



Public Service Commission

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

DATE: August 26, 1998
TO: Nancy Pruitt, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 980804-TI, Single Billing Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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 Single Billing Services, Inc. (SBS) for the period ending April 29, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, SBS has adequate liquidity and sufficient common equity. As a start-up company, the company has no income statement.

CK _____ In this matter, SBS is asking for a certificate to provide IXC service. Staff notes the limited
 FA _____ nature of the application and that no customer provided funds appear to be at risk. For purposes
 PP _____ of granting a certificate based on the financial information provided, the financial capability
 JAF _____ appears adequate.

CMU _____ The applicant attests to its financial capability to provide and maintain the proposed
 STR _____ telecommunications service by noting that it can obtain additional funding from its principal and
 EAG _____ it will be a switchless reseller with no facilities. Based on this showing, the applicant appears
 LEG _____ to meet the financial capability standard of Section 364.337, Florida Statutes.

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

RCH _____
 SEC _____
 WAS _____
 OTH _____

RECORDED
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DOCKET NO. 98080
SINGLE BILLING SERVICES, INC.
IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF <u>04/29/98</u>
CURRENT ASSETS	\$35,872
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	35,872
COMMON EQUITY	55,193
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	55,193
COMMON EQUITY RATIO	100%
NET INCOME	- *
RETURN ON EQUITY	-- *

NMF=NO MEANINGFUL FIGURE

* START-UP COMPANY, NO INCOME FIGURES