WALLS & FUTURES

Annual Report and Accounts

Report of the Directors and Consolidated Financial Statements For The Year Ended 31 March 2021

Ethical Housing Investor & Developer

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and Consolidated Financial Statements
For The Year Ended 31 March 2021 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.

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, registered providers and charities. Their tenants are often individuals with learning & physical disabilities, autism, dementia, mental health and life changing injuries.

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 [1]. 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.

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 saves the government £10,000 per annum compared to residential care placement and almost £100,000 per annum when compared to inpatient care [2].

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).

Insight Into Our Business Model

How we create value for our partners and shareholders

We wanted to take this opportunity to provide a more in-depth insight and understanding of how our strategy differs in terms of the properties we offer and the additional value we believe we create for our partners and our shareholders.

Returns in the sector are generated by executing one of two principal strategies: development and rental income. Typically, REITs have used the latter and built their portfolios by acquiring ready-made, income producing assets at a target yield from aggregators. This enables rapid growth and satisfies the demand for immediate income, albeit at a premium cost.

Whilst many investors may be willing to pay a premium, we believe that too much value is being extracted from key stakeholders. They include the residents who live in the properties, partners who take on the responsibilities of the long-term lease, central government who pay the rent through housing benefit and shareholders who fund the investments.

While taking longer to implement, our strategy is focused around building long-term, direct relationships with our partners, negotiating our own leases and developing our own properties. Removing aggregators from the value chain and retaining the premium allows us to redistribute the value to stakeholders, to improve the design, specification and quality of our properties, provide competitive and sustainable rents for our partners and create additional value for our shareholders.

To date, we have funded and developed SSH properties in two locations, comprising three self-contained one-bedroom apartments, one three-bedroom apartment and one detached four-bedroom house.

These developments are home to eleven individuals with a range of specialised needs who receive care and are supported 24 hours a day, seven days a week by our partner, one of the UK's largest and longest established charities supporting more than 2,500 adults with learning disabilities nationwide.

In our view, by initiating and controlling most stages of the process through vertical integration, we are able to create homes that set the gold standard in SSH. Our properties offer a high specification, flexibility, safety and innovation, enabling our partners to support a broader range of needs, for longer.

To illustrate the financial impact of our strategy, we have to date invested a total of £1.34 million in SSH developments. Based on the long-term nature of the leases, the quality of the covenants and the income generated they are currently valued at £2.57 million. This **92 percent or £1.23 million increase in value** is reflected in our NAV rather than being paid to aggregators.

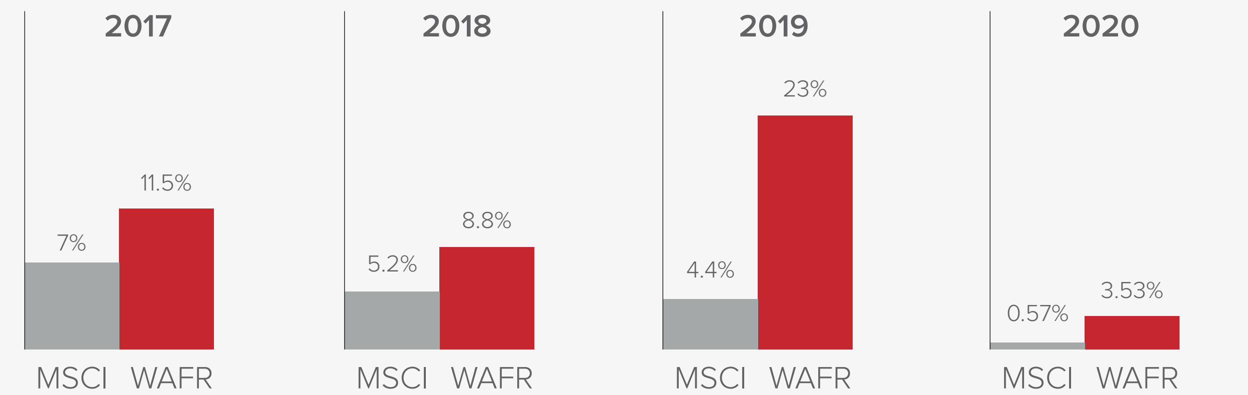
We believe this strategy has been instrumental in us outperforming our benchmark, the MSCI UK Residential Property index, which measures the total return (income & value growth), for the last four years based on the figures published by MSCI in respect of those years.

