



ORIGINAL

Public Service Commission

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RECORDS AND REPORTING

93 JUN 16 AM 11:24

RECEIVED-FPSC

DATE: June 9, 1998
TO: Nancy Pruitt, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *P2 ALM*
RE: Docket No. 980455-TI, Cable & Wireless Global Card Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC [Signature]*

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 audited financial statements of Cable & Wireless PLC, the parent company of Cable & Wireless Global Card Services, Inc. (CWGC) for the period ending March 31, 1997. As the attached schedule shows, CWGC's parent company has adequate liquidity, ownership equity, and profitability.

WACK _____
AFA _____ In this matter, CWGC is asking for a certificate to provide IXC service. Staff notes the limited
APP _____ nature of the application. For purposes of granting a certificate based on the financial
CAF _____ information provided, the financial capability appears adequate.

CMU _____ The applicant attests to its financial capability to provide and maintain the proposed
CTR _____ telecommunications service by noting that it can obtain any necessary capital from its parent
EAG _____ company and that it will have minimal capital needs during its start-up phase. Based on this
LEG _____ showing, the applicant appears to meet the financial capability standard of Section 364.337,
LIN _____ Florida Statutes.

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

SEC 1
WAS _____
OTH _____

DOCUMENT NUMBER-DATE
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FPSC-RECORDS/REPORTING

DOCKET NO. 980455-T1
CABLE & WIRELESS GLOBAL CARD SERVICES, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM AUDITED FINANCIAL STATEMENTS
OF CABLE & WIRELESS PLC, THE
PARENT COMPANY CABLE AND WIRELESS GLOBAL
CARD SERVICES

IN MILLIONS OF BRITISH POUNDS	AS OF <u>MARCH 31, 1997</u>
CURRENT ASSETS	3,225
CURRENT LIABILITIES	2,289
CURRENT RATIO	1.41
CASH	150
COMMON EQUITY	5,311
TOTAL DEBT	4,112
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	9,423
COMMON EQUITY RATIO	56%
NET INCOME	677
RETURN ON EQUITY	13%