



Public Service Commission

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

DATE: February 12, 1998
TO: Tommy Williams, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis *DD*
RE: Docket No. 980121-TI, ITF, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC ALM JMD*

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 proforma financial statements of ITF, Inc. (ITF) for the period ending twelve months after being certificated. ITF is a new company and has not started operations. In addition, the Finance staff has analyzed the audited financial statements of ITF's sister company, Harrick Holding, Inc., for the period ending December 31, 1997. Harrick Holding, Inc. is located in the Republic of Panama, and reports its financial statements in that country's currency. An audit could change one's opinion of ITF's financial condition. As the attached schedule shows, ITF reports adequate liquidity and sufficient common equity. Although ITF has not generated any income as of February 12, 1998, it has projected a positive net income for a twelve month period.

In this matter, ITF is asking for a certificate to provide IXC service. For purposes of granting a certificate based on the proforma 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, the sister company, Harrick Holding, Inc. will provide financial support to ITF if needed. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

- ACK _____
- AFSA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1 _____
- WAS _____
- OTH _____

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

DOCUMENT NUMBER - DATE

~~82243~~ FEB 16 1998

FPSC-RECORDS/REPORTING

DOCKET NO. 980121-T1
ITF, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

	ITF, INC. - PROFORMA FINANCIAL STATEMENTS (IN U.S. DOLLARS)	HARRICK HOLDING, INC. - AUDITED FINANCIAL STMTS. 12/31/97 (IN PANAMA BALBOA)
	TWELVE MONTH PROJECTION	12/31/97
CURRENT ASSETS	\$50,000	B/. \$11,250
CURRENT LIABILITIES	0	68,611
CURRENT RATIO	NMF	0.17
CASH	50,000	10,000
COMMON EQUITY	98,000	1,268,195
TOTAL DEBT	0	652,899
TOTAL INVESTOR CAPITAL	98,000	1,921,094
COMMON EQUITY RATIO	100%	66%
NET INCOME	495,000	179,785
RETURN ON EQUITY	505%	14%

Republic of Panama's official currency, the Balboa, is equal in value (one for one) to the U.S. Dollar.
NMF = No Meaningful Figure

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

January 28, 1998

Gary Gruenberg, General Manager
ITF, Inc.
13499 Biscayne Boulevard, Suite M2
Miami, Florida 33181

Re: Docket No. 980121-T1

Dear Mr. Gruenberg:

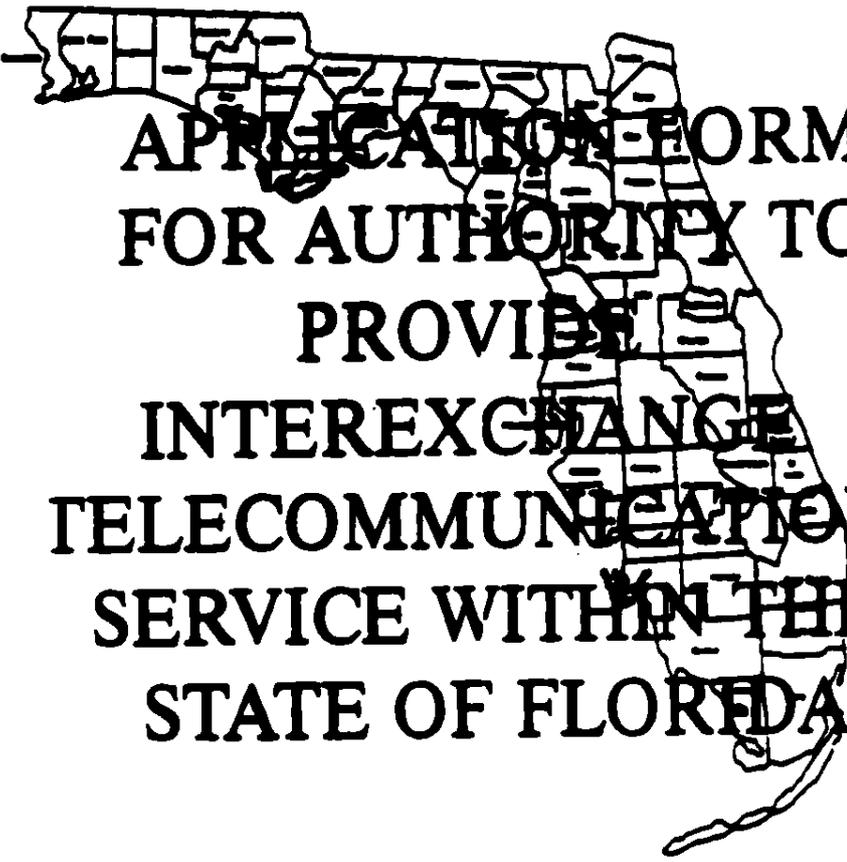
This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by ITF, Inc., which was filed in this office on January 26, 1998 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6078 or FAX (850) 413-6079.

Please make notes as well that Commission Rule 25-22.005(7), F.A.C., requires certificated companies to notify the Commission of any changes in name, telephone, address, or contact person. Should your application be granted by the Commission, you will be expected to comply with this rule by advising us of any changes as they occur.

Division of Records and Reporting
Florida Public Service Commission

DEPOSIT DATE
D6 95 - JAN 26 1993



APPLICATION FORM
FOR AUTHORITY TO
PROVIDE
INTEREXCHANGE
TELECOMMUNICATION
SERVICE WITHIN THE
STATE OF FLORIDA

ATG, INC.
PH. 937-4009
18848 N.E. 29TH AVE.
MIAMI, FL 33180

1634

1-21

1998

63-643/670
00646

PAY
TO THE
ORDER OF

FLORIDA PUBLIC SERVICE COMMISSION

\$ 250.00

Two Hundred Fifty Dollars ~~250~~

DOLLARS

 First Union National Bank of Florida
North Miami Beach, Florida
24 Hour Information Service
1-800-736-1012

FOR Application ITF, INC.

