



# Public Service Commission

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

**DATE:** March 31, 1997  
**TO:** Tom Williams, Division of Communications  
**FROM:** David J. Draper, Division of Auditing and Financial Analysis *DD APC ALM*  
**RE:** Docket No. 970322-TX, Interlink Telecommunication of Florida, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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 Interlink Telecommunication of Florida, Inc. (ITF) for the period ending December 31, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, ITF has adequate liquidity, sufficient common equity and has positive net income.

In this matter, ITF is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate. In addition, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service. The Company notes that ITF has the assurance of its affiliate corporation Interlink Telecommunication, Inc. that ITF will have access to all necessary capitalization needed to provide the requested service. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

cc: Division of Legal Services  
Division of Records and Reporting

DOCUMENT NUMBER-DATE

03398 APR-26

FPSC-RECORDS/REPORTING

**DOCKET NO. : 970322-1X  
INTERLINK TELECOMMUNICATION OF FLORIDA, INC.**

**IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS**

**FROM UNAUDITED FINANCIAL STATEMENTS**

	<b>AS OF 12/31/95</b>
<b>CURRENT ASSETS</b>	<b>\$795,116</b>
<b>CURRENT LIABILITIES</b>	<b>334,675</b>
<b>CURRENT RATIO</b>	<b>2.38</b>
<b>CASH</b>	<b>124,971</b>
<b>COMMON EQUITY</b>	<b>1,735,878</b>
<b>TOTAL DEBT</b>	<b>98,591</b>
<b>TOTAL INVESTOR CAPITAL</b>	<b>1,834,469</b>
<b>COMMON EQUITY RATIO</b>	<b>95%</b>
<b>NET INCOME</b>	<b>446,099</b>
<b>RETURN ON EQUITY</b>	<b>26%</b>

**NMF = No Meaningful Figure**