



Great Southern  
Bank

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

	Group	
	2020	2019
	\$'000	\$'000
Profit for the year before income tax	52,406	52,374
Income tax calculated at 30% (2019: 30%)	15,722	15,712
Permanent differences		
Non-deductible expenses	18	40
Dividends	(547)	(207)
Temporary differences	6,976	8,085
Current tax expense (income tax payable)	<u>22,169</u>	<u>23,630</u>
Under / over current tax	(6)	(2,419)
Deferred tax expense (see below)	(6,976)	(8,085)
Under / over deferred tax	(95)	1,483
Income tax expense	<u>15,091</u>	<u>14,608</u>
Effective tax rate	29%	28%



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### Deferred Taxes

	2020 \$'000	P&L \$'000	Group		2019 \$'000
			Equity \$'000	Change in AASB	
Deferred tax asset					
Provision for impairment of loans and advances	10,000	4,145	-	-	5,855
Employee benefits	4,596	(533)	-	-	5,129
Provisions and accruals	6,390	2,965	-	(2,201)	5,625
Derivative financial instruments	3,061	(109)	(1,449)	-	4,619
Lease assets and liabilities	847	235	-	611	-
Financial assets - fair value through profit or loss	605	605	-	-	-
Financial planning remediation costs	390	(2,588)	-	-	2,977
Other	251	(50)	-	86	215
Total deferred tax assets	26,140	4,671	(1,449)	(1,504)	24,421
Deferred tax liabilities					
Plant and equipment and intangible assets	5,366	(2,097)	-	(106)	7,568
Deferred acquisition costs	505	472	-	-	33
Financial assets - fair value through profit or loss	-	(775)	-	-	775
Financial assets - fair value through other	6,521	-	-	-	6,521
Securitisation setup costs	487	(1)	-	-	488
Total deferred tax liabilities	12,880	(2,400)	-	(106)	15,385
Net deferred tax assets / (liabilities)	13,260	7,072	(1,449)	(1,398)	9,035

### Income Taxes Payable

	Group	
	2020 \$'000	2019 \$'000
Income taxes payable at beginning of year	(2,111)	(5,142)
Increase/(decrease) due to adoption of new accounting standards	294	-
Under / over	6	2,419
Less income taxes paid during the year	23,059	24,242
Income taxes payable for current year	(22,169)	(23,630)
Income taxes payable at end of year	(921)	(2,111)