

VALUERICH, INC.

QUARTERLY REPORT

QUARTER ENDED MARCH 31, 2012

Item 1. The exact name of the issuer and its principal executive offices.

VALUERICH, INC.

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Port Saint Lucie, Florida 34985-9047
(772) 398-1788

Fax:

Website: www.ivaluerich.com

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Item 2. Shares outstanding.

	# of Shares of Common Stock				# of	# of
<u>As of</u>	<u>Outstanding</u>	<u>Authorized</u>	<u>Public Float</u>	<u>Beneficial</u>	<u>Shareholders</u>	
March 31, 2012	11,033,377	100,000,000	2,744,376	<u>Owners</u>	<u>of Record</u>	
				3	283	

Item 3. Interim Financial Statements

Consolidated unaudited financial Statements for the three months ended March 31, 2012 and 2011 are included herein as follows:

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D. Brooks and Associates CPA's, P.A.

Certified Public Accountants • Valuation Analyst • Advisors

Stockholders of
ValueRich, Inc.
Port Saint Lucie, Florida

We have compiled the accompanying consolidated balance sheets of ValueRich, Inc. and Subsidiaries as of March 31, 2012 and December 31, 2011, the related consolidated statements of operations and cash flows for the three months ended March 31, 2012 and 2011, and the related statement of stockholders' equity for the three months ended March 31, 2012. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We are not independent with respect to ValueRich, Inc.

/s/ D. Brooks and Associates CPA's, P.A.

May 12, 2012

VALUERICH, INC.
CONSOLIDATED BALANCE SHEETS - UNAUDITED

	<u>March 31, 2012</u>	<u>December 31, 2011</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 42,920	\$ 193,874
Accounts receivable - related parties	15,000	15,000
Current portion of note receivable - related party	456,299	425,181
Deferred financing costs	57,729	67,108
Total current assets	<u>571,948</u>	<u>701,163</u>
PROPERTY AND EQUIPMENT, net	<u>177,283</u>	<u>178,807</u>
OTHER ASSETS:		
Real estate held for development and sale	1,201,475	1,212,028
Note receivable - related party, less current portion	101,927	161,347
Due from construction escrow	53,487	42,542
Total other assets	<u>1,356,889</u>	<u>1,415,917</u>
Total assets	<u>\$ 2,106,120</u>	<u>\$ 2,295,887</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 453,235	\$ 466,644
Current portion of notes payable, net	316,480	208,583
Total current liabilities	<u>769,715</u>	<u>675,227</u>
LONG-TERM LIABILITIES:		
Notes payable, net - less current portion	288,177	565,044
Total liabilities	<u>1,057,892</u>	<u>1,240,271</u>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock; \$0.01 par value; 100,000,000 shares authorized; 11,033,377 and 9,683,377 shares issued and outstanding, respectively	110,333	96,833
Additional paid-in capital	7,432,255	7,420,635
Treasury stock (600,000 shares)	-	(25,100)
Accumulated deficit	<u>(6,494,360)</u>	<u>(6,436,752)</u>
Total stockholders' equity	<u>1,048,228</u>	<u>1,055,616</u>
Total liabilities and stockholders' equity	<u>\$ 2,106,120</u>	<u>\$ 2,295,887</u>

See accountant's report and accompanying notes to consolidated financial statements.

VALUERICH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	Three Months Ended	
	March 31,	
	2012	2011
	<u> </u>	<u> </u>
REVENUE:		
Service income	\$ 56,438	\$ 12,000
Real estate sales	185,701	-
Net revenue	<u>242,139</u>	<u>12,000</u>
COST OF REVENUE	<u>36,466</u>	<u>-</u>
Gross profit	<u>205,673</u>	<u>12,000</u>
OPERATING EXPENSES:		
Salaries and wages	100,685	29,981
General and administrative expenses	65,170	55,448
Professional fees	75,252	9,164
Depreciation and amortization expense	1,524	1,598
Total operating expenses	<u>242,631</u>	<u>96,191</u>
LOSS FROM OPERATIONS	<u>(36,958)</u>	<u>(84,191)</u>
OTHER INCOME (EXPENSES):		
Interest expense	(32,996)	(8,855)
Interest income	12,346	12,427
Net other income (expense)	<u>(20,650)</u>	<u>3,572</u>
LOSS BEFORE PROVISION FOR INCOME TAXES	(57,608)	(80,619)
INCOME TAX PROVISION	<u>-</u>	<u>-</u>
NET LOSS	<u>\$ (57,608)</u>	<u>\$ (80,619)</u>
NET LOSS PER SHARE - BASIC AND DILUTED	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
WEIGHTED AVERAGE SHARES OUTSTANDING - BASIC AND DILUTED	<u>11,033,377</u>	<u>9,617,124</u>

See accountant's report and accompanying notes to consolidated financial statements.

