



Public Service Commission

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

DATE: February 16, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 960010-TI, American Business Alliance, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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

ACK _____ Regarding the showing of financial capability, the Finance staff has analyzed the unaudited
 AFA _____ financial statements of American Business Alliance (ABA) for the period of January 1
 APP _____ through November 20, 1995. An audit could change one's opinion of the company's
 CAF _____ financial condition. As the attached schedule shows, ABA has adequate liquidity and
 CMU _____ profitability but reports negative common equity.
 CTR _____ ABA plans to offer debit travel cards. Considering the company's financial statements are
 EAG _____ unaudited and are for a period less than one year, staff recommends that the company
 LEG _____ secure a surety bond. For purposes of granting a certificate under the minimal requirements
 LIN _____ of the statute, the application appears adequate.

cc: Division of Legal Services
 Division of Records and Reporting

SEC *J*
 WAS _____
 OTH _____

DOCUMENT NUMBER-DATE
 02335 FEB 26 1996
 FPSC-RECORDS/REPORTING

DOCKET NO. 960010-TI
AMERICAN BUSINESS ALLIANCE, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
Company offers pre-paid travel cards.
FROM UNAUDITED FINANCIAL STATEMENTS

For the
Period of
1/01/95 - 11/20/95

CURRENT ASSETS	\$401,526
CURRENT LIABILITIES	139,806
CURRENT RATIO	2.87
CASH	211,813
COMMON EQUITY	(116,871)
TOTAL DEBT	464,460
NET INVESTOR CAPITAL	347,589
COMMON EQUITY RATIO	NMF
NET INCOME	611,883
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure