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**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

Washington, DC
123

REPORT FOR THE PERIOD BEGINNING 01/01/11 AND ENDING 12/31/11
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Atlantic-Pacific Capital, Inc. I

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

102 Greenwich Avenue 2nd floor

(No. and Street)

Greenwich

CT

06830

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Anthony Bossone (203)-861-5480

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Reynolds & Rowella, LLP

(Name - if individual, state last, first, middle name)

51 Locust Avenue

New Canaan

CT

06840

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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Reynolds
& Rowella LLP

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OATH OR AFFIRMATION

I, Anthony Bossone, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Atlantic-Pacific Capital, Inc. I, as of December 31,, 20 11, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Anthony Bossone
Signature

Chief Financial Officer

Title

JASON M. MORLEY
Notary Public, State of New York
No. 01MO6145236
Qualified in Suffolk County
Commission Expires 6/19/14

[Signature]
Notary Public

This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Atlantic-Pacific Capital, Inc.
Consolidated Financial Statements
and Supplementary Information
December 31, 2011

Reynolds
& Rowella^{LLP}
Certified Public Accountants

Atlantic-Pacific Capital, Inc.
Consolidated Financial Statements
and Supplementary Information
December 31, 2011

Atlantic-Pacific Capital, Inc.
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December 31, 2011

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Independent Auditor's Report

To the Stockholder of
Atlantic-Pacific Capital, Inc.
Greenwich, Connecticut

We have audited the accompanying consolidated statement of financial condition of Atlantic-Pacific Capital, Inc. (the "Company") as of December 31, 2011, and the related consolidated statements of operations, changes in stockholder's equity and comprehensive income, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of Atlantic-Pacific Capital Limited and Atlantic Pacific Capital Asia Limited, both wholly owned subsidiaries, which statements reflect total assets of \$1,949,054 and \$800,184, respectively, as of December 31, 2011, and total revenues of \$3,779,182 and \$460,562, respectively, for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Atlantic-Pacific Capital Limited and Atlantic Pacific Capital Asia Limited, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Atlantic-Pacific Capital, Inc. as of December 31, 2011, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information shown on pages 14 through 16 is presented for the purpose of additional analysis and it is not a required part of the consolidated financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Reynolds & Rowella, LLP
Reynolds & Rowella, LLP

Ridgefield, Connecticut
February 24, 2012

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Atlantic-Pacific Capital, Inc.
Consolidated Statement of Financial Condition
December 31, 2011

Assets

Current assets

Cash	\$ 6,225,582
Placement fees receivable	21,171,831
Other current assets	553,768
Due from funds	455,278

Total current assets 28,406,459

Property and equipment, net

394,077

Other assets

Placement fees receivable	23,655,149
Security deposits	88,744

Total other assets 23,743,893

Total assets \$ 52,544,429

Liabilities and stockholder's equity

Current liabilities

Accounts payable and accrued expenses	\$ 1,174,446
Deferred revenue	1,043,715

Total current liabilities 2,218,161

Long term liabilities

Accrued defined benefit plan obligation	<u>1,238,615</u>
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Total liabilities 3,456,776

Stockholder's equity

49,087,653

Total liabilities and stockholder's equity \$ 52,544,429

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

Atlantic-Pacific Capital, Inc.
Consolidated Statement of Operations
Year Ended December 31, 2011

Revenues	
Placement fees	\$ 31,526,346
Interest income	967,569
Other revenue	<u>333,621</u>
Total revenues	<u>32,827,536</u>
Operating expenses	
Salaries and related benefits	15,451,529
General and administrative	1,586,029
Professional fees	1,480,021
Travel	718,462
Depreciation and amortization	<u>158,598</u>
Total operating expenses	<u>19,394,639</u>
Income from operations before income taxes	<u>13,432,897</u>
Provision for income taxes	<u>337,443</u>
Net Income	<u>\$ 13,095,454</u>

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

Atlantic-Pacific Capital, Inc.
Consolidated Statement of Changes in Stockholder's Equity and Comprehensive Income
Year Ended December 31, 2011

