



Public Service Commission

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

DATE: August 21, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *SCJ ALM*
RE: Docket No. 960785-TI, Access Point, 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 Access Point, Inc. (API) for the two months ending August 6, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, API has adequate liquidity and ownership equity but no income statement is available.

In this matter, API 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.

Although an analysis of the financial statements reveals the applicant is in the start-up stage of this business, the applicant states that the financial information provided demonstrates that it has sufficient financial capability to provide the requested service, to maintain the requested service, and to meet its lease or ownership obligations. Moreover, the applicant is indicated that any lease obligations are not material. 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. 960785-TI
ACCESS POINT INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS
OF
9/06/96

CURRENT ASSETS	\$115,496
CURRENT LIABILITIES	4,641
CURRENT RATIO	24.89
CASH	115,496
COMMON EQUITY	301,813
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	301,813
COMMON EQUITY RATIO	100%
NET INCOME	Not Available
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure