

TELECOM WELLINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

5 ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Accounts receivable, net	38,386	52,454	51,709
Unbilled rentals and tolls	19,977	13,397	13,498
Due from fellow subsidiary companies	2,163	3,694	10,846
Prepaid expenses and other	241	165	939
	60,767	69,710	76,992

6 SHORT TERM INVESTMENTS

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Redeemable preference units	3,123	-	3,123
Redeemable preference shares in fellow subsidiary company	54,000	-	-
	57,123	-	3,123

7 INVESTMENTS

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Redeemable preference shares:			
- Fellow subsidiary companies	210,840	-	54,000
- Other	10,600	-	-
	221,440	-	54,000

8 OTHER ASSETS

At 30 September 1991, other assets include \$1.1 million, being advances to the Trustee of two employee share purchase plans. These share purchase plans were established in July 1991 as part of the initial public offering and gave employees the opportunity to invest in Telecom, financed by interest free and favourable interest rate loans repayable over a three-year period.

The shares, which were purchased at the initial public offering price of \$2 each, are held in trust for the employee for restrictive period of three years, during which time voting rights will be exercised by the Trustee in its discretion.