

TELECOM WELLINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

9 FIXED ASSETS (Continued)**REGISTRATION OF TITLE TO LAND**

Certificates of title for freehold interests in land included in the assets purchased from the Crown are being progressively raised by the Crown and transferred to Group companies. Titles for approximately 90% of the freehold interests have now been issued and, for the remainder, equitable ownership rests with the Group.

LAND CLAIMS

Under the Treaty of Waitangi Act 1975 all interests in land included in the assets purchased from the Crown may be subject to claims to the Waitangi Tribunal which has the power to recommend in appropriate circumstances, with binding effect, that the land be resumed by the Crown in order that it be returned to Maori claimants. In the event that land is resumed by the Crown, compensation will be paid to Telecom under the provisions of the Public Works Act 1981. If this is insufficient to cover the loss, certain additional compensation is payable under the provisions of the Sale and Purchase Agreement between Telecom and the Crown.

Under the State Owned Enterprises Act 1986 the Governor General of New Zealand may if satisfied that any land or interest in land held by Telecom is Wahi Tapu (being land of special spiritual, cultural or historical tribal significance) declare by order in Council that the land be resumed by the Crown, with compensation payable to Telecom under the provisions of the Public Works Act 1981.

Telecom would expect to negotiate with the new Maori owners for continued occupancy rights of any sites resumed by the Crown.

10 ACCOUNTS PAYABLE AND ACCRUALS

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Trade accounts payable and accruals	10,768	16,238	13,915
Accrued personnel costs	8,020	6,616	7,205
Rentals billed in advance	4,852	5,093	5,369
Payable to fellow subsidiary companies	20,381	5,312	7,527
Payable to parent company	51,248	25,873	59,630
	95,269	59,132	93,646

11 LONG TERM DEBT

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Parent company loan	316,215	132,452	139,575

Interest rates on the parent company loan ranged from 9.76% to 13.62% for the six months ended 30 September 1991 except for a \$44.8 million reduction which, in advance of a capital restructuring, was at nil interest from 1 July 1991. The parent company loan has no fixed date for repayment.