

# QUARTERLY DISCLOSURE STATEMENT

## FOR

### LONDON PACIFIC & PARTNERS, INC. JANUARY 1, 2012 – MARCH 31, 2012

#### FORWARD LOOKING STATEMENTS

THIS QUARTERLY COMPANY INFORMATION AND DISCLOSURE STATE, IN PARTICULAR, “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS” AND “BUSINESS”, INCLUDE “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THESE STATEMENTS REPRESENT THE COMPANY’S EXPECTATIONS OR BELIEFS CONCERNING, AMONG OTHER THINGS, FUTURE REVENUE, EARNINGS, AND OTHER FINANCIAL RESULTS, PROPOSED ACQUISITIONS AND NEW PRODUCTS, ENTRY INTO NEW MARKETS, FUTURE OPERATIONS AND OPERATING RESULTS, FUTURE BUSINESS AND MARKET OPPORTUNITIES. THE COMPANY WISHES TO CAUTION AND ADVISE READERS THAT THESE STATEMENTS INVOLVE RISK AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THE EXPECTATIONS AND BELIEFS CONTAINED HEREIN. FOR A SUMMARY OF CERTAIN RISKS RELATED TO THE COMPANY’S BUSINESS, SEE “RISK FACTORS” UNDER “GENERAL COMPANY INFORMATION”.

Unless the context requires otherwise, references to the Company or Issuer are to London Pacific & Partners, Inc.

#### PART A GENERAL COMPANY INFORMATION

##### **Cautionary Factors That May Affect Future Results (Cautionary Statements Under the Private Securities Litigation Reform Act of 1995)**

The disclosure and analysis set forth herein contains certain forward looking statements, particularly statements relating to future actions, performance or results of current and anticipated products and services, sales efforts, expenditures, and financial results. From time to time, the Company also provides forward-looking statements in other publicly-released materials, both written and oral. Forward-looking statements provide current expectations or forecasts of future events such as new products or services, product approvals, revenues, and financial performance. These statements are identified as any statement that does not relate strictly to historical or current facts. They use words such as “anticipates,” “intends,” “plans,” “expects,” “will,” and other words and phrases of similar meaning. In all cases, a broad variety of assumptions can affect the realization of the expectations or forecasts in those statements. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially.

The Company undertakes no obligation to update any forward-looking statements, but investors are advised to consult any further disclosures by the Company on this subject in its subsequent filings. Furthermore, as permitted by the Private Securities Litigation Reform Act of 1995, the Company provides these cautionary statements identifying risk factors, listed below, that could cause the Company’s actual results to differ materially from expected and historical results. It is not possible to foresee or identify all such factors. Consequently, this list should not be considered an exhaustive statement of all potential risks, uncertainties and inaccurate assumptions.

## RISK FACTORS

***No Active Market.*** Although the Company's shares are listed on the Pink Sheets listing service, the Company believes that the public trading price may be an inaccurate representation of the value of the Company because there is little or no trading volume in the Company's shares and no analysts or NASD market makers actively follow the Company.

***We Have Never Issued a Dividend and Do Not Anticipate any Dividends in the Future.*** London Pacific & Partners has never issued a dividend and we do not anticipate paying dividends on our common stock in the foreseeable future. Furthermore, we may also be restricted from paying dividends in the future pursuant to subsequent financing arrangements or pursuant to Delaware law.

***You Could be Diluted from the Issuance of Additional Common and Preferred Stock.*** London Pacific & Partners is authorized to issue up to 200,000,000 shares of common stock and 10,000,000 shares of preferred stock. To the extent of such authorization, our board of directors will have the ability, without seeking shareholder approval, to issue additional shares of common stock in the future for such consideration as the board may consider sufficient. The issuance of additional common stock in the future may reduce your proportionate ownership and voting power.

***Volatility of Stock Prices.*** In the event that there is an established public market for the Company's Common Stock, market prices will be influenced by many factors and will be more subject to significant fluctuations in response to variations in operating results of the Company and other factors such as investor perceptions of the Company, supply and demand, interest rates, general economic conditions and those specific to the industry, developments with regard to the Company's activities, future financial condition and management.

