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March 17, 2000

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

FILED³

MAR 17 2000

Missouri Public
Service Commission

Re: Trans National Telecommunications, Inc.
Case No. ~~TC~~ 2000-359
TA

Dear Judge Roberts:

On March 2, 2000 the financial analysis department of the Commission advised the undersigned that the referenced company either lacked the requested financial information, or the information supplied failed to pass certain financial tests applied by the Staff.

Since the time of the Staff's letter, the Company has prepared updated financial statements which covers an 11-month period of 1999.

At this time, Applicant wishes to supplement Appendix D of its application in the referenced matter with these updated financial statements. Accordingly, you will find enclosed an original and 14 copies of the same.

Would you please append these updated financial statements to the application and also distribute the remaining copies to the appropriate personnel. Thank you very much.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:

Mark W. Comley
Mark W. Comley
comleym@ncrpc.com

MWC:ab

Enclosure

cc: Office of Public Counsel
Anthony K. Conroy
Office of the General Counsel
Ron Bible, Financial Analysis Department
Phil Garcia, Commission Staff
Monique Byrnes

Financial Statements

**Of
Trans National Telecommunications, Inc.
For the Period Ended November 30, 1999**

PREPARED WITHOUT AUDIT BY FINANCIAL EXPRESS-ARL

TRANS NATIONAL TELECOMMUNICATIONS, INC

**Balance Sheet
November 30, 1999**

Assets

Current Assets

| | | |
|-----------------------------|-----------|------------------------|
| CASH-BANK OF AMERICA | \$ | 80,197.28 |
| EMPLOYEE ADVANCES | | 650.00 |
| INVENTORY | | <u>2,500.00</u> |

| | | |
|-----------------------------|-----------|------------------|
| Total Current Assets | \$ | 83,347.28 |
|-----------------------------|-----------|------------------|

Fixed Assets

| | |
|------------------------------------|--------------------------|
| FURNITURE & FIXTURES | 20,994.23 |
| SOFTWARE | 3,425.21 |
| MACHINERY & EQUIPMENT | 1,577.18 |
| ACCUMULATED DEPRECIATION | (1,709.00) |
| ORGANIZATIONAL EXPENDITURES | <u>110,460.00</u> |

| | | |
|---------------------------|-----------|-------------------|
| Total fixed Assets | \$ | 134,747.62 |
|---------------------------|-----------|-------------------|

Other Assets

| | |
|-----------------|------------------------|
| DEPOSITS | <u>1,183.75</u> |
|-----------------|------------------------|

| | | |
|---------------------------|-----------|------------------------|
| Total Other Assets | \$ | <u>1,183.75</u> |
|---------------------------|-----------|------------------------|

| | | |
|---------------------|-----------|--------------------------|
| Total Assets | \$ | <u>219,278.65</u> |
|---------------------|-----------|--------------------------|

PREPARED WITHOUT AUDIT BY FINANCIAL EXPRESS-ARL

TRANS NATIONAL TELECOMMUNICATIONS, INC.

**Balance Sheet
November 30, 1999**

Liabilities and Equity

Current Liabilities

| | |
|--------------------------------|---------------------------|
| SALES TAX PAYABLE | \$ 4,521.04 |
| SALES TAX LIAB-OTHER | 12,117.67 |
| FICA PAYABLE | 15,581.29 |
| FEDERAL WITHHOLDING TAX | 11,132.23 |
| PAYROLL TAXES PAID | <u>(27,867.38)</u> |

Total Current Liabilities **\$ 15,484.85**

Long Term Liabilities

| | |
|-------------------------------------|------------------------|
| NOTES PAYABLE - SHAREHOLDERS | <u>5,305.40</u> |
|-------------------------------------|------------------------|

Total Long Term Liabilities **5,305.40**

Equity

| | |
|------------------------------|--------------------------|
| COMMON STOCK | 1,000.00 |
| RETAINED EARNINGS | 387.51 |
| Current Income (Loss) | <u>197,100.89</u> |

Total Equity **199,488.40**

Total Liabilities & Equity **\$ 219,278.65**

PREPARED WITHOUT AUDIT BY FINANCIAL EXPRESS-ARL

TRANS NATIONAL TELECOMMUNICATIONS, INC.

