



Taxation Reconciliation – 2019-2020 Financial Year

The Government has announced that it will again be publicly disclosing the amount of tax payable large companies. This year, Djerriwarrh Investments (DJW) has been included.

For the 2019-20 year the amounts to be shown can be reconciled to DJW's Annual Report as below:

	\$'000
Profit before tax for 2020 as per Accounts	37,801
Less : profit of associate (taxed separately)	(664)
Less : unrealised gain on open options positions	(6,957)
Add : net capital gains	26
Add : income accounted for in past years	4,440
Less : income not taxable in current year	(2,491)
Add : dividend from subsidiary	1,000
Add : franking credits received	10,100
Taxable income	43,255
Tax Payable at 30%	12,976
Tax paid overseas	(29)
Tax paid by companies that DJW invests in	(10,100)
Total Tax Paid or Payable	2,847

As can be seen, DJW is subject to a 30% taxation rate on its taxable profits, which are usually higher than its accounting profits due to capital gains and franking credits.

Of the \$13.0 million due in taxation, the majority (nearly 78%) has already been paid by the companies that DJW invests in, resulting in the franking credits that DJW passes on to its shareholders, thereby avoiding double or even triple taxation.

This left \$2.8 million of Australian tax owing, which DJW was required to pay and which has been paid either during the year ended 30 June 2020 via the PAYG system or during the year ended 30 June 2021.

A reconciliation from accounting profit to tax payable was previously presented in the DJW Tax Transparency Report 2019-20 which is also available on the Company's website. The ATO's figures for Taxable Income include the dividend received from DJW's associated entity grossed up for franking whilst the Tax Transparency Report excluded it. The Total Tax Paid or Payable figures are the same.

Please direct any enquiries to:

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