



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: April 17, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 960223-TI, Digital Network Operator Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*
Myth
TJ

Section 364.337 (3), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

(3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.

and

(4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of Digital Network Operator Services, Inc. An audit could change one's opinion of the company's financial condition. The company has adequate liquidity, ownership equity, and profitability.

For certification purposes, the application appears adequate.

cc: Division of Legal Services
Division of Records and Reporting

DOCUMENT NUMBER-DATE

04621 APR 22 88

FPSC-RECORDS/REPORTING

DOCKET NO. 960223-TI
DIGITAL NETWORK OPERATOR SERVICES, INC.
INTEREXCHANGE CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

TWELVE MONTHS
ENDING
12/31/94

CURRENT ASSETS	414,210
CURRENT LIABILITIES	277,751
CURRENT RATIO	1.49
CASH	343,768
COMMON EQUITY	156,206
TOTAL DEBT	0
NET INVESTOR CAPITAL	156,206
COMMON EQUITY RATIO	100%
NET INCOME	155,206
RETURN ON EQUITY	99%