

## Notes to the Financial Statements (continued)

### 8. Remuneration of auditors

	Telstra Group	
	Year ended 30 June	
	2012 \$m	2011 \$m
<b>Audit fees</b>		
Ernst & Young has charged the following amounts for auditing and reviewing the financial reports . . . . .	<b>8.632</b>	8.309
<b>Other services</b>		
Other services provided by Ernst & Young in their own right. . . . .	<b>1.686</b>	7.113

#### Other services

Other services comprise audit related fees and non-audit services.

Audit related fees charged by Ernst & Young (EY) amounted to \$0.840 million (2011: \$0.396 million) and are for services that are reasonably related to the performance of the audit or review of our financial statements and other assurance engagements. These services include assurance services over debt raising prospectuses, additional control assessments, various accounting advice and additional audit services related to our controlled entities.

Non-audit services of \$0.846 million (2011: \$6.717 million) comprise the following:

- tax fees charged by EY which mainly relate to tax advisory and income tax return services; and
- other services that relate to all additional services performed by EY, other than those disclosed as auditing and reviewing the financial reports, audit related and tax. These services include various reviews and non assurance services across the Group, including risk assessments and IT environment related projects.

We have processes in place to maintain the independence of the external auditor, including the level of expenditure on non-audit services. EY also has specific internal processes in place to ensure auditor independence.

The Audit Committee approves the recurring audit and non-audit fees. The provision of additional audit and non-audit services by EY must be approved by either the Chief Financial Officer (CFO), the Chairman of the Audit Committee or the Audit Committee, depending upon the fees involved, if not covered by the Audit Committee pre-approval, subject to confirmation by both management and EY that the provision of these services does not compromise auditor independence. Our auditor independence guidelines clearly identify prohibited services. All additional EY engagements approved are reported to the Audit Committee at the next meeting.