

Notes to the Financial Statements (continued)

19. Share capital

	Telstra Group	
	As at 30 June	
	2012	2011
	\$m	\$m
Contributed equity	5,793	5,793
Share loan to employees	(67)	(70)
Shares held by employee share plans	(145)	(159)
Net services received under employee share plans	54	46
	5,635	5,610

Contributed equity

Our contributed equity represents our authorised and issued fully paid ordinary shares. Each of our fully paid ordinary shares carries the right to one vote at a meeting of the company. Holders of our shares also have the right to receive dividends and to participate in the proceeds from sale of all surplus assets in proportion to the total shares issued in the event of the company winding up.

We have 12,443,074,357 (30 June 2011: 12,443,074,357) authorised fully paid ordinary shares on issue.

Share loan to employees

The share loan to employees account represents the outstanding balance of the non recourse loans provided to our employees under the Telstra Employee Share Ownership Plan Trusts (TESOP 97 and TESOP 99). Refer to note 27 for further details regarding these plans.

Shares held by employee share plans

The shares held by employee share plans represent the cost of shares held by the Telstra Growthshare Trust (Growthshare) in Telstra Corporation Limited. The purchase of these shares has been fully funded with contributions and intercompany loans from Telstra Corporation Limited. As at 30 June 2012 the number of shares totalled 29,324,833 (2011: 32,419,972). These shares are excluded from the calculation of basic and diluted earnings per share. Refer to note 3 for further details.

Net services received under employee share plans

The net services received under the employee share plans account is used to record the cumulative value of our options, performance rights, restricted shares, incentive shares, direct shares and ownshares issued under Growthshare. Contributions by Telstra Corporation Limited to Growthshare are also included in this account.