

UNITED ENERGY CORP /NV/
Form 10QSB/A
August 13, 2007

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-QSB/A
(Mark One)

☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2006

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File No. 000-30841

UNITED ENERGY CORP.

(Exact name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

22-3342379

(I.R.S. Employer Identification No.)

600 Meadowlands Parkway #20, Secaucus, N.J. 07094

(Address of principal executive offices)

(800) 327-3456

(Issuer's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 Exchange Act). Yes ☐ No ☒

As of the close of business on November 13, 2006, 31,030,115 shares of common stock, par value \$.01 per share, were outstanding.

Transitional Small Business Disclosure Format (check one) Yes ☐ No ☒

Explanatory Note

We are filing this Amendment No.1 on Form-10QSB/A for the quarter ended September 30, 2006 (the “First Amendment”) in response to comments received from the Securities and Exchange Commission (“SEC”). This First Amendment revises and restates our financial statements to adjust the opening balance of stockholders equity as a result of the amendment of our Form 10KSB/A for the year ended March 31, 2006. In addition, the First amendment includes updated certificates from our Chief Executive Officer (CEO) and Interim Chief Financial Officer (CFO) as exhibits 31.1 and 31.2

INDEX

PART I. FINANCIAL INFORMATION

Item 1.	Financial Statements	
	Consolidated balance sheets September 30, 2006 (Unaudited) and March 31, 2006	3-4
	Consolidated statements of operations for the three months and six months ended September 30, 2006 (Unaudited) and 2005 (Unaudited)	5
	Consolidated statement of stockholders' equity for the six months ended September 30, 2006 (Unaudited)	6
	Consolidated statements of cash flows for the six months ended September 30, 2006 (Unaudited) and 2005 (Unaudited)	7-8
	Notes to consolidated financial statements	9-15
Item 2.	Management's Discussion and Analysis or Plan of Operation	16-20
Item 3	Controls and Procedures	21

PART II. OTHER INFORMATION

Item 6.	Exhibits	22
Signatures		23

Item 1. Financial Statements

UNITED ENERGY CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2006 AND MARCH 31, 2006

	September 30, 2006 (Unaudited)	March 31, 2006
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 3,814,794	\$ 5,194,748
Accounts receivable, net of allowance for doubtful accounts of \$9,512 and \$5,018, respectively	234,670	91,557
Inventory, net of allowance of \$16,290 and \$16,290, respectively	136,392	106,957
Note receivable, net of allowance for doubtful accounts of \$10,525 and \$10,525, respectively	9,476	19,476
Prepaid expenses and other current assets	49,368	84,657
Total current assets	4,244,700	5,497,395
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization of \$404,204 and \$373,080 respectively		
	117,895	146,994
OTHER ASSETS:		
Goodwill, net	15,499	15,499
Patents, net of accumulated amortization of \$134,705 and \$119,794, respectively	312,661	327,572
Loans receivable	2,750	364
Deposits	1,385	1,385
Total assets	\$ 4,694,890	\$ 5,989,209

The accompanying notes are an integral part of these consolidated financial statements.

UNITED ENERGY CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2006 AND MARCH 31, 2006

September 30,
2006
(Unaudited)

March 31,
2006

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts payable	\$	174,241	\$	279,303
Accrued expenses		75,441		134,286
Due to related parties		244,141		444,141
Total current liabilities		493,823		857,730

STOCKHOLDERS' EQUITY:

Series A Convertible Preferred Stock: \$8,000 stated value, 420 shares authorized; 3 shares issued and outstanding as of September 30 2006 and March 31, 2006

24,000 24,000

Common stock: \$0.01 par value 100,000,000 shares authorized; 31,030,115 and 31,017,615 shares issued and outstanding as of September 30, 2006 and March 31, 2006

310,301 310,176

Additional paid-in capital

21,411,397 21,221,471

Accumulated deficit

(17,544,631) (16,424,168)

Total stockholders' equity

4,201,067 5,131,479

Total liabilities and stockholders' equity

\$ 4,694,890 \$ 5,989,209

The accompanying notes are an integral part of these consolidated financial statements.

