

USCORP  
Form 10-Q  
May 20, 2011

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: March 31, 2011  
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. x Yes o 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	<input type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input checked="" type="radio"/>

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of March 31, 2011.

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173,981,645 shares of Common Class A Stock and 5,060,500 shares of Common Class B Stock were issued and outstanding.

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USCORP  
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## PART I. FINANCIAL INFORMATION

USCorp  
(an Exploration Stage Company)  
Balance Sheet

As of March 31, 2011 and September 30, 2010

	31-Mar-11	30-Sep-10
<b>ASSETS</b>		
Current assets:		
Cash	\$ 895,433	\$ 354,019
Total current assets	\$ 895,433	\$ 354,019
Other assets:		
Equipment- net	0	376
Total assets	\$ 895,433	\$ 354,395
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable & accrued expenses	\$ 20,770	\$ 25,298
Gold bullion loan	3,311,778	3,016,841
Convertible debenture payable	700,000	700,000
Subscriptions payable	208,800	0
Total current liabilities	\$ 4,241,348	\$ 3,742,139
Due to officer	124	40,170
Shareholders' equity:		
Series A preferred stock, one share convertible to eight shares of common; par value \$0.001, 10,000,000 shares authorized, 4,168,750 shares issued and outstanding at September 30, 2010 and 2,943,750 at March 31, 2011	4,304	5,365
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, 2010 and March 31, 2011, 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, 2010 and 5,060,500 at March 31, 2011	5,060	5,060
Common stock A- \$.01 par value, authorized 550,000,000 shares authorized, issued and outstanding, 135,955,389 shares at September 30, 2010 and 173,981,645 at March 31, 2011	\$ 1,739,817	\$ 1,359,555
Additional paid in capital	13,511,141	12,870,994
Accumulated deficit - exploration stage	(18,669,859 )	(17,732,386 )
Total shareholders' deficit	(3,418,901 )	(3,501,837 )
Total Liabilities & Shareholders' Deficit	\$ 895,433	\$ 354,395

See the notes to the financial statements.

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USCorp  
(an Exploration Stage Company)  
Statements of Operations  
For the Six Months and Quarters Ended March 31, 2011 and March 31, 2010  
and from Inception, May 1989 through March 31, 2011

	6 Months 31-Mar-11	6 Months 31-Mar-10	3 Months 31-Mar-11	3 Months 31-Mar-10	Inception to Date
<b>General and administrative expenses:</b>					
Consulting	\$456,921	\$331,794	\$298,199	\$267,685	\$7,854,824
Administration	163,848	555,272	105,085	505,331	6,401,482
License expense	0	0	0	0	247,559
Professional fees	21,774	20,579	13,740	13,696	764,420
Total general & administrative expenses	642,543	907,645	417,024	786,712	15,268,285
Net loss from operations	\$(642,543 )	\$(907,645 )	\$(417,024 )	\$(786,712 )	\$(15,268,285)
<b>Other income (expenses):</b>					
Interest income	0	0	0	0	7,908
Interest expense	(6 )	(65,608 )	(6 )	(30,602 )	(1,048,568 )
Gain (loss) on unhedged derivative	(294,924 )	(332,614 )	(66,630 )	3,480	(2,360,914 )
Net loss before provision for income taxes	\$(937,473 )	\$(1,305,867 )	\$(483,660 )	\$(813,834 )	\$(18,669,859)
Provision for income taxes	0	0	0	0	0
Net loss	\$(937,473 )	\$(1,305,867 )	\$(483,660 )	\$(813,834 )	\$(18,669,859)
Basic & fully diluted net loss per common share	\$(0.01 )	\$(0.02 )	\$(0.00 )	\$(0.01 )	
<b>Weighted average of common shares outstanding:</b>					
Basic & fully diluted	151,292,251	79,574,934	157,824,413	83,201,313	

See the notes to the financial statements.

USCorp  
(an Exploration Stage Company)  
Statements of Cash Flows  
For the Six Months Ended March 31, 2011 and March 31, 2010  
and from Inception, May 1989 through March 31, 2011

