



ORIGINAL
Public Service Commission

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

DATE: April 13, 1998
 TO: Nancy Pruitt, Division of Communications
 FROM: Pete Lester, Division of Auditing and Financial Analysis *APC*
 RE: Docket No. 980290-TX, Talk Time Communications, Ltd., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *mmg*

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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 Aerotech Services, Inc., an affiliate of Talk Time Communications, Ltd. (TTC) for the period ending June 30, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, TTC has adequate liquidity, ownership equity, and profitability.

ACK _____
 AFA _____
 AP _____ In this matter, TTC is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application. For purposes of
 C _____ granting a certificate based on the financial information provided, the financial capability appears
 C AU _____ adequate.
 CTR _____
 EAG _____ The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it plans to be a switchless reseller and will have low
 LEG _____ capital needs. The company notes that its affiliate will provide financial support if needed.
 LIN _____ Based on this showing, the applicant appears to meet the financial capability standard of Section
 QPC _____ 364.337, Florida Statutes.

RCH _____ cc. Division of Legal Services
 RF 1 _____ Division of Records and Reporting (2)

DOCUMENT NUMBER-DATE

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FISCAL REPORTING

DOCKET NO. 980290-TI
TALK TIME COMMUNICATIONS, LTD.
ALEC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM ACCOUNTANTS' COMPILATION FOR AEROTECH
SERVICES, INC., AN AFFILIATE OF TALK TIME
COMMUNICATIONS, LTD.

SIX MONTHS
ENDED
JUNE 30, 1997

CURRENT ASSETS	638,100
CURRENT LIABILITIES	304,292
CURRENT RATIO	2.10
CASH	153,500
COMMON EQUITY	219,124
TOTAL DEBT	280,173
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	479,297
COMMON EQUITY RATIO	46%
NET INCOME	60,825
RETURN ON EQUITY	28%