

ORIGINAL



Public Service Commission

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

DATE: May 11, 1999  
 TO: Tommy Williams, Division of Communications  
 FROM: David J. Draper, Division of Auditing and Financial Analysis *JD*  
 RE: Docket No. 990429-TI, World-Net-Fiber, 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 . . .

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of World Net Fiber, Inc. (WNF) for the period ending December 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, WNF has adequate liquidity, sufficient common equity and reported positive income for the period.

In this matter, WNF is asking for a certificate to provide IXC service. 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 the Company will maintain capital from internally generated funds. 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)

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OPC \_\_\_\_\_
- RRR \_\_\_\_\_
- SEC   I
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

06084 MAY 13 99

FPSC-RECORDS/REPORTING

DOCKET NO. 99047  
WORLD-NET-FIBER, INC.

IXC TELECOMMUNICATION SERVICE  
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/98
CURRENT ASSETS	\$873,958
CURRENT LIABILITIES	220,172
CURRENT RATIO	3.97
CASH	136,846
COMMON EQUITY	3,204,223
TOTAL DEBT	3,351,583
TOTAL INVESTOR CAPITAL	6,555,806
COMMON EQUITY RATIO	49%
NET INCOME	1,223,123
RETURN ON EQUITY	38%

NMF = No Meaningful Figure