

Notes forming part of the financial statements (continued)

6 Taxation	30-Jun-21	30-Jun-20
	Shs	Shs
Current tax charge	-	-
Deferred tax charge	6,675,156	(5,609,627)
Total taxation	6,675,156	(5,609,627)

The tax on the company loss before tax differs from the theoretical amount that would arise using the basic tax rate as follows

	30-Jun-21	30-Jun-20
	Shs	Shs
Profit/loss before tax	22,250,521	(18,698,759)
Tax calculated at the rate of 30%	(6,675,156)	5,609,627
Tax effect of:		
Accelerated depreciation	(588,632)	1,142,211
Short term timing differences	-	-
Tax losses	7,263,788	(6,751,838)
Non-deductable expenses	-	-
Income tax charge	-	-

7 Deferred tax

Deferred tax is calculated in full on all temporally differences under liability method using a principal tax rate of 30%. The movement on the deferred tax account is as follows:

	30-Jun-21	30-Jun-20
	Shs	Shs
At the start	(12,520,512)	(6,910,885)
Charge to profit and loss	6,675,156	(5,609,627)
At the end of the year	(5,845,357)	(12,520,512)

Deferred tax asset, deferred tax charge in the profit and loss account is attributed to the following items:

Deferred tax asset	01-Jul-17	Charged to P/L	30-Jun-21
	Shs	Shs	Shs
Accelerated depreciation	469,671	(588,632)	(118,961)
Short term timing differences	-	-	-
Tax losses	(12,990,183)	7,263,788	(5,726,396)
Net deferred tax asset	(12,520,512)	6,675,156	(5,845,357)