

TELECOM AUCKLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

4 INCOME TAX

	Six months ended 30 September		Year ended 31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
The income tax expense for the period is determined as follows:			
Earnings before income tax	19,656	34,972	66,146
Tax at current rate of 33%	6,487	11,541	21,828
Adjustment for permanent differences	(865)	1,364	(1,312)
Other	-	-	3
Total income tax expense	5,622	12,905	20,519
The income tax expense is represented by:			
-Current taxation	1,391	7,182	11,874
-Deferred taxation	4,231	5,723	8,645
	5,622	12,905	20,519
The balance sheet provisions are:			
	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Current taxation:			
-Balance at beginning of period	19,800	23,290	23,290
-Total taxation in the current period	(1,391)	(7,182)	(11,874)
-Tax paid	-	-	8,384
Prepaid income tax	18,409	16,108	19,800
Deferred taxation:			
-Balance at beginning of period	(2,100)	(1,264)	(1,264)
-Provided in the current period	(4,231)	(5,723)	(8,645)
-Other movements	163	7,274	7,809
Future tax benefit/(Deferred income tax)	(6,168)	287	(2,100)