	Common Stock*	Additional Paid-in- Capital	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Stockholder's Equity	Comprehensive Income/(Loss)
Balance, December 31, 2010	\$ 1	\$ 178,610	\$40,139,436	\$ (523,489)	\$ 39,794,558	
Distributions to stockholder	-	-	(3,454,370)	-	(3,454,370)	
Net Income	-	-	13,095,454	-	13,095,454	\$ 13,095,454
Minimum pension liability	-	-	-	(381,396)	(381,396)	(381,396)
Currency translation adjustment	-	-	-	33,407	33,407	33,407
Balance, December 31, 2011	<u>\$ 1</u>	<u>\$ 178,610</u>	<u>\$49,780,520</u>	<u>\$ (871,478)</u>	<u>\$ 49,087,653</u>	<u>\$ 12,747,465</u>

* 3,000 shares of common stock have been authorized. 100 shares have been issued and remain outstanding with a par value of \$.01 per share.

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

Atlantic-Pacific Capital, Inc.
Consolidated Statement of Cash Flows
Year Ended December 31, 2011

Cash flows from operating activities	
Net Income	\$ 13,095,454
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	158,599
Loss on disposal of equipment	64,802
Gain on sale of investment	(271,469)
Changes in operating assets and liabilities:	
Placement fees receivable	(13,224,110)
Deferred revenue	1,043,715
Due from funds	(53,099)
Due from affiliates	(136,570)
Other assets	397,191
Accounts payable and accrued expenses	194,077
Accrued defined benefit plan obligation	486,827
Accrued net revenue participation	(281,573)
	<u>1,473,844</u>
Net cash provided by operating activities	
Cash flows from investing activities	
Capital expenditures	(185,170)
Proceeds from sale of fixed assets	1,555,260
Proceeds from sale of investment	571,469
	<u>1,941,559</u>
Net cash provided by investing activities	
Cash flows from financing activities	
Distributions to stockholder	(3,454,370)
	<u>(3,454,370)</u>
Net cash used in financing activities	
Effect of foreign exchange rate	33,407
	<u>(5,560)</u>
Net decrease in cash	
Cash - beginning of year	<u>6,231,142</u>
Cash - end of year	<u>\$ 6,225,582</u>
Supplemental cash flow disclosure:	
Cash paid during the year for:	
Income taxes	<u>\$ 176,696</u>

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

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

1. Nature of Business

Atlantic-Pacific Capital, Inc. (the "Company") was incorporated in the State of Delaware on February 9, 1995. The Company is a registered broker-dealer subject to certain regulations of the Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA).

The Company raises capital from institutional investors and high net worth individuals for interests in private equity limited partnerships (the "Funds") that are not registered or publicly traded. The Company earns a fee based on a percentage of capital invested or committed to be invested in such Funds. The Company's agreements with its clients typically include a retainer fee and schedule of fee payments to be made over an extended period of time with interest after acceptance by a Fund of capital or capital commitments.

The Company's consolidated financial statements include two active wholly-owned subsidiaries, Atlantic-Pacific Capital Limited ("APC Ltd.") and Atlantic Pacific Capital Asia Limited ("APC Asia Ltd."). APC Ltd. operates in London, England and markets the services of the Company in Europe. APC Asia Ltd. operates in Hong Kong, China and markets the services of the Company in Asia. All significant intercompany balances and transactions have been eliminated.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of Atlantic-Pacific Capital, Inc. and its subsidiaries have been prepared in accordance with accounting principles generally accepted in the United States of America.

Foreign Currency Translation

The Company's reporting currency is the U.S. Dollar. APC Ltd.'s functional currency is the British Pound, its local currency. APC Asia Ltd.'s functional currency is the Hong Kong Dollar, its local currency. All asset and liability accounts of APC Ltd. and APC Asia Ltd. are translated at year-end exchange rates and income and expenses are translated into U.S. Dollars using weighted average exchange rates. Resulting translation adjustments are reported as a separate component of comprehensive income on the consolidated statement of changes in stockholder's equity and comprehensive income.

Revenue and Expense Recognition

Placement fees are recognized as earned upon acceptance of capital or capital commitments by a Fund. The Company receives non-refundable retainer fees upon execution of agreements with Funds to provide capital raising services, which are recorded as revenues when earned ratably over the longer of the term of the client engagement or the relationship with these clients, and are included in placement fees on the consolidated statement of operations. All other income and expenses are recognized when earned and incurred, respectively.

