

For the year ended 31 March 2022, Halo Ltd made a trading loss of £180,000.

Halo Ltd has owned 100% of the ordinary share capital of Shallow Ltd since it began trading on 1 July 2021.

For the year ended 30 June 2022, Shallow Ltd will make a trading profit of £224,000.

Neither company has any other taxable profits or allowable losses.

What is the maximum amount of group relief which Shallow Ltd can claim from Halo Ltd in respect of the trading loss of £180,000 for the year ended 31 March 2022?

- A. £180,000
- B. £168,000
- C. £45,000
- D. £135,000