

TELECOM CENTRAL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS—continued

	30 September 1990 \$000's	31 March 1990 \$000's
8 TERM LIABILITIES (UNSECURED)		
Parent company loan	254,042	126,358
Other	1,405	-
	<u>255,447</u>	<u>126,358</u>
Interest rates on the parent company loan ranged from 14.14% to 14.28% for the six months ended 30 September 1990. The parent company loan has no fixed date for repayment.		
9 TAXATION		
Current taxation:		
-Balance at beginning of period	(5,318)	-
-Balance from acquired subsidiary	4,527	-
-Total taxation in the current period (Note 5)	(12,792)	(11,565)
-Tax paid	-	6,247
Taxation payable	<u>(13,583)</u>	<u>(5,318)</u>
Deferred taxation:		
-Balance at beginning of period	13,008	15,233
-Balance from acquired subsidiary	(1,689)	-
-Provided in the current period (Note 5)	(3,101)	(2,225)
-Other movements	(12,007)	-
Future tax benefit/(Deferred tax provision)	<u>(3,789)</u>	<u>13,008</u>
10 PROVISION FOR RESTRUCTURING COSTS		
Transferred from Telecom	-	12,390
Charges against provision	-	(16,039)
	-	(3,649)
Transfer from earnings	-	3,649
	-	-
11 SHARE PREMIUM RESERVE		
Balance at beginning of period	206,359	-
Balance from acquired subsidiary	212,699	-
(Consisting of a premium of \$9,999 on 20,638 and 21,272 redeemable preference shares respectively)		
Movements during period	-	206,359
	<u>419,058</u>	<u>206,359</u>
The redeemable preference shares are subject to redemption, at the issue price, five days after written notice from the holder.		
12 ACCOUNTS RECEIVABLE AND PREPAYMENTS		
Accounts receivable	78,147	28,258
Unbilled rentals and tolls	15,591	6,044
Due from fellow subsidiary companies	1,063	6,588
Due from parent company	-	12,475
Other accounts receivable and prepayments	7,388	488
	<u>102,189</u>	<u>53,853</u>
Included in other accounts receivable and prepayments is an amount of \$7.3 million being the deferral of certain expenditure incurred in relation to the installation of a major computer system. These costs are progressively charged to earnings as each phase of the system becomes fully operational.		
13 INVENTORIES		
Revenue work in progress	4,908	858
Inventories	26,428	12,679
	<u>31,336</u>	<u>13,537</u>