Placement Fees Receivable

Placement fees receivable are typically due over one to three years commencing upon acceptance of capital or capital commitments by a Fund. Placement fees accrue interest at various rates. The Company recognized \$959,349 of interest income on the unpaid balance for the year ended December 31, 2011. When there is no stated interest rate the Company discounts placement fees

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

receivable balances that extend beyond one year at a rate of 4.9%. Placement fees may be prepaid in whole or in part any time without premium or penalty. The Company recognizes an allowance for uncollectible placement fees by individual account analysis based on the client's ability to pay, willingness to pay and the expected recovery of amounts from applicable collection methods. No allowance was considered necessary at December 31, 2011.

Cash and Cash Equivalents

The Company considers all short term investments with an original maturity of 90 days or less to be cash equivalents. There were no cash equivalents at year-end.

Net Revenue Participation

Pursuant to agreements with certain employees, under specific circumstances, the Company is obligated to compensate such individuals at agreed upon percentages of placement fees and interest received less expenses incurred ("net revenue participation"). The Company recognizes net revenue participation expense quarterly as placement fees and interest are received by the Company. Net revenue participation expense is included in salaries and related benefits on the consolidated statement of operations.

Due from Funds

The Company is reimbursed by the Funds for all reasonable travel, telephone, postage and other out-of-pocket expenses incurred in relation to the capital raising services provided.

Property and Equipment, Net

Property and equipment are recorded at cost. Depreciation and amortization are provided using accelerated methods in accordance with accounting principles generally accepted in the United States of America over the estimated useful lives of the assets. Property and equipment consist of the following:

Asset	Life	Carrying Value
Computer equipment and software	3 - 5 years	\$ 222,923
Furniture and fixtures	5 - 7 years	288,025
Leasehold improvements	The lesser of the life of lease or the leasehold improvements	483,085
		<u>994,033</u>
Less accumulated depreciation and amortization		<u>(599,956)</u>
Property and equipment, net		<u>\$ 394,077</u>

Income Taxes

The stand-alone United States entity, Atlantic-Pacific Capital, Inc. ("APC, Inc.") has elected to be taxed under the provisions of subchapter "S" of the Internal Revenue Code. Under those provisions, APC, Inc. does not pay federal income taxes on its taxable income. Instead, the stockholder is liable for individual federal income taxes on the taxable income of APC, Inc. Based upon various apportionment factors and state and local income tax laws, APC, Inc. may be liable for income taxes in certain states and cities in which APC, Inc. does business.

APC Ltd. is liable for corporation taxes in the United Kingdom based upon its taxable income.

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

APC Asia Ltd. is liable for corporation taxes in Hong Kong, a Special Administrative Region of the People's Republic of China, based upon its taxable income.

Management has evaluated and concluded that the Company has taken no uncertain tax positions that require adjustment or disclosure in the financial statements. The Company's 2008 through 2010 tax years are open for examination by federal, state and local tax authorities.

Use of Estimates in Financial Statements

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

Fair Value Measurements

The Company records its financial assets and liabilities at fair value. The accounting standard for fair value which provides a framework for measuring fair value clarifies the definition of fair value and expands disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The accounting standard establishes a three-tier hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

3. Provision for Income Taxes

Income taxes consist of the following at December 31, 2011:

APC, Inc. income tax provision	\$ 322,721
APC Ltd. income tax provision	-
APC Asia Ltd. income tax provision	14,722
Total income tax expense	<u>\$ 337,443</u>

APC Ltd. has a deferred tax asset of \$234,791 which has been fully reserved for due to the uncertainty of its recoverability.

4. Operating Leases

The Company leases office space in various cities throughout the United States, Europe and Asia under noncancelable operating leases expiring at various dates through October, 2021.

The following is a schedule of future minimum annual lease payments required under these noncancellable operating leases:

Year Ending December 31,	
2012	444,725
2013	459,886
2014	436,074
2015	360,817
2016	221,700
Thereafter	1,182,630
	<u>\$ 3,105,832</u>

Rent expense for the year ended December 31, 2011 totaled \$510,796. It is reflected on the consolidated statement of operations as a component of general and administrative expenses.

