	Consolidated 2011 $m	Consolidated 2010 $m	Company 2011 $m	Company 2010 $m

Note 20

Deferred income tax assets/(liabilities)

	Consolidated 2011 $m	Consolidated 2010 $m	Company 2011 $m	Company 2010 $m
The balance comprises temporary differences attributable to:				
Other assets and liabilities	**356**	415	**9**	56
Tax losses	**446**	222	**174**	–
Investments in subsidiaries, associates and joint ventures	**538**	514	**–**	–
Fixed assets	**86**	(2)	**–**	–
Set-off of deferred tax liabilities	**(181)**	(25)	**–**	–
Total deferred income tax assets	**1,245**	1,124	**183**	56
Intangible assets	**(140)**	(145)	**–**	–
Other liabilities	**(54)**	(78)	**–**	–
Financial instruments	**(163)**	(45)	**–**	–
Tax effect of reserves	**(111)**	8	**–**	–
Set-off of deferred tax assets	**181**	25	**–**	–
Total deferred income tax liabilities	**(287)**	(235)	**–**	–
Net deferred income tax assets	**958**	889	**183**	56

The majority of the above amounts are expected to be recovered after 12 months of the balance date by the Consolidated Entity and the Company.

Potential tax assets of approximately $79 million (2010: $130 million) attributable to tax losses carried forward by subsidiaries have not been brought to account in the subsidiaries and in the Consolidated Entity as the Directors do not believe the realisation of the tax assets is probable.

The principles of the balance sheet method of tax effect accounting have been adopted whereby the income tax expense for the financial year is the tax payable on the current year's taxable income adjusted for changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax losses. Deductible temporary differences and tax losses give rise to deferred tax assets. Deferred tax assets are not recognised unless the benefit is probable of realisation.

The deferred tax assets have been applied against deferred tax liabilities to the extent that they are expected to be realised in the same period within the same tax paying entity.

Taxation of Financial Arrangements (TOFA)

The new tax regime for financial arrangements, TOFA, began to apply to the Australian tax consolidated group from 1 October 2010. The regime aims to align the tax and accounting recognition and measurement of financial arrangements and their related flows. Deferred tax balances for financial instruments that existed on adoption at 1 October 2010 will reverse over a four year period.