

Notes to the Financial Statements (continued)

30. Parent entity information

	Telstra Entity	
	As at 30 June	
	2012	2011
	\$m	\$m
Statement of Financial Position		
Total current assets	9,399	7,430
Total non current assets (a)	31,551	31,679
Total assets	40,950	39,109
Total current liabilities	11,451	10,178
Total non current liabilities	16,942	16,419
Total liabilities	28,393	26,597
Share capital	5,635	5,610
Cashflow hedging reserve	(87)	(14)
General reserve	194	194
Retained profits	6,815	6,722
Total Equity	12,557	12,512
Statement of Comprehensive Income		
Profit for the year (a)	4,086	3,367
Total comprehensive income	3,495	3,319

(a) Includes \$307 million (2011: \$283 million) of impairment losses relating to the value of our investments in, and amounts owed by, our controlled entities. The impairment losses have been eliminated on consolidation of the Telstra Group.

Except for those noted below, our accounting policies for the Telstra Entity are consistent with those for the Telstra Group:

- under our tax funding arrangements, amounts receivable (or payable) recognised by the Telstra Entity for the current tax payable (or receivable) assumed from our wholly owned entities are booked as current assets or liabilities;
- investments in controlled entities, included within non current assets above, are recorded at cost less impairment of the investment value. Where we hedge the value of our investment in an overseas controlled entity, the hedge is accounted for in accordance with note 2.22. Refer to note 25 for details on our investments in controlled entities; and
- our interests in associated and jointly controlled entities; including partnerships, are accounted for using the cost method of accounting and are included within non current assets in the table above.

Property, plant and equipment commitments

	Telstra Entity	
	As at 30 June	
	2012	2011
	\$m	\$m
Total property, plant and equipment expenditure commitments contracted for at balance date but not recorded in the financial statements	572	415

Contingent liabilities and guarantees

Common law claims

Certain common law claims by employees and third parties are yet to be resolved. As at 30 June 2012, management believes that the resolution of these contingencies will not have a significant effect on the Telstra Entity's financial position, results of operations or cash flows. The maximum amount of these contingent liabilities cannot be reliably estimated.

Included in our common law claims is the following litigation case:

Optus Confidential Information

Optus commenced proceedings in the Federal Court of Australia in December 1997 alleging that Telstra breached the Trade Practices Act and misused Optus' confidential information. All the claims were subsequently settled or withdrawn other than a confidential information claim (relating to the preparation and use of STD and IDD market share reports). It relates to historical events in the period from 1993-2003. This matter was resolved during fiscal 2012.