***Applicability of Low Priced Stock Risk Disclosure Requirements.*** The Common Stock of the Company may be considered a low priced security under rules promulgated under the Securities Exchange Act of 1934. Under these rules, broker-dealers participating in transactions in low priced securities must first deliver a risk disclosure document which describes the risks associated with such stocks, the broker-dealer's duties, the customer's rights and remedies, certain market and other information, and make a suitability determination approving the customer for low priced stock transactions based on the customer's financial situation, investment experience and objectives. Broker-dealers must also disclose these restrictions in writing to the customer, obtain specific written consent of the customer, and provide monthly account statements to the customer. With all these restrictions, the likely effect of designation as a low priced stock will be to decrease the willingness of broker-dealers to make a market for the stock, to decrease the liquidity of the stock and to increase the transaction cost of sales and purchases of such stock compared to other securities.

**Item 1            Exact Name of the Issuer and the Address of its Principal Executive Offices**

London Pacific & Partners, Inc. is the name of the Company and its principal executive offices are at:

2301 Rosecrans Avenue  
Suite 4180  
El Segundo, California 90245  
+1 (310) 531-8226  
+1 (310) 531-8232 fax  
[info@londonpacificgroup.com](mailto:info@londonpacificgroup.com)  
[www.londonpacificgroup.com](http://www.londonpacificgroup.com)

**Item 2            The Number of Shares or Total Amount of Securities Outstanding for Each Class of Securities Authorized**

April 12, 2012	Authorized Shares	Outstanding Shares	Freely Trading Shares	Total Number of Beneficial Shareholders	Total Number of Shareholders of Record
Common	400,000,000	194,852,209	19,043,307	216	34

**Item 3      Interim Financial Statements**

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

**London Pacific & Partners, Inc.**  
**Consolidated Balance Sheets**  
**As at March 31, 2012**  
**(UNAUDITED)**

**ASSETS**

**Current Assets:**

Cash and cash equivalents	\$ 90,093	
Accounts receivable, net	104,509	
<b>Total Current Assets</b>	<u>194,602</u>	

**Other Assets:**

Goodwill (Note 2)	29,512,816	
Notes Receivable (Note 3)	12,000	
Prepaid Expenses	165	
<b>Total Other Assets</b>	<u>29,524,981</u>	

<b>TOTAL ASSETS</b>	<b>\$ 29,719,583</b>	<u><u>          </u></u>
---------------------	----------------------	--------------------------

**LIABILITIES & STOCKHOLDERS' EQUITY**

**Current Liabilities:**

Accounts payable	\$ 393,061	
Accrued expenses (Note 4)	520,114	
<b>Total Current Liabilities</b>	<u>913,175</u>	

<b>Total Liabilities</b>	<b>913,175</b>	<u>          </u>
--------------------------	----------------	-------------------

**Stockholders' Equity:**

Common stock: \$0.001 par value; 100,000,000 shares authorized; 93,845,130 shares issued and outstanding		93,845
Preference stock: \$0.001 par value; 10,000,000 shares authorized; 3,000,000 shares issued and outstanding; convertible at 1:10 preference to common stock		3,000.00
Additional paid in capital		29,528,246
Profit and loss account		<u>(818,683)</u>
<b>Total Stockholders' Equity</b>		<u>28,806,408</u>

<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>\$ 29,719,583</b>	<u><u>          </u></u>
---	----------------------	--------------------------

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

**London Pacific & Partners, Inc.**  
**Consolidated Statements of Operations**  
**For the Quarter Ended March 31, 2012**  
**(UNAUDITED)**

<b>REVENUES</b>	\$ 1,266,551
<b>OPERATING EXPENSES</b>	
Salaries, consulting and professional fees	845,535
Selling, general and administrative expenses	<u>282,406</u>
<b>Total Operating Expenses</b>	<u>1,127,941</u>
 <b>INCOME FROM OPERATIONS</b>	 138,610
Interest expense	<u>-</u>
 <b>INCOME BEFORE INCOME TAXES</b>	 138,610
Income tax expense	<u>-</u>
 <b>NET INCOME ON OPERATIONS AFTER TAXATION</b>	 138,610
Non-controlling interests	<u>-</u>
 <b>NET INCOME</b>	 <u><u>\$ 138,610</u></u>
<b>BASIC AND DILUTED</b>	
Net income per common share	<u><u>\$ 0.0015</u></u>
Weighted average common shares outstanding	<u><u>93,845,130</u></u>

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

**LONDON PACIFIC & PARTNERS, INC.**  
**Consolidated Statements of Cash Flows**  
**For the Quarter Ended March 31, 2012**  
**(UNAUDITED)**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Consolidated net loss	\$ 138,610
Adjustments to convert net loss to net cash flow from operating activities	
Accounts receivable	27,337
Accounts payable and accrued expenses	<u>(59,223)</u>
Net Cash Provided by Operating Activities	106,724
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Payments on related party loans	<u>(43,732)</u>
Net Cash Used by Financing Activities	<u>(43,732)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 62,992</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b><u>27,101</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b><u><u>\$ 90,093</u></u></b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>	
Cash Payments For:	
Interest	\$ -
Income taxes	\$ -

