

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

29. RELATED PARTY DISCLOSURES

Transactions involving our controlled entities

Interests in controlled entities are set out in note 25. Our transactions with our controlled entities recorded in the income statement and statement of financial position are as follows.

	Telstra Entity	
	Year ended/As at	
	30 June	
	2014	2013
	\$m	\$m
Income from controlled entities		
Sale of goods and services (a).....	541	789
Dividend revenue (b)	217	635
Expenses to controlled entities		
Purchase of goods and services (a)	713	746
Finance costs	9	24
Total amounts receivable at 30 June		
Current		
Controlled entities - receivables (d)	60	1,119
Controlled entities - loans (e)(f)	3,466	3,387
Allowance for amounts owed by controlled entities (e)	(3,074)	(3,163)
	452	1,343
Movement in allowance for amounts owed by controlled entities		
Opening balance	(3,163)	(2,948)
Reversal of impairment loss (c)	89	-
Impairment loss (c)	-	(215)
Closing balance (e)	(3,074)	(3,163)
Total amounts payable at 30 June		
Current		
Controlled entities - payables (a)(d)	77	250
Controlled entities - loans (e)	3,826	1,936
	3,903	2,186

(a) The Telstra Entity sold and purchased goods and services and received and paid interest to its controlled entities. These transactions are in the ordinary course of business and are on normal commercial terms and conditions.

On 28 February 2014, we divested 70 per cent of our directories business via disposal of our 100 per cent shareholding in the Sensis Pty Ltd and its controlled entities (Sensis Group) and acquisition of 30 per cent of Project Sunshine I Pty Ltd, the new holding company of the Sensis Group. Refer to notes 12, 25 and 26 for further details. As a result, transactions with our controlled entities include only eight months of transactions with the Sensis Group and any transactions subsequent to the date of disposal, have been included in transactions with our joint ventures and associated entities.

- the Telstra Entity received procurement fees from its controlled entity Sensis Pty Ltd for the use of Yellow Pages® and White Pages® trademarks amounting to \$63 million to the date of the Sensis Group disposal (2013: \$263 million). As at 30 June 2014, the Telstra Entity recorded nil revenue received in advance (2013: \$136 million) for the use of these trademarks

- the Telstra Entity paid management fees to its controlled entity Sensis Pty Ltd amounting to \$190 million to the date of the Sensis Group disposal (2013: \$329 million) for undertaking agency and contract management services for the national directory service.

Details of other significant transactions involving our controlled entities during financial year 2014 are as follows:

- the Telstra Entity received income from its controlled entity Telstra Multimedia Pty Ltd amounting to \$367 million (2013: \$367 million) for access to ducts that store the hybrid fibre coaxial (HFC) cable network
- the Telstra Entity paid for international connectivity and management services to Telstra International Limited amounting to \$249 million (2013: \$221 million).