to transfer of financial asset; hence, the amendment may not significantly change the Company's disclosures in its financial statements.
- (ii) PAS 1 (Amendment), *Financial Statements Presentation – Presentation of Items of Other Comprehensive Income* (effective from July 1, 2012). The amendment requires an entity to group items presented in other comprehensive income into those that, in accordance with other PFRS: (a) will not be reclassified subsequently to profit or loss; and, (b) will be reclassified subsequently to profit or loss when specific conditions are met. The Company's management does not expect this amendment to have a material impact on the financial statements since the Company has no other comprehensive income items.
- (iii) PFRS 13, *Fair Value Measurement* (effective from January 1, 2013). This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across PFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The Company is yet to assess the impact of this new standard.
- (iv) PFRS 9, *Financial Instruments: Classification and Measurement* (effective from January 1, 2015). This is the first part of a new standard on classification and measurement of financial assets and financial liabilities that will replace PAS 39 in its entirety. This chapter deals with two measurement categories for financial assets: amortized cost and fair value. All equity instruments will be measured at fair value while debt instruments will be measured at amortized cost only if the entity is holding it to collect contractual cash flows which represent payment of principal and interest. The accounting for embedded derivatives in host contracts that are financial assets is simplified by removing

the requirement to consider whether or not they are closely related, and, in most arrangement, does not require separation from the host contract.

For liabilities, the standard retains most of the PAS 39 requirements which include amortized-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in case where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than in profit or loss, unless this creates an accounting mismatch.

To date, other chapters of PFRS 9 dealing with impairment methodology and hedge accounting are still being finalized.

The Company does not expect to implement and adopt PFRS 9 until its effective date or until all chapters of this new standard have been published. In addition, management is currently assessing the impact of PFRS 9 on the financial statements of the Company and is committed to conduct a comprehensive study of the potential impact of this standard to assess the impact of all changes.

2. The financial statements have been prepared on a historical cost basis. The measurement bases are more fully described in the accounting policies below.
3. The financial statements are presented in Philippine pesos, the Company's functional currency, and all values represent absolute amounts except when otherwise indicated.
4. Financial assets are classified into financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company's financial assets, which consist mainly of cash and trade receivables, are recognized on their trade date and are initially recognized at fair value, plus transaction costs.
5. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.
Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses. Any change in their value is recognized in profit or loss. Loans and receivables are presented as Trade and Other Receivables in the balance sheets.
Impairment loss is provided when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated cash flows.
6. Derecognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.
7. Construction materials are valued at the lower of cost and net realizable value. Cost of construction materials is based on purchase cost on a moving average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
8. Property and equipment are stated at cost less accumulated depreciation, amortization and impairment in value, if any. The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use.
Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts and any resulting gain or loss is reflected in income for the period.

9. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Construction equipment	5-10 years
Transportation equipment	5 years
Furniture and fixtures	3 years

Leasehold improvements are amortized over 3 years or the term of the lease, whichever is shorter.

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

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

The Company's property and equipment are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment loss is charged pro rata to the other assets in the cash generating unit.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

10. Investment property is stated at cost less any impairment in value. The cost of investment property comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for maintenance are charged to expense as incurred. When investment property are sold, retired or otherwise disposed of, their cost and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in income for the period.

The carrying amount of investment property is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The Company determined whether a property qualifies as investment property. In making its judgment, the Company considers whether the property generated cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

11. Non-Current Asset Classified as Held-for-sale include investment property that the Company intends to sell within one year from the date of classification as held-for-sale.

Non-current asset classified as held-for-sale is measured at the lower of its carrying amount, immediately prior to the classification as held-for-sale, and its fair value less costs to sell. The profit or loss arising from the sale or revaluation of held-for-sale assets is recognized in the income statement.

12. Financial liabilities include bank loans and trade and other payables. Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument. All interest related charges are recognized as an expense in the statement of income under the caption Finance Costs.

Trade payables are recognized initially at their nominal value and subsequently measured at amortized cost less settlement payments.

Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation or expiration.

