

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

19. SHARE CAPITAL

	Telstra Group	
	As at 30 June	
	2014	2013
	\$m	\$m
Contributed equity	5,793	5,793
Share loan to employees	(17)	(20)
Shares held by employee share plans	(107)	(129)
Net services received under employee share plans	50	67
	5,719	5,711

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 (2013: 12,443,074,357) authorised fully paid ordinary shares on issue.

Share loan to employees

The share loan to employees represents the outstanding balance of the non recourse loans provided to our employees under the Telstra Employee Share Ownership Plan (TESOP) Trusts (TESOP97 and TESOP99). 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 2014, the number of shares totalled 21,550,102 (2013: 26,774,268). These shares are excluded from the calculation of basic and diluted earnings per share. Refer to note 3 for further details.

The total number of shares acquired on market during the financial year by Growthshare for employee incentive schemes was 11,838,299 shares. The average price per share at which the shares were acquired during the financial year was \$5.14.

Net services received under employee share plans

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