



Public Service Commission

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

DATE: November 21, 1997
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 971164-TI, Money Travel Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*
age

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 Money Travel Services, Inc. (MTS) for the four month period ending April 30, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, MTS has adequate liquidity, ownership equity, and profitability.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC _____
- WAS _____
- OTH _____

In this matter, MTS is asking for a certificate to provide IXC service. Staff notes the limited nature of the application. 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 by noting that, as a switchless reseller, it will have light capital needs. It also notes that it will be self-funding and will provide its working capital needs internally. 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

12267 DEC-25

FPSC-RECORDS/REPORTING

DOCKET NO. 971164-TI
MONEY TRAVEL SERVICES OF FLORIDA, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM ACCOUNTANTS' COMPILATION

	FOUR MONTHS ENDED <u>APRIL 30, 1997</u>
CURRENT ASSETS	165,390
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	147,082
COMMON EQUITY	335,165
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	335,165
COMMON EQUITY RATIO	100%
NET INCOME	334,165
RETURN ON EQUITY	100%

NMF=NO MEANINGFUL FIGURE