13. Revenue and Cost Recognition. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific revenue recognition criteria must also be met before revenue is recognized:

- Revenues and costs from contracts – Revenue is recognized based on actual work done which is consistent with the percentage-of-completion method. Under this method, revenues are recognized in proportion to the actual stage of completion of the project as a percentage of total estimated costs for each contract as determined and certified by project engineers. Costs are recognized based on actual costs incurred. Adjustments in the contract price or the estimated costs are recorded prospectively when they become known while anticipated losses on the contracts are recorded in full when determined.
 - Rental income – Revenue is recognized when the amount of the agreed rent is billed and earned.
 - Scrap sales – Revenue is recognized when the title of the scrap construction materials passes to the buyer.
 - Forfeiture income – When the performance of contractually agreed tasks is not completed by the subcontractors at the specified time in the contract, a portion of the retention fees payable is forfeited and recognized as income.

Cost and expenses are recognized in the statement of income upon utilization of the service or at the date they are incurred. Finance costs are reported on an accrual basis.

14. Leases. Company as lessee – Leases which do not transfer to the Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as expense in the statement of income on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred. Company as lessor – Leases which do not transfer to the Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized as income in the statement of income on a straight-line basis over the lease term. Indirect costs incurred by the lessor in negotiating and arranging for an operating lease is added to the carrying amount of the leased asset and recognized as expense over the lease term.

15. *Retirement Benefit Obligations*

The Company has not established a formal retirement plan. However, it recognizes the estimated defined benefit obligations (under Republic Act No. 7641, the “Retirement Act”) using the Projected Unit Credit Method as computed by an actuary.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of pension plan remains with the Company, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund, as well as qualifying insurance policies. The Company’s defined benefit pension plan covers all regular full-time employees.

The liability recognized in the balance sheet for defined benefit pension plans is the present value of the defined benefit obligation (DBO) at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The DBO is calculated annually by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are not recognized as an expense unless the total unrecognized gain or loss exceeds 10% of the greater of the obligation and related plan assets. The amount exceeding this 10% corridor is charged or credited to profit or loss over the employees’ expected average remaining working lives. Actuarial gains and losses within the 10% corridor are disclosed separately. Past-service costs are recognized immediately in the statement of income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified

period of time (the vesting period). In this case, the past service costs are amortized on a straight-line basis over the vesting period.

16. Income Taxes. Current income tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the statement of income.

Deferred tax is provided, using the balance sheet liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets can be utilized.

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

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the statement of income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity

17. Equity. Capital stock is determined using the nominal value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuing of capital stock.

Any transaction costs associated with the issuing of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Retained earnings include all current and prior period results as disclosed in the statements of income

Item 1.7.b. Comments about the seasonality or cyclicity of interim operations

For the past few years, the Company's construction activities are sluggish during the first (1st) quarter. It peaks starting on the summer months, that is, during the second (2nd) to the third (3rd) quarter of the year. There are instances, however, when the Company is still active in its construction projects during the last quarter of the year especially when the Developers accumulate their inventory in time for the influx of buyers in December. However, for the first (1st) quarter of the current year, the Company generated higher revenue since the land development contract awarded last year is on its full blast operation. For the 2nd quarter, the Company's revenue will continue to increase for this land development project.

Item 1.7.c. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidents

See Item 2.2.e

Item 1.7.d. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, if those changes have material effects in the current interim period

There were no changes in estimates reported in prior periods which could materially affect the current interim period.

Item 1.7.e. Issuances, repurchases and repayments of debt and equity securities

For the 1st quarter of this year, there were neither payments nor availments of interest-bearing loans. Likewise, there were no issuances, repurchases or repayments of equity securities.

Item 1.7.f. Payment of dividend

There were no dividends paid during the first quarter of the year.

Item 1.7.g. Segment revenue and segment result for business segments or geographical segments, whichever is the issuer's primary basis of segment reporting

As of June 30, 2012, the Company has not yet started any real estate development projects. Currently, the Company is continuously engaged in the business of construction, its sole business activity where it utilizes the services of subcontractors. Hence, no segment information and disclosures are presented in the Company's financial statements.

Item 1.7.h. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period

There are no material events subsequent to June 30, 2012 that have not been reflected in the financial statements for the sixth (6)-month period covered January to June 30, 2012.