VALUERICH, INC.
STATEMENT OF STOCKHOLDERS' EQUITY - UNAUDITED

	<u>Common Stock</u>		<u>Additional</u>	<u>Treasury</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid-in</u> <u>Capital</u>	<u>Stock</u>	<u>Deficit</u>	
Balance - December 31, 2011	9,683,377	\$ 96,833	\$7,420,635	\$ (25,100)	\$ (6,436,752)	\$1,055,616
Repurchase of common stock	-	-	-	(24,000)	-	(24,000)
Issuance of common stock for extension of debt maturity	150,000	1,500	6,000	-	-	7,500
Stock-based compensation	1,200,000	12,000	5,620	49,100	-	66,720
Net loss	-	-	-	-	(57,608)	(57,608)
Balance - March 31, 2012	<u>11,033,377</u>	<u>\$ 110,333</u>	<u>\$7,432,255</u>	<u>\$ -</u>	<u>\$ (6,494,360)</u>	<u>\$1,048,228</u>

See accountant's report and accompanying notes to consolidated financial statements.

VALUERICH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED

	Three Months Ended March 31,	
	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES:		
Net loss	\$ (57,608)	\$ (80,619)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	1,524	1,598
Gross profit on sale of real estate	(149,235)	-
Stock-based compensation	66,720	-
Amortization of deferred financing costs	16,879	3,565
Amortization of debt discount	404	232
Accrued interest on note receivable - related party	(11,698)	(12,953)
Changes in operating assets and liabilities:		
Increase in trade accounts receivable	-	(12,000)
Increase (decrease) in accounts payable and accrued expenses	(13,409)	78,440
Net cash used in operating activities	<u>(146,423)</u>	<u>(21,737)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from the sale of real estate	185,701	-
Investment in real estate held for development and sale	(25,913)	(60,748)
Advances for clubhouse construction	(10,945)	-
Principal payments on note receivable	40,000	-
Net cash provided by (used in) investing activities	<u>188,843</u>	<u>(60,748)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Purchase of treasury stock	(24,000)	-
Principal payments on notes payable	(169,374)	-
Proceeds from stockholder loans	-	78,098
Net cash provided by financing activities	<u>(193,374)</u>	<u>78,098</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(150,954)	(4,387)
CASH AND CASH EQUIVALENTS, Beginning of period	193,874	16,261
CASH AND CASH EQUIVALENTS, End of period	<u>\$ 42,920</u>	<u>\$ 11,874</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	<u>\$ 32,996</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>
SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Conversion of convertible debt and accrued interest into common stock	<u>\$ -</u>	<u>\$ 33,752</u>
Note payable issued for consulting services	<u>\$ -</u>	<u>\$ 35,000</u>
Common stock issued for investment in real estate	<u>\$ -</u>	<u>\$ 132,000</u>

See accountant's report and accompanying notes to consolidated financial statements.

VALUERICH, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2012

Note 1 - Organization and Basis of Presentation

ValueRich, Inc., (the “Company”), was incorporated under the laws of the state of Florida on July 11, 2003 and reincorporated in Delaware on March 3, 2006.

