

Public Service Commission



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

DATE: September 15, 1999
 TO: Nancy Pruitt, Division of Communications
 FROM: David J. Draper, Division of Auditing and Financial Analysis *J* *ALM*
 RE: Docket No. 991110-TX, Intelligence Network Online, Inc., Financial Analysis for *APC*
 Certificate Application for Alternative Local Exchange Telecommunications Service *[Signature]*

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 Intelligence Network Online, Inc. (INO) 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, INO has adequate liquidity, sufficient common equity and reported a positive net income for the period.

AFA In this matter, INO is asking for a certificate to provide alternative local exchange
 APP telecommunications service. For purposes of granting a certificate based on the financial
 CAF information provided, the financial capability appears adequate. The applicant attests to its
 CMU financial capability to provide and maintain the proposed telecommunications service by noting that
 CTR the company will maintain capital from internally generated funds. Based on this showing, the
 EAG applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.
 LEG _____
 MAS _____
 OPC _____
 PAI _____
 SEC cc: Division of Legal Services
 WAW 1 Division of Records and Reporting (2)
 OTH _____

DOCUMENT NUMBER-DATE

11115 SEP 16 99

FPSC-RECORDS/REPORTING

DOCKET NO. 991110-
INTELLIGENCE NETWORK ONLINE, INC.

ALTERNATIVE LOCAL EXCHANGE SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/98
CURRENT ASSETS	\$31,485
CURRENT LIABILITIES	4,446
CURRENT RATIO	7.08
CASH	28,045
COMMON EQUITY	31,355
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	31,355
COMMON EQUITY RATIO	100%
NET INCOME	45,218
RETURN ON EQUITY	144%

NMF = No Meaningful Figure