



Public Service Commission

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

DATE: April 16, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *SLW*
RE: Docket No. 960117-TI, World-Link, 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 World-Link, Inc. (WLI) for the period ending May 31, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, WLI has adequate equity ownership, but marginal liquidity, and an income figure was not available.

In this matter, WLI 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 marginal.

cc: Division of Legal Services
Division of Records and Reporting

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DOCKET NO. 960117-TI
WORLD-LINK, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS
OF
05/31/95

CURRENT ASSETS	\$206,012
CURRENT LIABILITIES	226,948
CURRENT RATIO	0.91
CASH	4,155
COMMON EQUITY	6,124
TOTAL DEBT	2,850
NET INVESTOR CAPITAL	8,974
COMMON EQUITY RATIO	63%
NET INCOME	NF
RETURN ON EQUITY	NMF

NF = No Figure: An Income Statement was not available.

NMF = No Meaningful Figure