Company Registration No. SC630021 (Scotland)

We Are Pawprint Limited

Unaudited financial statements
for the period ended 31 May 2020

Pages for filing with the Registrar

We Are Pawprint Limited

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We Are Pawprint Limited

Directors' report
For the period ended 31 May 2020

The directors present their annual report and financial statements for period from incorporation on 10 May 2019 to 31 May 2020.

Principal activities
Pawprint's mission is empowering people to fight climate change at home, at work and beyond. It does this by building software to allow people to measure, understand and reduce their carbon footprint. Pawprint's software allows businesses to engage their employees on sustainability through support with personal and business carbon footprint reduction. It also fosters that engagement by allowing employees to share their ideas as to how the business can accelerate the move to a lower carbon future; by sharing information with its employees about its efforts to be more environmentally friendly; and by asking how ready they are, and how well equipped they are, to make the changes needed.

Review of business
Pawprint's first year to end May 2020 involved a good degree of fundraising, research and development and some hiring.

Fundraising
The company raised £580k from 50 Angel investors in late 2019 to develop its 'eco companion' concept. The investors are successful well known entrepreneurs, corporate executives and professional investors investing in a personal capacity. At the financial year end Pawprint was in the process of completing a crowdfunding exercise which added a further £282k funds post year end. This both raised the company's profile and attracted further top new investors. It also helped the company build a community of over 1000 smaller investors who would help shape the product and, in time it was hoped, help find commercial opportunities.

Research and development
Pawprint contracted with leading carbon footprint expert, Mike Berners-Lee, author of "How Bad Are Bananas?" and "There's No Planet B", through his company Small World Consulting for the first time. Mr Berners-Lee and his team supported the team to better understand carbon footprint numbers and how they could build a calculator underpinning users' carbon footprints (or Pawprints, as we call them) and the associated challenges to reduce them.

Pawprint contracted with software development house Verse to build the initial product before switching to an in-house team.

Tom Sermon joined to advise the team on behavioural change and share learnings from his experience building Global Corporate Challenge (later Virgin Pulse), a behavioural change platform sold to businesses and focused on helping individuals become healthier.

Hiring
Pawprint hired a handful of people to support:
- Development of its application
- Marketing of its proposition
- Creation of content for its application and online
- Finance and general administration

The company received a lot of external support, both financial and otherwise, during the year and it was clear a lot of people wanted it to succeed.

Aims

Pawprint's aim for the shortened financial year to come to end 2020 are as follows:
- Launch its first consumer product, and make it as engaging as possible
- Attract Pioneer businesses ready to commit to rolling its business product out with their employee base
- Maximise collective carbon footprint reduction

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Christian Arno	(Appointed 10 May 2019)
Ross Macnay	(Appointed 20 December 2019)
Mark McCafferty	(Appointed 20 December 2019)
T A Sermon	(Appointed 20 December 2019 and resigned 30 September 2020)

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Christian Arno
Director

26 March 2021

We Are Pawprint Limited

Chartered accountants' report to the Board of Directors on the preparation of the unaudited statutory financial statements of We Are Pawprint Limited for the period ended 31 May 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of We Are Pawprint Limited for the period ended 31 May 2020 set out on pages to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of We Are Pawprint Limited, as a body, in accordance with the terms of our engagement letter dated 14 September 2020. Our work has been undertaken solely to prepare for your approval the financial statements of We Are Pawprint Limited and state those matters that we have agreed to state to the Board of Directors of We Are Pawprint Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than We Are Pawprint Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that We Are Pawprint Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of We Are Pawprint Limited. You consider that We Are Pawprint Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the financial statements of We Are Pawprint Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Saffery Champness LLP

14 April 2021

Chartered Accountants

Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9BA

We Are Pawprint Limited

Statement of financial position
As at 31 May 2020

	Notes	2020 £	£
Fixed assets			
Tangible assets	**3**		1,756
Current assets			
Debtors	**4**	81,826	
Cash at bank and in hand		366,181	
		448,007	
Creditors: amounts falling due within one year	**5**	(200,560)	
Net current assets			247,447
Total assets less current liabilities			249,203
Capital and reserves			
Called up share capital	**6**		13
Share premium account			579,987
Profit and loss reserves			(330,797)
Total equity			249,203

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial period ended 31 May 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 26 March 2021 and are signed on its behalf by:

Christian Arno
Director
Company Registration No. SC630021

1 Accounting policies

Company information

We Are Pawprint Limited is a private company limited by shares incorporated in Scotland. The registered office is We Work 80, George Street, Edinburgh, EH2 3BU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Reporting period

These accounts cover the period 10 May 2019 to 31 May 2020. A longer period has been reported as these are the first financial statements prepared since incorporation.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.4 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

I.T. equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (continued)

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1 Accounting policies (continued)

1.12 Going concern

The directors are aware of the cash burn which is as expected in the early stages of the company's business plan. However, they are of the view that the company is a going concern based on the cash held at the balance sheet date together with the fund raisings since the year end.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number
Total	7

3 Tangible fixed assets

	I.T. equipment £
Cost	
Additions	1,815
At 31 May 2020	1,815
Depreciation and impairment	
Depreciation charged in the period	59
At 31 May 2020	59
Carrying amount	
At 31 May 2020	1,756

4 Debtors

	2020 £
Amounts falling due within one year:	
Corporation tax recoverable	65,570
Other debtors	16,256
	81,826

5 Creditors: amounts falling due within one year

	2020 £
Trade creditors	50,741
Taxation and social security	5,584
Other creditors	144,235
	200,560

6 Called up share capital

	2020 £
Ordinary share capital	
Issued and fully paid	
129,000 Ordinary shares of £0.0001 each	13

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.