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 unleveraged total returns of directly held standing property investments from one valuation to the next. The index tracks performance of 1,837 property investments, with a total capital value of £17.8 billion as at December 2020.



2017	2018	2019	2020
Outperformed index by	Outperformed index by	Outperformed index by	Outperformed index by
64%	**68%**	**423%**	**519%**

Our Growth Strategy and Investment Plans

We are ambitious in our plans for growth and developing your company, however in a new and rapidly developing sector, we have been mindful that being first is not necessarily the route to long term success.

Over the years we have reviewed a long list of SSH investment opportunities which would have provided a faster path to growing our rental income. We rejected them as they did not meet our strict investment criteria with specific concerns raised over the quality and suitability of the accommodation and the sustainability of the rents.

With the Regulator for Social Housing (RSH) taking a more active role due to the number of private companies investing in the sector, we feel vindicated in our decision, as several of those opportunities were acquired by other investors and do not meet RSH standards.

More broadly, the RSH has concluded that in certain cases providers are not compliant with the rent standard and/or have been unable to provide adequate assurances that the accommodation they provide meets the government's definition of SSH and/or do not meet governance and/or viability requirements. The RSH has issued judgements and notices against a number of registered social housing providers for breaches.

Throughout 2020, we actively engaged with stakeholders including special education needs (SEN) schools, care providers, local authority commissioners, charities and housing associations in order to identify an area that was not being adequately served. We concluded that autism was an area where we could apply our experience of delivering high quality, design led, specially adapted homes. This has enabled us to maximise both our positive social impact and generate returns for our ethically minded investors.

What is Autism?

Autism is a complex, lifelong developmental disability that typically appears during early childhood which affects how people communicate and interact with the world.

Autism is a spectrum condition and affects people in different ways. Like all people, individuals with autism have their own strengths and weaknesses. One in 100 people are on the autism spectrum and there are around 700,000 persons with autism in the UK. Autism can present in a number of different ways, characterised by:

- Social communication and social interaction challenges
- Repetitive and restrictive behaviour
- Over or under sensitivity to light, sound, taste or touch
- Highly focused interests or hobbies
- Extreme anxiety
- Meltdowns and shutdowns

The need for Specialist Supported Housing

A Children's Commissioner Report from May 2019 (the "CC Report"), identified children with autism who are being kept in hospital for too long. Data provided to the Children's Commissioner's Office by NHS Digital shows that on average, children with autism and/or a learning disability had spent six months (184 days) living in their current hospital, and eight months (240 days) in inpatient care in total. Around one in seven children had spent at least a year in their current hospital spell with their current provider; any could have returned home if support was available.

The CC Report identified that there were 250 children with a learning disability and/or autism in England living in children's mental health institutions - an increase from 110 in March 2015. These are some of the most vulnerable children, with very complex needs, growing up in institutions often far away from their family home. For many of them this is a frightening and overwhelming experience, while for many of their families it can be extremely challenging.

The need is such, that Anne Longfield, the former Children's Commissioner for England said in the CC Report:

I will never forget the stories I heard, and the tears of frustration and anger, from Mums and Dads of these children at a meeting I arranged for them. Some of them have a child who has been locked away in a series of rooms for months. Others have to listen as they are told by institutions that their children have had to be restrained or forcibly injected with sedatives. They feel powerless and, frankly, at their wits end as to what to do.

What we are doing about it

We have been developing direct relationships with new partners across a network of specialist charities, care providers and housing associations who provide support, care and advice to those affected by autism.

Together with these partners, who geographically cover most of England, we plan to provide small, innovative housing solutions to accommodate three to ten individuals with autism per development. The aim is to provide our partners with the ability to deliver a pathway of progress and highly specialised services which can support individuals, from childhood (as young as seven), through adolescence and onto adulthood. With the right support, individuals will be able to progress through autism-specific homes and avoid hospitals.

We have now agreed lease terms and signed memorandums of understanding with new partners covering the North East, South West and the South East. These memorandums set out the framework for the provision of SSH which will be let to our partners on long term leases and work together on joint venture opportunities to deliver new schemes. There is no guarantee that these memorandums will result in final agreements being entered into with these partners.

