

TELECOM AUCKLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

7 FIXED ASSETS

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Telecommunication equipment:			
- Cost	1,110,058	988,036	1,069,665
- Accumulated depreciation	(363,652)	(297,773)	(344,442)
	746,406	690,263	725,223
Capital work in progress	91,700	113,365	101,135
Land	57,668	58,054	57,682
Buildings:			
- Cost	132,087	125,167	130,903
- Accumulated depreciation	(12,894)	(8,812)	(10,911)
	119,193	116,355	119,992
Other fixed assets:			
- Cost	114,726	94,308	115,903
- Accumulated depreciation	(50,288)	(36,461)	(46,301)
	64,438	57,847	69,602
Total cost	1,506,239	1,378,930	1,475,288
Total accumulated depreciation	(426,834)	(343,046)	(401,654)
Total net book value	1,079,405	1,035,884	1,073,634

Included in telecommunications equipment, at 30 September 1991, 30 September 1990 and 31 March 1991 respectively, is equipment (principally customer premises equipment) leased to customers under operating leases with a cost of \$185.2 million, \$178.7 million and \$180.0 million, together with accumulated depreciation of \$123.8 million, \$94.2 million and \$108.9 million.

Other fixed assets include tools and plant, vehicles, office equipment, furniture and fittings and computer equipment.

During the six months ended 30 September 1991, the Company entered into a sale and leaseback of telecommunications equipment with a fellow group company. At 30 September 1991, assets capitalised under finance leases associated with this transaction had a cost of \$65.6 million and accumulated depreciation of \$1.2 million