USCORP
Form 10-Q/A
June 24, 2009

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

FORM 10-Q/A

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

For the quarterly period ended: December 31, 2008

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	000-19061	87-0403330
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(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 ¨ 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	¨
Non-accelerated filer	¨	Smaller reporting company	x

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of January 21, 2009. 64,559,058 shares of Common Stock issued and outstanding.

Explanatory Note

Subsequent to the issuance of the financial statements for the fiscal years ended September 30, 2008 and September 30, 2007, management discovered that an incorrect statement had been filed instead of the finalized report. The original Annual Report on Form 10-K we filed incorrectly valued the shares issued to consultants. The following indicates those accounts in the consolidated balance sheets and the consolidated income statements affected by the restatement.

For the 3 month period ending 12-31-08	As Reported	As Restated
Total shareholder deficit	$ (1,983,083)	$ (2,105,092)
Net loss	$ (406,987)	$ (406,988)
Basic & fully diluted net loss per common share	$ (0.01)	$ (0.01)

USCORP

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PART I. FINANCIAL INFORMATION

USCorp
(an Exploration Stage Company)
Balance Sheet
As of December 31, 2008 and September 30, 2008

	Unaudited 31-Dec-08	As Restated 30-Sep-08
ASSETS		
Current assets:		
Cash	$ 326,930	$ 327,945
Total current assets	$ 326,930	$ 327,945
Other assets:		
Equipment- net	2,342	3,190
Total assets	$ 329,272	$ 331,135
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable & accrued expenses	$ 189,211	$ 189,211
Gold bullion loan	1,591,773	1,592,100
Subscriptions payable	35,652	0
Total current liabilities	$ 1,816,636	$ 1,781,311
Gold bullion loan	0	0
Convertible debenture payable	542,230	288,702
Advances payable to shareholder	0	0
Shareholders' equity:		
Series A preferred stock, one share convertible to eight shares of common; par value $0.001, 10,000,000 shares authorized, 5,218,750 shares issued and outstanding at September 30, 2008	7,000	7,000
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 September 30, 2008, 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, 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 authorized, issued and outstanding, 33,856,462 shares at September 30, 2007 and 60,612,630 at September 30, 2008	$ 630,590	$ 606,126
Additional paid in capital	11,907,271	11,815,463
Accumulated deficit - exploration stage	(14,642,953)	(14,235,965)
Total shareholders' deficit	(2,105,092)	(1,814,376)

Total Liabilities & Shareholders' Deficit	$	329,272	$	331,135

See the notes to the financial statements.

USCorp
(an Exploration Stage Company)
Statements of Operations
For the Quarters Ended December 31, 2008 and December 31, 2007
and from Inception, May 1989 through December 31, 2008

	Unaudited 3 Months 31-Dec-08	3 Months 31-Dec-07	Inception to Date
General and administrative expenses:			
Consulting	$ 84,723	$ 9,310	$ 6,501,379
Administration	247,663	146,868	5,155,944
License expense	100	0	247,559
Professional fees	18,810	43,672	583,430
Total general & administrative expenses	351,296	199,850	12,488,312
Net loss from operations	$ (351,296)	$ (199,850)	$ (12,488,312)
Other income (expenses):			
Interest income	509	0	7,773
Interest expense	(70,948)	(162,076)	(792,980)
Loss on unhedged derivative	14,747	(275,206)	(769,434)
Loss on mining claim	0	0	(600,000)
Net loss before provision for income taxes	$ (406,988)	$ (637,132)	$ (14,642,953)
Provision for income taxes	0	0	0
Net loss	$ (406,988)	$ (637,132)	$ (14,642,953)
Basic & fully diluted net loss per common share	$ (0.01)	$ (0.01)	
Weighted average of common shares outstanding:			
Basic & fully diluted	61,859,459	49,517,400	

See the notes to the financial statements.

