

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 20. NOTES TO THE STATEMENT OF CASH FLOWS

### (a) Reconciliation of profit to net cash provided by operating activities

	Note	Telstra Group	
		Year ended 30 June	
		2014	Restated 2013
		\$m	\$m
Profit for the year from continuing operations .....		4,549	3,640
(Loss)/profit for the year from discontinued operation .....		(204)	151
Profit for the year .....		4,345	3,791
<b>Add/(subtract) the following transactions</b>			
Depreciation and amortisation .....		4,042	4,238
Finance income .....		(156)	(219)
Finance costs .....		1,113	1,152
Distribution from Foxtel Partnership .....		(165)	(155)
Share-based payments .....		45	47
Defined benefit plan expense .....		306	305
Consideration in kind .....		(23)	-
Net gain on disposal of property, plant and equipment .....		(76)	(54)
Net gain on disposal of intangibles .....		-	(12)
Net gain on de-recognition of finance leases .....	22	-	(8)
Net (gain)/loss on disposal of controlled entities .....		(561)	127
Share of net (profit)/loss from joint ventures and associated entities .....		(24)	1
Impairment losses (excluding inventories and trade and other receivables) .....		180	68
Foreign exchange loss/(gain) .....		111	(7)
<b>Cash movements in operating assets and liabilities</b>			
<b>(net of acquisitions and disposals of controlled entity balances)</b>			
Increase in trade and other receivables .....		(164)	(249)
Decrease/(increase) in inventories .....		35	(173)
Increase in prepayments and other assets .....		(49)	(162)
Decrease in trade and other payables .....		(391)	(301)
Increase/(decrease) in revenue received in advance .....		54	(99)
(Decrease)/increase in net taxes payable .....		(59)	84
Increase/(decrease) in provisions .....		50	(15)
<b>Net cash provided by operating activities .....</b>		<b>8,613</b>	<b>8,359</b>

### (b) Cash and cash equivalents

	Telstra Group	
	Year ended 30 June	
	2014	Restated 2013
	\$m	\$m
Cash at bank and on hand .....	305	295
Bank deposits, negotiable certificates of deposits and bills of exchange .....	5,222	2,184
<b>Cash and cash equivalents in the statement of cash flows .....</b>	<b>5,527</b>	<b>2,479</b>