On January 20, 2010, the Company’s wholly owned subsidiary, VR Preserve Development, LLC (the “VR Preserve”), acquired certain assets related to the Tesoro Preserve Development located in Port St. Lucie, Florida, (“the Development”) from an unaffiliated third party. The Tesoro Preserve Development is a private 350-acre community with 440 individual home sites in St. Lucie County, Florida. Included in the asset purchase was six (6) waterfront single-family residential lots, seventy-six (76) single family residential lots, approximately seven (7) acres of commercially zoned parcel located adjacent to the residential community, and certain related Appurtenances, Improvements, Personal Property, Intangible Property, Assigned Agreements, Leases, Interests as Declarant under the Master Declaration, and Association Rights as defined in the Contract for Sale and Purchase, dated December 31, 2009 between Ginn-La Wilderness Ltd., LLL (the “Seller”) and Seaboard Home Building, Corp. (the “Assignor”), which was assigned to the Company pursuant to an Assignment of Contract that the Company had entered into with the Assignor.

Subsequent to the acquisition of the Tesoro Preserve Assets, the Company has acquired an additional 22 residential lots within the Tesoro Preserve, including two partially completed single family homes.

In December 2010, the Company entered into a Joint Venture Agreement with an investor, whereby the investor provides funding for the purchase, by the Joint Venture, of real estate in and around the Tesoro Preserve community. The Company holds a 50% interest in the joint venture, provides daily management of real estate acquisition process, and is generally entitled to 50% of the profits from the eventual sale of acquired real estate. As of March 31, 2012, the Joint Venture owns 10 residential lots within the Tesoro Preserve community.

In July 2011 the Company, through a wholly owned subsidiary, entered into a property management agreement the Tesoro Preserve Property Owners’ Association (“POA”), pursuant to which the Company’s wholly owned subsidiary will provide management services to the POA. The Company’s chief executive officer is the chairman of the board of directors of the POA.

Note 2 – Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. The Company bases its estimates on historical experience, management expectations for future performance, and other assumptions as appropriate. Key areas affected by estimates include the assessment of the recoverability of long-lived assets, which is based on such factors as estimated future cash flows. The Company re-evaluates its estimates on an ongoing basis; actual results may vary from those estimates.

Principles of Consolidation

The consolidated financial statements (“financial statements”) include the accounts of ValueRich, Inc. and its wholly-owned subsidiaries; Tesoro Preserve Development, LLC, Tesoro Preserve Opportunity Fund, LLC, Tesoro Club, LLC, VR Circle Holdings, LLC, VR Premier Holdings, LLC, VRPT, LLC, JAMO Development, LLC and NOBO Group, LLC and have been prepared in accordance with U.S. generally accepted accounting principles. All intercompany transactions and balances have been eliminated in consolidation.

Investment in Real Estate Held for Development and Sale

Costs incurred that are directly attributable to the acquisition, development, and construction of real estate are capitalized. The carrying amount of real estate held for development and sale is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the real estate may not be recoverable. An impairment loss is recognized if the carrying amount of the real estate is not recoverable. The carrying amount is not recoverable if it exceeds the undiscounted sum of cash flows expected to result from the disposition of the real estate. If the carrying value is not recoverable, an impairment loss is recorded equal to the excess of the carrying amount of the real estate over its fair value. There have been no events or changes in circumstances that indicate that the carrying amount of the real estate may not be recoverable.

Revenue Recognition

The Company recognizes revenue and profit in full on the sale of real estate when 1) a sale is consummated as indicated by a binding agreement, the exchange of all consideration, arrangement of permanent financing, if any, and all conditions precedent to the closing having been met; 2) the buyer’s commitment to pay has been demonstrated and collectibility of the sales price is reasonably assured or the amount that will not be collected can be reasonably estimated; 3) any receivable from the buyer is collateralized by the property and not subject to subordination other than by existing or contemplated liens; and 4) the Company has transferred the usual risks and rewards of ownership to the buyer, is not obligated to perform significant activities after the sale without compensation, and does not otherwise have substantial continuing involvement in the property.

The Company recognizes consulting and management fee revenue when persuasive evidence of an arrangement exists, performance has occurred according to the terms of the relevant agreement, the price is fixed and determinable, and collectibility is reasonably assured.

Deferred Financing Costs

Direct costs incurred in connection with the issuance of debt are capitalized and amortized into interest expenses over the term of the related debt.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents. The Company places its cash and cash equivalents with high quality financial institutions which at times may exceed the FDIC insurance limit. The Company held no amounts in excess of FDIC limits as of March 31, 2012.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Property, Plant and Equipment

Property and equipment are stated at historical cost and are depreciated using the straight-line method over their estimated useful lives. The useful life and depreciation method are reviewed periodically to ensure that the depreciation method and period are consistent with the anticipated pattern of future economic benefits. Expenditures for maintenance and repairs are charged to operations as incurred while renewals and betterments are capitalized. Gains and losses on disposals are included in the results of operations.

