



Public Service Commission

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

DATE: June 18, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *SCS*
RE: Docket No. 960295-TI, World Long Distance, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM APC 180*

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 of World Long Distance, Inc. (WLDI), which commenced operations on January 2, 1996, for the period ending March 31, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, WLDI has adequate liquidity, ownership equity, and profitability.

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

In this matter, WLDI is asking for a certificate to provide IXC service. It should be noted that WLDI plans to offer prepaid debit cards and, as a result, customer funds could be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate.

cc: Division of Legal Services
Division of Records and Reporting

DOCKET NO. 960295-TI
WORLD LONG DISTANCE, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS

NOTE: Company offers prepaid debit cards.

FROM UNAUDITED FINANCIAL STATEMENTS
A DEVELOPMENT STAGE ENTERPRISE

AS
OF
3/31/96

CURRENT ASSETS	\$614,937
CURRENT LIABILITIES	52,900
CURRENT RATIO	11.62
CASH	173,904
COMMON EQUITY	767,027
TOTAL DEBT	797,000
NET INVESTOR CAPITAL	1,564,027
COMMON EQUITY RATIO	49%
NET INCOME	705,222
RETURN ON EQUITY	92%