



# Public Service Commission

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

ORIGINAL  
FILE COPY

**DATE:** March 11, 1997  
**TO:** Tom Williams, Division of Communications  
**FROM:** David Draper, Division of Auditing and Financial Analysis *DD MC ALM*  
**RE:** Docket No. 970193-TI, Swiftcall (USA) Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *[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 Swiftcall (USA) Inc. (SCI) for the period ending December 31, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, SCI has minimal liquidity, an inconsequential amount of common equity and shows negative net income.

In this matter, SCI 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 minimal.

Although an analysis of the financial statements reveals the applicant is in a minimal financial position, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it is financially backed by The Swiftcall Group. The Swiftcall Group is a profitable organization with five offices located in the United Kingdom. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

cc: Division of Legal Services  
Division of Records and Reporting

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DOCKET NO. : 97019  
Globe-Comm (USA), INC.  
re-established as SWIFTCALL (USA), INC.  
IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

|                        | AS<br>OF<br>12/31/96 |
|------------------------|----------------------|
| CURRENT ASSETS         | \$21,746             |
| CURRENT LIABILITIES    | 109,083              |
| CURRENT RATIO          | 0.20                 |
| CASH                   | 18,636               |
| COMMON EQUITY          | 2                    |
| TOTAL DEBT             | 408,430              |
| TOTAL INVESTOR CAPITAL | 408,432              |
| COMMON EQUITY RATIO    | NMF                  |
| NET INCOME             | (30,244)             |
| RETURN ON EQUITY       | NMF                  |

NMF = No Meaningful Figure