



Public Service Commission

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

DATE: January 3, 1997
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. ~~96-11~~ *ALM* *JML* *100*, Vendormatic, Inc. d/b/a HSS Vending Distributors, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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

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

cc: Division of Legal Services
Division of Records and Reporting

DOCUMENT NUMBER-DATE

00358 JAN 10 6

FPSC-RECORDS/REPORTING

DOCKET NO. 961309-TI
VENDORMATIC, INC. D/B/A HSS VENDING DISTRIBUTORS
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

PERIOD
ENDED
JUNE 30, 1996

CURRENT ASSETS	1,844,000
CURRENT LIABILITIES	647,000
CURRENT RATIO	2.85
CASH	338,000
COMMON EQUITY	7,868,000
TOTAL DEBT	547,000
TOTAL INVESTOR CAPITAL	8,415,000
COMMON EQUITY RATIO	93%
NET INCOME	519,000
RETURN ON EQUITY	7%