UNITED ENERGY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Three Months Ended September 30,		For the Six Months Ended September 30,	
	2006	2005	2006	2005
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
REVENUES, net	\$ 299,285	\$ 88,465	\$ 524,352	\$ 165,075
COST OF GOODS SOLD	107,181	75,082	209,257	136,799
Gross profit	192,104	13,383	315,095	28,276
OPERATING EXPENSES:				
Selling, general and administrative	773,913	1,071,941	1,489,613	1,793,363
Depreciation and amortization	18,770	17,415	37,408	34,660
Total operating expenses	792,683	1,089,356		

Secretary
of Franklin
Resources,
Inc.

Attorney-in-Fact for Charles B. Johnson pursuant to Power of Attorney attached to this Schedule 13G

Attorney-in-Fact for Rupert H. Johnson, Jr. pursuant to Power of Attorney attached to this Schedule 13G

Franklin Advisory Services, LLC

Franklin Value Investors Trust on behalf of

Franklin MicroCap Value Fund

By: /s/ STEVEN J. GRAY

Steven J. Gray

Secretary of Franklin Advisory Services, LLC

Secretary of Franklin Value Investors Trust

EXHIBIT A

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, the undersigned hereby agree to the joint filing with each other of the attached statement on Schedule 13G and to all amendments to such statement and that such statement and all amendments to such statement are made on behalf of each of them.

IN WITNESS WHEREOF, the undersigned have executed this agreement on

January 24, 2008.

Franklin Resources, Inc.

Charles B. Johnson

Rupert H. Johnson, Jr.

By: /s/ MARIA GRAY

Maria Gray
Secretary of Franklin Resources, Inc.

Attorney-in-Fact for Charles B. Johnson pursuant to Power of Attorney attached to this Schedule 13G

Attorney-in-Fact for Rupert H. Johnson, Jr. pursuant to Power of Attorney attached to this Schedule 13G

Franklin Advisory Services, LLC

Franklin Value Investors Trust on behalf of

Franklin MicroCap Value Fund

By: /s/ STEVEN J. GRAY

Steven J. Gray

Secretary of Franklin Advisory Services, LLC

Secretary of Franklin Value Investors Trust

EXHIBIT B

LIMITED POWER OF ATTORNEY

FOR

SECTION 13 REPORTING OBLIGATIONS

Know all by these presents, that the undersigned hereby makes, constitutes and appoints each of Robert Rosselot and Maria Gray, each acting individually, as the undersigned's true and lawful attorney-in-fact, with full power and authority as hereinafter described on behalf of and in the name, place and stead of the undersigned to:

(1) prepare, execute, acknowledge, deliver and file Schedules 13D and 13G (including any amendments thereto or any related documentation) with the United States Securities and Exchange Commission, any national securities exchanges and Franklin Resources, Inc., a Delaware corporation (the Reporting Entity), as considered necessary or advisable under Section 13 of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as amended from time to time (the Exchange Act); and

(2) perform any and all other acts which in the discretion of such attorney-in-fact are necessary or desirable for and on behalf of the undersigned in connection with the foregoing.

The undersigned acknowledges that:

(1) this Limited Power of Attorney authorizes, but does not require, each such attorney-in-fact to act in their discretion on information provided to such attorney-in-fact without independent verification of such information;

(2) any documents prepared and/or executed by either such attorney-in-fact on behalf of the undersigned pursuant to this Limited Power of Attorney will be in such form and will contain such information and disclosure as such attorney-in-fact, in his or her discretion, deems necessary or desirable;

(3) neither the Reporting Entity nor either of such attorneys-in-fact assumes (i) any liability for the undersigned's responsibility to comply with the requirements of the Exchange Act or (ii) any liability of the undersigned for any failure to comply with such requirements; and

(4) this Limited Power of Attorney does not relieve the undersigned from responsibility for compliance with the undersigned's obligations under the Exchange Act, including without limitation the reporting requirements under Section 13 of the Exchange Act.

