



Public Service Commission

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

DATE: September 19, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 960804-TI, Networld Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

ALM
APC
[Signature]
[Signature]

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 Networld Communications, Inc. An audit could change one's opinion of the company's financial condition. The company has adequate liquidity, ownership equity, and profitability. The company attests that the company has the financial capability to provide interexchange telecommunications service.

ACK _____
 AFA _____
 APP _____ Based on this representation, the applicant appears to meet the financial capability standard
 CAF _____ of Section 364.337, Florida Statutes.

CMU _____
 CTR _____
 EAG _____ cc: Division of Legal Services
 Division of Records and Reporting

LEG _____
 LIN _____
 OPC _____
 RCH _____
 SEC 1 _____
 WAS _____
 OTH _____

DOCUMENT NUMBER-DATE
 10049 SEP 20 96
 FPSC-RECORDS/REPORTING

DOCKET NO. 960804-TI
NETWORK COMMUNICATIONS, INC.
INTEREXCHANGE CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

BALANCE SHEET 5/31/96 *

INCOME STATEMENT 1/31/96 TO 5/31/96 *

CURRENT ASSETS	772,085
CURRENT LIABILITIES	470,939
CURRENT RATIO	1.64
CASH	97,390
COMMON EQUITY	354,528
PREFERRED STOCK	0
TOTAL DEBT	5,256
TOTAL INVESTOR CAPITAL	359,784
COMMON EQUITY RATIO	99%
NET INCOME	246,286
RETURN ON EQUITY	69%

*COMPANY IS IN START-UP MODE.