



WALLS & FUTURES

# Annual Report and Accounts

Report of the Directors and Consolidated Financial  
Statements For The Year Ended 31 March 2020



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### Group Strategic Report

Report of the Directors  
and Consolidated Financial Statements  
For The Year Ended 31 March 2020 for

Walls & Futures REIT Plc





## About us

Walls & Futures is an **ethical housing investor and developer** on a mission to address the unfulfilled demand for specialist social housing in the UK.

In the UK, there is a shortfall of 29,000 specialist supported housing places, and this is expected to grow to 46,000 by 2025 <sup>(1)</sup>.

Individuals with specialist support and care needs including autism, dementia, physical and learning disabilities rely on it to live independently.

But as it stands, many of them are living in housing that simply isn't fit for purpose. And we're on a mission to fix that.

We design, fund and develop specialist social housing which is let on Full Repairing and Insuring (FRI), inflation linked leases to our partners and customers who include local authorities, register providers and charities. Their tenants are often individuals with learning & physical disabilities, autism, dementia, mental health and life changing injuries

### Our difference

#### 1. Deal Origination

We negotiate our leases directly, and develop our own properties, rather than acquire existing or ready-made investment portfolios which are often bought at a premium.

The margin that's usually paid to middlemen is instead used to improve the design, specification and quality of our homes to offer competitive and sustainable rents to our customers.

This approach also enables our investors to benefit from the value created along with the long-term, government funded, inflation linked secure income.

We're also saving the tax payer money, too. On average, each specialist support housing place spaces the government £10,000 per annum compared to residential care placement and almost £100,000 per annum when compared to inpatient care <sup>(2)</sup>.

#### 2. Real Estate Development

Our aim is to set the industry benchmark for Specialist Social Housing provision.

We're making this a reality by developing our own real estate assets. This approach gives us control over the design, specification, and quality of the homes we deliver. Our homes are adaptable by design, enabling support for a wide range of specialist care needs.

#### 3. Value Growth

The whole is always greater than the sum of its parts – and this is no exception.

By seeking out our own investment opportunities and developing our own real estate assets, we create value that is retained in the company. This makes a positive contribution towards our Net Asset Value, rather than paying third parties unnecessarily.

#### 4. Long term secure income

In most cases, our customers require long term leases as the individuals they support require a home for life.

Leases are typically 20-25 years in length, Full Repairing and Insuring (FRI) and indexed with inflation. The rents are funded by central government and paid by the local authority through housing benefit.

Local authority commissioners continue to support Specialist Supported Housing because it not only improves the lives of residents, but also saves the government money.

(1) **National Housing Federation** - Supported Housing: Understanding the needs and supply Dec 2015 Specialist social housing plays a vital part in people's lives.

(2) **Mencap**, Funding supported housing for all (2018).

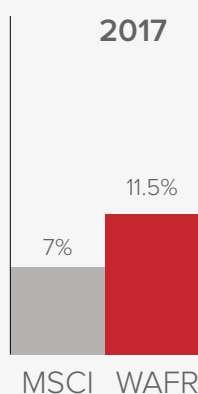
# Performance vs Benchmark

## MSCI UK Residential Annual Property Index



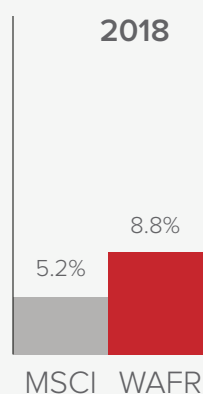
MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, MSCI power better investment decisions by enabling clients to understand and analyse key drivers of risk and return and confidently build more effective portfolios.

Walls & Futures REIT plc is part of the MSCI UK Residential Annual Property Index which measures unlevered total returns of directly held standing property investments from one valuation to the next. The index tracks performance of 2,119 property investments, with a total capital value of GBP 16.5 billion as at December 2019



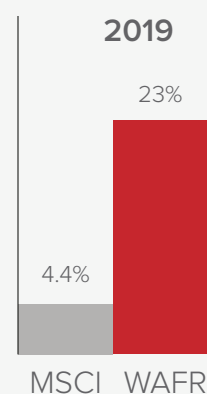
Outperformed index by

**64%**



Outperformed index by

**68%**



Outperformed index by

**423%**

# Investment Highlight

## Didcot Oxfordshire

Working in partnership with our customer, a national charity, we acquired, designed and developed a brand new, high-quality adaptable home. The property supports a wide range of needs including autism, learning disabilities, physical disabilities and onset dementia.

Engaging with our customer, we carefully listened to their challenges and needs – and were able to identify a single storey property as the best long-term housing solution. Located within close proximity to the existing property, the new property had access to local transport links and amenities.

We partnered with a specialist architect – and combining our expertise, we extended and re-configured the building to create additional rooms and carried out a full refurbishment.

