



Public Service Commission

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

DATE: February 23, 1999
 TO: Tommy Williams, Division of Communications
 FROM: David J. Draper, Division of Auditing and Financial Analysis *DD*
 RE: Docket No. 990124-TX, Rebound Enterprises, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *ALM*

Section 364.337 (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.

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 Rebound Enterprises, Inc. (REI) for the period ending February 2, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, REI has adequate liquidity and sufficient common equity. REI is a start-up company and does not have a relevant income statement at this time.

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In this matter, REI is asking for a certificate to provide alternative local exchange telecommunications service. 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 the Company will increase available capital from continuing operations. In addition, REI has the ability to obtain additional financing through traditional commercial lending institutions. 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

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FPSC-RECORDS/REPORTING

DOCKET NO. 990124
REBOUND ENTERPRISES, INC.

ALTERNATIVE LOCAL EXCHANGE SERVICE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 02/02/99
CURRENT ASSETS	\$11,433
CURRENT LIABILITIES	5,000
CURRENT RATIO	2.29
CASH	11,433
COMMON EQUITY	63,000
TOTAL DEBT	51,433
TOTAL INVESTOR CAPITAL	114,433
COMMON EQUITY RATIO	55%
NET INCOME	0
RETURN ON EQUITY	0%

NMF = No Meaningful Figure