

TELECOM CENTRAL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

	1991	1990
2 OPERATING EXPENSES	\$000's	\$000's
	369,608	172,277
Included in Operating expenses are:		
Depreciation	104,711	46,936
Audit fees	156	106
Intercompany management fee	19,860	10,819
Foreign exchange (gains)/losses	(178)	67
Lease and rental costs	5,749	1,965
	1991	1990
3 INTEREST	\$000's	\$000's
Interest income:		
- Intercompany	1,982	2,828
Interest expense:		
- Intercompany	37,804	18,281
- Other	159	-
	37,963	18,281
	1991	1990
4 INCOME TAX	\$000's	\$000's
The income tax expense for the year is determined as follows:		
Net earnings before income tax	94,492	44,513
Tax at current rate of 33%	31,182	14,689
Adjustment for permanent differences	956	(899)
Total income tax expense	32,138	13,790