COMPANY REGISTRATION NUMBER: SC291616
CHARITY REGISTRATION NUMBER: SC036896

Day1 Limited

Company Limited by Guarantee

Financial Statements

31 December 2025

RITSONS
Chartered Accountants & Statutory Auditors
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Day1 Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2025

	Page
Trustees' annual report (incorporating the director's report)	1
Independent auditor's report to the members	8
Consolidated statement of financial activities (including income and expenditure account)	13
Company statement of financial activities (including income and expenditure account)	14
Consolidated and company statement of financial position	15
Consolidated statement of cash flows	16
Company statement of cash flows	17
Notes to the financial statements	18

Day1 Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2025

The trustees, who are also the directors for the purposes of company law, are pleased to present their annual report together with the consolidated financial statements of the charity, Day1 Limited and its subsidiary Inverness Kart Raceway Limited, (IKR), for the year ended 31 December 2025.

Reference and administrative details

Registered charity name	Day1 Limited
Charity registration number	SC036896
Company registration number	SC291616
Principal office and registered office	47 Island Bank Road Inverness IV2 4QT
The trustees	Mr R Murray (Resigned 3 January 2025) Mr E Ley-Wilson Ms J Gill (appointed 3 January 2025) Mr J Richards (appointed 7 January 2025) Mr D Chapman (appointed 16 January 2025)

Ms C Higgins was appointed on 16/3/26.

Company secretary	Ms J Gill
Chief executive and key management personnel	Mr C Henderson
Auditor	Ritsons Chartered Accountants & Statutory Auditors Forbes House 36 Huntly Street Inverness IV3 5PR
Bankers	Tridos Bank NV Deanery Road Bristol BS1 5AS
Solicitors	South Forrest 8 Ardross Terrace Inverness IV3 5NW

Structure, governance and management

The organisation is a charitable company limited by guarantee incorporated on the 12 October 2005 and has no share capital. The company was established under Memorandum of Association which established the objects and powers of the charitable company and is governed under it Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees
Under the terms of the Memorandum and Articles of Association the trustees are appointed at the Annual General Meeting. The minimum number of trustees is two.

Induction and training of new trustees
Trustees are encouraged to attend training courses relevant to their duties and responsibilities.

Objectives and activities

The objects of the charity are as follows:

- To help young people in the Highlands of Scotland and beyond without distinction particularly on the grounds of race, colour, religious beliefs sexuality, nationality, ethnic origin, gender, disability, age or responsibility for dependents through leisure time and educational activities, to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society by:
    i. Giving young people opportunities for enjoyable and constructive leisure time
    ii. Enabling young people to find new interests and to form effective relationships with other people; and encouraging them to organise and conduct these activities for themselves thus learning to accept and handle responsibility.
- To carry on any other activities which further any of the above objects.

Day1 aims to give young people (14 -17 years old), with otherwise limited opportunity and who are not achieving academically (i.e. tough social backgrounds), a way of providing a special one to one focus on them, to experience something different and to help them unlock their true potential. A specific aim is to move the Day1er towards full time employment.

Day1 will provide each young person with a unique year long befriending and mentoring support, the aim being to build their self-confidence and help them discover their own direction and interest. Mentors will be people from our local community who can show the Day1ers the way it can be done. Day1 will provide detailed quality training to all mentors.

The ideas behind Day1 have come about through the close involvement of young people. As well as having fun, Day1 will also offer each young person "windows" into a variety of work opportunities with the aim of helping discover a way into meaningful and hopefully long term employment.

Day1 Limited owns 100% of the ordinary share capital of Inverness Kart Raceway Limited. The aim of Inverness Kart Raceway is to provide entertainment activities to the public to generate funds to support the mentoring support provided by Day1 Limited's mentors.

Our Volunteers
Since the charity began we have trained 325 mentors to support the young individuals who have been referred to the mentoring programme we offer. Most volunteers have contacted Day1 to offer their services where they will receive training to prepare them before they are matched with an individual. The mentors will be matched with someone who has similar interests to ensure the potential for a successful relationship.

We are very grateful to the mentors who volunteer their time so generously as they are ensuring a positive future for these vulnerable young people.

Achievements and performance

At DAY1 our purpose is clear:

To inspire and motivate young people to achieve their potential.

We believe 'potential' is latent in everyone regardless of whether you come from a challenging or more privileged background. Those who join us at DAY1, more often from more challenging backgrounds than most, are full of qualities and abilities which, when unpacked, can lead to lives well lived. Our job at DAY1 is to help with that unpacking and provide opportunities for our young folk to shine.

Strategic decisions being taken at DAY1 go to the heart of calibrating all our decisions to this 'purpose'. and can be demonstrated with three highlights from the past year.

