



# Public Service Commission

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

DATE: November 25, 1996  
 TO: Tom Williams, Division of Communications  
 FROM: Pete Lester, Division of Auditing and Financial Analysis *PL APC [signature]*  
 RE: Docket No. 960955-TX, Mat-Tell Communications, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Service

Docket No. 960956-TI, Mat-Tell Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

Section 364.336 (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.

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, forecasted financial statements Mat-Tell Communications, Inc. An audit could change one's opinion of the company's financial condition. The company projects adequate liquidity, somewhat low ownership equity, and adequate profitability. The company attests that it has the financial capability to provide IXC and alternative local exchange service.

Based on this representation, the application appears adequate for certification purposes.

cc: Division of Legal Services  
Division of Records and Reporting

DOCUMENT NUMBER-DATE

12673 NOV 26 1996

FPSC-RECORDS/REPORTING

DOCKET NO. 960955-TI  
MATT-TELL  
IXC CERTIFICATE  
FINANCIAL ANALYSIS  
ATTESTATION DONE

FROM UNAUDITED, FORECASTED FINANCIAL STATEMENTS

FORECASTED  
FIRST 12 MONTHS  
OF OPERATION

CURRENT ASSETS	1,530,000
CURRENT LIABILITIES	686,000
CURRENT RATIO	2.23
CASH	1,290,000
COMMON EQUITY	1,094,000
TOTAL DEBT	2,250,000
TOTAL INVESTOR CAPITAL	3,344,000
COMMON EQUITY RATIO	33%
NET INCOME	694,000
RETURN ON EQUITY	63%