Bespoke designed home for autism

Working in partnership with a specialist Royal Institute of British Architects member architectural practice, we have now completed the first phase of our bespoke housing solution to support the needs and sensory requirements of individuals across the autism spectrum.

Designed in pods and constructed off site, using modern building methods (modular), we will be able to offer a wide range of configurations from a single one-bedroom self-contained apartment to a cluster of eight one- or two-bedroom apartments with communal areas and sensory/therapy rooms plus staff office and overnight accommodation, providing 24/7 care if required.

The use of modular construction can reduce the build process by up to 50 per cent. enabling us to deliver projects in as little as 12 weeks when compared to traditional construction methods. Additionally, the materials used in modular construction make it more sustainable and have less of an impact on the environment, enabling us to make progress towards net zero.

We look forward to launching this solution to the market in the coming months.

Strategic Report

Walls & Futures REIT plc is pleased to announce the company's results for the 12-month period ended 31 March 2021.

The principal activity of the group continues to be investing and developing property to meet the unmet demand for specialist social housing ("SSH") in the UK. We do not have involvement with the care delivered within the properties, which is managed by care providers approved by local authorities.

J K McTaggart
Director

Overview

Against the challenging economic backdrop caused by Covid-19, which has seen many property companies experience non-payment of rents and significant falls in asset values, we are pleased with the robust performance of our portfolio. For the 12 months to 31st March 2021, we collected 100% of the Specialist Supported Housing (SSH) and 97% of Private Rental Sector (PRS) rents due.

Part of our strategy, previously outlined, involved selling our London PRS properties, which were let on Assured Shorthold Tenancies (ASTs), to fund further SSH investments. The sale was delayed by emergency legislation introduced by the government to protect tenants on ASTs, with notice periods increased to 6 months. Working with our tenants we completed the sale of two of the three properties.

Our Wimbledon property completed in June 2020 at £656,000 and was followed by one of our Southfields properties which completed in January 2021 at £660,000. Generating a total of £1,316,000 in cash before fees, part of which was used to pay down our £600,000 revolving credit facility.

Following the valuation of our property assets, we can report a modest fall of 1.9% due to a fall in our last PRS property. Our SSH assets remained the same as last year. As at 31st March 2021, our Net Asset Value (NAV) fell by 4.9% to 102p per share.

Highlights:

Net Asset Value (NAV) down 4.9% to 102p per share (2020: 107p per share)

Revenue £148,420 up 7.5% (2020: £138,036)

Loss -£214,169 (2020: Profit of £625,767)

100% of Specialist Supported Housing rents collected

97% of Private Rental Sector rents collected

Investment property value fell by 1%

Earnings per share -5.70p (2020: 16.93p)

Outperformed MSCI UK residential benchmark by 423% for year ending 31 December 2020

Generated over £1.3m cash through sale of two Private Rented Sector (PRS) properties with funds to be invested in new SSH

Repaid entire £600,000 revolving credit facility

Pipeline of new partners & projects

Our investment strategy built on developing our own projects has enabled us to build a resilient portfolio. We are delighted to announce that for the calendar year ending 2020, our portfolio outperformed the benchmark, MSCI UK Residential property index delivering a total return of 3.53% vs 0.57%. This is the fourth consecutive year we have outperformed the benchmark. Our intention is to scale the business so our investment strategy, which averaged a total return of 268%, is reflected in terms of operating cash flow and share price.

To illustrate the financial impact of our strategy, we have to date invested a total of £1.34 million in SSH developments. Based on the long-term nature of the leases, the quality of the covenants and the income generated they are currently valued at £2.57 million. An increase of £1.23 million in value or 92 percent.

Unsolicited offer and share price performance

On 8th April 2021, we received an unsolicited bid from Virgata Services Ltd. It materially undervalued the company and was overwhelming rejected by our shareholders and ultimately lapsed on 6th July 2021.

Our share price has underperformed relative to our NAV over the last few years. We believe a significant component this is due to a small number of shareholders who hold their Walls & Futures Shares on one particular investment platform continually selling because the platform was unfamiliar with the regulatory status of the AQSE Growth Market.

We believe the majority of the Shareholders are long term holders so in the short term we are actively working to engage with new investors to replace the minority of shareholders who voted to accept the bid. With fewer investors selling and more buying into the company we believe this will serve to close the discount that we currently trade at.

