



Public Service Commission

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

DATE: September 9, 1996
 TO: Tom Williams, Division of Communications
 FROM: Sonja Jones, Division of Auditing and Financial Analysis *ALM APC 102*
 RE: Docket No. 960696-TI, J.F.G. Associates, Inc. d/b/a The Centers of Westshore, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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 J.F.G. Associates, Inc. d/b/a The Centers of Westshore (JFG) for the periods ending March 31, 1996 and March 31, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, JFG has adequate liquidity and ownership equity but reports negative net income.

In this matter, JFG is asking for a certificate to provide IXC 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.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that the applicant has been in business for 11 years and has been successful. Further, on a personal level, the owner, Mr. John Garvey, has always been prepared to provide support should it become necessary.

cc: Division of Legal Services
 Division of Records and Reporting

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 FPSC-RECORDS/REPORTING

DOCKET NO. 960696-T1
J.F.G. ASSOCIATES, INC.
d/b/a The Centers of Westshore
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 3/31/96	AS OF 3/31/95
CURRENT ASSETS	\$43,743	\$56,321
CURRENT LIABILITIES	45,938	38,767
CURRENT RATIO	0.95	1.45
CASH	8,781	25,427
COMMON EQUITY	23,495	37,422
TOTAL DEBT	0	0
TOTAL INVESTOR CAPITAL	23,495	37,422
COMMON EQUITY RATIO	100%	100%
NET INCOME	(13,006)	(1,481)
RETURN ON EQUITY	NMF	NMF

NMF = No Meaningful Figure