



Public Service Commission

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

DATE: September 19, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *ALM APC*
RE: Docket No. 960851-TI, Network Enhanced Technologies, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *YMB TSS*

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 Network Enhanced Technologies, Inc. An audit could change one's opinion of the company's financial condition. The company has adequate liquidity, ownership equity, and profitability. The company attests that the company has the financial capability to provide interexchange telecommunications service.

Based on this representation, 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. 960851-TI
NETWORK ENHANCED TECHNOLOGIES, INC.
INTEREXCHANGE CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM UNAUDITED FINANCIAL STATEMENTS

BALANCE SHEET
INCOME STATEMENT AS OF AUGUST 31, 1996

CURRENT ASSETS	32,333
CURRENT LIABILITIES	2,980
CURRENT RATIO	10.85
CASH	10,258
COMMON EQUITY	146,380
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	146,380
COMMON EQUITY RATIO	100%
NET INCOME	162,139
RETURN ON EQUITY	111%