

**Notes forming part of the financial statements (continued)**

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

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

	<b>30-Jun-21</b>	<b>30-Jun-20</b>
	<b>Shs</b>	<b>Shs</b>
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	-	-
<b>Income tax charge</b>	<b>-</b>	<b>-</b>

**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:

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

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

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