Item 1.7.i. Effect of changes in the composition of the issuer during the interim period, including business combinations, acquisition, or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations

There were no changes in the composition of the Company during the interim period.

Item 1.7.j. Changes in contingent liabilities or contingent assets since the last annual balance sheet date

There were no changes in contingent liabilities or contingent assets since December 31, 2011.

Item 1.7.k. Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period

There are commitments, guarantees and contingent liabilities relating to construction projects entered into by the Company that arise in the normal course of business which are not reflected in the interim financial statements. Management believes, however, that any loss that could arise from these commitments and contingencies will not have a material effect on the Company's financial statements as of and for the six-month period ending June 30, 2012.

Following are the Schedules required under SRC Rule 68.1-M:

Schedule A – Marketable Securities

The Company has no marketable securities. Thus, the schedule is omitted.

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

Supercity Realty Development Corporation

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders

As of June 30, 2012

Name and Designation of Debtor	Balance at Beginning of Period	Amounts				Balance at End Of Period
		Additions	Collected (2)	Current	Not Current	
Related Parties:						
City and Life Property, Inc. Prosperity Builders Resources	2,941,929	-	2,941,929	-	-	-
Supreme Housing Builders	1,692,254	-	1,692,254	-	-	-
Total	5,072,001	-	5,072,001	-	-	-

Schedule C – Non-Current Marketable Equity Securities, Other Long-Term Investments in Stocks, and Other Investments

The Company has no Non-Current Marketable Equity Securities, Other Long-Term Investments in Stocks, and Other Investments. Thus, the schedule is omitted.

Schedule D – Indebtedness to Unconsolidated Subsidiaries and Related Parties

SUPERCITY REALTY DEVELOPMENT CORPORATION
Schedule D. Indebtedness to Unconsolidated Subsidiary and Related Parties
As of June 30, 2012

Name of Designation of Debtor	Balance Beginning of Period	Additions	Amounts Collected (2)	Amounts Written off (3)	Current	Not Current	Balance at End Of Period
Prosperity Builders Realty	39,245	-	39,245	-	-	-	-
Total	5,111,246	756,170	5,111,246	-	756,170	-	756,170

Schedule E – Intangible Assets – Other Assets

The Company has no intangible assets. Thus, the schedule is omitted.

Schedule F – Long-Term Debt

The Company has no long-term debt. Thus, the schedule is omitted.

Schedule G – Indebtedness to Related Parties

The Company has no indebtedness to related parties. Thus, the schedule is omitted.

Schedule H – Guarantees of Securities of Other Issuers

The Company has no guarantees of securities of other issuers. Thus, the schedule is omitted.

Schedule I – Capital Stock

As of June 30, 2012

Title of Issue	No. of shares authorized	No. of shares issued and outstanding	No. of shares reserved for options, warrants, conversion and other rights	No. of shares held by		
				Related parties	Directors, officers and employees	Others
Common	155,000,000	110,000,000		12,160,000	44,035,000	53,805,000

Note: Certain officers, directors and stockholders of these related parties purchased shares of stock in the Company's initial public offering.

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

Item 2.1. Comparable discussion that will enable the reader to assess material changes in financial condition and results of operation since the end of the last fiscal year and for the comparable interim period in the preceding financial year

Financial Condition

Total Assets

The Company's total assets amounted P 80.77M as of June 30, 2012, 2.37% lower than the December 31, 2011 figure of P 82.74M. There was a minimal change on the total assets of the company since it has no unusual business transactions. The decrease was brought about by the decrease in cash balance and trade receivables accounts. Other accounts almost the same.

Property and Equipment

Property and equipment as of December 31, 2011 amounted to P 1.83K. It dropped to P0.91K as of June 30, 2012, a 50% decrease. The decrease was due to provision for regular monthly depreciation and amortization of the company's property and equipment and other assets. Moreover, the Company employs subcontractors that can provide the necessary equipment.

Total Liabilities

The Company's total liabilities as of June 30, 2012 amounted to P 26.46M, a 12.33% decrease as compared to the December 31, 2011 balance of P 30.18M. The decrease was primarily brought by the decrease in due to related parties account for the payment thereof. However, there was a decrease in retention fees due to collection thereof.

