

Edgar Filing: ACCESS POWER INC - Form 10QSB/A

ACCESS POWER INC
Form 10QSB/A
December 06, 2001

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 3 to
FORM 10-QSB

/X/

Quarterly Report Under Section 13 or 15(d) of
The Securities Exchange Act of 1934

For the Quarterly Period Ended June 30, 2001

/_/

Transition Report Under Section 13 or 15(d) of

The Exchange Act For the Transition Period from _____ to _____

Commission File Number 000-_____

Access Power, Inc.

(Is Exact Name of Small Business Issuer as Specified in its Charter)

Florida

59-3420985

(State or other jurisdiction of
incorporation or organization)

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

10033 Sawgrass Dr., W, Ponte Vedra Beach, FL 32082

(Address of principal executive office)

(Zip Code)

Issuer's telephone number, including area code: (904) 273-2980

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities 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 X No ____

At August 7, 2001, there were issued and outstanding 93,027,261 shares of Common Stock.

Transitional Small Business Disclosure Format (check one): Yes ____ No X

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Part I. Financial Information

Item 1 Financial Statements

ACCESS POWER, INC. (A Development Stage Company)

Balance Sheets

As of June 30, 2001 and December 31, 2000

	<u>Assets</u>	June 30, 2001 (Restated) (unaudited)	December 31, 2000 (Restated)
Current assets:			
Cash		\$ 10,820	\$ 15,452
Certificate of deposit		-	100,000
Accounts receivable		38,035	56,312
Prepaid expenses		693,745	560,993
Inventory			-
		<hr/>	<hr/>
Total current assets		742,600	732,757
		<hr/>	<hr/>
Property and equipment, net (note 2)		550,628	721,724
Other assets		6,000	8,000
		<hr/>	<hr/>
Total assets		\$1,299,228	\$ 1,462,481
		<hr/>	<hr/>
<u>Liabilities and Stockholders' Equity</u>			
Current liabilities:			
Accounts payable and accrued expenses		\$ 2,211,593	\$ 2,154,321
Current portion of long-term debt		-	112,576
		<hr/>	<hr/>
Total current liabilities		2,211,593	2,266,897
		<hr/>	<hr/>
Long-term debt, less current portion (note 3)		-	-
Convertible debentures (note 4)		-	210,000
		<hr/>	<hr/>
Total liabilities		2,211,593	2,476,897

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Stockholders' equity:

Common stock, \$.001 par value, authorized 500,000,000 shares and 100,000,000, issued and outstanding 91,954,676 and 53,089,389 shares at June 30, 2001 and December 31, 2000	91,953	53,087
Notes receivable, stockholders	(362,860)	(402,315)
Preferred stock, \$.001 par value, authorized 10,000,000 shares, issued and outstanding none 2001 and 2000	-	-
Additional paid in capital	13,948,747	12,000,011
Deficit accumulated during the development stage	(14,590,205)	(12,665,199)
	<u>(912,365)</u>	<u>(1,014,416)</u>
Total liabilities and stockholders' equity	<u>\$ 1,299,228</u>	<u>\$ 1,462,481</u>

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ACCESS POWER, INC. (A Development Stage Company)

Statements of Operations

For the three months and six months ended June 30, 2001 and 2000 and the cumulative period
from October 10, 1996 (date of inception) through June 30, 2001
(unaudited)

	Three months ended June 30,		Six months ended June 30,		For the period October 10, 1996 through June 30, 2001 (Restated)
	2001 (Restated)	2000 (Restated)	2001 (Restated)	2000 (Restated)	
Revenue:					
Software/hardware sales	\$ -	\$ -	\$ -	\$ -	\$ 223,881
Telcommunication services	9,452	108,556	17,359	254,167	582,849
Total revenue	9,452	108,556	17,359	254,167	806,730
Costs and expenses:					
Cost of services	47,784	278,843	373,281	572,914	2,176,735
Cost of sales	-	-	-	-	164,605
Product development and marketing	157,251	475,455	431,676	833,957	3,131,221
General and administrative	359,432	508,372	918,220	1,152,249	6,774,532
Total costs and expenses	564,467	1,262,670	1,723,177	2,559,120	12,247,093
Loss from operations	(555,015)	(1,154,114)	(1,705,818)	(2,304,953)	(11,440,363)
Other income (expense):					
Interest income	5,293	-	5,293	-	7,673
Interest expense	(40,000)	(17,501)	(224,481)	(2,260,832)	(3,150,635)
Loss on disposal of equipment	-	-	-	-	(6,880)
Total other income (expense)	(34,707)	(17,501)	(219,188)	(2,260,832)	(3,149,842)
Net Loss	\$ (589,722)	\$ (1,171,616)	\$ (1,925,006)	\$ (4,565,785)	\$ (14,590,205)
Net loss per share	\$ (0.01)	\$ (0.03)	\$ (0.02)	\$ (0.12)	\$ (0.47)
Weighted average number of shares	89,206,064	39,189,807	81,470,723	37,639,055	31,047,327

