

USCORP
Form 10QSB
August 18, 2008

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

FORM 10-QSB

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2008

or

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission File Number 000-19061

USCORP

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

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

4535 W. SAHARA AVE., SUITE 200
Las Vegas, NV 89102
(Address of principal executive offices)

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

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 shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934) YES NO

As of August 10, 2008, the Registrant had 60,612,630 shares of Common Stock, par value \$.01 per share, and 5,000,000 shares of Class B Common Stock, par value \$.001 outstanding.



USCORP
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PART I. FINANCIAL INFORMATION

USCorp
(an Exploration Stage Company)
Balance Sheet
As of June 30, 2008 and September 30, 2007

	30-Jun-08	30-Sep-07
ASSETS		
Current assets:		
Cash	\$ 740,014	\$ 1,541,001
Total current assets	\$ 740,014	\$ 1,541,001
Other assets:		
Equipment- net	2,642	5,431
Total assets	\$ 742,656	\$ 1,546,432
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable & accrued expenses	\$ 300,169	\$ 2,410,918
Subscriptions payable	0	569,323
Total current liabilities	\$ 300,169	\$ 2,980,241
Gold bullion loan	1,524,113	1,205,484
Convertible debenture payable	65,111	639,770
Advances payable to shareholder	0	205,263
Shareholders' equity:		
Series A preferred stock, one share convertible to eight shares of common; 10% stated dividend, stated value \$0.50, 10,000,000 shares authorized, no shares outstanding	0	0
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, 155,000 shares outstanding at September 30, 2007 and 141,687 at June 30, 2008	63,498	70,165
Common stock B- \$.001 par value, authorized 250,000,000 shares, issued and outstanding, 5,000,000 shares at March 31, 2008 and 5,000,000 at September 30, 2007, non-voting	5,000	5,000
Common stock A- \$.01 par value, authorized 550,000,000 shares, issued and outstanding, 33,856,462 shares at September 30, 2007 and 60,612,630 at June 30, 2008	\$ 606,126	\$ 338,564
Additional paid in capital	11,364,136	7,839,031
Accumulated deficit - exploration stage	(13,185,497)	(11,737,086)
Total shareholders' deficit	(1,215,235)	(3,559,491)
Total Liabilities & Shareholders' Deficit	\$ 742,656	\$ 1,546,432

See the notes to the consolidated financial statements.

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USCorp
(an Exploration Stage Company)
Statements of Operations
For the Nine and Three Months Ended June 30, 2008 and June 30, 2007
and from Inception, May 1989 through June 30, 2008

	9 Months	9 Months	3 Months	3 Months	Inception
	30-Jun-08	30-Jun-07	30-Jun-08	30-Jun-07	to Date
General and administrative expenses:					
Consulting	\$ 282,148	\$ 50,148	\$ 167,341	\$ 50,148	\$ 5,970,484
Administration	520,382	193,696	247,071	56,398	4,576,801
License expense	0	2,500	0	0	190,684
Professional fees	21,399	18,666	(19,890)	17,666	514,726
Total general & administrative expenses	823,929	265,010	394,522	124,212	11,252,695
Net loss from operations	\$ (823,929)	\$ (265,010)	\$ (394,522)	\$ (124,212)	\$ (11,252,695)
Other income (expenses):					
Interest income	5,133	0	5,133	0	5,133
Interest expense	(353,931)	(58,547)	(110,902)	(20,023)	(607,320)
Gain (loss) on un-hedged derivative	(275,684)	(40,952)	15,488	(9,920)	(730,615)
Loss on mining claim	0	0	0	0	(600,000)
Net loss before provision for income taxes	\$ (1,448,411)	\$ (364,509)	\$ (484,803)	\$ (154,155)	\$ (13,185,497)
Provision for income taxes	0	0	0	0	0
Net loss	\$ (1,448,411)	\$ (364,509)	\$ (484,803)	\$ (154,155)	\$ (13,185,497)
Basic & fully diluted net loss per common share	\$ (0.03)	\$ (0.01)	\$ (0.01)	0.00	
Weighted average of common shares outstanding:					
Basic & fully diluted	51,698,065	38,840,102	53,843,311	38,856,461	

See the notes to the consolidated financial statements.

