



Everyday accounts | Home loans | Personal loans | Savings  
 Credit cards | General & Health insurance | Financial planning

## Reconciliation of Accounting Profit to Income Tax Expense and Income Tax Payable

	<b>Group</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit for the year before income tax	76,895	77,940
Income tax calculated at 30% (2016: 30%)	23,069	23,382
Permanent differences		
Non-deductible expenses	92	162
Dividends	(418)	(663)
Temporary differences	1,606	1,638
Current tax expense (income tax payable)	24,349	24,519
Under / over current tax	(1,763)	(1,926)
Deferred tax expense (see below)	(1,606)	(1,638)
Under / over deferred tax	1,125	1,111
Income tax expense	22,104	22,066
Effective tax rate	29%	28%



Everyday accounts | Home loans | Personal loans | Savings  
Credit cards | General & Health insurance | Financial planning

## Deferred Taxes

	<b>Group</b>			
	<b>2018</b>	<b>P&amp;L</b>	<b>Equity</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Deferred tax assets				
Provision for impairment of loans and advances	2,905	255	-	2,651
Employee benefits	4,725	(75)	-	4,798
Provisions and accruals	5,062	1,607	-	3,454
Derivative financial instruments	(13)	(869)	-	856
Deferred acquisition costs	420	207	-	213
Other	-	(305)	-	305
Total deferred tax assets	<u>13,100</u>	<u>823</u>	<u>-</u>	<u>12,277</u>
Deferred tax liabilities				
Plant and equipment and intangible assets	10,695	(515)	-	11,210
Financial assets - available for sale	6,521	(363)	(3)	6,887
Securitisation setup costs	592	95	-	497
Total deferred tax liabilities	<u>17,808</u>	<u>(783)</u>	<u>(3)</u>	<u>18,594</u>
Net deferred tax assets / (liabilities)	<u>(4,708)</u>	<u>1,606</u>	<u>3</u>	<u>(6,317)</u>

## Income Taxes Payable

	<b>Group</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Income taxes payable at beginning of year	(7,547)	(4,770)
Under / over	1,763	1,926
Less income taxes paid during the year	26,723	19,816
Income taxes payable for current year	<u>(24,349)</u>	<u>(24,519)</u>
Income taxes payable at end of year	<u>(3,410)</u>	<u>(7,547)</u>