



# Public Service Commission

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

**DATE:** November 18, 1996  
**TO:** Tom Williams, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *PL*  
**RE:** Docket No. 961182-TI, George A. Fredericks Telecommunications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM APC MTK*

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 for the year ending June 30, 1996 and the 9 months ending September 30, 1996 for George A. Fredericks Telecommunications, 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 it has the financial capability to provide IXC service.

Based on this representation, the application appears adequate for certification purposes.

cc: Division of Legal Services  
Division of Records and Reporting

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- ERT \_\_\_\_\_
- LEL \_\_\_\_\_
- PLT \_\_\_\_\_
- SED \_\_\_\_\_
- WAS \_\_\_\_\_
- YTH \_\_\_\_\_

DOCUMENT NO.  
 12421-96  
 11/20/96

DOCKET NO. 961182-TI  
GEORGE A. FREDERICKS TELECOMMUNICATIONS, INC.  
IXC CERTIFICATE  
FINANCIAL ANALYSIS  
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

BALANCE SHEET      JUNE 30, 1996  
INCOME STATEMENT    9 MONTHS ENDING  
                             SEPTEMBER 30, 1996

CURRENT ASSETS	42,480
CURRENT LIABILITIES	121
CURRENT RATIO	351.07
CASH	41,980
COMMON EQUITY	34,679
TOTAL DEBT	12,870
TOTAL INVESTOR CAPITAL	47,549
COMMON EQUITY RATIO	73%
NET INCOME	24,675
RETURN ON EQUITY	71%