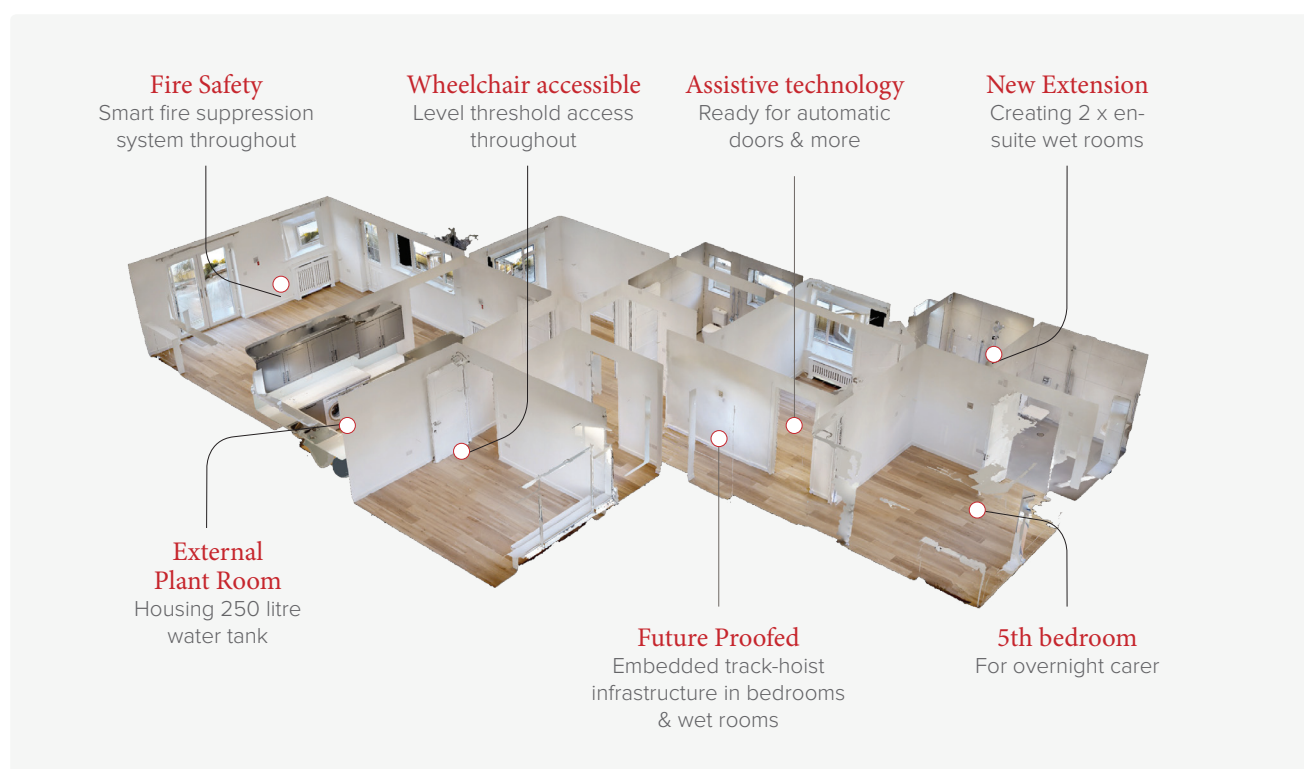
It was re-wired and re-plumbed to include a new boiler and 250-litre water tank which would support the hot water supply of 3 bathrooms simultaneously.

The bathrooms were transformed into accessible and pleasant spaces with high-end comfort height sanitaryware, large format tiles and stainless steel removable grab rails.

In the communal areas and bedrooms, we fitted flooring that was warm to the touch, highly durable, waterproof, and with a slip rating that matched typical vinyl floors. All doorways were widened, with level access thresholds to aid wheelchair movement throughout. Embedded infrastructure for ceiling track hoists in all the bedrooms and wet rooms, cabling throughout the rooms with access points for telephone, television, internet and CAT 6 cabling.

Safety features included the installation of a smart fire suppression system. Using heat and smoke detectors in tandem, this system identifies and targets a fire in a given room, rather than activating across the whole property (saving damage to unaffected rooms).

The installation of features and equipment was done in such a way that everything could be hidden - meaning it looked and felt like a contemporary home.



# The Outcome

The final result was a flexible, innovative home that can support the current and future needs of four people and an overnight carer. And because it's located nearby to the previous property, this caused minimal disruption to residents and allowed care workers to easily access the property.



The feedback was amazing – and the residents had made a successful transition and settled quickly into their new home.

We provided security of tenure with a long-term lease on the property. And all of this was done in just nineteen weeks.

