
TRUST PAYMENTS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Tax expense (continued)**16.1 Income tax recognised in profit or loss (continued)****Changes in tax rates and factors affecting the future tax charges**

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% for companies with profits of over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

16.2 Current tax assets and liabilities

	2021 £	2020 £
Current tax assets		
Corporation tax repayable	158,215	-
Current tax liabilities		
Corporation tax payable	1,390,932	4,854,662

16.3 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2021 £	2020 £
Deferred tax assets	124,383	2,122,913
Deferred tax liabilities	(4,282,150)	(1,976,530)
	(4,157,767)	146,383