



# Public Service Commission

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

DATE: June 24, 1996  
 TO: Tom Williams, Division of Communications  
 FROM: Sonja Jones, Division of Auditing and Financial Analysis *SLT*  
 RE: Docket No. 960490-TX, 989021 Ontario, Inc. d/b/a Ad-Tel Communications, *ALM*  
 Financial Analysis for Certificate Application for Alternative Local Exchange *APC*  
 Telecommunications Service *1P*

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 989021 Ontario, Inc. d/b/a Ad-Tel Communications (ADTL) 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, ADTL has adequate liquidity, ownership equity, and profitability.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

In this matter, ADTL 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.

cc: Division of Legal Services  
Division of Records and Reporting

DOCUMENT NUMBER-DATE

06934 JUN 27 96

FPSC-RECORDS/REPORTING

DOCKET NO. 960490-TX  
989021 ONTARIO, INC. d/b/a Ad-Tel Communications  
LEC CERTIFICATE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS  
OF  
12/31/95

CURRENT ASSETS	\$419,865
CURRENT LIABILITIES	74,445
CURRENT RATIO	5.64
CASH	2,216
COMMON EQUITY	356,718
TOTAL DEBT	194,735
TOTAL INVESTOR CAPITAL	551,453
COMMON EQUITY RATIO	65%
NET INCOME	22,179
RETURN ON EQUITY	6%