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

**LONDON PACIFIC & PARTNERS, INC.**  
**SHAREHOLDER EQUITY STATEMENT & EARNINGS REPORT**  
**March 31, 2012**  
**(UNAUDITED)**

**As of March 31, 2012:**

Total Assets	\$ 29,719,583
Total Liabilities	\$ 913,175
Total Stockholders' Equity	\$ 28,806,408
Common Shares Issued and Outstanding	93,845,130

**For the Quarter Ended March 31, 2012**

Net income	\$ 138,610
Net income per common share	\$ 0.0015
Weighted average common shares outstanding	93,845,130

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

## NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

### Organization and Description of Business

London Pacific & Partners, Inc. (the “Company”) was incorporated under the laws of the State of Delaware on August 07, 1968. On September 12, 2006 the Company changed its name from Latham Process Corp. to London & Pacific Healthcare, Inc. and then on October 09, 2009 changed its name to London Pacific & Partners, Inc. Prior to the reorganization with London & Pacific Healthcare, LLC (“L&P”), a privately held Delaware corporation, on November 1, 2006, the Company had not commenced active business operations and was considered a development stage company.

The Company’s primary business is providing unique operational, strategic, regulatory and financial services to organizations in the healthcare, hospitality and financial services industries.

The principal subsidiary undertakings of the Company are as follows:

<i>Name</i>	<i>Country of incorporation or registration</i>	<i>Proportion of issued shares held</i>	
London & Pacific Healthcare, LLC	United States of America	100%	
City & Westminster Advisers Limited	England and Wales	100%	
HealthSPAC, LLC	United States of America	100%	
London & Pacific Healthcare Ventures, LLC	United States of America	64%	
The Orthobiologic Institute, LLC	United States of America	100%	
London & Pacific Capital Advisors, LLC	United States of America	100%	
Acadia Group Advisors, Inc.	United States of America	100%	
YEN Healthcare Advisors Pvt. Ltd.	Mauritius	100%	

### Accounting Method

The Company’s consolidated financial statements are prepared using the accrual method of accounting. The Company has elected a December 31 year end.

### Accounts Receivable

Accounts receivable are recorded net of the allowance for doubtful accounts.

### Basic Net Loss Per Share

Basic net income per share:

Net Income (numerator)	\$138,610
Shares (denominator)	93,845,130
Per share amount	\$0.0015

The basic income (loss) per share of common stock is based on the weighted average number of shares issued and outstanding during the period of the financial statements. Common shares to be issued from preferred stock, warrants, and options are not included in the computation. If included they would increase common shares as follows:

Preferred stock – 30,000,000 shares
Warrants – 10,000,000 shares

**Cash and Cash Equivalents**

Cash Equivalents include short-term, highly liquid investments with maturities of three months or less at the time of acquisition.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Goodwill**

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Company's interest in the fair value of the identifiable assets and liabilities of a subsidiary, or jointly controlled entity at the date of acquisition.

**Revenue Recognition**

Revenue primarily consists of revenue from rendering services.

Sales of services are recognized in the accounting period in which there services are rendered, by reference to the stage of completion when this can be measure reliably. The stage of completion is determined based on surveys of work performed.

Sales are recognized when the following conditions have been satisfied:

- a. The amount of revenue can be measured reliably
- b. It is probable that the economic benefits associated with the transaction will flow to the entity
- c. The cost incurred or to be incurred in respect of the transaction can be measured reliably
- d. The stage of completion of the transaction at the balance sheet date can be measured reliably

## **Provision for Taxes**

The Company accounts for income taxes under the provisions of Statement of Financial Accounting Standards (SFAS) No. 109, Accounting for Income Taxes, using the liability method. The estimated future tax effect of differences between the basis in assets and liabilities for tax and accounting purposes is accounted for as deferred taxes. In accordance with the provisions of SFAS No. 109, a valuation allowance would be established to reduce deferred tax assets if it were more likely than not that all or some portion, of such deferred tax assets would not be realized. A full allowance against deferred tax assets was provided as of March 31, 2012.

## **Stock Options and Warrants**

On January 1, 2006, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 123 (Revised 2004), Share-Based Payment, which is a revision of SFAS No. 123, Accounting for Stock-Based Compensation. SFAS 123 (R) supersedes Accounting Principles Board opinion (APB) No. 25, Accounting for Stock Issued to Employees, and amends SFAS No. 95, Statement of Cash Flows.

