



Public Service Commission

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

DATE: January 18, 2001
TO: Nancy Pruitt, Division of Regulatory Oversight
FROM: David J. Draper, Division of Economic Regulation *JD* *ALM*
RE: Docket No. 001570-TI, Global One Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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 Global One Communications, Inc. (GOC) for the period ending December 31, 2000. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, GOC has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, GOC 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 by noting that it has adequate liquid assets to provide and maintain the proposed telecommunications service. 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)

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

IXC APPLICATION
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/2000
CURRENT ASSETS	\$334,077
CURRENT LIABILITIES	125,923
CURRENT RATIO	2.65
CASH	334,077
COMMON EQUITY	206,164
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	206,164
COMMON EQUITY RATIO	100%
NET INCOME	334,077
RETURN ON EQUITY	162%

NMF = No Meaningful Figure