5. Profit Sharing Plan and Pension Plan

The Company sponsors a defined contribution plan covering substantially all of its employees. Contributions at the discretion of the sole Director are determined as a percentage of each covered employee's compensation and totaled \$459,851 for the year ended December 31, 2011.

The Company also sponsors a defined benefit pension plan (the "Plan"), covering eligible employees who are 21 years of age with one or more years of service. Pension benefits are based on years of service and the employee's average compensation during the last five years of employment. The Company's funding policy is to contribute the amount required to fully fund the Plan's current liability or the amount necessary to meet the applicable regulations.

The Company's overall investment strategy is to provide a regular and reliable source of income to meet the liquidity needs of the Plan and minimize reliance on plan sponsor contributions as a source of benefit security. The Company's investment policy includes various guidelines and procedures designed to ensure assets are invested in a manner necessary to meet expected future

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

benefits earned by participants. The target allocation by major asset classes is central to the investment policy. The objective of the target allocation is to ensure assets are invested with the intent to protect Plan assets so that such assets are preserved for the provision of benefits to participants and their beneficiaries and such long-term growth as may maximize the amounts available to provide such benefits without undue risk. Also considered are the weighted average return of capital and historical returns on comparable equity, debt, and other investments. The overall investment strategy is to achieve approximately 50% equities securities and 50% fixed income securities. At December 31, 2011, the Plan's master trust was invested as follows: cash and cash equivalents of 40%, fixed income securities 30% and equity securities 30%.

At December 31, 2011, all of the Company's pension plan assets are included in Level 1. The fair value of the Company's pension plan assets at December 31, 2011, by asset category are as follows:

<u>Asset Category</u>	<u>Total</u>	<u>Fair Value Measurements at December 31, 2011</u>	
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	
Cash	\$ 354,892	\$	354,892
Equity securities: ^(a)			
U.S. large-cap	86,393		86,393
U.S. mid-cap	19,294		19,294
U.S. small-cap	13,906		13,906
International developed markets	45,845		45,845
International emerging markets	44,502		44,502
Fixed income securities: ^(b)			
Domestic	201,921		201,920
International	66,158		66,158
Real estate securities ^(c)	20,978		20,978
Commodities securities ^(d)	35,426		35,426
Total	\$ 889,315	\$	889,315

- (a) This category is comprised of actively managed and index domestic and international equity mutual funds and exchange traded funds.
- (b) This category is comprised of actively managed and index domestic and international bond mutual funds and exchange traded funds.
- (c) This category is comprised of an index domestic real estate mutual fund.
- (d) This category is comprised of actively managed commodity mutual funds and a physical commodity exchange traded fund.

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

The components of net periodic benefit cost, assumptions, change in benefit obligation, change in Plan assets and the funded status reconciliation for the Plan as of December 31, 2011 are as follows:

Components of net periodic benefit cost	
Service cost	\$ 943,243
Interest cost	41,932
Expected return on Plan assets	(20,946)
Net periodic benefit cost	<u>\$ 964,229</u>
Weighted average assumptions used to determine net periodic benefit cost and benefit obligation	
Discount rate at December 31	4.50%
Weighted average rate of compensation increase	3.00%
Expected long-term return on Plan assets	5.00%
Change in projected benefit obligation	
Benefit obligation at the beginning of the year	783,387
Interest cost	41,932
Service cost	943,243
Actuarial (gain)/loss	359,368
Benefits paid	-
Benefit obligation at the end of the year	<u>\$ 2,127,930</u>
Change in Plan assets	
Fair value of the Plan assets at the beginning of the year	408,335
Actual return on Plan assets	(1,082)
Employer contributions	482,062
Benefits paid	-
Fair value of the Plan assets at the end of the year	<u>\$ 889,315</u>
Unfunded status	<u>\$ 1,238,615</u>
Amount recognized in the statement of financial condition	
Accrued defined benefit plan obligation	<u>\$ 1,238,615</u>

The following benefit payments are expected to be paid out of the Plan over the next 10 years ending December 31:

2012	\$ -
2013	-
2014	-
2015	-
2016	135,635
Thereafter to 2021	654,399
	<u>\$ 790,034</u>

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

6. Concentration of Credit Risk

The Company maintains cash and savings accounts at two financial institutions. Cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per insured bank account. At all times during the year, balances exceeded insured limits. The Company has not experienced any losses in the past in these accounts.

