



Public Service Commission

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

DATE: September 27, 1999
TO: Nancy Pruitt, Division of Communications
FROM: Eva P. Samaan, Division of Auditing and Financial Analysis
RE: Docket No. 991324-TI, Intelligence Network Online, 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 . . .

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Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of Intelligence Network Online, Inc. (INO) for the period ending December 31, 1998. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, INO has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, INO 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 adequate.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service. INO has available funding through lines of credit with Newcourt Financial, Harbour Capital Corporation, Manchester Capital, and Southtrust Bank in the amounts of \$50,000, \$75,000, \$75,000 and \$78,200 respectively. Based on this showing, 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 (2)

DOCUMENT NUMBER-DATE

11769 SEP 29 8

FPSC-RECORDS/REPORTING

DOCKET NO. 991324-TT
INTELLIGENCE NETWORK ONLINE, INC.

IXC TELECOMMUNICATION SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS AS OF 12/31/98

CURRENT ASSETS	\$31,485
CURRENT LIABILITIES	4,446
CURRENT RATIO	7.08
CASH	28,045
COMMON EQUITY	31,355
LONG-TERM DEBT	0
TOTAL INVESTOR CAPITAL	31,355
COMMON EQUITY RATIO	100%
NET INCOME	45,218
RETURN ON EQUITY	144%

NMF= Non-meaningful figure