## Highlights

- Flexible home meeting multiple care & support needs
- Safe environment - Smart fire suppression system in all rooms
- 4 bedrooms, 3 wet rooms (2 ensuite) plus additional bedroom for overnight carer
- Wheelchair accessible throughout - level access
- Built in adaptations in wet rooms (inc comfort height WC, removable grab rails)
- All bedrooms and wet rooms have track-hoist infrastructure embedded in ceilings - ready for use when needed
- Assistive technology - cabling embedded for automatic door openers and other technology
- Architecturally designed to create a home from home but with all the requirements of supporting a variety of needs







# Strategic Report

Walls & Futures REIT plc is pleased to announce the company's results for the 12 month period ended 31 March 2019. The principle activity of the group continues to be investing and developing property to meet the unfilled demand for specialist social housing in the UK.



**Joe McTaggart**  
CEO

## Highlights include:

**Profit £625,835**  
(2019: Loss of £18,408)

**Revenue up 1.5% to £138,036** (2019: £135,878)

**Investment property value increased by 21.9%**

**Earnings per share 16.93p**  
(2019: -0.51p)

**Outperformed MSCI UK residential benchmark by 423%** for year ending 2019

We do not have involvement with the care delivered within the properties, which is managed by care providers approved by local authorities.

## Overview

For the calendar year 2019, our portfolio delivered a total return of 23% against the MSCI UK Residential index, which returned 4.4%. This is the third consecutive year that we have outperformed our benchmark. We believe our ongoing success is due to our strategy of proprietary deal origination and real estate development which creates value growth and contributes towards building a resilient income stream.

On 3rd June 2019, we announced that we had secured a £600,000 Revolving Credit Facility from a private lender,

Monastery Hire and Sales Limited. Set to run for an initial 5-year term, at an interest margin of 3.5% over LIBOR. A fee of 0.1% per annum is payable on any undrawn balances. It will be used to provide flexibility to finance the acquisition and refurbishment of specialist supported housing.

On 4th June 2019, we announced the completion of the acquisition of a freehold detached bungalow in Didcot, Oxfordshire for £465,000. The property was redeveloped and adapted to provide a high quality home with specialist support, for four adults with physical & learning disabilities. It was successfully handed over in December 2019 let on a 25-year full repairing and insuring lease linked to inflation (CPI) to one of the UK's largest and longest-established charities currently supporting more than 2,500 adults nationwide.

The value growth created is evidenced in this years results and the full benefit of the income will be reflected in our 2020-21 results.

We were once again nominated for the "Impact Company" and "NEX Exchange Company" of the year at the Small Cap 2019 awards. The annual event shines a light on the best companies and participants in the small and micro-cap community (sub £100m market capitalisation).

On 28th August 2019, we announced that we had received a subscription 142,857 ordinary shares of 5 pence each at a price of 70 pence per share for a total of £100,000 from a new investor.

## Post balance sheet event

On 12th June 2020, we announced the disposal of our freehold property in Wimbledon Park for £656,000. Despite the challenges posed by Covid-19 and the economic backdrop the price achieved reflected just a 2.9% discount on its valuation and highlights the underlying strength of our London residential portfolio.

We will continue to review our assets in the Private Rental Sector with a view of recycling the capital to make further investments in Specialist Supported Housing.

## Principle risks & uncertainties

While Covid-19 has caused disruption in income for many commercial property funds, we have largely been unaffected as we do not hold any investments in retail, office or other commercial property assets. Although our leases are commercial in structure, the underlying need is residential with rents being paid indirectly by central government.

The Group portfolio is exclusively invested in the UK and therefore exposed to the risks and uncertainties of the UK economy.

The value of the properties are subject to fluctuating market conditions and may be affected by consumer confidence, the performance of the UK economy and liquidity in the market.

The Group currently has a revolving credit facility and is therefore exposed to interest rate risk. It does have an ongoing requirement to fund its activities through the debt and/or equity markets for future property acquisitions. There is no certainty that such funds will be available when needed and thus inhibit growth.

## Risk management

The success of the Group is predicated on increasing the size of the portfolio, which would be at risk without further capital. In order to mitigate this, the directors will be engaged in regular fund raising.

## Directors Duties

The directors of Walls & Futures REIT plc and those of all UK companies must act in accordance with a set of general duties. These duties are detailed in the UK's Companies Act and include a duty to promote the success of the Company which is summarised below. In summary, as required by Section 172 of the UK's Companies Act, a director of a company must act in the way he considers, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the director must have regard, amongst other matters, to the:

***“likely consequences of any decisions” in the long term;***

***“interests of the company’s employees; “need to foster the company’s business***

***“relationships with suppliers, customers and others;***

***“impact of the company’s operations on the community and environment; “company’s reputation for high standards of business conduct; and***

***“need to act fairly as between members of the company.***

## Overview of how the Board performed its duties

We have regularly provided our shareholders with updates through official announcements, our website, email newsletters and interviews on Proactive Investors. We have also held a number of conference calls with investors, the feedback was positive and we intend to continue these in the future.

We are in constant touch with our customers reviewing the homes we have delivered and discussing ways in which we can improve the design, features, quality and delivery of future homes. This also includes ensuring the homes we develop improve the impact on the environment.

## Outlook for the future

To date our investments in Specialist Supported Housing have created a total return that has enabled us to outperform the MSCI UK residential index for three consecutive years.

