



Public Service Commission

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

DATE: August 6, 1997
TO: Nancy Pruitt, Division of Communications
FROM: David Draper, Division of Auditing and Financial Analysis *DD*
RE: Docket No. ~~970918-TT~~, New Concept Communication LLC, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*

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 New Concept Communication LLC (NCC) for the three month period ending April 22, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, NCC reports negative net income for the period, but has adequate liquidity and sufficient common equity.

In this matter, NCC is asking for a certificate to provide IXC service. 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. In addition, NCC's affiliated company, Century Direct Marketing, Inc., has provided a stand-by line of credit in the amount of one-hundred thousand dollars. 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 (2) ✓

DOCUMENT NUMBER-DATE

08068 AUG-85

FPSC-RECORDS/REPORTING

DOCKET NO. : 970918
NEW CONCEPT COMMUNICATION, LLC

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 04/22/97
CURRENT ASSETS	\$96,481
CURRENT LIABILITIES	73,349
CURRENT RATIO	1.32
CASH	56,044
COMMON EQUITY	23,132
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	23,132
COMMON EQUITY RATIO	100%
NET INCOME	(81,868)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure