



Public Service Commission

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

DATE: March 5, 1997
TO: Tom Williams, Division of Communications
FROM: David Draper, Division of Auditing and Financial Analysis *ed APC ALM*
RE: Docket No. 970264-TI, Moving Media, 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 Moving Media, Inc. (MMI) for the period ending December 31, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, MMI has negligible liquidity, but reports sufficient common equity and shows a net income for the period.

In this matter, MMI is asking for a certificate to provide IXC service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate. In addition, the applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that the principle has pledged his personal assets to insure that the company is able to meet its financial obligation. 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

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DOCKET NO. : 9702
MOVING MEDIA, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/86
CURRENT ASSETS	\$3,131
CURRENT LIABILITIES	39,876
CURRENT RATIO	0.08
CASH	3,131
COMMON EQUITY	40,000
TOTAL DEBT	39,876
TOTAL INVESTOR CAPITAL	79,876
COMMON EQUITY RATIO	50%
NET INCOME	16,509
RETURN ON EQUITY	41%

NMF = No Meaningful Figure