Additionally, we have had constructive discussions with Aquis regarding improving liquidity in Walls & Futures Shares.

In November 2020, the Aquis Stock Exchange introduced a new market-making scheme with founding market makers Canaccord Genuity, Liberum, Peel Hunt, Shore Capital, Stifel and Winterflood Securities all supporting the initiative to reduce spreads and increase liquidity.

Both AJ Bell and Interactive Investor recently announced that they have added AQSE Growth Market securities to their online trading platforms, extending AQSE Growth Market investment opportunities to over 500,000 retail investors. It is reported that Hargreaves Lansdown and IG Group are also working with Aquis to include Aquis Stock Exchange traded securities on their online offering, joining Barclays Smart Invest and Jarvis who already offer most AQSE Growth Market securities online.

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, albeit no monies are currently drawn on the facility. 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 intended 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

Throughout 2020, we actively engaged with stakeholders including special education needs (SEN) schools, care providers, local authority commissioners, charities and housing associations in order to identify an area that was not being adequately served.

We concluded that autism was an area where we could apply our experience of delivering high quality, design led, specially adapted homes. This has enabled us to maximise both our positive social impact and generate returns for our ethically minded investors.

We have developed direct relationships with new partners across a network of specialist charities, care providers and housing associations who provide support, care and advice to those affected by autism.

Together with these partners, who geographically cover most of England, we plan to provide small, innovative housing solutions to accommodate three to ten individuals with autism per development. The aim is to provide our partners with the ability to deliver a pathway of progress and highly specialised services which can support individuals, from childhood (as young as seven), through adolescence and onto adulthood. With the right support, individuals will be able to progress through autism-specific homes and avoid hospitals.

We have now agreed lease terms and signed memorandums of understanding with new partners covering the North East, South West and the South East. These memorandums set out the framework for the provision of SSH which will be let to our partners on long term leases and work together on joint venture opportunities to deliver new schemes. There is no guarantee that these memorandums will result in final agreements being entered into with these partners.

We are in the process of finalising the design of our bespoke home for autism. Designed in collaboration with a specialist architectural practice and our partners, we believe our autism housing solution enables us to deliver homes at scale, that support the needs and sensory requirements of individuals across the autism spectrum.

Designed in pods and constructed off site, using modern building methods (modular), we will be able to offer a wide range of configurations from a single one-bedroom self-contained apartment to a cluster of eight one- or two-bedroom apartments with communal areas and sensory/therapy rooms plus staff office and overnight accommodation, providing 24/7 care if required.

The use of modular construction can reduce the build process by up to 50 per cent. enabling us to deliver projects in as little as 12 weeks when compared to traditional construction methods. Additionally, the materials used in modular construction make it more sustainable and have less of an impact on the environment, enabling us to make progress towards net zero.

Future funding

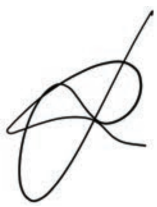
During the 2020-21 year we disposed of all but one of our PRS assets generating a total of £1,316,000 in cash before fees, part of which was used to pay down our £600,000 revolving credit facility.

In the short term, our new investments will be made from our cash deposits and from the capital released from the expected sale of our final London property. Based on our internal estimates, we estimate we would be able to invest approximately £1 million in these projects.

We will seek to raise fresh capital to fund the remainder of our pipeline, which will consist of new build developments, from investors seeking to make a real positive social impact; however, we will not raise new equity at the current substantial discount to net asset value, as this would result in a significant dilution to Shareholders. The Company is also able to draw down on its £600,000 secured revolving credit facility until April 2024, on which it currently has no funds drawn.

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

ON BEHALF OF THE BOARD:



J K McTaggart
Director

Date: 8 September 2021

Report of the Directors

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

Dividends

No dividends will be distributed for the year ended 31 March 2021.

Directors

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

J K McTaggart

D P White

P A Wylie

3rd party indemnity insurance

The company does not provide 3rd party indemnity insurance for the benefit of the directors.

Statement of directors' responsibilities

The directors are responsible for preparing the 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 of the profit or loss of the company 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 transactions and disclose with reasonable accuracy at any time the financial position of the company 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 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.

