

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

ACCESSPOINT CORP /NV/
Form 10QSB
May 23, 2005

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

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

For the QUARTERLY PERIOD ended MARCH 31, 2005

OR

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number: 000-29217

ACCESSPOINT CORPORATION

(Name of Small Business Issuer in its Charter)

Nevada

95-4721385

(State or Other Jurisdiction of
Incorporation or Organization)

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

3030 S. VALLEY BLVD. SUITE 190
LAS VEGAS, NEVADA, 89102

89102

(Address of Principle Executive Offices)

(Zip Code)

702 809 0206

(Issuer's Telephone Number, Including Area Code)

Securities Registered Pursuant to Section 12(b) of the Exchange Act:

None

Securities Registered Pursuant to Section 12(g) of the Exchange Act:

Common Stock, \$0.001 Par Value

The number of the Company's shares of Common Stock outstanding as of March
31, 2005 was 18,971,230.

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

Accesspoint Corporation
Form 10-QSB QUARTERLY Report

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

FOR THE FIRST QUARTER ENDED MARCH 31, 2005

TABLE OF CONTENTS

Forward-Looking Statements

PART I

- Item 1. Financial Statements
- Item 2. Management's Discussion and Analysis or Plan of Operation
- Item 3. Controls and Procedures

PART II

- Item 1. Legal Proceedings
- Item 2. Changes in Securities
- Item 3. Defaults Upon Senior Securities
- Item 4. Submission of Matters to a Vote of Security Holders
- Item 5. Other Information
- Item 6. Exhibits and Reports on Form 8-K

Signatures

2

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-QSB contains forward-looking statements about the business, financial condition and prospects of the Company that reflect assumptions made by management and management's beliefs based on information currently available to it. We can give no assurance that the expectations indicated by such forward-looking statements will be realized. If any of management's assumptions should prove incorrect, or if any of the risks and uncertainties underlying such expectations should materialize, the Company's actual results may differ materially from those indicated by the forward-looking statements.

The key factors that are not within the Company's control and that may have a direct bearing on operating results include, but are not limited to, the acceptance by customers of the Company's products and services, the Company's ability to develop new products and services cost-effectively, the ability of the Company to raise capital in the future, the development by competitors of products or services using improved or alternative technology, the retention of key employees and general economic conditions.

There may be other risks and circumstances that management is unable to predict. When used in this Form 10-QSB, words such as, "believes," "expects," "intends," "plans," "anticipates" "estimates" and similar expressions are intended to identify forward-looking statements, although there may be certain forward-looking statements not accompanied by such expressions. All forward-looking statements are intended to be covered by the safe harbor created by Section 21E of the Securities Exchange Act of 1934.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ACCESSPOINT CORPORATION
(A DEVELOPMENT STAGE COMPANY)
FINANCIAL STATEMENTS
MARCH 31, 2005

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

TABLE OF CONTENTS

Balance Sheets	4
Statements of Operations	5
Statements of Cash Flows	6
Notes to Financial Statements	7-9

3

ACCESSPOINT CORPORATION BALANCE SHEETS (unaudited)

ASSETS

	March 31, 2005	December 31, 2004
	-----	-----
Current Assets		
Cash	\$ 39,812	\$ 6,277
Accounts receivable, net of allowance for doubtful accounts \$19,574 and \$0 for March 31, 2005 and December 31, 2004, respectively	64,566	155,978
Chase receivable	3,560	--
	-----	-----
Total Current Assets	107,938	162,255
	-----	-----
Other Assets		
Note receivable - Merchant Billing Services	250,000	--
Chase clearing account	55,624	--
Deposits	--	255,001
	-----	-----
Total Other Assets	305,624	255,001
	-----	-----
Total Assets	\$ 413,562	\$ 417,256
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts payable	\$ 642,027	\$ 581,047
Accrued liabilities	524,820	565,070
Bentley lawsuit settlement	465,000	480,000
Merchant loss reserve	2,778	2,778
Capitalized leases	475,324	500,074

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

Notes payable	165,000	165,000
Related party notes and payables	205,795	113,545
	-----	-----
Total Current Liabilities	2,480,744	2,407,514
	-----	-----