The Company provides for depreciation over the assets' estimated lives as follows:

Building	40 years
Computers, software and equipment	3 years
Furniture and fixtures	5 years
Leasehold improvements	Lesser of lease life or economic life

Impairment or Disposal of Long-lived Assets

The Company applies the provisions of Accounting Standards Codification (“ASC”) Topic 360, “Property, Plant, and Equipment,” which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. ASC 360 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair market value of the long-lived assets. Loss on long-lived assets to be disposed of is determined in a similar manner, except that fair market values are reduced for the cost of disposal. The Company has determined that there were no impairments of its long-lived assets during the three months ended March 31, 2012 or 2011.

Fair Value of Financial Instruments

On January 1, 2008, the Company adopted FASB ASC 820-10, “Fair Value Measurements and Disclosures.” FASB ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the consolidated balance sheets for receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company did not identify any assets or liabilities that are required to be presented on the balance sheets at fair value as of March 31, 2012 or December 31, 2011 in accordance with FASB ASC Topic 815.

Income Taxes

Income taxes are provided based upon the asset and liability method of accounting in accordance with ASC Topic 740 “Income Taxes”. The Company is required to compute deferred income tax assets for net operating losses carried forward. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be realized or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The realization of deferred tax assets is assessed throughout the year and a valuation allowance is recorded if necessary to reduce net deferred tax assets to the amount more likely than not to be realized. The potential benefits of net operating losses (“NOLs”) have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

The Company has an NOL carry forward for income tax reporting purposes that may be offset against future taxable income. Current tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Accordingly, the amount available to offset future taxable income may be limited. No tax benefit has been reported in the financial statements, because the Company is uncertain if they will ever be in a position to utilize the NOL carry forward. Accordingly, the potential tax benefits of the loss carry forward are offset by a valuation allowance of the same amount.

The Company is current in its filing of federal income tax returns. The Company believes that the statutes of limitations for its federal income tax returns are open for years after 2007. The Company is not currently under examination by the Internal Revenue Service or any other taxing authority.

The Company’s practice is to recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. As of March 31, 2012 and December 31, 2011, the Company had no accrued interest or penalties.

Basic and Diluted Losses Per Share

Earnings per share is calculated in accordance with the FASB ASC 260, “Earnings Per Share.” Basic earnings per share is based upon the weighted average number of common shares outstanding. Diluted earnings per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. All dilutive securities were excluded from the diluted loss per share due to the anti-diluted effect. As of March 31, 2012 and December 31, 2011, the Company had no potentially dilutive securities outstanding.

Stock-Based Compensation

The Company records stock-based compensation in accordance with ASC Topic 718, “Compensation – Stock Compensation.” ASC 718 requires companies to measure compensation cost for stock-based employee compensation at fair value at the grant date and recognize the expense over the employee’s requisite service period. Under ASC 718, the Company’s volatility is based on the historical volatility of the Company’s stock or the expected volatility of similar companies. The expected life assumption is primarily based on historical exercise patterns and employee post-vesting termination behavior. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

The Company recognizes in the statement of operations the grant-date fair value of equity-based compensation issued to employees and non-employees. See Note 6.

Subsequent Events

The Company has evaluated subsequent events through May 12, 2012 which is the date the consolidated financial statements were available for issuance.

Recently Issued Accounting Standards

Management does not believe that any recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying consolidated financial statements.

Note 3 – Note Receivable – Related Party

On January 19, 2010, the Company entered into a four year 8% note receivable agreement with Tesoro Preserve Property Owners Association Inc. (“the POA”) evidencing amounts advanced to the POA. The Note Receivable requires monthly payments of principal and interest totaling \$15,000 commencing on February 19, 2010. The note agreement required an initial payment of principal in the amount of \$120,000. Any unpaid principal or interest is due in full upon the earlier of January 14, 2014 or the turnover of the development to the property owners. As of March 31, 2012, the note receivable balance, including accrued interest was \$558,226. The Company’s chief executive officer is the chairman of the board of directors of the POA.