Income Statement

For the Period Ended November 30, 1999

| | <u>1 Month Ended</u> <u>Nov. 30, 1999</u> | <u>Pct</u> | <u>11 Months Ended</u> <u>Nov. 30, 1999</u> | <u>Pct</u> |
|---------------------------|--|--------------|--|----------------|
| Revenue | | | | |
| SALES-TAXABLE | \$ 107,677.09 | 90.07 | \$ 1,091,721.96 | 88.29 |
| SALES-NON-TAXABLE | 12,120.00 | 10.14 | 147,446.66 | 11.92 |
| RETURNS & ALLOWANCES | (242.23) | (00.20) | (778.63) | (00.06) |
| REFUNDS | <u>00.00</u> | <u>00.00</u> | <u>(1,823.56)</u> | <u>(00.15)</u> |
| Total Revenue | 119,554.86 | 100.00 | 1,236,566.43 | 100.00 |
| Cost of Sales | | | | |
| C/O/S-PURCHASES | 3,504.15 | 02.93 | 84,812.10 | 06.86 |
| C/O/S-AIRTIME | 70,341.05 | 58.84 | 683,550.95 | 55.28 |
| COMMISSIONS | <u>8,009.25</u> | <u>06.70</u> | <u>84,114.38</u> | <u>06.80</u> |
| Total Cost of Sales | <u>81,854.45</u> | <u>68.47</u> | <u>852,477.43</u> | <u>68.94</u> |
| Gross Profit | 37,700.41 | 31.53 | 384,089.00 | 31.06 |
| Operating Expenses | | | | |
| SALARIES-EMPLOYEE | 8,584.97 | 07.18 | 75,081.51 | 06.07 |
| SALARIES-CONTRACT LAB | 00.00 | 00.00 | 200.00 | 00.02 |
| SUTA EXPENSES | 00.00 | 00.00 | 453.31 | 00.04 |
| FUTA EXPENSES | 00.00 | 00.00 | 275.93 | 00.02 |
| EMPLOYER'S FICA EXP | 656.73 | 00.55 | 5,046.52 | 00.41 |
| ACCOUNTING | 388.00 | 00.32 | 2,415.00 | 00.20 |
| ADVERTISING | 3,350.80 | 02.80 | 19,010.14 | 01.54 |
| AUTO EXPENSE | 203.14 | 00.17 | 1,913.59 | 00.15 |
| BANK CHARGES | 00.00 | 00.00 | 480.26 | 00.04 |
| BILLING EXPENSE | 1,488.35 | 01.24 | 4,378.81 | 00.35 |
| CONSULTING | 1,140.00 | 00.95 | 2,090.00 | 00.17 |
| ENTERTAINMENT | 903.35 | 00.76 | 903.35 | 00.07 |
| EQUIPMENT RENTAL | 353.43 | 00.30 | 5,411.09 | 00.44 |
| INSURANCE-HEALTH-EMP | 554.14 | 00.46 | 3,528.37 | 00.29 |
| INSURANCE-OTHER | 173.77 | 00.15 | 1,330.60 | 00.11 |
| LEGAL EXPENSES | 00.00 | 00.00 | 1,582.20 | 00.13 |
| LICENSES & PERMITS | 00.00 | 00.00 | 125.00 | 00.01 |
| MEDICAL | 00.00 | 00.00 | 1,027.00 | 00.08 |
| POSTAGE & FREIGHT | 110.25 | 00.09 | 374.36 | 00.03 |
| PROFESSIONAL FEES | 00.00 | 00.00 | 480.00 | 00.04 |
| RENT EXPENSE | 1,376.96 | 01.15 | 16,004.76 | 01.29 |

PREPARED WITHOUT AUDIT BY FINANCIAL EXPRESS-ARL

| | <u>1 Month Ended</u> <u>Nov. 30, 1999</u> | <u>Pct</u> | <u>11 Months Ended</u> <u>Nov. 30, 1999</u> | <u>Pct</u> |
|--------------------|--|--------------|--|--------------|
| REPAIRS & MAINT | 00.00 | 00.00 | 183.62 | 00.01 |
| SECURITY | 00.00 | 00.00 | 254.51 | 00.02 |
| SUPPLIES-OFFICE | 977.86 | 00.82 | 37,553.68 | 03.04 |
| SUPPLIES-SHOP | 00.00 | 00.00 | 7.03 | 00.00 |
| TAXES-OTHER | 913.76 | 00.76 | 940.42 | 00.08 |
| TELEPHONE EXPENSES | 419.70 | 00.35 | 2,741.78 | 00.22 |
| TRAVEL | 603.61 | 00.50 | 603.61 | 00.05 |
| UTILITIES | <u>129.68</u> | <u>00.11</u> | <u>2,616.43</u> | <u>00.21</u> |
| Total Expenses | <u>22,325.50</u> | <u>18.67</u> | <u>187,012.88</u> | <u>15.12</u> |
| Operating Income | 15,374.91 | 12.86 | 197,076.12 | 15.94 |
| OTHER INCOME | <u>00.00</u> | <u>00.00</u> | <u>24.77</u> | <u>00.00</u> |
| Total Other Income | <u>00.00</u> | <u>00.00</u> | <u>24.77</u> | <u>00.00</u> |
| Net Income (Loss) | \$ <u>15,374.91</u> | <u>12.86</u> | <u>197,100.89</u> | <u>15.94</u> |

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