To translate this performance into a maiden and regular dividend we intend to dispose of our remaining London residential assets and to recycle the capital making further and more profitable investments in Specialist Supported Housing.

We note with disappointment that the share price has been lower than our net asset value of 107p per share. We believe this is due to an overhang of shares being held by the market maker. We are working to increase awareness of Walls & Futures REIT plc and our investment aims to a wider range of retail and institutional investors.

We continue to develop relationships with key stakeholders and customers and are always reviewing new investments which will be announced as they are finalised.

The directors will continue the same investment policies which have been successful since joining the AQUIS Stock Exchange.

Finally, we would like to thank all our shareholders for their support.



**Joe McTaggart**  
CEO

# Report of the Directors

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2020.

## Dividends

No dividends will be distributed for the year ended 31 March 2020.

## Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

## Directors

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

**J K McTaggart**

**D P White**

**P A Wylie**

## Statement of directors' responsibilities

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

## Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

## Auditors

The auditors, Moore Kingston Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.



# Report of Independent Auditors

## Opinion

We have audited the financial statements of Walls & Futures REIT Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and " have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- "the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Opinions on other matters prescribed by the Companies Act 2006

**In our opinion, based on the work undertaken in the course of our audit:**

- the information given in the **Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and**
- the **Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.**

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- **adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or**
- **the parent company financial statements are not in agreement with the accounting records and returns; or "certain disclosures of directors' remuneration specified by law are not made; or**
- **we have not received all the information and explanations we require for our audit.**

## Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in

the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or

assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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**Jonathan Sutcliffe (Senior Statutory Auditor) for and on behalf of Moore**

**Kingston Smith LLP Devonshire House  
60 Goswell Road London EC1M 7AD**



## Consolidated Income Statement

For The Year Ended 31 March 2020

		2020	2019
	Notes	£	£
<b>TURNOVER</b>	4	<b>138,036</b>	135,878
Cost of sales		<b>13,286</b>	13,607
<b>GROSS PROFIT</b>		<b>124,750</b>	122,271
Administrative expenses		<b>275,725</b>	286,093
		<b>(150,975)</b>	(163,822)
Gain/loss on revaluation of tangible assets		<b>797,686</b>	145,000
<b>OPERATING PROFIT/(LOSS)</b>	6	<b>646,711</b>	(18,822)
Interest receivable and similar income		<b>350</b>	522
		<b>647,061</b>	(18,300)
Interest payable and similar expenses	7	<b>21,226</b>	-
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<b>625,835</b>	(18,300)
Tax on profit/(loss)	8	<b>67</b>	108
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>625,768</b>	(18,408)
Profit/(loss) attributable to: Owners of the parent		<b>625,768</b>	(18,408)
Earnings per share expressed in pence per share:	10		
Basic		<b>16.93</b>	-0.51
Diluted		<b>16.93</b>	-0.51

## Consolidated Other Comprehensive Income

For The Year Ended 31 March 2020

	Notes	2020 £	2019 £
PROFIT/(LOSS) FOR THE YEAR		625,768	(18,408)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		625,768	(18,408)
Total comprehensive income attributable to: Owners of the parent		625,768	(18,408)

## Consolidated Statement of Financial Position

31 March 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11		631		1,263
Investments	12		-		-
Investment property	13		4,625,000		3,170,000
			<u>4,625,631</u>		<u>3,171,263</u>
CURRENT ASSETS					
Debtors	14	4,489		4,363	
Cash at bank		22,306		148,955	
		<u>26,795</u>		<u>153,318</u>	
CREDITORS					
Amounts falling due within one year	15	18,760		16,683	
NET CURRENT ASSETS			<u>8,035</u>		<u>136,635</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,633,666		3,307,898
CREDITORS					
Amounts falling due after more than one year	16		600,000		-
NET ASSETS			<u>4,033,666</u>		<u>3,307,898</u>
CAPITAL AND RESERVES					
Called up share capital	21		187,754		180,611
Share premium	22		3,505,154		3,412,297
Fair value reserve	22		1,111,019		313,333
Retained earnings	22		(770,261)		(598,343)
SHAREHOLDERS' FUNDS		25	4,033,666		3,307,898



## Company Statement of Financial Position

31 March 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11		631		1,263
Investments	12		200		200
Investment property	13		4,625,000		3,170,000
			<u>4,625,631</u>		<u>3,171,463</u>
CURRENT ASSETS					
Debtors	14	5,582		5,456	
Cash at bank		<u>21,817</u>		<u>148,466</u>	
		27,399		153,922	
CREDITORS					
Amounts falling due within one year	15	<u>18,752</u>		<u>16,674</u>	
NET CURRENT ASSETS			<u>8,647</u>		<u>137,248</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,634,478		3,308,711
CREDITORS					
Amounts falling due after more than one year	16		<u>600,000</u>		<u>-</u>
NET ASSETS			<u>4,034,478</u>		<u>3,308,711</u>
CAPITAL AND RESERVES					
Called up share capital	21		187,754		180,611
Share premium	22		3,505,154		3,412,297
Fair value reserve	22		1,111,019		313,333
Retained earnings	22		<u>(769,449)</u>		<u>(597,530)</u>
SHAREHOLDERS' FUNDS		25	<u>4,034,478</u>		<u>3,308,711</u>
Company's profit/(loss) for the financial year:			<u>625,767</u>		<u>(18,408)</u>

