



Public Service Commission

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

DATE: May 1, 1998
 TO: Tommy Williams, Division of Communications
 FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
 RE: Docket No.980320-TI, Quick-Tel Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*

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 Quick-Tel Communications, Inc. (Quick-Tel) for the period ending April 30, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, Quick-Tel has adequate liquidity and ownership equity but it reports a loss for the period.

ACK _____
 AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LES _____

In this matter, Quick-Tel is asking for a certificate to provide IXC service. Staff notes the limited nature of the application. 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 its owners have excellent banking relationships with several banks. The owners also report substantial net worth. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

LIN _____
 OPC _____
 RCH _____
 SEC _____
 WAS _____
 OTH _____

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

DOCUMENT NUMBER - DATE

05109 MAY-68

FPSC-RECORDS/REPORTING

DOCKET NO. 980320-T1
QUICK-TEL COMMUNICATIONS, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

1 MONTH
ENDED
APRIL 30, 1998

CURRENT ASSETS	8,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	6,000
COMMON EQUITY	38,000
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	38,000
COMMON EQUITY RATIO	100%
NET INCOME	(31,183)
RETURN ON EQUITY	-82%