

TELECOM CENTRAL LIMITED AND SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

**10 SHAREHOLDERS' EQUITY****SHARE PREMIUM RESERVE**

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Balance at beginning of period (consisting of a premium of \$9,999 on 41,910 redeemable preference shares)	419,058	206,359	206,359
Balance from acquired subsidiary (consisting of a premium of \$9,999 on 21,272 redeemable preference shares)	-	212,699	212,699
Movements during period:			
-Dividend declared	-	-	(212,699)
-Premium of \$9,999 on 21,272 redeemable preference shares	-	-	212,699
	<b>419,058</b>	<b>419,058</b>	<b>419,058</b>

Dividends declared apply to redeemable preference shares as if they were ordinary shares. On winding up of the company preference shareholders rank in priority to ordinary shareholders in respect of outstanding dividends and the issue price of the redeemable preference shares. The redeemable preference shares are subject to redemption, at the issue price five days after written notice from the holder.

**RETAINED EARNINGS**

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Balance at beginning of period	15,741	9,251	9,251
Balance from acquired subsidiary	-	12,152	12,152
Net earnings	35,066	31,588	62,354
	50,807	52,991	83,757
Dividends	(31,571)	(13,646)	(68,016)
<b>Balance at end of period</b>	<b>19,236</b>	<b>39,345</b>	<b>15,741</b>

**DIVIDENDS**

Interim and final dividends declared from the retained earnings of the Company are as follows:

	Six months ended		Year ended
	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Interim dividends	31,571	13,646	34,295
Final dividend	-	-	33,721
	31,571	13,646	68,016