	31-Mar-11	31-Mar-10	Inception to Date
<b>Operating Activities:</b>			
Net loss	\$(937,473 )	\$(1,305,867)	\$(18,669,859)
Adjustments to reconcile net income items not requiring the use of cash:			
Consulting fees	87,829	660,935	4,975,292
Depreciation expense	376	518	17,555
Interest expense	6	65,608	984,995
Impairment expense	0	0	3,049,465
Loss on unhedged underlying derivative	294,924	332,614	2,389,427
Changes in other operating assets and liabilities :			
Accounts payable and accrued expenses	(4,528 )	(1,104 )	20,770
Net cash used by operations	\$(558,866 )	\$(247,296 )	\$(7,232,355 )
<b>Investing activities:</b>			
Purchase of office equipment	\$0	\$0	\$(17,555 )
Net cash used by investing activities	0	0	(17,555 )
<b>Financing activities:</b>			
Issuance of common stock	\$932,580	\$357,895	\$6,158,525
Issuance of preferred stock	0	0	68,863
Issuance of common B stock	0	0	5,060
Issuance of gold bullion note	7	0	648,289
Capital contributed by shareholder	0	0	356,743
Subscriptions received (transferred to common stock)	207,739	96,518	207,739
Issuance of convertible notes	0	0	700,000
Advances received (paid) shareholder	(40,046 )	(16,349 )	124
Net cash provided by financing activities	1,100,280	438,064	8,145,343
Net increase (decrease) in cash during the period	\$541,414	\$190,768	\$895,433
Cash balance at beginning of the fiscal year	354,019	18,527	0
Cash balance at March 31st	\$895,433	\$209,295	\$895,433
<b>Supplemental disclosures of cash flow information:</b>			
Interest paid during the year	\$0	\$0	\$0
Income taxes paid during the year	\$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	
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  
(an Exploration Stage Company)  
Statement of Changes in Shareholders' Equity  
From Inception in May 1989  
(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 in May 1989  
(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	(2,675 )		0	
Capital contributed by shareholders			143,480		143,480	
Net loss for the fiscal year				(2,591,671 )	(2,591,671 )	
Balance at September 30, 2002-unaudited	24,921,073	\$ 249,211	\$5,017,122	\$ (5,265,058 )	\$1,275	
Issued stock for services	872,000	8,720	264,064		272,784	\$0.31
Beneficial conversion feature			3,767		3,767	
Capital contributed by shareholders			81,472		81,472	
Net loss for the fiscal year				(865,287 )	(865,287 )	
Balance at September 30, 2003	25,793,073	\$ 257,931	\$5,366,425	\$ (6,130,345 )	\$(505,989 )	

USCorp  
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Statement of Changes in Shareholders' Equity  
From Inception in May 1989  
(Continued)

	Common Shares	Common Par Value	Paid in Capital	Accumulated Deficit	Total	Stock Price *
Issuance of common stock	550,000	5,500	206,500		212,000	\$0.39
Issued stock to pay bills	1,069,945	10,699	460,077		470,776	\$0.44
Issued stock for services	2,118,444	21,184	652,714		673,898	\$0.32
Net loss for the fiscal year				(964,108 )	(964,108 )	
Balance at September 30, 2004	29,531,462	\$ 295,314	\$ 6,685,716	\$(7,094,453 )	\$(113,423 )	
Issuance of common stock	150,000	1,500	46,500		48,000	\$0.32
Issued stock for services	2,840,000	28,400	331,600		360,000	\$0.13
Issued stock to pay debt	400,000	4,000	50,000		54,000	\$0.14
Issuance of warrants			1,817		1,817	
Net loss for the fiscal year				(628,337 )	(628,337 )	
Balance at September 30, 2005	32,921,462	\$ 329,214	\$ 7,115,633	\$(7,722,790 )	\$(277,943 )	
Issued stock for services	885,000	8,850	70,800		79,650	\$0.09
Net loss for the period				(837,551 )	(837,551 )	
Balance at September 30, 2006	33,806,462	\$ 338,064	\$ 7,186,433	\$(8,560,341 )	\$(1,035,844)	
Issued stock for services	50,000	500	4,500		5,000	\$0.10
Issuance of convertible debt			648,098		648,098	
Net loss for the fiscal year				(3,176,745 )	(3,176,745)	
Balance at September 30, 2007	33,856,462	338,564	7,839,031	(11,737,086)	(3,559,491)	

USCorp  
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Statement of Changes in Shareholders' Equity  
From Inception in May 1989  
(Continued)

	Common Shares	Common Par Value	Paid in Capital	Accumulated Deficit	Total	Stock Price *
Issuance of common stock	10,011,879	100,119	638,559		738,678	\$0.07
Issued stock for services	9,517,664	95,177	2,447,473		2,542,650	\$0.27
Conversion of debentures	7,200,000	72,000	828,000		900,000	\$0.13
Conversion of preferred stock	26,626	266	6,401		6,667	\$0.25
Issuance of convertible debt			56,000		56,000	
Net loss for the fiscal period- as restated				(2,498,879 )	(2,498,879)	
Balance at September 30, 2008	60,612,631	606,126	11,815,464	(14,235,965)	(1,814,375)	
Issuance of common stock	12,261,765	122,618	304,845		427,463	\$0.03
Issued stock for services	845,064	8,451	53,939		62,390	\$0.07
Issued stock to settle lawsuit	200,000	2,000	10,000		12,000	\$0.06
Conversion of Preferred A	400,000	4,000	(3,933 )		67	
Issuance of convertible debt			3,000		3,000	
Net loss for the year				(1,293,237 )	(1,293,237)	
Balance at September 30, 2009	74,319,460	743,195	12,183,315	(15,529,202)	(2,602,692)	
Issuance of common stock	31,680,388	316,804	426,690		743,494	\$0.02
Issued stock & warrants for services	8,778,566	87,786	214,884		302,670	\$0.03
Exercise of warrants	11,776,975	117,770	140,105		257,875	\$0.02
Converted preferred A	9,400,000	94,000	(94,000 )		0	
Net loss for the year				(2,203,184 )	(2,203,184)	
Balance at September 30, 2010	135,955,389	1,359,555	12,870,994	(17,732,386)	(3,501,837)	
Issuance of common stock	28,169,665	281,696	650,884		932,580	\$0.03
Issued shares & warrants for services	1,456,591	14,566	73,263		87,829	\$0.06
Converted preferred A	8,400,000	84,000	(84,000 )		0	
Net loss for the period				(937,473 )	(937,473 )	
Balance at March 31, 2011	173,981,645	\$1,739,817	\$13,511,141	\$(18,669,859)	\$(3,418,901)	