



## Winder Power Holdings Limited

### Additional Tax Information

## for the year ended 31 March 2024

This additional tax information ensures that Winder Power Holdings Limited and its subsidiaries (“the Group”) meet the standards and requirements of the [Fair Tax Foundation's](#) Solely UK-based [Business Standard](#) for the Fair Tax Mark certification.

The Fair Tax Mark label is the gold standard of responsible tax conduct and certifies that a business:

- seeks to follow the spirit, as well as the letter of the law;
- shuns corporate tax avoidance; and
- is transparent about profits made and taxes paid.

Tax contributions are the lifeblood of a flourishing society - funding essential services such as healthcare, education, policing and transport. Corporate tax avoidance doesn't just rob public services of vital revenue, it also undermines the ability of businesses to compete fairly and reduces national productivity. Across the world, there is a growing community of [Fair Tax Mark certified businesses](#) who believe in responsible tax conduct, spanning small businesses, listed companies, co-operatives and social enterprises.

## Tax Information

For the year ended 31 March 2024, the Group had profits before taxation of £2m (2023: £0.5m) and had £nil corporation tax due (2023: £nil). The reasons for the £nil corporation tax charge are explained below in the following current tax reconciliation and supporting narrative explanations:



**31 March  
2024**

**£**

Profit before taxation	2,052,507
Corporation tax at the UK headline rate (25%)	513,127
1. Expenses not deductible for tax purposes	35,353
2. Accelerated capital allowances	(68,642)
3. Pension contribution adjustments	(13,769)
4. Consolidation adjustment for goodwill	(4,274)
5. Losses utilised	(58,499)
6. Research and Development tax relief	(403,296)
<b>Corporation tax due per the Group's tax returns</b>	<b>-</b>
7. Tax charge that was estimated for the Group's accounts	172,940
Current tax charge per the accounts	172,940
Net deferred tax charge per the accounts	108,036
<b>Total tax charge stated in the Group's Consolidated Statement of Comprehensive Income</b>	<b>280,976</b>

1. Some business expenses, although entirely appropriate for inclusion in the consolidated financial statements, are not allowed as a deduction against taxable income when calculating the tax liability. Some of these may be disallowable expenses, such as client entertaining, which aren't a necessary expense. Others may be capital in nature that aren't eligible for capital allowances relief (see footnote 2 below).
2. The accounting treatment of fixed assets differs from the tax treatment. For accounting purposes, fixed assets are depreciated over their useful economic lives. For tax purposes, there are specific rules to what can be claimed and when depending on the asset type (capital allowances). The differences between these treatments can often create a tax adjustment. This tax adjustment is only a timing difference, as eventually, the total capital allowances claimed on our tax returns will equal the total corresponding depreciation charged in our accounts on these eligible assets.
3. Tax relief is given on a paid basis rather than on an accruals basis. The adjustment this year means that we have paid more pension contributions than we have accrued/shown in our accounts.
4. The consolidated accounts for the Group eliminate any goodwill during the consolidation process. Therefore, the consolidated profit before tax of £2,052,507 doesn't account for the goodwill charge for the year that occurred in Winder Power Limited. In order for the consolidated profit before tax to reconcile to the Group's actual corporation tax charges, which do account for goodwill, the goodwill element needs to be adjusted for.
5. Some of our tax losses from earlier periods have been utilised against profits generated in this period. The Group still has a significant amount of losses carried forward to be utilised against any further future profits generated.
6. R&D tax reliefs support companies that work on innovative projects in science and technology. It can be claimed by a range of companies that seek to research or develop an advancement in their field. There are different types of R&D relief, depending on the size of the organisation. Winder Power Limited is classed as a 'Small and Medium sized Enterprise' and therefore could claim an extra 86% deduction on qualifying costs for the period.
7. Due to the timing of when the accounts are required to be submitted, which is 3 months earlier than when the corresponding tax returns are due to HMRC, often a calculated, but estimated, tax liability is put in those accounts. For the year ended 31 March 2024, it was calculated that our current tax charge would be £172,940. When the corresponding tax returns were completed after the submission of the accounts, the Group's tax liability was in fact £nil. This difference will be shown in the next set of Group accounts as 'adjustments to tax charge in respect of prior periods'.



## A note on deferred taxes

As at 31 March 2024, the Group had a deferred tax liability of £421,444 (2023: £351,656) in respect of accelerated capital allowances; and a deferred tax asset of £466 (2023: £38,714) in respect of short-term timing differences, losses and other deductions. This resulted in a net deferred tax liability of £420,978 (2023: £312,942). During the current period, a charge of £108,036 was released to our Consolidated Statement of Comprehensive Income – creating an overall total tax charge of £280,976 (£172,940 current tax, plus £108,036 deferred tax charge) in our accounts.

The deferred tax liability in relation to accelerated capital allowances means that the tax treatment on our capital expenditure has been more favourable to us upfront compared to how we have to account for them in our financial statements. This is a timing difference (as noted in footnote 2) which will unwind in annual instalments over the useful economic lives of the assets that they relate to.