

TELECOM SOUTH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

## 10 SHAREHOLDERS' EQUITY (Continued)

## RETAINED EARNINGS

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Balance at beginning of period	30,438	7,903	7,903
Net earnings	30,010	18,746	50,224
Dividends	60,448 (27,893)	26,649 (3,373)	58,127 (27,689)
<b>Balance at end of period</b>	<b>32,555</b>	<b>23,276</b>	<b>30,438</b>

## DIVIDENDS

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

	Six months ended 30 September		Year ended 31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Interim dividends	27,893	3,373	27,689
Final dividend	-	-	-
	<b>27,893</b>	<b>3,373</b>	<b>27,689</b>

## 11 COMMITMENTS

## OPERATING LEASES

Operating lease commitments are mainly in respect of leases of land and buildings. Minimum rental commitments as at 30 September 1991 for all non-cancellable operating leases are:

	(in millions)
Payable within 1 year	3.0
Payable within 1-2 years	2.6
Payable within 2-3 years	1.6
Payable within 3-4 years	1.5
Payable within 4-5 years	1.1
Payable thereafter	4.6
	<u>\$14.4</u>

## CAPITAL COMMITMENTS

As at 30 September 1991 capital expenditure amounting to \$23.2 million (30 September 1990: \$62.0 million, 31 March 1991: \$32.4 million) has been committed under contractual arrangements.