UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 26, 2012

A.P. Pharma, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-33221**	**94-2875566**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

123 Saginaw Drive Redwood City CA	**94063**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code (650) 366-2626

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 Results of Operations and Financial Condition

On March 26, 2012, A.P. Pharma, Inc. (the "Company") reported its results of operations for the quarter and year ended December 31, 2011. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K (the "Report"). The press release should be read in conjunction with the note regarding forward-looking statements, which is included in the text of the press release.

The information in this Item 2.02 and attached as Exhibit 99.1 to this Report will not be treated as "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. This information will not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or into another filing under the Exchange Act, unless that filing expressly incorporates this information by reference.

ITEM 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On March 26, 2012, the Company announced that John Barr, Ph.D., the Company's Senior Vice President of Research & Development, would resign as an officer and employee, effective as of March 31, 2012. Dr. Barr is expected to continue to provide services to the Company on a part-time basis for a period of up to one year as a consultant.

ITEM 8.01 Other Events.

On March 26, 2012, the Company announced the results of its thorough QT (tQT) study of APF530, its lead product candidate being developed for the prevention of both acute- and delayed-onset chemotherapy-induced nausea and vomiting (CINV). The study was conducted to assess the potential for granisetron, the active drug in APF530, to prolong the QT interval across a wide range of plasma drug concentrations. The study met its protocol-specified primary end point and demonstrated that granisetron did not have an effect on cardiac repolarization as measured by prolongation of the QT interval. A pharmacokinetic/pharmacodynamic (PK/PD) analysis demonstrated that there was no relationship between plasma granisetron concentrations and the heart-rate-corrected QT interval (QTc) (slope of zero).

This study was a randomized, double-blind, placebo-controlled, four-way, crossover trial in 56 healthy adults that compared the effects of (1) APF530 at twice its proposed therapeutic dose, (2) intravenous (IV) granisetron at five times its therapeutic dose, (3) oral moxifloxacin (400 mg), and (4) placebo on the surface electrocardiogram with primary focus on the QT interval. The primary end point was to determine that granisetron had no clinically meaningful effect on QTc, defined as the upper bound of the one-sided 95% confidence interval for placebo-adjusted, baseline-subtracted QTc being less than 10 milliseconds at all time points. The primary end point was met irrespective of heart-rate correction methodology (QTcF, QTcI, QTcB). Moxifloxacin, the study's positive control, demonstrated QTc prolongation consistent with previous clinical experience.

The QT interval represents the amount of time the heart's electrical system takes to repolarize after each beat. Prolongation of the QT interval may increase the risk of fatal cardiac tachyarrhythmias. As such, the FDA requires a tQT study, which examines a drug's potential to prolong the QT interval, for most drugs in development. Moxifloxacin, a drug known to prolong the QT interval, is a standard positive control used in tQT studies.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Document Description
99.1	Press Release of A.P. Pharma, Inc., dated March 26, 2012.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

A.P. Pharma, Inc.

Date: March 26, 2012

/s/ John B. Whelan

John B. Whelan
President, Chief Executive Officer and Chief Financial Officer

Exhibit 99.1

For Immediate Release

A.P. Pharma Announces Fourth Quarter and Full Year 2011 Financial Results and Provides Update on APF530

REDWOOD CITY, Calif. – March 26, 2012 – A.P. Pharma, Inc. (OTCBB: APPA) today reported fourth quarter and full year 2011 financial results and provided an update on its lead product candidate, APF530, being developed for the prevention of both acute- and delayed-onset chemotherapy-induced nausea and vomiting (CINV).

“In 2011 we made solid progress on the work necessary to respond to the APF530 Complete Response Letter and to prepare the resubmission of the New Drug Application for APF530,” said John B. Whelan, A.P. Pharma’s president and chief executive officer. “The $24 million in funds raised last year provided the resources for us to complete a thorough QT study and other work requested by the FDA, We are targeting the resubmission of the APF530 New Drug Application for mid-2012 and anticipate our current funds will allow us to operate into 2013.”

APF530 Update

- A thorough QT study was completed showing that granisetron, the active drug used in APF530, does not have an effect on cardiac repolarization as measured by prolongation of the QT interval. The results of this study will be included in the resubmission of the New Drug Application (NDA).
- A drug metabolism study was completed showing how the human body processes APF530. These results corroborated preclinical animal metabolism data. The results of this study will be included in the NDA resubmission.
- The administration system for APF530 has been changed from a two-syringe system to a single-syringe system per the FDA’s request. Formative human factors studies have been completed, and a validation study protocol is under review by the FDA. We plan to complete the human factors validation study in the second quarter of 2012 and include the results in the NDA resubmission.
- The APF530 manufacturing process has been modified to allow for terminal sterilization of syringes as requested by the FDA. Manufacturing runs are on-going and data from these runs will be included in the NDA resubmission.
- The Company is targeting the APF530 NDA resubmission for mid-2012.