USCorp
(an Exploration Stage Company)
Statements of Cash Flows
For the Nine Months Ended June 30, 2008 and June 30, 2007
and from Inception, May 1989 through June 30, 2008

	30-Jun-08	30-Jun-07	Inception to Date
Operating Activities:			
Net loss	\$ (1,448,411)	\$ (364,509)	\$ (13,185,497)
Adjustments to reconcile net income items not requiring the use of cash:			
Loss on sale of mining claim	0	0	600,000
Consulting fees	157,232	5,000	2,079,752
Depreciation expense	2,789	3,494	13,272
Interest expense	353,931	58,547	607,320
Shares issued for mining claim	0	0	2,449,465
Loss on un-hedged underlying derivative	275,684	40,952	730,615
Changes in other operating assets and liabilities :			
Accounts payable and accrued expenses	(70,749)	(69,116)	2,340,169
Net cash used by operations	\$ (729,524)	\$ (325,632)	\$ (4,364,904)
Investing activities:			
Purchase of office equipment	\$ 0	\$ (1,665)	\$ (15,914)
Net cash used by investing activities	0	(1,665)	(15,914)
Financing activities:			
Issuance of common stock	\$ 133,800	\$ 0	\$ 2,285,568
Issuance of preferred stock	0	0	70,165
Issuance of gold bullion note	0	0	648,282
Subscriptions received	0	0	569,323
Issuance of convertible notes	0	600,000	1,200,000
Advances received from (repaid to) shareholder	(205,263)	56,282	(9,249)
Capital contributed by shareholder	0	0	356,743
Net cash provided by financing activities	(71,463)	656,282	5,120,832
Net increase (decrease) in cash during the period	\$ (800,987)	\$ 328,985	\$ 740,014
Cash balance at beginning of the fiscal year	1,541,001	83,573	0
Cash balance at March 31st	\$ 740,014	\$ 412,558	\$ 740,014
Supplemental disclosures of cash flow information:			
Interest paid during the fiscal year	\$ 0	\$ 0	\$ 0
Income taxes paid during the fiscal year	\$ 0	\$ 0	\$ 0

See the notes to the consolidated financial statements.

USCorp
(an Exploration Stage Company)
Statement of Changes in Shareholders Equity
From Inception, May 1989 to June 30, 2008

	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	
Net loss fiscal 1994				(63,388)	(63,388)	
Balance at September 30, 1994-unaudited	85,160	\$ 852	\$ 1,217,564	(1,086,155)	\$ 132,261	
Net income fiscal 1995				(132,261)	(132,261)	
Balance at September 30, 1995-unaudited	85,160	\$ 852	\$ 1,217,564	(1,218,416)	\$ 0	
Net loss fiscal 1996				0	0	
Balance at September 30, 1996-unaudited	85,160	\$ 852	\$ 1,217,564	(1,218,416)	\$ 0	

USCorp
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Statement of Changes in Shareholders Equity
From Inception, May 1989 to June 30, 2008
(Continued)

	Common Shares	Common Par Value	Paid in Capital	Accumulated Deficit	Total	Stock Price *
Stock issued for mining claim	150,000	1,500	598,500		600,000	\$ 0.20
Issuance of common stock	50,000	500	59,874		60,374	\$ 0.06
Stock issued for services	14,878	149	29,608		29,757	\$ 0.10
Net loss fiscal 1997				(90,131)	(90,131)	
Balance at September 30, 1997-unaudited	300,038	\$ 3,001	\$ 1,905,546	\$ (1,308,547)	600,000	
Capital contributed by shareholder			58,668		58,668	
Net loss fiscal 1998				(58,668)	(58,668)	
Balance at September 30, 1998-unaudited	300,038	\$ 3,001	\$ 1,964,214	\$ (1,367,215)	600,000	
Capital contributed by shareholder			28,654		28,654	
Net income fiscal 1999				(26,705)	(26,705)	
Balance at September 30, 1999-unaudited	300,038	\$ 3,001	\$ 1,992,868	\$ (1,393,920)	601,949	
Capital contributed by shareholder			22,750		22,750	
Net loss fiscal 2000				(624,699)	(624,699)	
Balance at September 30, 2000-unaudited	300,038	\$ 3,001	\$ 2,015,618	\$ (2,018,619)	0	

USCorp
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Statement of Changes in Shareholders Equity
From Inception, May 1989 to June 30, 2008
(Continued)

	Common Shares	Common Par Value	Paid in Capital	Accumulated Deficit	Total	Stock Price *
Issuance of common stock	103,535	1,035	611,943		612,978 \$	0.15
Issued stock for compensation	50,000	500	19,571		20,071 \$	0.04
Capital contributed by shareholder			21,719		21,719	
Net loss fiscal 2001				(654,768)	(654,768)	
Balance at September 30, 2001-unaudited	453,573 \$	4,536 \$	2,668,851 \$	(2,673,387)\$	0	
Issued stock to purchase mining claim	24,200,000	242,000	2,207,466		2,449,466 \$	0.10
Issued shares to employees	267,500	2,675				