



# Public Service Commission

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

**DATE:** August 22, 1997  
**TO:** Tom Williams, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *ALM APC*  
**RE:** Docket No. 970843-TX, Advent Consulting & Technology, 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 geographical 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 Advent Consulting & Technology, Inc. (Advent) for the year ending May 30, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, Advent has adequate liquidity, ownership equity, and profitability.

ACK \_\_\_\_\_ In this matter, Advent is asking for a certificate to provide alternative local exchange  
 AFA \_\_\_\_\_ telecommunications service. Staff notes the limited nature of the application. For purposes of  
 APP \_\_\_\_\_ granting a certificate based on the financial information provided, the financial capability appears  
 CAF \_\_\_\_\_ adequate.

CMU \_\_\_\_\_ The applicant attests to its financial capability to provide and maintain the proposed  
 CTR \_\_\_\_\_ telecommunications service by stating that it has a strong banking relationship and an excellent  
 EAG \_\_\_\_\_ credit rating with all its vendors. Based on this showing, the applicant appears to meet the  
 LEG \_\_\_\_\_ financial capability standard of Section 364.337, Florida Statutes.

LIN \_\_\_\_\_ cc: Division of Legal Services  
 OFC \_\_\_\_\_ Division of Records and Reporting (2) ✓

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DOCUMENT NUMBER - DATE  
**08588 - AUG 26 97**  
 FPSC-RECORDS/REPORTING

DOCKET NO. 970843-TX  
ADVENT CONSULTING & TECHNOLOGY  
ALEC CERTIFICATE  
FINANCIAL ANALYSIS  
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

	YEAR ENDED MAY 30, 1997
CURRENT ASSETS	182,500
CURRENT LIABILITIES	3,625
CURRENT RATIO	50.34
CASH	133,700
COMMON EQUITY	318,575
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	318,575
COMMON EQUITY RATIO	100%
NET INCOME	34,184
RETURN ON EQUITY	11%