

TELECOM AUCKLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS—continued

Outstanding intercompany balances as at 30 September 1990 are:

Intercompany Receivable	\$5.1 million
Intercompany Payable and current account	\$192.8 million
Intercompany Term Liabilities	\$284.5 million

With the exception of the current account and the term liability, the balances are payable on normal trading terms. The current account is on call and the term liability has no fixed date for repayment. No related party debts have been written off or forgiven during the year.

19 SEGEMENTAL REPORTING

The Company's principal business activity is the provision of telecommunication services, constituting more than 90% of total operating revenues, operating earnings and identifiable assets.

The Company's business is conducted in New Zealand and is therefore within one geographical area for reporting purposes.