Liquidity

The Company posted a current ratio of 3.11:1 as of June 30, 2012 lower than the 2.79:1 current ratio as of December 31, 2011. The slight decrease can be attributed to the recoupment of advances from customers taken from the company's collections from its clients.

Leverage

Debt-to-equity ratio as of June 30, 2012 was determined to be 0.49:1 lower than the 0.57:1 ratio as of December 31, 2011. The decrease was brought about by the decrease on the due to related parties account. However, the equity portion increased by the net income earned for the given period.

Results of Operation

Revenues

Revenues from contracts for 2012Q2 amounted to P 15.23M, 24.46% higher than the P 12.24M in 2011Q2. The increase can be attributed to the full blast operation for the land development project awarded to the Company last year. Moreover, contract revenues for the 2012Q2 were generated from the Eastwood Residences Phases 6 and 7 projects in Montalban, Rizal.

Gross Profit

Gross profit from construction contracts increased by 67.26% from P 1.38M in 2011Q2 to P2.30M in 2012Q2. On the other hand, gross profit ratio remains the same at 15.00%. Thus, the increase on the contract revenue for 2012Q2 resulted to higher gross profit.

Cost and Expenses

Costs and expenses for 2012Q2 amounted to P 13.81M, 18.45% higher than the P 11.66M in 2011Q2. Cost of services for 2012Q2 comprised 94% of the total costs and expenses. Cost of services increased by 19.03% from P 10.86M in 2011Q2 to P 12.93M in 2012Q2. The increase was primarily brought about by the increase in revenue generated in 2012Q2 since most of these costs are variable in nature.

For the total operating expenses, 2012Q2 amounted to 0.88M, 10.57% higher than the 2011Q2 of 0.80M. The increase was primarily brought about by the professional fees incurred for the given quarter in 2012.

Operating Profit (Loss)

As a result of the foregoing, operating profit (loss) in 2012Q2 amounted to P 1.43M from P 0.58M in 2011Q2. Correspondingly, operating margin (loss) ratio increased from 4.76% in 2011Q2 to 9.35% in 2012Q2. The increase can be attributed to the higher revenue generated by the Company in 2012Q2 as discussed under revenue above.

Other Income / Charges

No financing costs incurred in 2011Q2 and in 2012Q2 since there was no interest-bearing loans for the given quarter.

Other gains for the interest income increased from P 6.49K in 2011Q2 to P 17.75K in 2012Q2, the increase can be attributed to the higher interest earned in the 2012Q1.

Net Income (Loss)

As a result of the higher revenue this 2011Q2, net income increased from P 0.41M in 2011Q2 to P 1.00M in 2012Q2. This likewise resulted to the increase of net income ratio of 3.37% in 2011Q2 to 6.63% in 2012Q2. Finally, this translated into earnings (loss) per share of P0.0092 in 2012Q2 from P0.0037 in 2011Q2.

Key Performance Indicators

Return on Investment (ROI)

The Company computes return on investment (ROI) by dividing net income for the period by the weighted average capital stock, wherein capital stock equals capital stock subscribed plus net additional paid-in capital. This is to determine how much stockholders have earned on their investment in the Company.

For 2012Q2, the Company posted an ROI of 0.92% compared to the 2011Q2 ROI of 0.37%. The increase in ROI can be attributed to the higher revenue and net income generated for the given period.

Fixed Assets Turnover

Fixed assets turnover is computed as sales for the period divided by the average fixed assets. A significant portion of the fixed assets (property and equipment, net of accumulated depreciation) is composed of construction and other site-based equipments. Since these equipments are major components in generating revenues, the fixed assets turnover is therefore deemed important. The higher the fixed assets turnover, the better it is for the Company. A high fixed assets turnover ratio would mean that the Company was able to make full use of its assets in generating revenues.

The Company posted a fixed assets turnover rate of 11,128 times in 2012Q2 higher than the 2,680 times in the same period of the year 2011Q2. The increase in the fixed assets turnover rate can be attributed to the higher revenue earned for 2012Q2.