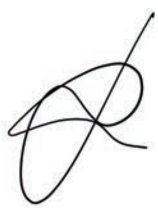
Statement as to disclosure of information to auditors

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 company'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 company'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.

ON BEHALF OF THE BOARD:



J K McTaggart
Director

Date: 8 September 2021

Report of the Independent Auditors

Opinion

We have audited the financial statements of Walls & Futures REIT Plc for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the 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 company's affairs as at 31 March 2021 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

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 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 company, or returns adequate for our audit have not been received from branches not visited by us; or**
- **the 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 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- **We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, UK taxation legislation, and AQSE Growth Market rules.**
- **We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.**

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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 company'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 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 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.

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.

Jon Sutcliffe (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP Devonshire House
60 Goswell Road London EC1M 7AD

Date: 8 September 2021

Consolidated Income Statement

For The Year Ended 31 March 2021

	Notes	2021 £	2020 £
TURNOVER	4	**148,420**	138,036
Cost of sales		**40,106**	13,286
GROSS PROFIT		**108,314**	124,750
Administrative expenses		**259,285**	275,725
		(150,971)	(150,975)
Other operating income		**(21,861)**	-
Gain/loss on revaluation of tangible assets		**(35,000)**	797,686
OPERATING (LOSS)/PROFIT	6	**(207,832)**	646,711
Interest receivable and similar income		**27**	350
		(207,805)	647,061
Interest payable and similar expenses	7	**6,364**	21,226
(LOSS)/PROFIT BEFORE TAXATION		**(214,169)**	625,835
Tax on (loss)/profit	8	**-**	67
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(214,169)**	625,768
(Loss)/profit attributable to: Owners of the parent		**(214,169)**	625,768
Earnings per share expressed in pence per share:	10		
Basic		**-5.70**	16.93
Diluted		**-5.70**	16.93

The notes form part of these financial statements

Consolidated Other Comprehensive Income

For The Year Ended 31 March 2021

	Notes	2021 £	2020 £
(LOSS)/PROFIT FOR THE YEAR		**(214,169)**	625,768
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(214,169)**	625,768
Total comprehensive income attributable to: Owners of the parent		**(214,169)**	625,768

The notes form part of these financial statements

Consolidated Statement of Financial Position

31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	11		-		631
Investments	12		-		-
Investment property	13		**3,215,000**		4,625,000
			3,215,200		4,625,631
CURRENT ASSETS					
Debtors	14	**3,421**		4,489	
Cash at bank		**651,357**		22,306	
		654,778		26,795	
CREDITORS					
Amounts falling due within one year	15	**25,281**		18,760	
NET CURRENT ASSETS			**629,497**		8,035
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,844,497**		4,633,666
CREDITORS					
Amounts falling due after more than one year	16		**25,000**		600,000
NET ASSETS			**3,819,497**		4,033,666
CAPITAL AND RESERVES					
Called up share capital	21		**187,754**		187,754
Share premium	22		**3,505,154**		3,505,154
Fair value reserve	22		**1,188,519**		1,111,019
Retained earnings	22		**(1,061,930)**		(770,261)
SHAREHOLDERS' FUNDS	24		**3,819,497**		4,033,666

The financial statements were approved by the Board of Directors and authorised for issue on 8 September 2021 and were signed on its behalf by:

J K McTaggart - Director D P White - Director

The notes form part of these financial statements

Company Statement of Financial Position

31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	11		-		631
Investments	12		**200**		200
Investment property	13		**3,215,000**		4,625,000
			3,215,200		4,625,831
CURRENT ASSETS					
Debtors	14	**3,200**		5,582	
Cash at bank		**650,869**		21,817	
		654,069		27,399	
CREDITORS					
Amounts falling due within one year	15	**23,959**		18,752	
NET CURRENT ASSETS			**630,110**		8,647
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,845,310**		4,634,478
CREDITORS					
Amounts falling due after more than one year	16		**25,000**		600,000
NET ASSETS			**3,820,310**		4,034,478
CAPITAL AND RESERVES					
Called up share capital	21		**187,754**		187,754
Share premium	22		**3,505,154**		3,505,154
Fair value reserve	22		**1,188,519**		1,111,019
Retained earnings	22		**(1,061,117)**		(769,449)
SHAREHOLDERS' FUNDS	24		**3,820,310**		4,034,478
Company's (loss)/profit for the financial year			**(214,168)**		625,767

