



Public Service Commission

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

DATE: April 12, 2000
TO: Nancy Pruitt, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 000323-TI, Ronam International, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *[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 Ronam International, Inc. (RII) for the eleven month period ending November 18, 1999. As the attached schedule shows, RII has adequate liquidity, sufficient common equity, but reported negative income for the period.

In this matter, RII 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 can rely on the financial support of its investors for up to \$50,000 in additional financing. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

- AFA _____
- APP _____
- CAF _____
- CMU _____
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- EAG _____
- LEG _____
- MAS _____
- OPC _____
- PRR _____
- SEC _____
- NAW _____
- OTH _____

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

DOCUMENT NUMBER-DATE
04517 APR 13 2000
FPSC-RECORDS/REPORTING

DOCKET NO. 000323-TI
RONAM INTERNATIONAL, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS

	AS OF 11/18/1999
CURRENT ASSETS	\$111,096
CURRENT LIABILITIES	25,761
CURRENT RATIO	4.31
CASH	45,195
COMMON EQUITY	247,287
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	247,287
COMMON EQUITY RATIO	100%
NET INCOME	(7,107)
RETURN ON EQUITY	-3%

NMF = No Meaningful Figure