Stockholders' Equity

Preferred Stock, \$.001 par value, 5,000,000 shares authorized, 543,600 shares issued and outstanding at March 31, 2005 and December 31, 2004, respectively	543	543
Common stock, \$.001 par value, 25,000,000 shares authorized, 18,971,230 issued and outstanding at March 31, 2005 and December 31, 2004, respectively	18,971	18,971
Additional paid in capital	14,619,710	14,619,710
Accumulated (deficit)	(16,706,406)	(16,629,482)
	-----	-----
Total Stockholders' (Deficit)	(2,067,182)	(1,990,258)
	-----	-----
Total liabilities and Stockholders' Equity	\$ 413,562	\$ 417,256
	=====	=====

Refer to notes to the financial statements

4

ACCESSPOINT CORPORATION STATEMENT OF OPERATIONS (UNAUDITED)

	Three Months Ended	
	March 31, 2005	March 31, 2004
Income from discontinued operations:		
Sales, net	\$ 521,276	\$ 2,675,779
Cost of Sales	392,037	1,966,561
	-----	-----
Gross Profit	129,239	709,218
Management Fees	66,500	--
Marketing expense	3,185	--
Selling Expenses	--	5,961
General and administrative expenses	136,552	352,007
	-----	-----
Income (loss) from discontinued operations	(76,998)	351,250
	-----	-----

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

Other (Income) Expense :		
Forgiveness of debt	--	(436,032)
Interest income	(75)	(7,549)
Penalties	--	27,603
Amortization of deferred financing costs	--	128,473
Miscellaneous expense	--	45,000
Bad Debt	--	--
Interest expense	--	61,895
	-----	-----
Total other (Income) expense	(75)	(180,610)
	-----	-----
Income (Loss) before income taxes	(76,923)	531,860
Provision for income taxes	--	--
	-----	-----
Net income (Loss) from discontinued operations	\$ (76,923)	\$ 531,860
	=====	=====
Net income (loss) per share from discontinued operations - Basic and diluted	\$ (0.00)	\$ 0.03
	=====	=====
Weighted average number of shares Basic and diluted	18,971,230	18,971,230
	=====	=====

Refer to notes to the financial statements

5

ACCESSPOINT CORPORATION
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three Months Ended	
	March 31,	March 31,
	2005	2004
	-----	-----
CASH FLOWS FROM DISCONTINUED OPERATIONS,		
Net (loss) income	\$ (76,923)	\$ 531,860
Adjustments to reconcile net income (loss) to net cash used or provided by operating activities:		
Amortization	--	128,473
Depreciation	--	19,036
Changes in assets and liabilities:		
Decrease (increase) in receivables	87,852	(127,955)
Increase in other current assets	--	(4,555)
Increase in clearing account	(55,624)	(26,996)
Decrease (increase) in prepaid expenses	5,001	(19,242)
(Decrease) increase in accounts		

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

payable and accrued expenses	20,729	(140,943)
Decrease in accrued payroll taxes	--	(424,634)
Increase in bank overdraft	--	46,138
	-----	-----
Total adjustments	57,958	(550,678)
	-----	-----
Net cash provided by (used) in discontinued operations	(18,965)	(18,818)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital leases	(24,750)	(7,270)
Payments on line of credit	--	(17,438)
Increase in notes payable	--	15,133
Payment on settled lawsuit	(15,000)	--
Loans from related parties	92,250	--
	-----	-----
Net cash used in financing activities	(52,500)	(9,575)
	-----	-----
Net change in cash	33,535	(28,393)
	-----	-----
Cash at beginning of period	6,277	28,393
	-----	-----
Cash at end of period	\$ 39,812	\$ --
	=====	=====

Refer to notes to the financial statements

6

ACCESSPOINT CORPORATION NOTES TO FINANCIAL STATEMENTS (UNAUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

NOTE A - NATURE OF OPERATIONS

Accesspoint Corporation (subsequently referred to as "Accesspoint", the "Company" or "We") was incorporated as Accesspoint Corporation in Nevada in 1995.

Until February 2005 the Company's business consisted of processing electronic and credit card payments. In accordance with an agreement dated January 1, 2005 that took effect as of February 28, 2005, the Company sold its Merchant Portfolio, its remaining source of income, to Merchants Billing Services, Inc. for \$1,564,000, the amount owed to Merchants Billing Services, Inc. and Ameropa, Inc.