The Company derives its revenue from a few clients and there is a concentration of placement fees receivable associated with these clients. As of December 31, 2011, approximately two-thirds of the Company's placement fees receivable are due from three clients.

7. Commitments and Contingencies

In the normal course of business, the Company enters into contracts that contain a variety of representations, warranties and indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve potential future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects the risk of loss to be remote.

On May 3, 2010, the Company commenced arbitration action against a client for failing to pay contractual fees for performing placement agent services and for violating other provisions of the placement agreement. As a result of this action, the client filed a complaint against the Company seeking injunctive relief staying the arbitration, legal costs and interest. The Company has moved to compel arbitration and dismiss the client's complaint. All of these motions remain pending and undecided.

On November 15 and 16, 2011, the Company commenced arbitration actions against two clients for failing to pay contractual fees for the performance of placement agent services and for violating other provisions of the placement agreement.

The ultimate outcome of these legal matters cannot presently be determined. However, in management's opinion, the likelihood of a material adverse outcome is considered to be remote and even though the possibility for a material favorable outcome is possible, adjustments, if any, that might result from the resolution of these matters have not been reflected in the financial statements.

8. Related Party Transactions

The Company's sole stockholder from time to time uses Company resources to provide services to affiliates also owned by the Company's stockholder. The Company has \$115,705 due from an affiliate included in other current assets as of December 31, 2011. Amounts charged to the affiliate by the Company are at cost and recorded as a reduction of the actual expense incurred. Such amounts charged to the affiliate for the year ended December 31, 2011 totaled \$347,270.

An officer of the Company has provided a personal guarantee of an office lease obligation.

Atlantic-Pacific Capital, Inc.
Notes to the Consolidated Financial Statements
December 31, 2011

9. Customer Securities – Possession and Control Requirements

The Company is exempt from certain provisions of Rule 15c3-3 under paragraph (k)(2)(i) of the Securities Exchange Act of 1934 since it carries no customer accounts, and does not otherwise hold funds or securities of customers.

10. Net Capital and Aggregate Indebtedness Requirements

The Company is subject to the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934, which requires the Company to maintain minimum net capital of 6 2/3% of aggregate indebtedness and a ratio of aggregate indebtedness to net capital not exceeding fifteen to one.

At December 31, 2011, the Company had net capital of \$1,101,549 which was \$844,995 in excess of the minimum net capital requirement of \$256,554. The Company's ratio of aggregate indebtedness to net capital was 3.4935 to 1.0.

Supplementary Information
December 31, 2011

Atlantic-Pacific Capital, Inc.**Unconsolidated Computation of Net Capital Pursuant to SEC Rule 15c3-1****December 31, 2011**

Stockholder's equity	\$ 48,034,289
Less: nonallowable assets	
Placement fees receivable	44,825,704
Other assets	553,072
Investment in affiliates	763,027
Due from funds	455,278
Property and equipment	<u>335,659</u>
Total nonallowable assets	<u>46,932,740</u>
Less: haircuts	<u>-</u>
Net capital	<u>1,101,549</u>
Minimum net capital required (\$5,000 or 6 2/3% of aggregate indebtedness)	<u>256,554</u>
Excess net capital	<u>\$ 844,995</u>
Excess net capital at 1000 percent	<u>\$ 716,719</u>
Aggregate indebtedness	<u>\$ 3,848,302</u>
Ratio: Aggregate indebtedness to net capital	<u>3.4935 to 1.0</u>

Reconciliation of Net Capital and Unaudited Net Capital Pursuant to SEC Rule 17a-5(d)(4)
December 31, 2011

The net capital computation above does not differ from that filed by the Company on January 26, 2012 in its unaudited filing.

Atlantic-Pacific Capital, Inc.
Computation for Determination of Reserve Requirements and Information
Relating to Possession or Control Requirements Pursuant to SEC Rule 15c3-3
December 31, 2011

The Company is exempt under Rule 15c3-3 (k)(2)(i).

