Finish the tax answer

MODULE 4 / PRESENTATION & DISCLOSURE

Area	Decision / disclosure check
Current versus deferred	Show separately from other balances. Where current/non-current presentation is used, deferred tax is non-current.
Current tax offset	Legally enforceable right AND intention to settle net or realise/settle simultaneously.
Deferred tax offset	Legal current-tax offset right AND same authority; same taxable entity, or the specified future-period net/simultaneous settlement intention for different entities.
Tax expense components	Current and deferred components, prior-period adjustments, rate effects and other relevant components.
Tax reconciliation	Explain total P/L tax expense versus accounting profit at the applicable rate, in amount or rate form. Explain rate changes.
Temporary differences	By type, disclose recognised balances and relevant P/L deferred tax where not apparent from balance changes.
Unused/unrecognised benefits	Amounts of deductible differences, losses and credits for which no DTA is recognised; expiry where required.
DTA despite recent losses	Where IAS 12 paragraph 82 applies, disclose the DTA amount and evidence supporting recognition.
Outside P/L	Identify tax in OCI and direct equity, and acquisition effects where applicable.

Original Kestrel cross-check

> 186,400 x 30% =55,920
> + non-deductible fine tax 720 - exempt-income tax 1,440
> = P/L tax expense 55,200 = current 53,700 + deferred 1,500

Effective rate =55,200 / 186,400 =29.61%. If offset criteria are met, DTL 9,420 less DTA 5,040 gives net deferred liability 4,380. This is separate from current payable 16,700.

These are study checks, not a complete disclosure checklist for every entity. Respond to actual facts such as business combinations, discontinued operations and multiple jurisdictions.

CPA Australia FR study guide, sixth edition (October 2022), Module 4. Original Accounting Ahead examples and workings. Guide pp.201 - 209. AASB 112 (June 2021 amendments),71 - 82; AASB 101(December 2021),54(n)-(o),56,82(d).