## Consolidated Statement of Changes in Equity

For The Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £	Fair value reserve £	Total equity £
<b>BALANCE AT 1 APRIL 2018</b>	176,352	(434,935)	3,336,476	168,333	3,246,226
<b>Changes in equity</b>					
Issue of share capital	4,259	-	75,821	-	80,080
Total comprehensive income	-	(18,408)	-	-	(18,408)
Transfer of non-distributable income	-	(145,000)	-	145,000	-
<b>BALANCE AT 31 MARCH 2019</b>	180,611	(598,343)	3,412,297	313,333	3,307,898
<b>Changes in equity</b>					
Issue of share capital	7,143	-	92,857	-	100,000
Total comprehensive income	-	625,768	-	-	625,768
Transfer of non-distributable income	-	(797,686)	-	797,686	-
<b>BALANCE AT 31 MARCH 2020</b>	187,754	(770,261)	3,505,154	1,111,019	4,033,666

## Company Statement of Changes in Equity

For The Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £	Fair value reserve £	Total equity £
<b>BALANCE AT 1 APRIL 2018</b>	176,352	(434,122)	3,336,476	168,333	3,247,039
<b>Changes in equity</b>					
Issue of share capital	4,259	-	75,821	-	80,080
Total comprehensive income	-	(18,408)	-	-	(18,408)
Transfer of non-distributable income	-	(145,000)	-	145,000	-
<b>BALANCE AT 31 MARCH 2019</b>	180,611	(597,530)	3,412,297	313,333	3,308,711
<b>Changes in equity</b>					
Issue of share capital	7,143	-	92,857	-	100,000
Total comprehensive income	-	625,767	-	-	625,767
Transfer of non-distributable income	-	(797,686)	-	797,686	-
<b>BALANCE AT 31 MARCH 2020</b>	187,754	(769,449)	3,505,154	1,111,019	4,034,478



## Consolidated Statement of Cash Flows

For The Year Ended 31 March 2020

	Notes	2020 £	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	1	(148,459)	(165,603)
Interest paid		(21,226)	-
Tax paid		-	(9)
Net cash from operating activities		(169,685)	(165,612)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		-	(1,894)
Purchase of investment property		(657,314)	-
Interest received		350	522
Net cash from operating activities		(656,964)	(1,372)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
New loans in year		600,000	-
Share issue		7,143	4,259
Share premium paid		92,857	267,494
Net cash from operating activities		700,000	271,753
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(126,649)</b>	<b>104,769</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	2	<b>148,955</b>	<b>44,186</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	2	<b>22,306</b>	<b>148,955</b>

## Notes to the Consolidated Statement of Cash Flows

### For The Year Ended 31 March 2020

#### 1. Reconciliation of profit / (loss) before taxation to cash generated from operations

	2020	2019
	£	£
Profit/(loss) before taxation	625,835	(18,300)
Depreciation charges	631	631
Gain on revaluation of fixed assets	(797,686)	(145,000)
Finance costs	21,226	-
Finance income	(350)	(522)
	<b>(150,344)</b>	<b>(163,191)</b>
Increase in trade and other debtors	(125)	(41)
Increase/(decrease) in trade and other creditors	2,010	(2,371)
<b>Cash generated from operations</b>	<b>(148,459)</b>	<b>(165,603)</b>

#### 2. Cash and cash equivalents

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

##### YEAR ENDED 31 MARCH 2020

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	<b>22,306</b>	<b>148,955</b>

##### YEAR ENDED 31 MARCH 2020

	31/3/20	1/4/18
	£	£
Cash and cash equivalents	<b>148,955</b>	<b>44,186</b>

#### 3. Analysis of changes in net funds / (debt)

	At 1/4/19	Cash flow	At 31/3/20
	£	£	£
<b>NET CASH</b>	<b>148,955</b>	<b>(126,649)</b>	<b>22,306</b>
Cash at bank	<b>148,955</b>	<b>(126,649)</b>	<b>22,306</b>
<b>DEBT</b>			
Debts falling due after 1 year	-	<b>(600,000)</b>	<b>(600,000)</b>
	-	<b>(600,000)</b>	<b>(600,000)</b>
<b>TOTAL</b>	<b>148,955</b>	<b>(726,649)</b>	<b>(577,694)</b>

# Notes to the Consolidated Financial Statements

**For The Year Ended 31 March 2020**

## 1. STATUTORY INFORMATION

Walls & Futures REIT Plc is a public company, registered in England and Wales. The company's registered number and registered office address can be found on the Company information page..