Atlantic-Pacific Capital, Inc.
Reconciliation of Audited Consolidated Statement of
Financial Condition to the Atlantic-Pacific Capital, Inc.
Unconsolidated Statement of Financial Condition
December 31, 2011
(in U.S. dollars)

	Audited Consolidated Statement of Financial Condition	Subsidiaries Excluded, Reclassifications, and Eliminations	Atlantic - Pacific Capital, Inc. Unconsolidated Statement of Financial Condition
Assets			
Current assets			
Cash	\$ 6,225,582	\$ (1,271,732)	\$ 4,953,850
Placement fees receivable	21,171,831	-	21,171,831
Other current assets	553,768	(67,371)	486,397
Due from funds	455,278	-	455,278
Total current assets	28,406,459	(1,339,103)	27,067,356
Property and equipment, net	394,077	(58,418)	335,659
Other assets			
Placement fees receivable	23,655,149	(1,276)	23,653,873
Security deposits	88,744	(39,853)	48,891
Investment in affiliates	-	763,027	763,027
Total other assets	23,743,893	721,898	24,465,791
Total assets	\$ 52,544,429	\$ (675,623)	\$ 51,868,806
Liabilities and stockholder's equity			
Current liabilities			
Accounts payable and accrued expenses	\$ 1,174,446	\$ (759,302)	\$ 415,144
Due to affiliates	-	1,137,043	1,137,043
Deferred revenue	1,043,715	-	1,043,715
Total current liabilities	2,218,161	377,741	2,595,902
Long term liabilities			
Accrued defined benefit plan obligation	1,238,615	-	1,238,615
Total liabilities	3,456,776	377,741	3,834,517
Stockholder's equity	49,087,653	(1,053,364)	48,034,289
Total liabilities and stockholder's equity	\$ 52,544,429	\$ (675,623)	\$ 51,868,806

Independent Auditor's Report on Internal Control
Pursuant to SEC Rule 17a-5
December 31, 2011

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Independent Auditor's Report on Internal Control Pursuant to SEC Rule 17a-5

To the Stockholder of
Atlantic-Pacific Capital, Inc.
Greenwich, Connecticut

In planning and performing our audit of the consolidated financial statements of Atlantic-Pacific Capital, Inc., (the "Company"), as of and for the year ended December 31, 2011 in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal controls.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with

management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's consolidated financial statements will not be prevented or detected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined previously.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2011, to meet the SEC's objectives.

This report is intended solely for the information and use of the stockholder, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Reynolds & Rowella, LLP

Reynolds & Rowella, LLP

Ridgefield, Connecticut
February 24, 2012

ATLANTIC-PACIFIC CAPITAL, INC.
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES RELATED
TO AN ENTITY'S SECURITIES INVESTOR
PROTECTION CORPORATION ASSESSMENT
RECONCILIATION
DECEMBER 31, 2011

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES RELATED TO AN ENTITY'S SECURITIES INVESTOR
PROTECTION CORPORATION GENERAL ASSESSMENT RECONCILIATION**

To the Stockholder of
Atlantic-Pacific Capital, Inc.
Greenwich, Connecticut

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments to the Securities Investor Protection Corporation ("SIPC") for the year ended December 31, 2011, which were agreed to by Atlantic-Pacific Capital, Inc. (the "Company") and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC (collectively, the "Specified Parties"), solely to assist you and the other Specified Parties in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report had been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2011, as applicable, with amounts reported in Form SIPC-7 for the year ended December 31, 2011, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Specified Parties listed above and is not intended to be and should not be used by anyone other than these Specified Parties.

Reynolds & Rowella, LLP
Reynolds & Rowella, LLP

February 24, 2012
Ridgefield, Connecticut

**DETERMINATION OF "SIPC NET OPERATING REVENUES"
AND GENERAL ASSESSMENT**

Amounts for the fiscal period
beginning Jan 1, 2011
and ending Dec 31, 2011
Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 32,827,535

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.
(See Instruction C):

Regulation D Private Placements - Documentation previously sent

32,827,535

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ _____

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ _____

Enter the greater of line (i) or (ii)

Total deductions

32,827,535

2d. SIPC Net Operating Revenues

\$ _____

2e. General Assessment @ .0025

\$ _____

(to page 1, line 2.A.)