

2011
\$m

2010
\$m

Note 9 – Income tax

Income tax recognised in the income statement

The major components of income tax expense are:

Current income tax

| | | |
|--|-------|--------|
| Current tax expense in respect of the current year | 141.5 | 102.3 |
| Adjustments in relation to current tax of prior years | (6.0) | (2.6) |
| Effect of retrospective changes to Tax Consolidation Legislation | (5.5) | (85.5) |

Deferred income tax

| | | |
|---|-------|-----|
| Relating to the origination and reversal of temporary differences | 104.9 | 7.3 |
|---|-------|-----|

| | | |
|---------------------------------|--------------|-------------|
| Total income tax expense | 234.9 | 21.5 |
|---------------------------------|--------------|-------------|

Numerical reconciliation between tax expense and pre-tax accounting profit

The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:

| | | |
|---|-------|--------|
| Profit before tax | 793.6 | 377.6 |
| Income tax expense calculated at the Australian tax rate of 30% (2010: 30%) | 238.1 | 113.3 |
| Non-deductible expenses | 7.5 | 9.6 |
| Gain on disposal of businesses and subsidiaries | 1.9 | 3.7 |
| Share of profits of associates and jointly controlled entities | (1.1) | (12.2) |
| Previously unrecognised tax losses used to reduce deferred tax expense | – | (3.3) |
| Effect of retrospective changes to Tax Consolidation Legislation | (5.5) | (85.5) |
| Other | – | (1.5) |
| Adjustments in relation to current tax of prior years | (6.0) | (2.6) |
| | 234.9 | 21.5 |

Income tax recognised in other comprehensive income

Deferred income tax

| | | |
|--|------|--------|
| Revaluation of financial instruments treated as cash flow hedges | 21.1 | (66.4) |
| Actuarial gain/(loss) on defined benefit plans | 1.1 | (2.4) |
| Income tax expense/(income) recognised in equity | 22.2 | (68.8) |

Current tax assets and liabilities

Current tax assets

| | | |
|------------------------------|---|---|
| Income tax refund receivable | – | – |
|------------------------------|---|---|

Current tax liabilities

| | | |
|--------------------|-------|------|
| Income tax payable | 167.2 | 42.5 |
|--------------------|-------|------|

Deferred income tax recognised in the income statement

Temporary differences

| | | |
|--------------------------------------|-------|--------|
| Unbilled revenue | 9.8 | 34.6 |
| Allowance for doubtful debts | (0.3) | 1.1 |
| Other receivables | 0.9 | 6.1 |
| Exploration and evaluation assets | 6.4 | 15.9 |
| Oil and gas assets | 7.4 | 5.1 |
| Property, plant and equipment | 19.4 | 8.7 |
| Defined benefit superannuation plans | 2.8 | 2.3 |
| Payables and accruals | (0.5) | (10.6) |
| Provisions | (1.1) | 0.2 |
| Derivative financial instruments | 64.1 | (56.1) |
| Unearned revenue | (6.0) | 0.4 |
| Share issue transaction costs | 1.3 | 1.3 |
| Other | 0.7 | (1.7) |
| | 104.9 | 7.3 |