## 2. ACCOUNTING POLICIES

### Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

### Basis of consolidation

The consolidated financial statements incorporate those of Walls & Futures REIT plc and all of its trading subsidiaries. Subsidiaries acquired during the year are consolidated using the purchase method. All financial statements are made up to 31 March 2020.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £569,284 (2019: loss £18,408).

### Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates and assumptions which have had a significant risk of causing a material adjustment to the carrying amount of assets and liabilities

### Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 3 years
Computer equipment	- Straight line over 3 years

### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss

### Financial instruments

The company has elected to apply the provisions of Section 11: 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade debtors and creditors.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Debtors

Short terms debtors are measured at transaction price, less any impairment.

## Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2020

### 2. ACCOUNTING POLICIES - continued

#### Cash and cash equivalents

Cash is represented by current accounts, cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### Creditors

Short term creditors are measured at the transaction price.

#### Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### Currency

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound

#### Going concern

After due consideration of the future cash flows of the Group, the Directors are confident that the Group has sufficient financial resources to meet its obligations as a going concern for the foreseeable future, being more than 12 months from the date of approving the financial statements. In reaching the conclusion, the Directors have considered the working capital needs of the business and have concluded that one of the properties will shortly be put on the market to raise working capital and, if this takes time or market conditions are not appropriate, they will reduce their salaries until sufficient funds are raised. As at the date of approval of the financial statements, the directors are continuing to assess the impact of the outbreak of COVID-19 and the measures taken to contain it on the company's activities. COVID-19 is an adjusting event where by the conditions were in place prior to the reporting date of 31 March 2020. At the date of approval of the financial statements, there was no material effect on the value of the company's asset base. Whilst the overall effect of COVID-19 on the company cannot be established at this time, the directors do not believe that it will adversely affect the ability of the company to continue its operations and meet its liabilities as they fall due. The financial statements have therefore been prepared on the going concern basis.

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Property valuations are an area of judgement and estimation uncertainty.

## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 4. TURNOVER

The turnover and profit (2019 - loss) before taxation are attributable to the one principal activity of the group. An analysis of turnover by class of business is given below

	2020	2019
	£	£
UK Property income	<b>138,036</b>	135,878
	<b>138,036</b>	135,878

#### 5. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	<b>108,000</b>	108,000
Social security costs	<b>8,405</b>	8,475
	<b>116,405</b>	116,475

The average number of employees during the year was as follows:

	2020	2019
Management	<b>3</b>	3
	<b>2020</b>	2019
Directors' remuneration	£	£
	<b>108,000</b>	108,000

#### 6. OPERATING PROFIT/(LOSS)

The operating profit (2019 - operating loss) is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	<b>632</b>	631
Auditors' remuneration	<b>14,358</b>	10,800



## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank loan interest	<b>21,226</b>	-

#### 8. TAXATION

##### Analysis of the tax charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	<b>67</b>	108
Tax on profit/(loss)	<b>67</b>	108
UK corporation tax was charged at 19%.		

#### 9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.:

#### 10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

The company has 43,485 warrants in existence which are exercisable at £1 each on or before 30th September 2022. Basic earnings per share is equal to diluted earnings per share because the warrants are anti-dilutive.

## Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2020

### 10. EARNINGS PER SHARE - Continued

	Earnings £	2020 Weighted average number of shares £	Per-share amount pence
<b>BASIC EPS</b>			
Earnings attributable to ordinary shareholders	625,768	3,696,928	16.93
Effect of dilutive securities	-	-	-
<b>DILUTED EPS</b>			
Adjusted earnings	625,768	3,696,928	16.93

	Earnings £	2019 Weighted average number of shares £	Per-share amount pence
<b>BASIC EPS</b>			
Earnings attributable to ordinary shareholders	(18,408)	3,597,991	-0.51
Effect of dilutive securities	-	-	-
<b>DILUTED EPS</b>			
Adjusted earnings	(18,408)	3,597,991	-0.51

## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 11. TANGIBLE FIXED ASSETS

##### Group

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2019 and 31 March 2020	<u>70</u>	<u>1,824</u>	<u>1,894</u>
<b>DEPRECIATION</b>			
At 1 April 2019	23	608	631
Charge for year	<u>24</u>	<u>608</u>	<u>632</u>
At 1 March 2020	<u>47</u>	<u>1,216</u>	<u>1,263</u>
<b>NET BOOK VALUE</b>			
At 31 March 2020	<u>23</u>	<u>608</u>	<u>631</u>
At 31 March 2019	<u>47</u>	<u>1,216</u>	<u>1,263</u>