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The undersigned hereby gives and grants each of the foregoing attorneys-in-fact full power and authority to do and perform all and every act and thing whatsoever requisite, necessary or appropriate to be done in and about the foregoing matters as fully to all intents and purposes as the undersigned might or could do if present, hereby ratifying all that each such attorney-in-fact of, for and on behalf of the undersigned, shall lawfully do or cause to be done by virtue of this Limited Power of Attorney.

This Limited Power of Attorney shall remain in full force and effect until revoked by the undersigned in a signed writing delivered to each such attorney-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Limited Power of Attorney to be executed as of this 30th day of April, 2007.

/s/ Charles B. Johnson

Signature

Charles B. Johnson

Print Name

LIMITED POWER OF ATTORNEY

FOR

SECTION 13 REPORTING OBLIGATIONS

Know all by these presents, that the undersigned hereby makes, constitutes and appoints each of Robert Rosselot and Maria Gray, each acting individually, as the undersigned's true and lawful attorney-in-fact, with full power and authority as hereinafter described on behalf of and in the name, place and stead of the undersigned to:

(1) prepare, execute, acknowledge, deliver and file Schedules 13D and 13G (including any amendments thereto or any related documentation) with the United States Securities and Exchange Commission, any national securities exchanges and Franklin Resources, Inc., a Delaware corporation (the Reporting Entity), as considered necessary or advisable under Section 13 of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as amended from time to time (the Exchange Act); and

(2) perform any and all other acts which in the discretion of such attorney-in-fact are necessary or desirable for and on behalf of the undersigned in connection with the foregoing.

The undersigned acknowledges that:

(1) this Limited Power of Attorney authorizes, but does not require, each such attorney-in-fact to act in their discretion on information provided to such attorney-in-fact without independent verification of such information;

(2) any documents prepared and/or executed by either such attorney-in-fact on behalf of the undersigned pursuant to this Limited Power of Attorney will be in such form and will contain such information and disclosure as such attorney-in-fact, in his or her discretion, deems necessary or desirable;

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(3) neither the Reporting Entity nor either of such attorneys-in-fact assumes (i) any liability for the undersigned's responsibility to comply with the requirements of the Exchange Act or (ii) any liability of the undersigned for any failure to comply with such requirements; and

(4) this Limited Power of Attorney does not relieve the undersigned from responsibility for compliance with the undersigned's obligations under the Exchange Act, including without limitation the reporting requirements under Section 13 of the Exchange Act.

The undersigned hereby gives and grants each of the foregoing attorneys-in-fact full power and authority to do and perform all and every act and thing whatsoever requisite, necessary or appropriate to be done in and about the foregoing matters as fully to all intents and purposes as the undersigned might or could do if present, hereby ratifying all that each such attorney-in-fact of, for and on behalf of the undersigned, shall lawfully do or cause to be done by virtue of this Limited Power of Attorney.

This Limited Power of Attorney shall remain in full force and effect until revoked by the undersigned in a signed writing delivered to each such attorney-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Limited Power of Attorney to be executed as of this 25th day of April, 2007.

/s/ Rupert H. Johnson, Jr.

Signature

Rupert H. Johnson, Jr.

Print Name

REVOCATION OF

LIMITED POWER OF ATTORNEY

FOR

SECTION 13 REPORTING OBLIGATIONS

The undersigned hereby revokes as of May 7, 2007 the limited power of attorney for Securities Exchange Act of 1934 Section 13 reporting purposes granted to Barbara J. Green on September 11, 2003.

Date: 4/30/07

Signature: /s/ Charles B. Johnson

Charles B. Johnson

REVOCATION OF

LIMITED POWER OF ATTORNEY

FOR

SECTION 13 REPORTING OBLIGATIONS

The undersigned hereby revokes as of May 7, 2007 the limited power of attorney for Securities Exchange Act of 1934 Section 13 reporting purposes granted to Barbara J. Green on September 4, 2003.

Date: 4/25/07

Signature: /s/ Rupert H. Johnson, Jr.

Rupert H. Johnson, Jr.

Exhibit C

Franklin Advisory Services, LLC

Item 3 Classification: 3(e)