Mr. Barber is the principal owner of Merchants Billing Services, Inc. and Ameropa, Inc. ("Ameropa"). Ameropa is a Bahamas corporation. Ameropa owned two Bermuda corporations, Internet Online Services, Inc. ("IOS") and Network Integrated Systems, Ltd. ("NIS"). Mr. Barber and two colleagues agreed to provide funding to Accesspoint. Although IOS and Ameropa advanced funds from time to time. The amount owed Merchants Billing Services, Inc. and Ameropa at December 31, 2004 was \$1,564,000. In addition, the Company loaned Merchant Billing Services \$250,000. The loan is non-interest bearing and due on demand.

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

During the year 2004 additional books of business had been sold in order to raise funds to pay off debt.

Since December 31, 2004 the Company is effectively in a "wind down" mode of operations. The accompanying financials statements reflect that all revenues and expenses are now from discontinued operations. Eventually, after completing the wind down of operations, the Board of Directors will begin the process of looking for possible merger or acquisition opportunities. At that time, the Company will be accounted for as being a development stage company.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unaudited Interim Financial Information

The accompanying financial statements have been prepared by Accesspoint Corporation, ("Accesspoint", the "Company" or "We") pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") Form 10-QSB and Item 310 of regulation S-B, and generally accepted accounting principles for interim financial reporting. These financial statements are unaudited and, in the opinion of management, include all adjustments (consisting of normal recurring adjustments and accruals) necessary for a fair presentation of the balance sheets, operations results, and cash flows for the periods presented. Operating results for the three months ended March 31, 2005 are not necessarily indicative of the results that may be expected for the year ending December 31, 2005, or any future period. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting policies have been omitted in accordance with the rules and regulations of the SEC. These financial statements should be read in conjunction with the audited financial statements and accompanying notes, included in the Company's Annual Report for the year ended December 31, 2004.

NOTE C - GOING CONCERN

The accompanying financial statements, which have been prepared in conformity with Accounting principles generally accepted in the United States of America, contemplates the continuation of the Company as a going concern.

The Company sold off and discontinued its business in February 2005 and became a shell company with no operations and limited financial and other resources. Such matters raise substantial doubt about the Company's ability to continue as a going concern.

Management's plans with respect to these conditions are to search for operating opportunities through business combinations or mergers. In the interim, the Company will require minimal overhead, and key administrative and management functions will be provided by stockholders. Accordingly, the accompanying financials statements have been presented under the assumption that the Company will continue as a going concern.

NOTE D - LITIGATION AND CONTINGENCIES

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

The Company is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Listed below are only those matters considered to be material to the Company by management and its counsel.

CITICORP - During 2001 the Company vacated office facilities it had leased under an operating lease agreement in Chicago, Illinois. The lessor subsequently filed suit against the Company for the remaining amount of unpaid rent and other various expenses. A judgment was filed against the Company in the amount of \$95,000. As of December 31, 2004 the Company has accrued for the liability in full on its Balance Sheet. No payments have been made.

BENTLEY PROMISSORY NOTES - Various family trusts related to James W. Bentley, a former Director of the Company, have filed three related actions seeking to collect in excess of \$500,000 in promissory notes allegedly due. These cases have been consolidated with the case of Bentley v. Barber, et al (see below) and have been settled as of August 30, 2004.

MERCHANTSWAREHOUSE.COM - This is a claim against PSI for breach of an independent sales agent agreement. The claim is disputed. The matter was submitted to arbitration and was heard by the arbitrator. The arbitrator made an interim award of \$296,720 and denied the Company's counterclaim. The Company is directed to pay the agent residuals according to the terms of the Company's agreement with the agent. The Company has made all payments to the agent since the date of the award. On November 7, 2003, Merchantwarehouse.com obtained a judgment consistent with the arbitrator's award. The Company is presently assessing the advisability of an appeal. The amount of the award has been accrued.

CIT COMMUNICATIONS CO. ("CIT") - CIT, an equipment lessor, claims that we defaulted on an equipment lease. A request for entry of default was submitted on July 8, 2004. It is expected that a default judgment against the Company will be entered soon. The total amount of any potential judgment for the value of the equipment has been accrued.

