



Public Service Commission

U. L. ...
FILE COPY

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

DATE: September 4, 1997
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *P2 ALM*
RE: Docket No. 970807-TI, One-Stop Telecommunications, Inc., 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 . . .

ACK _____ Regarding the showing of financial capability, the Finance staff has analyzed the unaudited
AFA _____ financial statements of One-Stop Telecommunications, Inc. (One-Stop) for the year ending March
APP _____ 31, 1997. An audit could change one's opinion of the company's financial condition. As the
CAF _____ attached schedule shows, One-Stop has adequate liquidity but reports negative common equity
_____ and negative net income.

CMU _____
CTH _____ In this matter, One-Stop is asking for a certificate to provide IXC service. Staff notes the
EAG _____ limited nature of the application. For purposes of granting a certificate based on the financial
LEG _____ information provided, the financial capability appears marginal.

LIT _____ Although an analysis of the financial statements reveals the applicant is in a marginal financial
OPR _____ position, the applicant attests to its financial capability to provide and maintain the proposed
RCR _____ telecommunications service by noting that it is a switchless reseller and will not own or lease
SEC _____ facilities. It also notes that, if additional funding is required, the applicant's principal is
WAS _____ prepared to provide such funding. Based on this showing, the applicant appears to meet the
_____ financial capability standard of Section 364.337, Florida Statutes.

OTH _____
cc: Division of Legal Services
Division of Records and Reporting (2) ✓

DOCUMENT NUMBER-DATE

08991 SEP-85

KRSC RECORDS/REPORTING

DOCKET NO. 970807-TI
ONE-STOP TELECOMMUNICATIONS, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

	YEAR ENDED MARCH 31, 1997
CURRENT ASSETS	137,370
CURRENT LIABILITIES	97,039
CURRENT RATIO	1.42
CASH	70,831
COMMON EQUITY	(109,730)
TOTAL DEBT	175,000
PREFERRED STOCK	0
COMMON EQUITY RATIO	NMF
NET INCOME	(122,993) *
RETURN ON EQUITY	NMF

NMF=NO MEANINGFUL FIGURE

* JANUARY THRU MARCH 1997