

State of Florida



Public Service Commission

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

DATE: April 9, 2001
TO: Toni McCoy, Division of Regulatory Oversight
FROM: David J. Draper, Division of Economic Regulation *DD* *ALM*
RE: Docket No. 010303-TI, Global Dialtone, 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 balance sheet of Global Dialtone, Inc. (GDT) for the period ending April 2, 2001. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, GDT has adequate liquidity and sufficient common equity. GDT is not in operations at this time, therefore, has no relevant income statement.

In this matter, GDT 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

04470 APR 11 01

FPSC-RECORDS/REPORTING

DOCKET NO. 010303-TI
GLOBAL DIALTONE, INC.

IXC APPLICATION
FINANCIAL ANALYSIS

FROM UNAUDITED BALANCE SHEET:

	AS OF 04/02/2001
CURRENT ASSETS	\$4,500
CURRENT LIABILITIES	2,100
CURRENT RATIO	2.14
CASH	2,500
COMMON EQUITY	107,400
TOTAL DEBT	15,000
TOTAL INVESTOR CAPITAL	122,400
COMMON EQUITY RATIO	88%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure