

USCORP
Form 10-Q
February 11, 2010

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: December 31, 2009
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from: _____ to _____

USCORP
(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction
of Incorporation)

000-19061
(Commission
File Number)

87-0403330
(I.R.S. Employer
Identification No.)

4535 W. Sahara Avenue, Suite 200, Las Vegas, NV 89102
(Address of Principal Executive Office) (Zip Code)

(702) 933-4034
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated
filer

Accelerated filer

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Non-accelerated
filer

Smaller reporting
company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of December 31, 2009.
78,192,052 shares of Common Class A Stock and 5,000,000 shares of Common Class B Stock issued and outstanding.

USCORP
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PART I. FINANCIAL INFORMATION

USCorp
(an Exploration Stage Company)
Balance Sheet
As of December 31, 2009 and September 30, 2009

	31-Dec-09	30-Sep-09
ASSETS		
Current assets:		
Cash	\$ 30,936	\$ 18,527
Total current assets	\$ 30,936	\$ 18,527
Other assets:		
Equipment- net	753	1,030
Total assets	\$ 31,689	\$ 19,557
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable & accrued expenses	\$ 8,953	\$ 8,953
Gold bullion loan	2,136,539	1,786,025
Convertible debenture payable	267,890	249,955
Subscriptions payable	104,951	93,481
Total current liabilities	\$ 2,518,333	\$ 2,138,414
Convertible debenture payable	393,312	390,661
Due to officer	25,005	16,349
Shareholders' equity:		
Series A preferred stock, one share convertible to eight shares of common; par value \$0.001, 10,000,000 shares authorized, 6,562,500 shares issued and outstanding at September 30, 2009 and December 31, 2009	8,327	8,327
Series B preferred stock, one share convertible to two shares of common; 10% cumulative stated dividend, stated value \$0.50, 50,000,000 shares authorized, 141,687 outstanding at September 30, 2009 and December 31, 2009, stated value; \$0.50	63,498	63,498
Common stock B- \$.001 par value, authorized 250,000,000 shares, issued and outstanding, 5,000,000 shares at September 30, 2009 and December 31, 2009	5,000	5,000
Common stock A- \$.01 par value, authorized 550,000,000 shares authorized, issued and outstanding, 74,319,460 shares at September 30, 2009 and 78,192,052 at December 31, 2009	\$ 781,921	\$ 743,195
Additional paid in capital	12,257,528	12,183,315
Accumulated deficit - exploration stage	(16,021,235)	(15,529,202)
Total shareholders' deficit	(2,981,786)	(2,602,692)
Total Liabilities & Shareholders' Deficit	\$ 31,689	\$ 19,557

See the notes to the financial statements.

USCorp
(an Exploration Stage Company)
Statements of Operations
For the Quarters Ended December 31, 2009 and December 31, 2008
and from Inception, May 1989 through December 31, 2009

	31-Dec-09	31-Dec-08	Inception to Date
General and administrative expenses:			
Consulting	\$ 64,109	\$ 84,723	\$ 6,823,612
Administration	49,941	247,662	5,450,401
License expense	0	100	247,559
Professional fees	6,883	18,810	683,606
Total general & administrative expenses	120,933	351,295	13,205,178
Net loss from operations	\$ (120,933)	\$ (351,295)	\$ (13,205,178)
Other income (expenses):			
Interest income	0	509	7,908
Interest expense	(35,006)	(70,948)	(966,975)
Gain (loss) on unhedged derivative	(336,094)	14,747	(1,256,990)
Loss on mining claim	0	0	(600,000)
Net loss before provision for income taxes	\$ (492,033)	\$ (406,987)	\$ (16,021,235)
Provision for income taxes	0	0	0
Net loss	\$ (492,033)	\$ (406,987)	\$ (16,021,235)
Basic & fully diluted net loss per common share	\$ (0.01)	\$ (0.01)	
Weighted average of common shares outstanding:			
Basic & fully diluted	76,043,451	61,859,459	

See the notes to the financial statements.

USCorp
(an Exploration Stage Company)
Statements of Cash Flows
For the Quarters Ended December 31, 2009 and December 31, 2008
and from Inception, May 1989 through December 31, 2009

	31-Dec-09	31-Dec-08	Inception to Date
Operating Activities:			
Net loss	\$ (492,033)	\$ (406,987)	\$ (16,021,235)
Adjustments to reconcile net income items not requiring the use of cash:			
Loss on sale of mining claim	0	0	600,000
Consulting fees	7,159	28,271	2,154,719
Depreciation expense	277	848	16,802
Legal settlement expense	0	0	12,000
Interest expense	35,006	70,948	966,975
Shares issued for mining claim	0	0	2,449,465
Loss on unhedged underlying derivative	336,094	(14,747)	1,256,990
Changes in other operating assets and liabilities :			
Accounts payable and accrued expenses	0	0	2,391,141
Net cash used by operations	\$ (113,497)	\$ (321,667)	\$ (6,173,143)
Investing activities:			
Purchase of office equipment	\$ 0	\$ 0	\$ (17,555)
Net cash used by investing activities	0	0	(17,555)
Financing activities:			
Issuance of common stock	\$ 105,780	\$ 85,000	\$ 2,848,021
Issuance of preferred stock	0	0	78,559
Issuance of gold bullion note	0	0	648,282
Subscriptions received	11,470	35,652	674,274
Issuance of convertible notes	0	200,000	1,600,000
Advances received (paid) shareholder	8,656	0	372,499
Net cash provided by financing activities	125,906	320,652	6,221,635
Net increase (decrease) in cash during the period	\$ 12,409	\$ (1,015)	\$ 30,936
Cash balance at beginning of the fiscal year	18,527	478,843	0
Cash balance at December 31st	\$ 30,936	\$ 477,828	\$ 30,936
Supplemental disclosures of cash flow information:			
Interest paid during the period	\$ 0	\$ 0	\$ 0
Income taxes paid during the period	\$ 0	\$ 0	\$ 0

See the notes to the financial statements.

USCorp
(an Exploration Stage Company)
Statement of Changes in Shareholders' Equity
From Inception in May 1989

	Common Shares	Common Par Value	Paid in Capital	Accumulated Deficit	Total	Stock Price *
Inception	0	\$ 0	\$ 0	\$ 0	\$ 0	
Issuance of common stock	84,688	847	1,185,153		1,186,000	\$ 0.07
Net income fiscal 1990				520,000	520,000	
Balance at September 30, 1990-unaudited	84,688	\$ 847	\$ 1,185,153	\$ 520,000	\$ 1,706,000	
Net income fiscal 1991				1,108,000	1,108,000	
Balance at September 30, 1991-unaudited	84,688	\$ 847	\$ 1,185,153	\$ 1,628,000	\$ 2,814,000	
Issuance of common stock	472	5	32,411		32,416	\$ 0.22
Net income fiscal 1992				466,000	466,000	
Balance at September 30, 1992-unaudited	85,160	\$ 852	\$ 1,217,564	\$ 2,094,000	\$ 3,312,416	
Net loss fiscal 1993				(3,116,767)	(3,116,767)	
Balance at September 30, 1993-unaudited	85,160	\$ 852	\$ 1,217,564	\$ (1,022,767)	\$ 195,649	