



Public Service Commission

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

DATE: September 20, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *ALM PL APC*
RE: Docket No. 960884-TX, Broward Business Services, Inc., Financial Analysis for Certificate Application for Local Exchange Telecommunications Service *1993*

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 Broward Business Services, Inc. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, the company has adequate liquidity, ownership equity, and profitability. The applicant attests that it has sufficient financial capability to provide local exchange telecommunications service.

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

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

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

DOCUMENT NUMBER-DATE
10054 SEP 20 96
FPSC-RECORDS/REPORTING

DOCKET NO. 960884-TX
BROWARD BUSINESS SERVICES, INC.
ALEC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

12 MONTHS
ENDING 1995

CURRENT ASSETS	438,124
CURRENT LIABILITIES	129,198
CURRENT RATIO	3.39
CASH	170,071
COMMON EQUITY	281,571
TOTAL DEBT	427,012
TOTAL INVESTOR CAPITAL	708,583
COMMON EQUITY RATIO	40%
NET INCOME	553,134
RETURN ON EQUITY	196%