Note 4 – Notes Payable

Notes payable as of March 31, 2012 and December 31, 2011 consist of the following:

	<u>2012</u>	<u>2011</u>
<p>On February 10, 2010, the Company issued a 6% one-year promissory note in the amount of \$200,000. Accrued interest is due on a monthly basis commencing on March 10, 2010. Any unpaid interest and outstanding principal balance is payable and due on the earlier of February 10, 2011 or when the Company raises a minimum of \$1,500,000 of Investor capital. In connection with the issuance of the note, the Company incurred \$18,305 of financing costs which was amortized over the one-year term of the note. The Company also agreed to issue to the holder 250,000 shares of the Company’s common stock. The Company allocated \$35,052 of the net proceeds from the note to the common stock based on their relative fair value on the date of the note issuance. The fair value of the common stock was based on quoted market prices and the amount allocated to the common stock is recorded as a discount which was amortized into expense over the one-year term of the note. In January 2012, the holder of the note agreed to extend the maturity date until August 2012 in exchange for 150,000 shares of the Company’s common stock.</p>	\$ 200,000	\$ 200,000
<p>On June 18, 2010, the Company issued a note payable in the amount of \$25,000 pursuant to a private placement offering (“Offering”) by its wholly owned subsidiary, Tesoro Preserve Opportunity Fund, LLC (“the Fund”). The proceeds of the note were used to acquire “build ready” home lots, located within the Tesoro Preserve Development that are either bank owned, in foreclosure, or impaired by liens. The note bears interest at an annual rate of 8% and matures in June 2013 unless repaid early as allowed by the terms of the note. The holder of note is entitled to 50% of a pro rate share of the profits of the Fund after repayment of all outstanding principle and interest to all investors in the Offering. Pursuant to the Offering, the Company issued to the holder of the note, 10,000 shares of common stock. The Company allocated \$1,193 of the net proceeds from the note to the common stock based on their relative fair value on the date of the note issuance. The fair value of the common stock was based on quoted market prices and the amount allocated to the common stock is recorded as a discount which will be amortized into expense over the three-year term of the note. The carrying amount as of March 31, 2012 and December 31, 2011 is net of unamortized discount of \$415 and \$617, respectively.</p>	24,585	24,407

Note 4 – Notes Payable (Continued)

	<u>2012</u>	<u>2011</u>
<p>On July 22, 2010, the Company issued a note payable in the amount of \$25,000 pursuant to a private placement offering (“Offering”) by its wholly owned subsidiary, Tesoro Preserve Opportunity Fund, LLC (“the Fund”). The proceeds of the note were used to acquire “build ready” home lots, located within the Tesoro Preserve Development that are either bank owned, in foreclosure, or impaired by liens. The note bears interest at an annual rate of 8% and matures in June 2013 unless repaid early as allowed by the terms of the note. The holder of note is entitled to 50% of a pro rate share of the profits of the Fund after repayment of all outstanding principle and interest to all investors in the Offering. Pursuant to the Offering, the Company will issue to the holder of the note, 10,000 shares of common stock. The Company allocated \$1,589 of the net proceeds from the note to the common stock based on their relative fair value on the date of the note issuance. The fair value of the common stock was based on quoted market prices and the amount allocated to the common stock is recorded as a discount which will be amortized into expense over the three-year term of the note. The carrying amount as of March 31, 2012 and December 31, 2011 is net of unamortized discount of \$786 and \$988, respectively.</p>	24,214	23,988
<p>In April 2011, the Company issued a Promissory Note in the amount of \$500,000 to the investor in the Joint Venture discussed above in exchange for gross proceeds of \$500,000. The Promissory Note accrues interest at an annual rate of 15% and matures on April 8, 2013. Principal and interest payments are payable quarterly commencing in July 2011.</p>	155,858	325,232
<p>In May 2011, the Company issued a Promissory Note in the amount of \$200,000. The Promissory Note accrues interest at an annual rate of 15%, payable monthly commencing on June 2, 2011, and matures on May 15, 2013.</p>	<u>200,000</u>	<u>200,000</u>
<p>Total</p>	604,657	773,627
<p>Less current portion</p>	<u>(316,480)</u>	<u>(208,583)</u>
	<u>\$ 288,177</u>	<u>\$ 565,044</u>