## **NOTE 2 - GOODWILL**

### **(a) Acquisition of London & Pacific Healthcare, LLC**

On November 1, 2006 the Company acquired the entire membership units of London & Pacific Healthcare, LLC. Total consideration for the acquisition was \$17,500,000. The book values of the identifiable assets and liabilities acquired and their provisional fair values to the Company on the date of acquisition totaled \$(78,476) creating goodwill on the transaction of \$17,578,476.

### **(b) Acquisition of City & Westminster Advisers Limited**

On April 26, 2007 the Company acquired the entire share capital of City & Westminster Advisers Limited. Total consideration for the acquisition including deferred consideration payments, which have been accrued at the balance sheet date, totaled \$10,200,000 which is also the goodwill on the transaction.

### **(c) Acquisition of London & Pacific Capital Advisors, LLC**

On July 15, 2008 the Company acquired the entire membership units of London & Pacific Capital Advisors, LLC. Total consideration for the acquisition was \$136,105. The book values of the identifiable assets and liabilities acquired and their provisional fair values to the Company on the date of acquisition totaled \$(143,170) creating goodwill on the transaction of \$279,275.

### **(d) Acquisition of YEN Healthcare Advisors Pvt. Ltd.**

On June 24, 2009 the Company acquired the entire share capital of YEN Healthcare Advisors Pvt. Ltd. Total consideration for the acquisition including deferred consideration payments, which have been accrued at the balance sheet date, totaled \$83,070 which is also the goodwill on the transaction.

### **(e) Acquisition of Harrell Hospitality Group, LLC Operating Agreement**

On July 20, 2009 the Company acquired an operating agreement with Harrell Hospitality Group, LLC. Total consideration for the acquisition including deferred consideration payments, which have been accrued at the balance sheet, totaled \$500,000 which is also the goodwill on the transaction.

**(f) Acquisition of Acadia Group Advisors, Inc.**

On August 11, 2009 the Company acquired the entire share capital of Acadia Group Advisors, Inc. Total consideration for the acquisition was \$1,200,000, which is also the goodwill on the transaction.

**NOTE 3 - NOTES RECEIVABLE**

Note receivable from seller of membership interest in Ambulatory Surgical Group LLC	\$12,000
---	----------

**NOTE 4 - ACCRUED EXPENSES**

Accrued expenses consist of professional fees incurred in the pursuit of the acquisition of a regional healthcare system in Brazil, as well as professional fees incurred in relation to revenue earned by London Pacific Capital Advisors.

**NOTE 5 - SUBSEQUENT EVENTS**

The Company has evaluated subsequent events from the balance sheet date through the issue date of the financial statements and has determined there are no events that would have a material impact on the financial statements.

#### **Item 4 Management's Discussion and Analysis or Plan of Operation Overview**

London Pacific & Partners, Inc. focuses its operational, strategic, regulatory and financial skills in three industry sectors:

1. Healthcare
2. Hospitality
3. Financial and Corporate Services

Following is management's discussion of the relevant items affecting results for the quarter ended March 31, 2012.

**Revenues.** The Company generated net revenues of \$1,266,551 during the quarter ended March 31, 2012, which represents a 98% increase compared to \$639,500 in net revenues during the same period in 2011.

**Salaries, Consulting and Professional Fees.** The Company increased salary, consulting and professional fees from \$543,029 in Q1-2011 to \$845,535 during Q1-2012, which is a 56% increase.

**Selling, General and Administrative Expenses.** Selling, general and administrative expenses were \$282,406 for the quarter ended March 31, 2012 which is a 111% increase from \$134,041 in the same quarter of 2011.

#### **Liquidity and Capital Resources**

Funds for operations have been provided primarily through the Company's revenues. Because it is anticipated that these sources will be sufficient to fund operations through 2012, the Company has no plans to raise funds through issuance of equity in the foreseeable future.

#### **Off Balance Sheet Arrangements**

The Company has no off balance sheet arrangements.

#### **Item 5 Legal Proceedings**

None.

#### **Item 6 Defaults Upon Senior Securities**

None.

**Item 7 Other Information**

None.

**Item 8 Exhibits**


None

**Item 9 Issuer's Certifications**

I, Stuart Bruck, certify that:

1. I have reviewed this Quarterly Disclosure Statement of London Pacific & Partners, 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 quarter 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 disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the quarters presented in this disclosure statement.

Dated: May 15, 2012

By:   
\_\_\_\_\_  
Stuart Bruck  
Executive Chairman and President