FOLEY HOAG - This is a claim against PSI by a Boston law firm which worked on the MerchantWarehouse.com case for fees it says remain unpaid. The firm is seeking \$48,000 in principal, plus interest, fees and costs. The firm has advised the Company that it has filed suit in Massachusetts, but the Company has yet to be served.

GLOBAL ATTORNEYS NETWORK CO. - This is an action filed on behalf of an equipment lessor on a defaulted lease. In April 2003 the matter was settled for \$16,900. This amount has been accrued. No payments have been made.

FOSTER TEPPER - This is an action recently brought by a former attorney for the Company for approximately \$63,000 in legal fees, which are allegedly due and payable. The Company has accrued \$37,000 for this matter. Trial is scheduled to start August 30, 2004

ACCESS HOLDINGS LIMITED PARTNERSHIP - This is a lawsuit brought on behalf of two holders of Company stock who claim the Company has violated a prior settlement agreement and that they are therefore entitled to the return of approximately 4.1 million shares of Company stock, which they had previously surrendered to the Company per that agreement. This case has been consolidated with the case of Bentley v. Barber, et al (see below) and was settled on August 30, 2004.

BENTLEY V. WILLIAM R. BARBER, ET AL. - On March 22, 2002, James Bentley ("Plaintiff"), a shareholder of the Company, filed a shareholder derivative lawsuit against the Company and several individual defendants. The parties have settled this lawsuit as of August 30, 2004. The settlement amount reached is for \$750,000, discountable to \$500,000 if the Company pays Bentleys in strict accordance to the following schedule: \$250,000 paid from the Chase Merchant Services deposit and \$5,000 monthly, beginning August 30, 2004 thru November 30, 2005 with a balloon payment of \$170,000 due on December 30, 2005. The terms of the settlement include the dismissal of all lawsuits related to the Bentleys, recognition of the \$500,000 in promissory notes payable to Bentleys previously converted in the June 26, 2002 settlement agreement (included in the \$750,000 settlement amount), and in consideration for the forgiveness of the NIS line of credit due to Ameropa, the Bentleys agree to release any and all security, restrictions and limitations on their stock and cause the issuance of 52% of the Company's stock to Barber or his designate.

ROYCAP - As of September 30, 2003 the Company was in default on its loan agreement with Roycap for repayment of a \$450,000 loan, plus accrued interest, which was due on October 16, 2001. In June 2002, Roycap filed a formal suit on its claim. In the second quarter of 2002, the Company entered into a settlement agreement wherein it stipulated to entry of a \$730,000 judgment. Subsequently, in March 2004, Roycap agreed to accept a lump sum payment of \$250,000 and a promissory note for \$50,000, payable in installments of \$2,000 per month. The lump sum was paid, but the note is in default.

MOCERI LEASING CO. - this is an action by an equipment lessor on a defaulted lease. In August 2003, the Company entered into a structured settlement agreement for a total payout of \$30,000 payable in 20 installments through April of 2005. The Company is no longer current on these payments.

BAS MULDER - This is a lawsuit filed by the former owner and employee of Black Sun Graphics, Inc. ("BSG"), claiming damages in excess of \$430,000 related to the purchase of BSG by the Company. During 2003, the Company entered into a structured settlement agreement calling for the payments totaling \$45,000 payable over 20 months and was making payments until October 2004. The amount owed as of December 31, 2004 is included in accrued liabilities.

AMERICAN CAPITAL GROUP - This is an action by an equipment lessor on a defaulted lease. A judgment was filed against the Company on December 28, 2004 in the amount of \$73,578, which is included in accrued liabilities at December 31, 2004. No payments have been made.

The company has ceased accruing interest expense on its litigation settlements since there is significant doubt as to whether the Company will ever pay such interest. Such amounts will only be included when such payments become measurable and payment becomes probable. Total unrecorded interest expense at March 31, 2005 was approximately \$14,000.

NOTE E - RELATED PARTY TRANSACTIONS

The Company have in the past entered into a number of relationships that fit the definition provided by Statement of Financial Accounting Standards No. 57, "Related Party Disclosures". An entity that can control or significantly influence the management or operating policies of another entity to the extent one of the entities may be prevented from pursuing its own interests.