Future maturities of long term debt are as follows:

Twelve Months Ending March 31,	
2013	\$316,480
2014	<u>288,177</u>
	<u>\$604,657</u>

Note 5 – Related Party Transactions

Operating Lease

In January 2012, the Company renewed its one-year lease agreement with Joseph C. Visconti, CEO and President of the Company, to lease a 1,750 square foot office facility for \$3,190 per month (\$38,280 per year). Rent expense was \$11,941 and \$10,105 for the three months ended March 31, 2012 and 2011, respectively.

Management Fees

Effective July 1, 2011, the Company's wholly owned subsidiary entered into a real estate management agreement, pursuant to which the Company provides management services to the POA for a monthly fee of \$15,000. The Company's chief executive officer is the chairman of the board of the POA. The Company earned \$45,000 of management fees during the three months ended March 31, 2012.

Note 6 – Stockholders' Equity

In January 2012, the Company issued 150,000 shares of common stock to the holder of the 6% one year \$200,000 promissory note issued in February 2010 as consideration for extending the maturity date of the note until August 2012. The fair value of the shares on the date of issuance was \$7,500, which was recorded as deferred financing fees to be amortized into interest expense through the extended maturity date.

In January 2012, the Company issued 2,675,000 shares of common stock to its chief executive officer, a member of its board of directors and its acting chief financial officer as consideration for services rendered. 1,475,000 of these shares were repurchased by the Company prior to reissuing to the chief executive officer, reissued, and are subject to a two-year vesting period. The grant date fair value of these shares totaled \$113,750, of which \$66,719 was recognized as compensation expense during the three months ended March 31, 2012 and the remaining fair value of \$47,031 will be recognized into expense over the two-year vesting period.

Note 7 – Litigation

In March 2012, the Company and affiliates were subjects of a complaint in the United States Bankruptcy Court Southern District of Florida West Palm Beach Division, claiming the Company and its affiliates wrongfully modified the Tesoro Preserve Master Declaration to remove the requirement that homeowners within the Tesoro Preserve purchase membership to an adjacent country club. The Company and its affiliates caused the Tesoro Preserve organizational documents to be amended to remove the mandatory membership in order to salvage the financial viability of the community given the current economic environment and non-operational status of the country club. The Company is vigorously defending its actions and does not believe it will be found responsible for material financial damages. The Company cannot estimate, at this time, the likely outcome of this matter and has not accrued any amounts in its consolidated financial statements.

In June 2010, the Company commenced litigation against China Pharmaceuticals, a publicly traded company for breach of contract and other related claims. The Company alleges that it is entitled to ownership of 20% of the outstanding shares of China Pharmaceuticals pursuant to a May 2009 Consulting

Agreement (the “Consulting Agreement”) between the Company and Xian Pharmaceuticals, Ltd, the Chinese-based operating company for China Pharmaceuticals (collectively, “China Pharmaceuticals”).

Pursuant to the terms of the Consulting Agreement, the Company agreed to provide assistance to China Pharmaceuticals in connection with their desire to become a publicly traded company in the United States. In exchange, China Pharmaceuticals agreed to compensate the Company with, among other things, the issuance and transfer of 20% of the shares of the proposed newly formed public company.

In July of 2009, upon the filing of a Form-S1 registration statement under the guidance of the Company, China Pharmaceuticals was fully positioned to become a publicly traded company, accomplishing the goals and objectives of the parties set forth in the Consulting Agreement. However, despite the Company’s good faith performance under the Consulting Agreement, the public offering contemplated by China Pharmaceuticals was never consummated. Instead, China Pharmaceuticals terminated the agreement, cancelled shares validly issued to the Company in the proposed new public company, and then proceeded to go public through another source while refusing to compensate the Company.