USCorp
(an Exploration Stage Company)
Statements of Cash Flows
For the Quarters Ended December 31, 2008 and December 31, 2007
and from Inception, May 1989 through December 31, 2008

	31-Dec-08	31-Dec-07	Inception to Date
Operating Activities:			
Net loss	$ (406,988)	$ (637,132)	$ (14,642,953)
Adjustments to reconcile net income items not requiring the use of cash:			
Loss on sale of mining claim	0	0	600,000
Consulting fees	28,271		2,120,441
Depreciation expense	848	1,084	15,213
Interest expense	70,948	162,076	792,980
Shares issued for mining claim	0	0	2,449,465
Loss on unhedged underlying derivative	(14,747)	275,206	769,434
Changes in other operating assets and liabilities :			
Accounts payable and accrued expenses	0	18,111	2,569,211
Net cash used by operations	$ (321,668)	$ (180,655)	$ (5,326,209)
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	$ 85,000	$ 0	$ 2,399,778
Issuance of preferred stock	0	0	70,165
Issuance of gold bullion note	0	18,455	648,282
Subscriptions received	35,653	0	604,976
Issuance of convertible notes	200,000	0	1,600,000
Advances received (paid) shareholder	0	(27,955)	347,494
Net cash provided by financing activities	320,653	(9,500)	5,670,695
Net increase (decrease) in cash during the period	$ (1,015)	$ (190,155)	$ 326,930
Cash balance at beginning of the fiscal year	327,945	1,541,001	0
Cash balance at December 31st	$ 326,930	$ 1,350,846	$ 326,930
Supplemental disclosures of cash flow information:			
Interest paid during the fiscal 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, May 1989 to September 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
(an Exploration Stage Company)
Statement of Changes in Shareholders' Equity
From Inception, May 1989 to September 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	

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

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USCorp
(an Exploration Stage Company)
Statement of Changes in Shareholders' Equity
From Inception, May 1989 to December 31, 2008
(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	2,125,000	21,250	63,750		85,000	$ 0.04
Issued stock for services	321,428	3,214	25,057		28,271	$ 0.09
Issuance of convertible debt			3,000		3,000	
Net loss for the period				(406,988)	(406,988)	
Balance at December 31, 2008	63,059,059	$ 630,590	$ 11,907,271	$ (14,642,953)	$ (2,105,092)	

*- Prices adjusted for stock splits.

Please see the notes to the financial statements.

USCorp
(an Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the Quarters Ended December 31, 2008 and December 31, 2007

1. Organization of the Company and Significant Accounting Principles

USCorp (the “Company”) is a publicly held corporation formed in May 1989 in the state of Nevada. In April 2002 the Company acquired US Metals, Inc. (“USMetals”), a Nevada corporation, by issuing 24,200,000 shares of common stock. US Metals became a wholly owned subsidiary of the Company.

The Company now owns the mineral rights to 172 Lode and Placer Mining Claims in the Eureka Mining District of Yavapai County, Arizona, called the Twin Peaks Project; and owns the mineral rights to 235 Placer and Lode Claims on five properties in the Mesquite Mining District of Imperial County, California, which the Company collectively refers to as the Picacho Salton Project.

The Company has no revenues to date and has defined itself as an “exploration stage” company.

Exploration Stage Company- the Company has no operations or revenues since its inception and therefore qualifies for treatment as an Exploration Stage company as per Statement of Financial Accounting Standards (SFAS) No. 7. As per SFAS No.7, financial transactions are accounted for as per generally accepted accounted principles. Costs incurred during the development stage are accumulated in “accumulated deficit- exploration stage” and are reported in the Stockholders’ Equity section of the balance sheet.

Consolidation- the accompanying consolidated financial statements include the accounts of the company and its wholly owned subsidiary. All significant inter-company balances have been eliminated.

Use of Estimates- The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make reasonable estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses at the date of the financial statements and for the period they include. Actual results may differ from these estimates.

Cash and interest bearing deposits- For the purpose of calculating changes in cash flows, cash includes all cash balances and highly liquid short-term investments with an original maturity of three months or less.

Long Lived Assets- The Company reviews for the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount.

