



Public Service Commission

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

DATE: December 2, 1996
 TO: Tom Williams, Division of Communications
 FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
 RE: Docket No. 961205-TI, Globalcom, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*

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 for the 6 months ending June 30, 1996 for Globalcom, Inc. An audit could change one's opinion of the company's financial condition. The company has adequate liquidity and ownership equity. It has low profitability. The company attests that it has the financial capability to provide IXC service.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC / _____
- WAS _____
- OTH _____

Based on this representation, the application appears adequate for certification purposes.

cc: Division of Legal Services
Division of Records and Reporting

DOCKET NO. 961205-TI
GLOBALCOM, INC. D/B/A GCI GLOBALCOM, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

6 MONTHS
ENDED
JUNE 30, 1996

| | |
|------------------------|---------|
| CURRENT ASSETS | 109,696 |
| CURRENT LIABILITIES | 682 |
| CURRENT RATIO | 160.84 |
| CASH | 86,939 |
| COMMON EQUITY | 169,644 |
| TOTAL DEBT | 0 |
| TOTAL INVESTOR CAPITAL | 169,644 |
| COMMON EQUITY RATIO | 100% |
| NET INCOME | 1,822 |
| RETURN ON EQUITY | 1% |