However as of March 31, 2005, there were no related party relationships

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

existing between the Company, its shareholders, officers and directors except for loans from related party shareholders and a receivable of \$250,000 due to Accesspoint from Merchants Billing Services, as part of the merchant portfolio sale transaction.

NOTE F - CAPITAL STOCK

The Board of Directors approved an increase in the number of authorized shares of the Company's \$0.001 par value common stock from 25,000,000 shares to 50,000,000 shares. The articles of incorporation have not yet been changed to reflect this increase in authorized shares.

9

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

The following discussion and analysis should be read in conjunction with the financial statements and related notes contained elsewhere in this document. The discussion contained herein relates to the financial statements, which have been prepared in accordance with GAAP.

THE DISCUSSION IN THIS SECTION AND OTHER PARTS OF THIS REGISTRATION STATEMENT CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS SUCH AS STATEMENTS OF THE COMPANY'S PLANS, OBJECTIVES, EXPECTATIONS AND INTENTIONS. THESE STATEMENTS INVOLVE RISKS AND UNCERTAINTIES. THEY ARE MADE AS OF THE DATE OF THIS REPORT, AND THE COMPANY ASSUMES NO OBLIGATION TO UPDATE THEM.

RESULTS OF OPERATIONS

The Company's business is currently winding down its operations which consists of processing electronic and credit card payments. In accordance with an agreement dated January 1, 2005 and amended February 28, 2005 the Company sold its Merchant Portfolio, its only remaining source of income, to Merchants Billing Services, Inc. for \$1,500,000, which is the amount owed to Merchants Billing Services, Inc. and Ameropa, Inc.

As stated in Note A to the financial statements, the Company is currently in a "wind down" mode of operations. The financial statements reflect that all income and expense incurred since December 31, 2004 is from discontinued operations. The Board of Directors has not yet decided on a future course of action for the Company. Eventually the Board of Directors will begin the process of looking for a possible merger or acquisition target. When this process begins, the Company will then be accounted for as being in a development stage.

A. RESULTS OF DISCONTINUED OPERATIONS

There were no revenues from continuing operations. Discontinued operations consists of \$521,276 in revenues, \$392,037 in cost of sales, \$66,500 in management fees, \$3,185 in marketing fees, and \$136,552 in general expenses.

LIQUIDITY AND CAPITAL RESOURCES

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

The Company had \$39,812 at March 31, 2005, as compared to cash of \$6,277 at December 31, 2004.

The Company had negative working capital at March 31, 2005. The Company will be entirely dependent upon its limited available financial resources to implement its business objectives. The Company cannot ascertain with any degree of certainty the capital requirements for the execution of its business plan. In the event that the Company's limited financial resources prove to be insufficient to implement the Company's business plan, the Company may be required to seek additional financing.

10

ITEM 3. CONTROLS AND PROCEDURES.

Our President and Treasurer/Chief Financial Officer (the "Certifying Officer") is responsible for establishing and maintaining disclosure controls and procedures and internal controls and procedures for financial reporting for the Company. The Certifying Officer has designed such disclosure controls and procedures and internal controls and procedures for financial reporting to ensure that material information is made known to him, particularly during the period in which this report was prepared. The Certifying Officer has evaluated the effectiveness of the Company's disclosure controls and procedures and internal controls and procedures for financial reporting as of March 31, 2004 and believes that the Company's disclosure controls and procedures and internal controls and procedures for financial reporting are effective based on the required evaluation. There have been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS-

The Company is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Listed below are only those matters considered to be material to the Company by management and its counsel.

CITICORP - During 2001 the Company vacated office facilities it had leased under an operating lease agreement in Chicago, Illinois. The lessor subsequently filed suit against the Company for the remaining amount of unpaid rent and other various expenses. A judgment was filed against the Company in the amount of \$95,000. As of December 31, 2004 the Company has accrued for the liability in full on its Balance Sheet. No payments have been made.

BENTLEY PROMISSORY NOTES - Various family trusts related to James W. Bentley, a former Director of the Company, have filed three related actions seeking to collect in excess of \$500,000 in promissory notes allegedly due. These cases have been consolidated with the case of Bentley v. Barber, et al (see below) and have been settled as of August 30, 2004.