Property and Equipment- Property and equipment are stated at cost. Depreciation expense is computed using the straight-line method over the estimated useful life of the asset, which is estimated at three years.

Income taxes- The Company accounts for income taxes in accordance with the Statement of Accounting Standards No. 109 (SFAS No. 109), "Accounting for Income Taxes". SFAS No. 109 requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually for differences between financial statement and income tax bases of assets and liabilities that will result in taxable income or deductible expenses in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets and liabilities to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period adjusted for the change during the period in deferred tax assets and liabilities.

Mineral Properties- Costs incurred to acquire mineral interest in properties, to drill and equip exploratory sites within the claims groups, to conduct exploration and assay work are expensed as incurred.

Revenue Recognition- Mineral sales will result from undivided interests held by the Company in mineral properties. Sales of minerals will be recognized when delivered to be picked up by the purchaser. Mineral sales from marketing activities will result from sales by the Company of minerals produced by the Company (or affiliated entities) and will be recognized when delivered to purchasers. Mining revenues generated from the Company’s day rate contracts, included in mine services revenue, will be recognized as services are performed or delivered.

2. Going Concern

The accompanying financial statements have been presented in accordance with generally accepted accounting principals, which assume the continuity of the Company as a going concern. However, the Company has incurred significant losses since its inception and has no business operations and continues to rely on financing and the issuance of shares and warrants to raise capital to fund its business operations.

Management's plans with regard to this matter are as follows:

* Obtain the necessary approvals and permits to complete exploration and begin test production on our properties as warranted. An application for drilling on Picacho Salton Project has been submitted to the Bureau of Land Management and is being reviewed by them.

* USCorp plans to begin commercial scale operations on one or more of its properties as soon as the required permits and approvals have been granted. Due to the nature of the ore bodies of the Company's current properties Management believes it will begin commercial scale operations on our Picacho Salton Project. Then Management plans to begin commercial scale operations on the Twin Peaks Project.

* Continue exploration and ramp up permitting process to meet ongoing and anticipated demand for gold, silver, uranium, aggregate, decorative rock and polymetalic ores resulting from our planned commercial scale production activities.

* Augment our mining exploration team with quality and results-oriented people as needed. Upon adequate funding management intends to hire qualified and experienced personnel, including additional officers and directors, and mining specialists, professionals and consulting firms to advise management as needed to handle mining operations, acquisitions and development of existing and future mineral resource properties.

* Put together a strategic alliance of consultants, engineers, contractors as well as joint venture partners when appropriate, and set up an information and communication network that allows the alliance to function effectively under USCorp's management.

* Attend and exhibit at industry and investment trade shows

* Acquire additional properties and/or corporations with properties as subsidiaries to advance the company's growth plans.

3. Net Loss per Share

The Company applies SFAS No. 128, "Earnings per Share" to calculate loss per share. In accordance with SFAS No. 128, basic net loss per share has been computed based on the weighted average of common shares outstanding during the years, adjusted for the financial instruments outstanding that are convertible into common stock during the years. The effects of the preferred and common stock warrants and the debentures convertible into shares of common stock, however, have been excluded from the calculation of loss per share because their inclusion would be anti-dilutive. Net loss per share is computed as follows:

	12/31/2008	12/31/2007
Net loss before cumulative preferred dividend	$ (406,987)	$ (637,132)

Cumulative dividend preferred	(29,997)	(22,893)
Net loss	$ (436,984)	$ (660,025)
Weighted average	61,859,459	49,517,400
Basic & fully diluted net loss per common share	$ (0.01)	$ (0.01)

4. Gold Bullion Promissory Note

In September 2005, the Company issued a promissory note to a shareholder and received proceeds of $648,282. The note requires the Company to pay the shareholder 1,634 ounces of Gold Bullion (.999 pure) in September 2009. In September 2007, the holder of the promissory note extended the maturity date until September 27, 2009 at the previous terms. The loss on the underlying derivative gold contract has been calculated as follows.

