



Public Service Commission

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

DATE: March 5, 1998
TO: Nancy Pruitt, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL*
RE: Docket No. 971637-TI, Worldlink Long Distance Corporation, Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM APC*

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 balance sheet of Worldlink Long Distance Corporation (Worldlink) for the period ended February 18, 1998 and the projected income statement 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, Worldlink has adequate liquidity, ownership equity, and it projects a positive net income for the period.

In this matter, Worldlink 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 a switchless reseller with a minimum amount of start-up costs, and that it will have low recurring expenses. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

~~COI~~ Division of Legal Services
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**DOCKET NO. 971837-TI
WORLDLINK LONG DISTANCE CORPORATION
IXC CERTIFICATE
FINANCIAL ANALYSIS
ATTESTATION DONE**

**FROM UNAUDITED, PROJECTED FINANCIAL
STATEMENTS, INCOME STATEMENT PROJECTED AS
12 MONTHS ENDING DECEMBER 31, 1998**

**AS
OF
FEBRUARY 18, 1998**

CURRENT ASSETS	90,902
CURRENT LIABILITIES	18,433
CURRENT RATIO	4.93
CASH	63,000
COMMON EQUITY	74,475
TOTAL DEBT	0
PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	74,475
COMMON EQUITY RATIO	100%
NET INCOME	17,450
RETURN ON EQUITY	23%