



Public Service Commission

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

DATE: December 8, 1997
 TO: Tom Williams, Division of Communications
 FROM: Pete Lester, Division of Auditing and Financial Analysis *PL apc ALM*
 RE: Docket No. 971540-TI, Business Calling Plan, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *[Signature]*

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, pro forma financial statements of Business Calling Plan, Inc. (BCP) for the projected period ending October 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, BCP projects adequate liquidity, ownership equity, and profitability.

In this matter, BCP 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 it has the necessary assets and profit-generating ability to offer the proposed service. The company projects profits of \$186,000 for the period, and it projects no debt. 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)

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 971540-TI
BUSINESS CALLING PLAN, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED, PRO FORMA FINANCIAL
STATEMENTS

TWELVE MONTH
ENDING
OCTOBER 31, 1998

CURRENT ASSETS	630,000
CURRENT LIABILITIES	10,000
CURRENT RATIO	63.00
CASH	210,000
COMMON EQUITY	636,000
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	636,000
COMMON EQUITY RATIO	100%
NET INCOME	186,000
RETURN ON EQUITY	29%