

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2021

10. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2021 £	2020 £
Current tax:		
UK corporation tax	1,000,000	603,554
Prior year taxation	(44,547)	-
Total current tax	<u>955,453</u>	<u>603,554</u>
Deferred tax	350,138	96,450
Tax on profit	<u>1,305,591</u>	<u>700,004</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Profit before tax	<u>6,265,365</u>	<u>4,380,421</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,190,419	832,280
Effects of:		
Expenses not deductible for tax purposes	38,548	212,550
Income not taxable for tax purposes	-	(197,333)
Capital allowances in excess of depreciation	(77,717)	-
Depreciation in excess of capital allowances	-	84,276
Income tax suffered by deduction	-	(16,214)
Short Lease premium release	(195)	(1,169)
Profit on disposal of assets	(15,637)	(5,824)
Deferred Tax Movement	350,138	96,450
S455 tax reversal of prior period	-	(305,422)
(Under)/Over provision	(179,965)	410
Total tax charge	<u>1,305,591</u>	<u>700,004</u>

11. DIVIDENDS

	2021 £	2020 £
Ordinary shares shares of £1 each		
Interim	<u>5,015,000</u>	<u>3,530,847</u>