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ACCESS POWER, INC.
(A Development Stage Company)

Statements of Cash Flows

For the six months ended June 30, 2001 and 2000 and the cumulative period
from October 10, 1996 (date of inception) through June 30, 2001

		2001 (Restated) (unaudited)	2000 (Restated) (unaudited)	For the period October 10, 1996 through June 30, 2001 (Restated)
		<hr/>	<hr/>	<hr/>
Cash flows from operating activities:				
Net loss		\$(1,925,006)	\$(4,565,785)	\$(14,590,205)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization		153,718		
		33,341		
		47,000		
		26,748		
Value of beneficial conversion feature of debentures	220,000	1,900,000	2,560,000	
Value of warrants in excess of exercise price	-	322,720	337,120	
	(1,648)		(145,361)	
Accounts payable and accrued expenses		(54,635)	(209,571)	2,227,439
	-			
	-			
Proceeds from sale of property and equipment		14,800		
	(249,441)		(1,739,506)	
Note receivable		39,455		
		<hr/>	<hr/>	<hr/>
		(209,041)	(2,035,246)	
		<hr/>	<hr/>	<hr/>
	3,300,000			
-		<hr/>	<hr/>	<hr/>
		3,070,777		
		213,885	-	
\$ 10,820		\$ 10,820		

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A. Basis of Presentation

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed and omitted pursuant to such rules and regulations, although management believes the disclosures are adequate to make the information presented not misleading. These interim financial statements should be read in conjunction with the Company's annual report and most recent financial statements included in its report on Form 10-KSB for the year ended December 31, 2000 filed with the Securities and Exchange Commission. The interim financial information included herein is unaudited; however, such information reflects all the adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results of operations and cash flows for the interim periods. The results of operations for the six months ended June 30, 2001 are not necessarily indicative of the results to be expected for the full year.

Footnote

1. The financial statements for the six months ended June 30, 2001 and 2000 have been restated to reflect charges of \$220,000 and \$2,222,720, respectively, for additional interest expense related to the beneficial conversion feature of convertible debentures and warrants as required under *Emerging Issues Task Force* 98-5.

The effects of this prior period adjustment for the six months ended June 30, 2001 and 2000 are as follows:

	<u>2001</u>	<u>2000</u>
Loss from operations:		
As previously reported	\$(1,	
705,818)		
\$(2,304,953)		
As restated		
(1,		
705,818)		
(2,304,953)		
Net loss:		
As previously reported		
(1,		
705,006)		
(2,343,065)		
As restated		
(1,		
925,006)		
(4,565,785)		

Net loss per share:

As previously reported

(0.02)

(0.06)

As restated

(0.0

1)

(0.12)

A

Additional paid-in capital:

As previously reported

13,728,747

9,677,291 (a)

As restated

13,948,747

12,000,011 (a)

Accumulated deficit:

As previously reported

(11,

693,185)

(9,988,179)(a)

As restated

(14,
590,205)
(12,665,199)(a)

(a) Additional paid-in capital and accumulated deficit at December 31, 2000 as previously reported and as restated respectively.

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SIGNATURES

In accordance with the requirements of the Exchange Act, the Company caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ACCESS POWER, INC.

By: /s/ Glenn A. Smith
December 6, 2001

Date:

Glenn A. Smith

President

/s/ Howard L. Kaskel

Date: December 6, 2001

Howard L. Kaskel

Chief Financial Officer

(principal financial and accounting officer)