The Company believes that the attempted “termination” by China Pharmaceuticals is a transparent attempt to circumvent their obligations to the Company in connection with the Consulting Agreement. In 2008, China Pharmaceuticals, with the assistance of the Company, converted its ownership structure to become wholly foreign-owned enterprise (“WFOE”) through the organization of Xian Development Co., Ltd. (“Xian Development”) as a wholly foreign-owned enterprise (“WFOE”) organized under the laws of the People’s Republic of China. Xian Development was wholly owned by China Qinba Pharmaceuticals, Inc. (“China Qinba”), its holding company in the United States. China Qinba later merged with a Nevada public corporation known as Allstar Restaurants, which changed its name to China Pharmaceuticals. Thus, the Company alleges that Xian Pharmaceuticals and China Pharmaceuticals have reaped the full benefit of the services provided by the Company under the Consulting Agreement to become a publicly traded company in the United States. The Company therefore seeks full compensation for the services it provided.

The Company was successful at a December 6, 2011 arbitration hearing against China Pharmaceuticals, Inc. (CPI) and the Company was awarded 1,250,000 shares of registered CPI common stock. CPI has not yet satisfied the award and we are continuing to pursue delivery of the shares through discussion with their counsel, and by court intervention if necessary.

On or about September 30, 2009, DTRS InterContinental Miami, LLC (“DTRS”) filed a complaint against ValueRich in the Florida Circuit Court in Miami-Dade County (Case No: 09-88423-CA) alleging breach of a contract for hotel services. DTRS is the operating entity for the InterContinental Hotel in downtown, Miami, Florida (the “Hotel.”) DTRS seeks damages in the approximate amount of \$158,500, which the Company has accrued and is included in accounts payable and accrued expenses in the accompanying consolidated balance sheets.. ValueRich denies liability in this matter and is vigorously defending against the lawsuit.

Note 8 - Income Taxes

The actual income tax expense for the three months ended March 31, 2012 and 2011 differs from the statutory tax expense for the year (computed by applying the U.S. federal corporate tax rate of 34% to income before provision for income taxes) as follows:

	<u>2012</u>	<u>2011</u>
Federal taxes at statutory rate	34.00%	34.00%
State income taxes, net of federal tax benefit	3.46	3.62
Other permanent differences	(1.56)	(.014)
True-Up	-	(8.19)
Change in valuation allowance	<u>(35.90)</u>	<u>(29.28)</u>
Total	<u> -</u>	<u> -</u>

The Company's deferred tax assets as of March 31, 2012 and December 31, 2011 are as follows:

	<u>2011</u>	<u>2010</u>
Deferred tax assets:		
Stock based compensation	\$ 27,929	\$ -
Deferred officer's wages	43,874	50,784
Net operating loss carryover	<u>2,234,947</u>	<u>2,235,281</u>
	2,306,750	2,286,065
Less: Valuation allowance	<u>(2,306,750)</u>	<u>(2,286,065)</u>
Net deferred tax asset	\$ <u> -</u>	\$ <u> -</u>

As of March 31, 2012, the Company has available approximately \$5,940,000 of operating loss carryforwards, which may be used in the future filings of the Company's tax returns to offset future taxable income for United States income tax purposes. Net operating losses begin to expire in the year 2025. As of March 31, 2012, the Company has determined that due to the uncertainty regarding profitability in the near future, a 100% valuation allowance is needed with regards to the deferred tax assets. Changes in the estimated tax benefit that will be realized from the tax loss carryforwards and other temporary differences will be recognized in the financial statement in the years in which those changes occur.

The U.S. Federal jurisdiction and Florida are the major tax jurisdictions where the company files income tax returns. The Company does not anticipate U.S. Federal or State examinations by tax authorities for years before 2008.

Item 4. Management's Discussion and Analysis or Plan of Operation.

Current Developments

The Company has taken an active role in the management of the Tesoro Preserve community as a result of its agreement to provide property management services to the community effective July 1, 2011. By fulfilling the role of property management, the Company is better able to oversee and manage the daily activities within community. The Company hired a licensed property manager to provide the property management services. As the developer and property manager of the community, the Company maintains a daily presence within the community and is actively implementing measures to enhance the financial viability of its investment. These measures include, but are not limited to:

- Amended the community's organization documents to remove mandatory club membership requirements that management viewed as a deterrent to potential buyers.
- Assumed day-to-day and financial control of the POA and its billing and purchasing functions.
- Continued to take legal action related to property owners that are severely delinquent in paying property owner fees.
- Negotiated more favorable terms for community services, such as landscaping and irrigation.
- Began construction of the community's clubhouse, which is scheduled for completion by the end of 2012. The remaining amenities, including a pool and tennis courts are scheduled for completion during the second quarter of 2012.
- Developed a website, www.mytesoropreserve.com that provides current information about the progress of the community.
- Completed construction of two partially completed homes purchased during 2010 and began an aggressive marketing campaign to sell these homes. One of these homes was successfully sold during 2011.
- Continued to enhance the visual appeal of the community.