Carrying value of loan	$ 822,339
Fair value of loan	1,591,773
Life to date loss on unhedged underlying derivative	$ (769,434)

5. Equipment

A summary of equipment at December 31, 2008 and September 30, 2008 is as follows:

	31-Dec-08	30-Sep-08
Office equipment	$ 17,555	$ 17,555
Accumulated depreciation	(15,213)	(14,365)
Net equipment	$ 2,342	$ 3,190

6. Issuances of Common Stock and Preferred Stock

During fiscal year 2007, the Company issued 50,000 shares of stock to legal consultants for services rendered.

In the fourth quarter of fiscal year 2007, the Company opened an offering of 8,000,000 shares of Class A common stock to the public under Regulation D of the Securities Exchange Act of 1934. Each unit consisting of one share of Class A common stock and a warrant to purchase one half of one share of Class A common stock was offered for sale at $.075. The holder of two warrants would enable the holder to purchase one share of Class A common stock for forty cents extending for a period of two years. The offering was closed by September 30, 2007 and the Company received net subscription proceeds of $569,323.

In October 2007, the Company issued 11,531,329 shares of Class A common stock and warrants to purchase 4,136,666 shares of Class A common stock.

During the fiscal year 2008, the Company issued 7,998,214 shares of common stock to consultants for services rendered.

During the fiscal year 2008, the holder of the debentures converted $900,000 of the debentures to 7,200,000 shares of common stock.

During the fiscal year 2008, the holder of the preferred stock converted $6,667 of preferred to 26,625 shares of common stock.

The Class B Common shares are non-voting shares that trade on the Frankfurt stock exchange under the symbol U9C.F. There are 250,000,000 shares authorized and 5,000,000 issued and outstanding. The par value of these shares is $0.001. These shares do not trade in the United States on any market and the Company has no plans to register these shares for trading on any U.S. market.

In September 2008, the Company issued 5,218,750 preferred A shares to its officers and employees for $7,000. The preferred A shares are convertible into common stock on an one for eight basis.

In October 2008, the Company issued 2,125,000 shares of common stock and received proceeds of $85,000

In November 2008, the Company issued 321,428 shares of common stock to consultants for services rendered valued at $28,271.

7. Common Stock Warrants

During the first quarter of 2009, the Company issued 1,600,000 warrants to the holders of the debentures discussed in Note 8.
The Company applies SFAS No. 123, "Accounting for Stock-Based Compensation" to account for warrant issues. Accordingly, all warrants granted are recorded at fair value using a generally accepted option pricing model at the date of the grant. For purposes of determining the warrant value under SFAS 123, the fair value of each warranted granted is measured at the date of the grant by the option pricing model with the following assumptions; the dividend yield is 0%, volatility is 39%, and the risk free interest rate is 0.50%.

The fair values generated by option pricing model may not be indicative of the future values, if any, that may be received by the warrant holder.

There is no formal stock option plan for employees.

The following is a summary of common stock warrants outstanding at December 31, 2008:

	Amount	Wgtd Avg Exercise Price	Wgtd Years to Maturity
Balance at September 30, 2007	0		
Issues	5,736,666		
Exercises	0		
Expires	0		
Outstanding at September 30, 2008	5,736,666	$ 0.40	1.01
Issues	1,600,000		
Exercises	0		
Expires	0		
Outstanding at December 31, 2008	7,336,666	$ 0.31	0.75

8. Convertible Debentures

During the quarter ended December 31, 2008, the Company issued an additional convertible debenture and received proceeds of $200,000. The debenture issue also entitled the debenture holder the rights to purchase 1,600,000 shares of Class A common stock at $0.20 per share through September 30, 2009.

The debentures are convertible into common stock at $0.125 per share. The debenture matures in October 2011 have an interest rate of 4%.