The financial statements were approved by the Board of Directors and authorised for issue on 8 September 2021 and were signed on its behalf by:

J K McTaggart - Director

D P White - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity

For The Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Fair value reserve £	Total equity £
BALANCE AT 1 APRIL 2019	180,611	(598,343)	3,412,297	313,333	3,307,898
Changes in equity					
Profit for the year	-	625,768	-	-	625,768
Total comprehensive income	-	625,768	-	-	625,768
Issue of share capital	7,143	-	92,857	-	100,000
Transfer of non-distributable income	-	(797,686)	-	797,686	-
BALANCE AT 31 MARCH 2020	187,754	(770,261)	3,505,154	1,111,019	4,033,666
Changes in equity					
Deficit for the year	-	(214,169)	-	-	(214,169)
Total comprehensive income	-	(214,169)	-	-	(214,169)
Transfer of non-distributable income	-	(77,500)	-	77,500	-
BALANCE AT 31 MARCH 2021	187,754	(1,061,930)	3,505,154	1,188,519	3,819,497

The notes form part of these financial statements

Company Statement of Changes in Equity

For The Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Fair value reserve £	Total equity £
BALANCE AT 1 APRIL 2019	180,611	(597,530)	3,412,297	313,333	3,308,711
Changes in equity					
Profit for the year	-	625,767	-	-	625,767
Total comprehensive income	-	625,767	-	-	625,767
Issue of share capital	7,143	-	92,857	-	100,000
Transfer of non-distributable income	-	(797,686)	-	797,686	-
BALANCE AT 31 MARCH 2020	187,754	(769,449)	3,505,154	1,111,019	4,034,478
Changes in equity					
Deficit for the year	-	(214,168)	-	-	(214,168)
Total comprehensive income	-	(214,168)	-	-	(214,168)
Transfer of non-distributable income	-	(77,500)	-	77,500	-
BALANCE AT 31 MARCH 2021	187,754	(1,061,117)	3,505,154	1,188,519	3,820,310

The notes form part of these financial statements

Consolidated Statement of Cash Flows

For The Year Ended 31 March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	**(110,612)**	(148,459)
Interest paid		**(6,364)**	(21,226)
Net cash from operating activities		**(116,976)**	(169,685)
Cash flows from investing activities			
Purchase of investment property		**-**	(657,314)
Sale of investment property		**1,316,000**	-
Interest received		**27**	350
Net cash from investing activities		**1,316,027**	(656,964)
Cash flows from financing activities			
New loans in year		**30,000**	600,000
Loan repayments in year		**(600,000)**	-
Share issue		**-**	7,143
Share premium paid		**-**	92,857
Net cash from financing activities		**(570,000)**	700,000
Increase/(decrease) in cash and cash equivalents		**629,051**	(126,649)
Cash and cash equivalents at beginning of year	2	**22,306**	148,955
Cash and cash equivalents at end of year	2	**651,357**	22,306

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows

For The Year Ended 31 March 2021

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

	2021	2020
	£	£
(Loss)/profit before taxation	(214,169)	625,835
Depreciation charges	631	631
Loss on disposal of fixed assets	59,000	-
Loss/(gain) on revaluation of fixed assets	35,000	(797,686)
Gain on bargain purchase	-	1
Finance costs	6,364	21,226
Finance income	(27)	(350)
	(113,201)	(150,343)
Decrease/(increase) in trade and other debtors	1,068	(126)
Increase in trade and other creditors	1,521	2,010
Cash generated from operations	(110,612)	(148,459)

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 2021

	31/3/21	1/4/20
	£	£
Cash and cash equivalents	651,357	22,306

YEAR ENDED 31 MARCH 2020

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

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

	At 1/4/20	Cash flow	At 31/3/21
	£	£	£
NET CASH			
Cash at bank	22,306	629,051	651,357
	22,306	629,051	651,357
DEBT			
Debts falling due within 1 year	-	(5,000)	(5,000)
Debts falling due after 1 year	(600,000)	575,000	(25,000)
	(600,000)	570,000	(30,000)
TOTAL	(577,694)	1,199,051	621,357

The notes form part of these financial statements

Notes to the Consolidated Financial Statements

For The Year Ended 31 March 2021

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 subsidiaries. Subsidiaries acquired during the year are consolidated using the purchase method. All financial statements are made up to 31 March 2021.

