

MEMS USA INC
Form 10QSB/A
August 16, 2006

**U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-QSB/A

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

For the quarterly period ended June 30, 2006

Commission file number 0-4846-3

MEMS USA, INC.
(Name of small business issuer in its charter)

Nevada

82-0288840

**(State or other jurisdiction of
incorporation or organization)**

**(I.R.S. employer
identification no.)**

5701 Lindero Canyon Road, Suite 2-100
Westlake Village, California

91362

(Address of principal executive offices)

(Zip code)

Issuer's telephone number, including area code (818) 735-4750

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 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

The number of shares of the common stock outstanding as of August 11, 2006 was 20,852,327.

Documents incorporated by reference:

The amended 10-QSB includes reviewed Financial Statements as of June 30, 2006 and 2005 by the independently registered accounting firm. The 10-QSB filed on August 14, 2006 included the financial statements which did not reflect the final revisions in Notes to Consolidated Financial Statements.

Form 8-K Dated April 29, 2005 Re. Can Am Ethanol One, Inc.

Form 8-K Dated December 21, 2005 Re. Hearst Ethanol One, Inc.

Edgar Filing: MEMS USA INC - Form 10QSB/A

Form 10-KSB Dated February 2, 2006 Re. MEMS USA, Inc. Annual Report.

Form 8-K Dated March 30, 2006 Re. MEMS USA, Inc. - CDI Customer Order

Form 8-K Dated April 21, 2006 Re. Hearst Ethanol One, Inc.

- 1

FORM 10-QSB/A**For The Quarterly Period Ended June 30, 2006****INDEX**

	Page
PART I - FINANCIAL INFORMATION	
Item 1.	Financial Statements
	• Consolidated Balance Sheets (unaudited) as of June 30, 2006 and September 30, 2005
	• Consolidated Statements of Operations (unaudited) for the three and nine months ended June 30, 2006 and 2005
	• Consolidated Statements of Cash Flows (unaudited) for the nine months ended June 30, 2006 and 2005
	• Consolidated Statement of Equity (unaudited) as of June 30, 2006
	• Notes to Consolidated Financial Statements (unaudited)
Item 2.	Management's Discussion and Analysis or Plan of Operation
Item 3.	Controls and Procedures
PART II - OTHER INFORMATION	
Item 1.	Legal Proceedings
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds
Item 3.	Defaults upon Senior Securities
Item 4.	Submission of Matters to a Vote of Security Holders
Item 5.	Other Information
Item 6.	Exhibits
Signatures	

ITEM 1 -- FINANCIAL STATEMENTS

MEMS USA, INC.
Consolidated Balance Sheets

A S S E T S	(Unaudited) June 30, 2006	Audited September 30, 2005
Current Assets:		
Cash and cash equivalent	\$ 788,676	\$ 828,153
Accounts receivable, net allowance for uncollectible of \$58,490 and \$46,196 respectively	1,162,173	756,840
Inventories, net of provision for slow moving items of \$25,000 and \$25,000 respectively	12,733,677	880,370
Other current assets	701,725	170,197
Total current assets	15,386,251	2,635,560
Plant, property and equipment, net	2,668,267	2,316,836
Other assets	471,785	388,906
Investment in Can Am Ethanol One, Inc.	71,765	71,765
Goodwill	915,373	915,373
Total Assets	\$ 19,513,441	\$ 6,328,440
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 3,143,227	\$ 1,395,264
Lines of credits	341,905	750,744
Notes payable	347,660	-
Current portion of long-term debt	92,871	29,292
Other liabilities	159,389	-
Loans from shareholders	151,073	-
Convertible loan payable	150,000	-
Liability to be satisfied through the issuance of shares	1,007,776	1,111,000
Total current liabilities	5,393,901	3,286,300
Long-term liabilities	41,778	211,942
Loans from shareholders	-	191,600
Liability due to a legal settlement	307,000	-
Common shares with mandatory redemption	-	1,400,000
Common shares payable under terms of acquisition agreement	-	809,966
Total Liabilities	5,742,679	5,899,808
Minority interests	1,494,269	-
Stockholders' equity:		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 20,852,327 and 17,404,197 shares respectively issued and outstanding	23,547	17,404
Stock subscriptions receivable	(2,512,850)	(250)
Additional paid in capital	22,939,030	5,956,931
Shares to be redeemed	(231,076)	-
Accumulated deficit	(4,142,600)	(5,545,453)

Edgar Filing: MEMS USA INC - Form 10QSB/A

Treasury stock (2,699,684 shares)	(3,799,558)	-
Total stockholders' equity	12,276,493	428,632
Total liabilities and stockholders' equity	\$ 19,513,441	\$ 6,328,440

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

MEMS USA, INC
Consolidated Statement of Operations
Three and nine months ended June 30
(Unaudited)

	Three months ended June 30,		Nine months ended June 30,	
	2006	2005	2006	2005
Revenues	\$ 2,029,431	\$ 1,878,580	\$ 7,171,362	\$ 6,757,819
Cost of revenues	1,554,914	1,558,758	5,585,009	5,018,238
Gross profit	474,517	319,822	1,586,353	1,739,581
Selling, general and administrative expenses	1,161,641	1,090,010		