

TELECOM CENTRAL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS—*continued*

	Six Months Ended 30 September 1990 \$000's	Year Ended 31 March 1990 \$000's
2 REVENUE	249,620	232,243
Revenue includes rental from telephone lines and customer premises equipment, national calls, telex, leased circuit, telegraph, radio and support centre service revenue, and sales of customer premises equipment.		
3 OPERATING EXPENSES	185,490	172,277
Included in Operating expenses are:		
Depreciation	51,007	46,936
Audit fees	95	106
Intercompany management fee	10,487	10,819
Foreign exchange losses	2	67
Lease and rental costs	2,849	1,965
4 INTEREST		
Interest income:		
–Intercompany	1,982	2,828
Interest expense:		
–Intercompany	18,605	18,281
–Other	26	–
	18,631	18,281
5 TAXATION EXPENSE		
Net earnings before taxation	47,481	44,513
Tax at current rate of 33%	15,669	14,689
Adjustment for permanent differences	224	(899)
Total taxation	15,893	13,790
The tax expense is represented by:		
–Current taxation (Note 9)	12,792	11,565
–Deferred taxation (Note 9)	3,101	2,225
	15,893	13,790
6 DIVIDENDS		
Interim dividend proposed	8,192	–
Interim dividend paid	5,454	1,870
Final dividend proposed	–	19,602
Dividends for period	13,646	21,472
Proposed dividend at end of period	8,192	19,602
7 ACCOUNTS PAYABLE AND ACCRUALS		
Trade accounts payable and accruals	22,458	12,649
Personnel accruals	12,215	4,740
Rentals billed in advance	14,691	9,014
Payable to fellow subsidiary companies	22,194	15,516
Payable to parent company	106,441	–
	177,999	41,919