

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

29. RELATED PARTY DISCLOSURES (CONTINUED)

Transactions involving our controlled entities (continued)

(b) During financial year 2014, the Telstra Entity recorded dividend revenue, including mainly:

- \$150 million (2013: \$114 million) from Telstra Media Pty Limited
- \$64 million (2013: \$518 million) from Telstra Holdings Pty Ltd.

(c) The profit before income tax expense of the Telstra Entity includes a reversal of impairment loss of \$89 million (2013: impairment loss of \$215 million) relating to a movement in allowance for amounts owed by controlled entities.

(d) The Telstra Entity and its Australian controlled entities have formed a tax consolidated group, with a tax funding arrangement currently in place. The amounts receivable or amounts payable to the Telstra Entity under this arrangement are due in the next financial year upon final settlement of the current tax payable for the tax consolidated group. Refer to note 9 for further details.

(e) The Telstra Entity operates a current account with some of its controlled entities, being an internal group bank account used to settle transactions with these controlled entities or between two controlled entities. Cash deposit balances in the current account owed to these controlled entities are recorded as loans. All loan balances with our controlled entities are unsecured, with settlement required in cash. As at 30 June 2014, \$3,324 million (2013: \$3,244 million) related to loans owed by controlled entities, and \$3,826 million (2013: \$1,935 million) related to loans payable to controlled entities. We also have an allowance for amounts owed by controlled entities of \$3,074 million (2013: \$3,163 million) as at 30 June 2014.

(f) As at 30 June 2014, the Telstra Entity had a loan of \$142 million (2013: \$142 million) with Telstra OnAir Holdings Pty Ltd. This loan is an interest free loan.

Transactions involving our joint ventures and associated entities

Interests in our joint ventures and associated entities are set out in note 26. Our transactions with our joint ventures and associated entities recorded in the income statement and statement of financial position are as follows.

	Telstra Group Year ended/As at 30 June	
	2014 \$m	2013 \$m
Income from joint ventures and associated entities		
Sale of goods and services (g).....	177	135
Distribution from Foxtel Partnership (h)	165	155
Interest on loans to joint ventures and associated entities (i)	54	53
Expenses to joint ventures and associated entities		
Purchase of goods and services (g)	775	749
Total amounts receivable at 30 June		
Current		
Joint ventures and associated entities - trade receivables (g)	3	2
	3	2
Non current		
Joint ventures and associated entities - loans (i)	457	457
Allowance for amounts owed by joint ventures and associated entities (i)	(6)	(6)
	451	451
Movement in allowance for amounts owed by joint ventures and associated entities		
Opening balance	(6)	(5)
Foreign currency exchange differences	-	(1)
Closing balance.....	(6)	(6)
Total amounts payable at 30 June		
Current		
Joint ventures and associated entities - payables (g)	58	56