##### Company

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2019 and 31 March 2020	<u>70</u>	<u>1,824</u>	<u>1,894</u>
<b>DEPRECIATION</b>			
At 1 April 2019	23	608	631
Charge for year	<u>24</u>	<u>608</u>	<u>632</u>
At 1 March 2020	<u>47</u>	<u>1,216</u>	<u>1,263</u>
<b>NET BOOK VALUE</b>			
At 31 March 2020	<u>23</u>	<u>608</u>	<u>631</u>
At 31 March 2019	<u>47</u>	<u>1,216</u>	<u>1,263</u>

## Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2020

### 12. FIXED ASSET INVESTMENTS

#### Company

	Unlisted investments
	£
<b>COST</b>	
At 1 April 2019	
and 31 March 2020	<u>200</u>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u>200</u>
At 31 March 2019	<u>200</u>

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following

#### Subsidiaries

##### Walls & Futures Ltd

Registered office: 3rd Floor 111 Buckingham Palace Road, London, SW1W 0SR

Nature of business: Property Management

#### Class of shares:

Ordinary

%  
holding  
100.00

##### Walls & Futures (LP) Ltd

Registered office: 3rd Floor 111 Buckingham Palace Road, London, SW1W 0SR

Nature of business: Investment Company

#### Class of shares:

Ordinary

%  
holding  
100.00

##### Walls & Futures GP Ltd

Registered office: 3rd Floor 111 Buckingham Palace Road, London, SW1W 0SR

Nature of business: Investment Company

#### Class of shares:

Ordinary

%  
holding  
100.00

## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 13. INVESTMENT PROPERTY

##### Group

	Total £
<b>FAIR VALUE</b>	
At 1 April 2019	3,170,000
Additions	657,314
Revaluations	797,686
At 31 March 2020	<u>4,625,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u>4,625,000</u>
At 31 March 2019	<u>3,170,000</u>

##### Group

The properties are valued at fair value. The valuation at the year end was carried out by John D Wood, professional valuers as at 31st March 2020. In the year there was a increase in the fair value by £797,686.

The original cost of the properties was £3,513,981.

Fair value at 31 March 2020 is represented by:

	£
Valuation in 2020	1,111,019
Cost	<u>3,513,981</u>
	<u>4,625,000</u>



## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 13. INVESTMENT PROPERTY - continued

##### Company

	Total £
<b>FAIR VALUE</b>	
At 1 April 2019	3,170,000
Additions	657,314
Revaluations	797,686
At 31 March 2020	<u>4,625,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u>4,625,000</u>
At 31 March 2019	<u>3,170,000</u>

Fair value at 31 March 2020 is represented by

	£
Valuation in 2020	1,111,019
Cost	<u>3,513,981</u>
	<u>4,625,000</u>

#### 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other debtors	3,335	3,321	3,114	3,100
Amounts due from group company	-	-	1,314	1,314
Prepayments	1,154	1,042	1,154	1,042
	<u>4,489</u>	<u>4,363</u>	<u>5,582</u>	<u>5,456</u>

## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Tax	166	99	166	99
Social security and other taxes	(1)	-	-	-
Other creditors	9	9	-	-
Accrued expenses	18,586	16,575	18,586	16,575
	<u>18,769</u>	<u>16,683</u>	<u>18,752</u>	<u>16,674</u>

#### 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other loans (see note 17)	<u>600,000</u>	<u>-</u>	<u>600,000</u>	<u>-</u>

#### 17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due in more than five years:				
Repayable by instalments				
Other loans more 5yrs instal	<u>600,000</u>	<u>-</u>	<u>600,000</u>	<u>-</u>

## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 18. EASING AGREEMENTS

Minimum lease payments fall due as follows:

##### Company

	<b>Non-cancellable operating leases</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	<b>6,199</b>	<b>6,199</b>

#### 19. SECURED DEBTS

The following secured debts are included within creditors

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other loans	<b>600,000</b>	<b>-1</b>	<b>600,000</b>	<b>-</b>

A fixed charge over real properties in the business.

#### 20. FINANCIAL INSTRUMENTS

##### Group

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>

##### Carrying amount of financial instruments

Debt instruments measured at amortised cost	3,335	3,100
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##### Carrying amount of financial liabilities

Measured at amortised cost	18,586	16,575
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##### Company

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>

##### Carrying amount of financial instruments

Debt instruments measured at amortised cost	3,114	3,100
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##### Carrying amount of financial liabilities

Measured at amortised cost	18,586	16,575
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## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 21. CALLED UP SHARE CAPITAL

##### Allotted, issued and fully paid:

Number::	Class:	Nominal: value:	2020 £	2019 £
3,755,086	Ordinary Shares	5p	<b>187,754</b>	180,611

On 27th August 2019, 142,857 ordinary shares of £0.05 each were issued at a price of £0.70 per share.

