



Public Service Commission

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

DATE: May 19, 1998
 TO: Nancy Pruitt, Division of Communications
 FROM: Pete Lester, Division of Auditing and Financial Analysis
 RE: Docket No. 980479-TI, Park 'N View, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

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 Park 'N View, Inc. (PNV) for the period ending June 30, 1997. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, PNV has adequate liquidity but reports negative common equity and negative net income.

ACK _____ In this matter, PNV is asking for a certificate to provide IXC service. Staff notes the limited
 AFA _____ nature of the application. For purposes of granting a certificate based on the financial
 APP _____ information provided, the financial capability appears marginal.

CAF _____ Although an analysis of the financial statements reveals the applicant is in a marginal financial
 CMU _____ position, the applicant attests to its financial capability to provide and maintain the proposed
 CTR _____ telecommunications service by noting that it will be a switchless reseller with low capital needs,
 EAG _____ that it can receive funds from its principals, and that it can borrow funds if necessary. Based
 LEG _____ on this showing, the applicant appears to meet the financial capability standard of Section
 LIN _____ 364.337, Florida Statutes.

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

SEC _____
 WAS _____
 OTH _____

DOCUMENT NUMBER - DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 980479-TI
PARK' N VIEW, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE

FROM AUDITED FINANCIAL STATEMENTS

	AS OF JUNE 30, 1997
CURRENT ASSETS	5,127,358
CURRENT LIABILITIES	2,015,152
CURRENT RATIO	2.54
CASH	4,717,394
COMMON EQUITY	(8,931,927)
TOTAL DEBT	724,092
PREFERRED STOCK	19,131,466
TOTAL INVESTOR CAPITAL	10,923,631
COMMON EQUITY RATIO	NMF
NET INCOME	(6,045,020)
RETURN ON EQUITY	NEGATIVE

NMF=NO MEANINGFUL FIGURE