Financial Condition

As of March 31, 2012, the Company had cash on hand of approximately \$43,000, a working capital deficit of approximately \$198,000, and an accumulated deficit of approximately \$6,494,000. The Company has limited sources of revenues as its operations consist of holding real estate and conducting real estate development efforts. The Company's current liabilities as of March 31, 2012 of approximately \$770,000 include real estate taxes of approximately \$172,000, approximately \$317,000 of principal due on the Company's debt obligations, approximately \$150,000 of potential obligations related to ongoing litigation, and approximately \$117,000 of deferred officer salaries. In January 2012, the Company sold real estate for net proceeds of approximately \$186,000, \$125,000 of the proceeds from which were used to reduce principal outstanding on its existing debt obligations. Additionally, the Company plans to sell its one remaining fully completed home during the second quarter of 2012. In order to meet its obligations, the Company will need to sell real estate assets, or raise additional capital through the issuance of debt or equity. There can be no assurance the Company will be able to generate the necessary cash flow.

Results of Operations

Comparison of the Three Months Ended March 31, 2012 and 2011

Revenue - The Company generated approximately \$185,000 of net revenue during 2011 from the sale of a waterfront lot located within the Tesoro Preserve and approximately \$56,000 of revenue from management services provided to the POA and real estate acquisition services provided to the Joint Venture. The Company generated approximately \$12,000 of revenue during 2010 consisting solely of administrative fees charge to the POA, prior to the Company assuming management of the POA in July 2011.

Cost of Sales – the Company recognized approximately \$36,000 of cost of sales related to the sale of real estate in 2012, which was allocated to the real estate sold based on the relative fair value of the lot that was sold compared to the actual costs incurred to acquire a group of lots.

Salaries and Wages – Salaries and wages increased by \$71,000, or 236%, from \$30,000 in 2011 to \$101,000 in 2012, primarily due to stock-based compensation expense recognized during 2012 and the addition of a property manager in July 2011.

General and Administrative Expenses – General and administrative expenses increased by approximately \$9,700, or 18% from approximately \$55,000 in 2011 to approximately \$65,000 in 2012 due primarily to activities associated with the assumption of management responsibilities of the POA in July 2011.

Professional Fees – Professional fees increased by \$66,000, or 721%, from \$9,000 in 2011 to \$75,000 in 2012, primarily due to litigation related costs and stock based compensation expense recognized during 2012.

Interest Expense – Interest expense increased by approximately \$24,000, or 273% from \$9,000 in 2011 to approximately \$33,000 in 2012 due to the issuance of \$700,000 of debt during 2011.

Item 5. Legal Proceedings.

In March 2012, the Company and its affiliates were subjects of a complaint in the United States Bankruptcy Court Southern District of Florida West Palm Beach Division, claiming the Company and its affiliates wrongfully modified the Tesoro Preserve Master Declaration to remove the requirement that homeowners within the Tesoro Preserve purchase membership to an adjacent country club. The Company and its affiliates caused the Tesoro Preserve organizational documents to be amended to remove the mandatory membership in order to salvage the financial viability of the community given the current economic environment and non-operational status of the country club. The Company is vigorously defending its actions and does not believe it will found responsible for material financial damages. Nonetheless, the Company cannot estimate, at this time, the likely outcome of this matter and has not accrued any amounts in its consolidated financial statements.

Item 6. Defaults Upon Senior Securities

None.

Item 7. Other Information

None.

Item 8. Exhibits

None.

Item 9. Issuer's Certifications.

I, Joseph C. Visconti, certify that:

1. I have reviewed this quarterly report of ValueRich, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this quarterly report.
4. The accompanying financial statements are unaudited.

Date: May 14, 2012

/s/Joseph C. Visconti, CEO, President