#### 22. RESERVES

##### Group

	Retained earnings £	Share premium £	Fair value reserve £	Totalls £
At 1 April 2019	<b>(434,122)</b>	<b>3,412,297</b>	<b>313,333</b>	<b>3,127,287</b>
Profit for the year	<b>625,768</b>		-	<b>625,768</b>
Cash share issue	-	<b>92,85</b>	-	<b>92,857</b>
Transfer of non-distributable income	<b>(797,686)</b>	-	<b>797,686</b>	-
At 31 March 2020	<b>(770,261)</b>	<b>3,505,154</b>	<b>1,111,019</b>	<b>3,845,912</b>

##### Company

	Retained earnings £	Share premium £	Fair value reserve £	Totalls £
At 1 April 2019	<b>(597,530)</b>	<b>3,412,297</b>	<b>313,333</b>	<b>3,128,100</b>
Profit for the year	<b>625,767</b>		-	<b>625,767</b>
Cash share issue	-	<b>92,857</b>	-	<b>92,857</b>
Transfer of non-distributable income	<b>(797,686)</b>	-	<b>797,686</b>	-
At 31 march 2020	<b>(769,449)</b>	<b>3,505,154</b>	<b>1,111,019</b>	<b>3,846,724</b>

#### 23. RELATED PARTY DISCLOSURES

During the year, the group made payments of £5,276 (2019: £10,836) to Wigmore Jones Limited, a company controlled by one of the directors, for the provision of residential lettings management services. Payments were made on a commercial basis and there were no balances outstanding at the year end.

## Notes to the Consolidated Financial Statements - continued

### For The Year Ended 31 March 2020

#### 24. POST BALANCE SHEET EVENTS

A property was sold in June 2020 for £656,000.

Since the year end there have been no capital repayments made to the revolving credit facility.

#### 25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

##### Group

	2020	2019
	£	£
Profit/(loss) for the financial year	625,768	(18,408)
Cost of shares issued	7,143	4,259
Premium on shares issued	92,857	75,821
<b>Net addition to shareholders' funds</b>	<b>725,768</b>	<b>61,672</b>
Opening shareholders' funds	3,307,898	3,246,226
<b>Closing shareholders' fundss</b>	<b>4,033,666</b>	<b>3,307,898</b>

##### Company

	2020	2019
	£	£
Profit/(loss) for the financial year	625,767	(18,408)
Cost of shares issued	7,143	4,259
Premium on shares issued	92,857	75,821
<b>Net addition to shareholders' funds</b>	<b>725,767</b>	<b>61,672</b>
Opening shareholders' funds	3,308,7118	3,247,039
<b>Closing shareholders' fundss</b>	<b>4,034,478</b>	<b>3,308,711</b>



## Consolidated Trading and Profit and Loss Account

For The Year Ended 31 March 2020

	2020		2019	
	£	£	£	£
<b>Sales</b>		<b>138,036</b>		<b>135,878</b>
<b>Cost of Sales</b>				
Asset Management Fees	<b>5,276</b>		7,843	
Utilities	<b>1,420</b>		239	
Repairs and renewals	<b>6,590</b>		5,525	
		<b>13,286</b>		<b>13,607</b>
<b>GROSS PROFIT</b>		<b>124,750</b>		<b>122,271</b>
<b>Other income</b>				
Deposit account interest		<b>350</b>		522
		<b>125,100</b>		<b>122,793</b>
<b>Gain/loss on revaluation of assets</b>				
Gain/loss on revaluation of tangible assets		<b>797,686</b>		145,000
		<b>922,786</b>		<b>267,793</b>

## Consolidated Trading and Profit and Loss Account - continued

For The Year Ended 31 March 2020

	2020		2019	
	£	£	£	£
<b>Expenditure</b>				
Rates and water	16,286		14,491	
Directors' salaries	108,000		108,000	
Directors' social security	8,405		8,475	
Telephone	2,298		2,377	
Post, printing and stationery	2,550		2,541	
Advertising	29,828		31,696	
Travelling	3,365		1,170	
Subscriptions	14,686		12,271	
Computer costs	1,335		1,781	
Cleaning	859		411	
Business insurance	4,027		3,243	
Sundry expenses	270		1,658	
Valuation fees	4,794		2,853	
Accountancy	9,217		8,181	
Payroll	329		341	
Commission paid	-		777	
Consultancy fees	1,534		13,531	
Legal and professional fees	52,436		59,568	
Auditors' remuneration	14,358		10,800	
Entertainment	394		1,169	
		<b>274,971</b>		<b>285,334</b>
		<b>647,815</b>		<b>(17,541)</b>
<b>Finance costs</b>				
Bank charges	123		128	
Bank loan interest	21,226		-	128
		<b>21,349</b>		<b>128</b>
Carried forward		<b>626,466</b>		<b>(17,669)</b>
Brought forward		<b>626,466</b>		<b>(17,669)</b>

## Consolidated Trading and Profit and Loss Account - continued

### For The Year Ended 31 March 2020

	2020		2019	
	£	£	£	£
<b>Depreciation</b>				
Fixtures and fittings	23		23	
Computer equipment	608		608	
		<b>631</b>		<b>631</b>
<b>NET PROFIT/(LOSS)</b>		<b>625,835</b>		<b>(18,300)</b>



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