The balance of the convertible debt at December 31, 2008 and September 30, 2008 is as follows:

	31-Dec-08	30-Sep-08

Convertible debt payable	$ 700,000	$ 500,000
Unamortized beneficial conversion feature	(157,770)	(211,298)
Net convertible debt payable	$ 542,230	$ 288,702

9. Income Tax Provision

Provision for income taxes is comprised of the following:

		31-Dec-08		31-Dec-07
Net loss before provision for income taxes	$	(406,987)	$	(637,132)
Current tax expense:				
Federal	$	0	$	0
State		0		0
Total	$	0	$	0
Less deferred tax benefit:				
Timing differences		(3,019,271)		(2,844,908)
Allowance for recoverability		3,019,271		2,844,908
Provision for income taxes	$	0	$	0

A reconciliation of provision for income taxes at the statutory rate to provision for income taxes at the Company's effective tax rate is as follows:

Statutory U.S. federal rate	34%	34%
Statutory state and local income tax	10%	10%
Less allowance for tax recoverability	-44%	-44%
Effective rate	0%	0%

Deferred income taxes are comprised of the following:

Timing differences	$	3,019,271	$	2,844,908
Allowance for recoverability		(3,019,271)		(2,844,908)
Deferred tax benefit	$	0	$	0

Note: The deferred tax benefits arising from the timing differences begin to expire in fiscal year 2027 and 2028 and may not be recoverable upon the purchase of the Company under current IRS statutes.

10. Restatement of September 30, 2008

Subsequent to the issuance of the financial statements for the years ended September 30, 2008 and September 30, 2007, management discovered that an incorrect statement had been filed instead of the finalized report. The original report filed incorrectly valued the shares issued to consultants. The following indicates those accounts in the consolidated balance sheets and the consolidated income statements affected by the restatement.

		As Reported		As Restated
Total shareholder deficit	$	(1,692,367)	$	(1,814,376)
Net loss	$	(1,981,543)	$	(2,498,879)
Basic & fully diluted net loss per common share	$	(0.04)	$	(0.05)

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis in conjunction with the Consolidated Financial Statements and Notes thereto, and the other financial data appearing elsewhere in this Report.

The information set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, including, among others (i) expected changes in the Company's revenues and profitability, (ii) prospective business opportunities and (iii) the Company's strategy for financing its business. Forward-looking statements are statements other than historical information or statements of current condition. Some forward-looking statements may be identified by use of terms such as "believes", "anticipates", "intends" or "expects". These forward-looking statements relate to the plans, objectives and expectations of the Company for future operations. Although the Company believes that its expectations with respect to the forward-looking statements are based upon reasonable assumptions within the bounds of its knowledge of its business and operations, in light of the risks and uncertainties inherent in all future projections, the inclusion of forward-looking statements in this report should not be regarded as a representation by the Company or any other person that the objectives or plans of the Company will be achieved.

The Company's revenues and results of operations could differ materially from those projected in the forward-looking statements as a result of numerous factors, including, but not limited to, the following: (i) changes in external competitive market factors, (ii) termination of certain operating agreements or inability to enter into additional operating agreements, (iii) inability to satisfy anticipated working capital or other cash requirements, (iv) changes in or developments under domestic or foreign laws, regulations, governmental requirements or in the mining industry, (v) changes in the Company's business strategy or an inability to execute its strategy due to unanticipated changes in the market, (vi) various competitive factors that may prevent the Company from competing successfully in the marketplace, and (ix) the Company's lack of liquidity and its ability to raise additional capital. In light of these risks and uncertainties, there can be no assurance that actual results, performance or achievements of the Company will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. The foregoing review of important factors should not be construed as exhaustive. The Company undertakes no obligation to release publicly the results of any future revisions it may make to forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Significant Accounting Policies and Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations discusses the Company's consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to reserves and intangible assets. Management bases its estimates and judgments on historical experiences and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The most significant accounting estimates inherent in the preparation of the Company's financial statements include estimates as to the appropriate carrying value of certain assets which are not readily apparent from other sources, primarily allowance for the cost of the Mineral Properties based on the successful efforts method of accounting. These accounting policies are described at relevant sections in this discussion and analysis and in the notes to the consolidated financial statements included in our Annual Report on Form l0-KSB for the fiscal year ended September 30, 2006.