Results of Operations

A.P. Pharma’s net loss for the fourth quarter of 2011 was $4.3 million, or $0.02 per share, compared to a net loss of $1.6 million, or $0.04 per share, for the fourth quarter of

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2010. The net loss was higher in the 2011 fiscal quarter primarily due to increased spending related to the planned NDA resubmission and higher personnel-related costs, including stock compensation expense.

Net loss for the fiscal year 2011 was $11.8 million, or $0.10 per share, compared with a net loss of $7.3 million, or $0.19 per share, for 2010. The higher net loss in 2011 was primarily due to a royalty milestone payment of $2.5 million received in 2010 and higher contract revenue in the prior year related to research and development work performed under an agreement with Merial Limited, which was terminated in May 2011.

Cash and cash equivalents as of December 31, 2011 were $18.0 million, compared to $2.1 million at December 31, 2010. Net cash used in operating activities was $7.7 million for the year ended December 31, 2011. As previously reported, the Company entered into two financing arrangements during the second quarter of 2011, which provided total funding of approximately $24.1 million, net of expenses. The Company believes that its current cash resources are sufficient to fund its operations into 2013.

About APF530

A.P. Pharma's lead product, APF530, is in development for the prevention of both acute-onset and delayed-onset chemotherapy-induced nausea and vomiting (CINV). APF530 contains the 5-HT3 receptor antagonist, granisetron, formulated in the Company's proprietary Biochronomer™ drug delivery system, which allows therapeutic drug levels to be maintained for five days with a single subcutaneous injection. Intravenous and oral formulations containing granisetron are approved for the prevention of acute-onset CINV, but not delayed-onset CINV. Granisetron was selected because it is widely prescribed by physicians based on a well-established record of safety and efficacy.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company developing products using its proprietary Biochronomer™ polymer-based drug delivery technology. The Company's primary focus is on its lead product, APF530, for the prevention of CINV. A.P. Pharma received a Complete Response Letter on the APF530 NDA and is targeting the resubmission of the NDA for mid-2012. The Company has additional research and development programs that utilize its bioerodible, injectable and implantable drug delivery systems. For further information, please visit the Company's web site at www.appharma.com.

(financial tables follow)

A.P. Pharma, Inc.
Condensed Statements of Operations
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Contract revenue	$ —	$ 179	$ 646	$ 1,301
Operating expenses:				
Research and development	2,855	1,502	8,207	7,264
General and administrative	1,263	410	3,501	3,971
Total operating expenses	4,118	1,912	11,708	11,235
Operating loss	(4,118)	(1,733)	(11,062)	(9,934)
Other income (expenses):				
Interest expense, net	(47)	(1)	(373)	(2)
Other income	—	240	—	240
Gain on sale of royalty interest	—	—	—	2,500
Total other income (expense)	(47)	239	(373)	2,738
Net loss from continuing operations	(4,165)	(1,494)	(11,435)	(7,196)
Loss from discontinued operations	(96)	(102)	(379)	(150)
Net loss	$ (4,261)	$ (1,596)	$ (11,814)	$ (7,346)
Basic and diluted net loss per share:				
Loss from continuing operations	$ (0.02)	$ (0.04)	$ (0.10)	$ (0.18)
Net loss	$ (0.02)	$ (0.04)	$ (0.10)	$ (0.19)
Shares used to compute basic and diluted net loss per share	200,035	39,813	120,263	39,671

A.P. Pharma, Inc.
Condensed Balance Sheets
(in thousands)

	December 31, 2011 (Unaudited)	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 17,974	$ 2,109
Accounts receivable	—	110
Prepaid expenses and other current assets	266	282
Total current assets	18,240	2,501
Property and equipment, net	1,075	357
Other long-term assets	130	53
Total assets	$ 19,445	$ 2,911
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,010	$ 159
Accrued expenses	1,498	461
Accrued disposition costs	1,082	703
Convertible notes payable to related parties, net of discount	103	—
Deferred revenue	—	237
Total current liabilities	3,693	1,560
Deferred revenue	—	35
Total liabilities	3,693	1,595
Stockholders' equity:		
Common stock	2,002	401
Additional paid-in capital	173,989	149,340
Accumulated deficit	(160,239)	(148,425)
Total stockholders' equity	15,752	1,316
Total liabilities and stockholders' equity	$ 19,445	$ 2,911

Forward-looking Statements

This news release contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties, including uncertainties associated with capital resources and liquidity, timely development and regulatory approval of product candidates, satisfactory completion of clinical studies, progress in research and development programs, launch and acceptance of new products and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. We caution investors that forward-looking statements reflect our analysis only on their stated date. We do not intend to update them except as required by law.

Editor's Note:

A.P. Pharma today announced two additional press releases, which can be accessed on the Company's website at www.appharma.com. These releases included:

- APF530 Thorough QT Study Showed No Effect on Cardiac Repolarization
- A.P. Pharma Appoints Thomas Ottoboni, Ph.D. as Vice President of Pharmaceutical Development

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