



Public Service Commission

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

DATE: July 17, 2000
TO: Tommy Williams, Division of Regulatory Oversight *ALM #*
FROM: Pete Lester, Division of Economic Regulation *PL*
RE: Docket No. 000660-TI, Radio Communications Corporation, 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 Radio Communications Corporation (RCC) for the period ending December 31, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, RCC has adequate liquidity, sufficient common equity and reported positive net income for the period.

In this matter, RCC 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.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it is debt-free, it has been profitable since its second year in business, and it has access to lines of credit. 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)

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DOCUMENT NUMBER-DATE
08624 JUL 17 8
 FPSC-RECORDS/REPORTING

DOCKET NO. 000660-TT
RADIO COMMUNICATIONS CORPORATION
IXC CERTIFICATE

State of Florida

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS



DATE: July 17, 2000
TO: Tommy Williams, Division of Regulatory Oversight
FROM: Pat E. Lester, Division of
RE: Docket No. 000660-TT, Radio Communications Corporation, IXC Certificate Application

	AS OF 12/31/1999
CURRENT ASSETS	\$564,261
CURRENT LIABILITIES	84,522
CURRENT RATIO	6.68
CASH	346,632
COMMON EQUITY	805,641
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	805,641
COMMON EQUITY RATIO	100%
NET INCOME	71,273
RETURN ON EQUITY	9%

In this matter, RCC is asking for a certificate to provide IXC service. Staff notes the financial information provided, the financial capability appears adequate.

The applicant attests to its financial capability to provide and maintain the proposed telecommunications service by noting that it is debt-free, it has been profitable since its second year in business, and it has access to lines of credit. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

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

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REC-REGISTRATION

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