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 £214,169 loss (2020: profit £625,835).

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

Government grants

Grants relating to revenue are recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

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.

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

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

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 its final PRS property is currently on the market for sale and will raise more working capital. 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 2021. 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. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are those relating to the fair value of investment properties which are revalued annually by the directors having taken advice from the Group's independent external valuers.

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

4. TURNOVER

The turnover and loss (2020 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2021	2020
	£	£
UK Property income	**148,420**	138,036
	148,420	138,036

5. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	**108,000**	108,000
Social security costs	**7,375**	8,405
	115,375	116,405

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

	2021	2020
	£	£
Management	**3**	3

	2021	2020
	£	£
Directors' remuneration	**108,000**	108,000

6. OPERATING (LOSS)/PROFIT

The operating loss (2020 - operating profit) is stated after charging:

	2021	2020
	£	£
Depreciation - owned assets	**631**	632
Loss on disposal of fixed assets	**59,000**	-
Auditors' remuneration	**14,000**	14,358

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Bank loan interest	**6,264**	21,226
HMRC penalties	**100**	-
	6,364	21,226

8. TAXATION

Analysis of the tax charge

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

	2021 £	2020 £
Current tax:		
UK corporation tax	-	67
Tax on profit/(loss)	-	67

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.

	Earnings £	2021 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	**(214,169)**	**3,755,086**	**-5.70**
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	**(214,169)**	**3,755,086**	**-5.70**

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

10. EARNINGS PER SHARE - Continued

	Earnings £	2020 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	625,768	3,696,928	16.93
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	625,768	3,696,928	16.93

11. TANGIBLE FIXED ASSETS

Group	**Fixtures and fittings £**	**Computer equipment £**	**Totals £**
Cost			
At 1 April 2020 and 31 March 2021	**70**	**1,824**	**1,894**
Deprecation			
At 1 April 2020	**47**	**1,216**	**1,263**
Charge for year	**23**	**608**	**631**
At 31 March 2021	**70**	**1,824**	**1,894**
Net book value			
At 31 March 2021	**-**	**-**	**-**
At 31 March 2020	23	608	631

Company	**Fixtures and fittings £**	**Computer equipment £**	**Totals £**
Cost			
At 1 April 2020 and 31 March 2021	**70**	**1,824**	**1,894**
Deprecation			
At 1 April 2020	**47**	**1,216**	**1,263**
Charge for year	**23**	**608**	**631**
At 31 March 2021	**70**	**1,824**	**1,894**
Net book value			
At 31 March 2021	**-**	**-**	**-**
At 31 March 2020	23	608	631

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

12. FIXED ASSET INVESTMENTS

Company	**Unlisted investments £**
Cost	
At 1 April 2020 and 31 March 2021	**200**
Net book value	
At 31 March 2021	**200**
At 31 March 2020	200

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:	% holding
Ordinary	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:	% holding
Ordinary	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:	% holding
Ordinary	100.00

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

13. INVESTMENT PROPERTY

Group	Total £
Fair value	
At 1 April 2020	**4,625,000**
Disposals	**(1,375,000)**
Revaluations	**(35,000)**
At 31 March 2021	**3,215,000**
Net book value	
At 31 March 2021	**3,215,000**
At 31 March 2020	4,625,000

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 2021. The valuations were undertaken in accordance with the requirements of FRS 102 and the RICS Valuation - Global Standards.

In the year there was a decrease in the fair value by £35,000.

The original cost of the properties at the year end was £2,026,481.

