



Public Service Commission

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

DATE: February 20, 1998
TO: Tommy Williams, Division of Communications
FROM: David J. Draper, Division of Auditing and Financial Analysis *DD ALM APC*
RE: Docket No. 980246-TX, Access Point, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *[Signature]*

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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 period ending December 31, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, API reports negative net income for the period, but has adequate liquidity and sufficient common equity.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LRN _____

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

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**DOCKET NO. 980246-TX
ACCESS POINT, INC.**

**ALTERNATIVE LOCAL EXCHANGE SERVICES
FINANCIAL ANALYSIS**

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/97
CURRENT ASSETS	\$312,596
CURRENT LIABILITIES	240,699
CURRENT RATIO	1.30
CASH	12,957
COMMON EQUITY	301,190
TOTAL DEBT	0
TOTAL INVESTOR CAPITAL	301,190
COMMON EQUITY RATIO	100%
NET INCOME	(622,444)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure