



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

DATE: July 29, 1999
TO: Tommy Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 990729-TI, Miracle Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *g*

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 Miracle Communications, Inc. (Miracle) for the period ending May 31, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, Miracle has adequate liquidity and sufficient common equity. For the period, the company broke even.

In this matter, Miracle 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.

APL The applicant attests to its financial capability to provide and maintain the proposed
ASP telecommunications service by noting that its owners capitalized the company entirely with
CAF common equity and can make additional equity infusions as necessary. Based on this showing,
CAG the applicant appears to meet the financial capability standard of Section 364.337, Florida
CTR Statutes.
EAG
LEG
MAG

OPDcc: Division of Legal Services
RRR Division of Records and Reporting (2)
SEC
WAW
OTH

DOCKET NO. 990729-
MIRACLE COMMUNICATIONS, INC.
IXC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS
OF
05/31/99

CURRENT ASSETS	\$105,000
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	105,000
COMMON EQUITY	110,000
TOTAL DEBT	0
TOTAL PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	110,000
COMMON EQUITY RATIO	100%
NET INCOME	0
RETURN ON EQUITY	0%

NMF=NO MEANINGFUL FIGURE