Current Ratio

Current ratio is computed as current assets divided by current liabilities. The Board of Directors and the Management believe that this is an important measure of the liquidity of the Company as it reflects the capacity of the Company to pay for its short-term maturing obligations particularly trade payables, bank loan and advances from customers. The higher the current ratio, the better it is for the Company.

Current ratio as of June 30, 2012 was computed at 3.11:1 lower than the 2.79:1 ratio at the beginning of the year. The slight decrease can be attributed to the increase in the other payables and accrued expenses..

Debt to Equity Ratio

Debt-to-equity ratio is computed by dividing the Company's liabilities by the total stockholders' equity as of the end of the year. The leverage ratio indicates how the Company's operations are financed, that is, either by debt or equity. A 1:1 debt equity ratio is the preferred ratio as it favors both the creditors and the stockholders.

Debt-to-equity ratio as of June 30, 2012 was determined to be 0.49:1 slightly lower than the 0.57:1 times as of December 31, 2011. The decrease was brought about by the decrease on the due to related parties and trade and other payables accounts. Likewise, the equity portion increased due to net income generated by the Company in 2012Q2.

Item 2.2. Discussion and analysis of material event/s and uncertainties known to Management that would address the past and would have an impact on future operations of the following:

2.2.a. Any known trends, demands, commitments, events, uncertainties that will have a material impact on the issuer's liquidity

There are no material commitments that may affect the company's liquidity.

2.2.b. Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures

There are no material commitments for capital expenditures.

2.2.c. 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

The 2nd quarter of the year 2012, the Company generated its revenue from construction activities. The Management expects that Company will still continue to engage in construction until such time that its plan to engage into real estate business is pursued.

2.2.d. Any significant elements of income or loss that did not arise from the issuer's continuing operations

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

2.2.e. The causes of any material change/s (5% or more) from period to period in one or more line items of the issuer's financial statements (present in tabular form)

Balance Sheets Items:

Account Title	As Of		Inc/(Dec)		Remarks
	30-Jun-12	31-Dec-11	Amount	%	
Cash & cash equivalents	3,299,316	3,744,240	(444,924)	-12%	Decrease due to the payment for trade payables and payment for related parties accounts
Property and equipment - net	913	1,825	(912)	-50%	Due to recognition of depreciation, there were no fixed assets acquired this year
Due to Related Parties	756,170	5,111,246	(4,355,076)	-85%	Decrease due to payment of this account
Retirement Obligation	513,638	486,138	27,500	6%	Increase due to recognition of retirement obligation f

Income Statement Items:

Account Title	For the Quarter Ending		Inc/(Dec)		Remarks
	06.30.12	06.30.11	Amount	%	
Revenues	15,234,598	12,240,701	2,993,897	24%	Increase due to the full blast operation for the land development contract during the 2012Q2
Contract Cost	12,930,073	10,862,883	2,067,191	19%	The Increase is caused by higher construction activities as reflected in the above revenue item since this item is variable in nature
Gross Profit	2,304,525	1,377,818	926,706	67%	Due to higher revenue generated in 2012Q2 as discussed above
Administrative Expenses	635,761	561,897	73,864	13%	Increase is mainly due to the audit fees fully paid and recorded this 2012Q2
Operating Profit	1,425,105	582,486	842,619	145%	Due to higher revenue generated in 2012Q2 as discussed above
Other gains - net	17,750	6,486	11,264	174%	This pertains to interest earned for the given quarters
Income Befor Tax	1,442,855	588,973	853,883	145%	Due to higher revenue generated in 2012Q2 as discussed above
Tax Expense	432,857	176,692	256,165	145%	Due to higher revenue generated in 2012Q2 as this item is based on income
Net Income	1,009,999	412,281	597,718	145%	Increase is mainly due to the higher revenue earned for given quarter

2.2.f. Any seasonal aspects that had a material effect on the financial condition or results of operations

There are no seasonal aspects that had a material effect on the financial condition or results of operations

PART II--OTHER INFORMATION

NONE


SIGNATURES

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

Issuer **SUPERCITY REALTY DEVELOPMENT CORPORATION**

Date.....

Principal Financial/Accounting Officer/Controller

Signature and Title _____ /  / **MR. ENRIQUE C. CUNANAN**
ADGM-Finance & Admin

DateAugust 14, 2012