MERCHANTSWAREHOUSE.COM - This is a claim against PSI for breach of an

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

independent sales agent agreement. The claim is disputed. The matter was submitted to arbitration and was heard by the arbitrator. The arbitrator made an interim award of \$296,720 and denied the Company's counterclaim. The Company is directed to pay the agent residuals according to the terms of the Company's agreement with the agent. The Company has made all payments to the agent since the date of the award. On November 7, 2003, Merchantwarehouse.com obtained a judgment consistent with the arbitrator's award. The Company is presently assessing the advisability of an appeal. The amount of the award has been accrued.

CIT COMMUNICATIONS CO. ("CIT") - CIT, an equipment lessor, claims that we defaulted on an equipment lease. A request for entry of default was submitted on 7/8/04. It is expected that a default judgment against the Company will be entered soon. The total amount of any potential judgment for the value of the equipment has been accrued.

FOLEY HOAG - This is a claim against PSI by a Boston law firm which worked on the MerchantWarehouse.com case for fees it says remain unpaid. The firm is seeking \$48,000 in principal, plus interest, fees and costs. The firm has advised the Company that it has filed suit in Massachusetts, but the Company has yet to be served.

GLOBAL ATTORNEYS NETWORK CO. - This is an action filed on behalf of an equipment lessor on a defaulted lease. In April 2003 the matter was settled for \$16,900. This amount has been accrued. No payments have been made.

11

FOSTER TEPPER - This is an action recently brought by a former attorney for the Company for approximately \$63,000 in legal fees, which are allegedly due and payable. The Company has accrued \$37,000 for this matter. Trial is scheduled to start August 30, 2004

ACCESS HOLDINGS LIMITED PARTNERSHIP - This is a lawsuit brought on behalf of two holders of Company stock who claim the Company has violated a prior settlement agreement and that they are therefore entitled to the return of approximately 4.1 million shares of Company stock, which they had previously surrendered to the Company per that agreement. This case has been consolidated with the case of Bentley v. Barber, et al (see below) and was settled on August 30, 2004.

BENTLEY V. WILLIAM R. BARBER, ET AL. - On March 22, 2002, James Bentley ("Plaintiff"), a shareholder of the Company, filed a shareholder derivative lawsuit against the Company and several individual defendants. The parties have settled this lawsuit as of August 30, 2004. The settlement amount reached is for \$750,000, discountable to \$500,000 if the Company pays Bentleys in strict accordance to the following schedule: \$250,000 paid from the Chase Merchant Services deposit and \$5,000 monthly, beginning August 30, 2004 thru November 30, 2005 with a balloon payment of \$170,000 due on December 30, 2005. The terms of the settlement include the dismissal of all lawsuits related to the Bentleys, recognition of the \$500,000 in promissory notes payable to Bentleys previously converted in the June 26, 2002 settlement agreement (included in the \$750,000 settlement amount), and in consideration for the forgiveness of the NIS line of credit due to Ameropa, the Bentleys agree to release any and all security, restrictions and limitations on their stock and cause the issuance of 52% of the Company's stock to Barber or his designate

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

ITEM 2. CHANGES IN SECURITIES

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders, through the solicitation of proxies or otherwise, during the quarter ended March 31, 2005.

ITEM 5. OTHER INFORMATION

None.

12

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

The following Exhibits are incorporated herein by reference or are filed with this report as indicated below.

Exhibit No.	Description
21.00	*List of Subsidiaries

* Incorporated by reference from the exhibit to the Annual Report on Form 10-KSB filed by us on April 16, 2001

Exhibit 31 CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER PURSUANT
TO SECTION 302 OF THE SARBANES-OXLEY ACT

Exhibit 32 CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT

b. Reports on Form 8-K. Report dated February 4, 2005 Other events.
Reporting results of shareholders' meeting Dec. 7, 2004.

13

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 18, 2005

ACCESSPOINT CORPORATION

By /S/ MIKE SAVAGE

Mike Savage,

Edgar Filing: ACCESSPOINT CORP /NV/ - Form 10QSB

Chief Executive Officer, President
And Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
-----	-----	-----
/S/ JOE BYERS	Director	May 18, 2005

Joe Byers		
/S/ MIKE SAVAGE	Director	May 18, 2005

Mike Savage		