Results of Operations

Comparison of operating results for the three months ended December 31, 2008 and December 31, 2007:

The Company has no revenues through the date of this report.

General and administrative expenses were $315,296 compared to $199,850 for the same period a year ago. Consulting costs increased from $9,310 to $84,723 in the three months ended December 31, 2008 which is mainly due to reclassification by the Company’s bookkeeper and accountant for the quarter, and investor and public relations costs. Administration costs increased from $146,868 in the three months ended December 31, 2007 to $247,663 for the three months ended December 31, 2008 due to increase costs for clerical help, office staff and salaried employees.

As a result of general and administrative costs, the Company experienced a loss from operations of $351,296 for the three months ended December 31, 2008, compared to loss from operations of $199,850 for the same period last year.

Interest expense loss decreased to -$70,948 during the first Three months of fiscal 2009 compared to -$162,076 the first Three months of fiscal year 2008 as a result of the Gold Bullion Loan borrowed at the end of September 2005 and the change in the price of gold compared to the same period one year ago. The loan is payable in gold bullion at the prevailing rate price and is not hedged. The Company's loss on the unhedged loan is $14,747 for the first Three months of fiscal year 2009 due to the decrease in the price of gold over the past year.

Net loss for the first Three months of fiscal year 2009 was $406,988, or $0.01 per share compared to a loss of $637,132, or $0.01 per share for the same period last year.

Discussion of Financial Condition: Liquidity and Capital Resources

At December 31, 2008 cash on hand was $326,960 as compared with $327,945 at September 30, 2008. During the first Three months of fiscal year 2009, the Company used $351,296 for its operations.

At December 31, 2008, the Company had working capital of $321,930 compared to a working capital of $327,945 at September 30, 2008. The decrease is due to costs of continuing exploration and preparations for development of Company's mining properties offset by the Company's on-going successful financing efforts.

Total assets at December 31, 2008 were $329,272 as compared to $331,135 at September 30, 2008. The small decrease is due to costs of continuing exploration and preparations for development of Company's mining properties offset by the Company's on-going successful financing efforts.

The Company's total stockholders' deficit increased to a deficit of $2,105,092 at December 31, 2008 compared to a deficit of $1,814,376 at September 30, 2008. The increase in stockholders' deficit was the result of an increase in additional paid in capital and operating losses of $351,296 for the three months ended December 31, 2008.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4T. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (Exchange Act), as of December 31, 2008. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective in alerting them on a timely basis to material information relating to our Company required to be included in our reports filed or submitted under the Exchange Act.

Changes in Internal Controls

There were no significant changes (including corrective actions with regard to significant deficiencies or material weaknesses) in our internal controls over financial reporting that occurred during the quarter ended December 31, 2008, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Previously Reported

Item 1A. Risk Factors

Not Applicable.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

In October of 2008 we received $120,652 and the Company issued 2,125,000 shares as the result of a private placement.

As previously reported, we have received $2.19 million in commitments to finance fiscal 2009 operations. As of the date of this report the Company has received $400,000 of the $2.19 million in commitments for 2009, however the December 2008 payment was not received and there is no guarantee that the Company will receive the rest of the committed funds. We continue to pursue additional sources of financing.

The Company claimed an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Act") for the private placement of these securities pursuant to Section 4(2) of the Act and/or Rule 506 of Regulation D promulgated thereunder since, among other things, the transaction did not involve a public offering, the Investor was an "accredited investor" and/or qualified institutional buyers, the Investor had access to information about the Company and its investment, the Investor took the securities for investment and not resale, and we took appropriate measures to restrict the transfer of the securities.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

There were no matters requiring a vote of security holders during this period.

Item 5. Other Information.

None.

ITEM 6. EXHIBITS

(a) Exhibits:

31.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

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, thereunto duly authorized.

USCORP

By: /s/ ROBERT DULTZ

Robert Dultz
Chairman, Chief Executive Officer and Acting Chief Financial Officer
Dated: June 24, 2009