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2021	**1,188,519**
Cost	**2,026,48**
	3,215,000

Company	Total £
Fair value	
At 1 April 2020	**4,625,000**
Disposals	**(1,375,000)**
Revaluations	**(35,000)**
At 31 March 2021	**3,215,000**
Net book value	
At 31 March 2021	**3,215,000**
At 31 March 2020	4,625,000

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

13. INVESTMENT PROPERTY - Continued

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2021	**1,188,519**
Cost	**2,026,481**
	3,215,000

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Other debtors	**757**	3,335	**536**	3,114
Amounts due from group company	**1,314**	-	**1,314**	1,314
Prepayments	**1,350**	1,154	**1,350**	1,154
	3,421	4,489	**3,200**	5,582

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Bank loans and overdrafts (see note 17)	**5,000**	-	**5,000**	-
Tax	**166**	166	**166**	166
Other creditors	**8**	9	**-**	-
Amounts due to group companys	**1,314**	-	**-**	-
Accrued expenses	**18,793**	18,585	**18,793**	18,586
	25,281	18,760	**23,959**	18,752

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

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

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Bank loans (see note 17)	**25,000**	-	**25,000**	-
Other loans (see note 17)	**-**	600,000	**-**	600,000
	25,000	600,000	**25,000**	600,000

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2021	2020	**2021**	2020
	£	£	**£**	£
Amounts falling due between one and two years: Bank loans	**5,000**	-	**5,000**	-
Amounts falling due between one and two years: Bank loans - 1-2 years	**5,000**	-	**5,000**	-
Amounts falling due between two and five years: Bank loans - 2-5 years	**15,000**	-	**15,000**	-
Amounts falling due in more than five years: Repayable by instalments Bank loans repayable after more than five years	**5,000**	-	**5,000**	-
Other loans more 5yrs instal	**-**	600,000	**-**	600,000
	5,000	600,000	**5,000**	600,000

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Company	**Non-cancellable operating leases**	
	2021	2020
	£	£
Within one year	**3,730**	6,199

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		**Company**	
	2021	2020	**2021**	2020
	£	£	**£**	£
Other loans	-	600,000	-	600,000

A fixed charge over real properties in the business.

20. FINANCIAL INSTRUMENTS

Group	**2021**	2020
	£	£
Carrying amount of financial instruments		
Debt instruments measured at amortised cost	**857**	3,335
Carrying amount of financial liabilities		
Measured at amortised cost	**18,794**	18,586

Company	**2021**	2020
	£	£
Carrying amount of financial instruments		
Debt instruments measured at amortised cost	**536**	3,114
Carrying amount of financial liabilities		
Measured at amortised cost	**18,794**	18,586

The notes form part of these financial statements

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
3,755,086	Ordinary Shares	5p	187,754	187,754

22. RESERVES

Group	Retained earnings £	Share premium £	Fair value reserve £	Totals £
At 1 April 2020	(770,261)	3,505,154	1,111,019	3,845,912
Deficit for the year	(214,169)			(214,169)
Fair value reserve transfer	(77,500)	-	77,500	-
At 31 March 2021	(1,061,930)	3,505,154	1,188,519	3,631,743

Company	Retained earnings £	Share premium £	Fair value reserve £	Totals £
At 1 April 2020	(769,449)	3,505,154	1,111,019	3,846,724
Deficit for the year	(214,168)			(214,168)
Fair value reserve transfer	(77,500)	-	77,500	-
At 31 March 2021	(1,061,117)	3,505,154	1,188,519	3,632,556

23. RELATED PARTY DISCLOSURES

During the year, the group made payments of £2,587 (2020: £5,276) 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.

There were payments made of £7,446 included in cost of sales as pass through costs paid to Wigmore Jones Limited. There were other payments made to Wigmore Jones Limited of £7,872 in fees for the sale of Durnsford Road and £9,900 for the sale of Elsenham Street.

Once private rental properties are sold there will be no ongoing cost commitment with Wigmore Jones Limited.

Notes to the Consolidated Financial Statements - continued

For The Year Ended 31 March 2021

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	**2021**	2020
	£	£
(Loss)/profit for the financial year	**(214,169)**	625,768
Cost of shares issued	-	7,143
Premium on shares issued	-	92,857
Net (reduction)/addition to shareholders' funds	**(214,169)**	725,768
Opening shareholders' funds	**4,033,666**	3,307,898
Closing shareholders' funds	**3,819,497**	4,033,666

Company	**2021**	2020
	£	£
(Loss)/profit for the financial year	**(214,168)**	625,767
Cost of shares issued	-	7,143
Premium on shares issued	-	92,857
Net (reduction)/addition to shareholders' funds	**(214,168)**	725,767
Opening shareholders' funds	**4,034,478**	3,308,711
Closing shareholders' funds	**3,820,310**	4,034,478

The notes form part of these financial statements

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