1. Growing our ambition - Land donation for a Centre of Learning.

We have a legal agreement on a donated site that will come into DAY1 ownership should planning approval be given. The site is adjacent to our social enterprise business, Inverness Kart Raceway. Having established the foundations for DAY1 training and identifying an increasing demand and appetite from young people, educators, parents and the private sector for an expansion in our training capabilities, DAY1 is pursuing a growth strategy that will help address this need. Building a Centre of Learning will allow us to double the number of young people who benefit from our Apprenticeship training within a range of Construction and Business Skills. Expanding our reach through these new frameworks goes directly to our purpose as described above by unlocking the potential of those who are struggling to thrive in a more formal educational setting. All of this is now more likely to happen thanks to the donation of a site on which to construct our centre. Further details are provided in this report.

2. Influencing beyond DAY1 itself - Two governments, one Motion and a Ministerial visit! Following an early day Motion from The UK Houses of Parliament, sponsored by MP Angus MacDonald, congratulating DAY1 on 20 years of service to the young people in the Highland community, DAY1 hosted a visit from Graeme Dey the Scottish Minister for Higher and Further Education. Bringing together several organisations who provide and/or serve the delivery of Foundation Apprenticeships across the Highlands, we took the opportunity to advocate for Government to expand Scotland's Apprenticeship offering. Details discussed included defining 'delivery', contract planning, funding and 'facing the future'. Stretching far beyond our normal operational context, DAY1 has confidently stepped onto the national stage to represent the voice and the needs of our young people.

3. Partnering with others - DAY1 as a 'Collaborative Youth Work Hub'

Working in partnership with Skills Development Scotland, Highlands and Islands Enterprise, Highland Council, Inverness Green freeport and the business sector, DAY1 has fired the starter gun to coordinate stakeholders who are most inclined to support our vision. Links with the business community reap the dual rewards of leveraging opportunity for young people and helping us create a legacy of delivery for the long term. Porex corporate sponsorship and the Bridge-to-Bridge event, both of which DAY1 is a a financial beneficiary of, are two good examples of the level of local interest in our ambition.

Beyond these highlights lie our everyday work of one-to-one mentoring, running Foundation Apprenticeships, Life skills courses and of course keeping our social enterprise Inverness Kart Raceway running smoothly. Alongside our newly articulated Purpose, Vision and Mission we also have a new website and a logo fit for the future. New team members have joined us too and I'm delighted to welcome Hollie, Cameron and Ross and three new Board members. They join us as we recover from the challenges of the fire in the neighbouring premises in the first part of this year and my congratulations go to the existing team whose energy and resilience has seen us emerge stronger for the experience.

In 2025, 15 young people completed their year-long group mentoring programme, 10 young people have since completed their one-to-one mentoring programme and 94 young people completed their Foundation Apprenticeship year, with another 100 enrolling in mid-2025. In 2025, 54 Primary 7 aged children completed our Personal development awards. In this year we have introduced a work experience programme in partnership with Highland Council and 8 young people have completed this. We have also enrolled 5 young people onto a year-long pilot wellbeing and personal development group programme. Once again, we have been a popular choice for young people to secure their first part-time job, with 12 young people joining our social enterprise business, Inverness Kart Raceway during 2025.

The team at DAY1 would like to thank this year the generosity of a single donor who is a friend of DAY1. His extremely kind donation has allowed us to embark on a complete review of our communications strategy and corporate rebrand, all of which can be found in our yearly report on our website. It is only when you go through an exercise like this do you realise how over-due it is.

So, it's been quite a year and refreshing our messaging, strengthening our team, seeking wise counsel, recovering from fire damage, building partnerships and pursuing our Centre of Learning have all kept us busy indeed. But when these day-to-day challenges loom large, I return every time to that all-important statement of 'purpose'. To see the young people on our courses mature and find their own purpose over time not only brings great joy but also the determination to do more.

Inverness Kart Raceway
The Trustees would like to acknowledge the hard work of the team at Inverness Kart Raceway for 2025. The fire in March 2025 that destroyed the building that was connected to IKR has provided many challenges and some opportunities. Forcing a closure to IKR for 10 weeks followed by a business recover period, the fire and subsequent replacement building build has required our staff to be adaptable, resilient, and innovative. Our loyal team have rallied round, with the best possible attitude to ensure no no long -term damage to our business model and the critical income stream that supports DAY1. Fast forward and we have improved facilities for our customers and staff that has highlighted the team's industry and commitment to both the business and the young people that we support through DAY1.

Financial review

At 31 December 2025, Day1 was in a net expenditure of £51,186 (2024 net income position of £8,964). The net expenditure for the unrestricted reserves for the charity amounted to £53,186 (2024 net income £8,964) and the net income for the restricted reserves totalled £2,000 (2024 – £nil).

The Balance Sheet is in a net asset position at the year end of £911,806 (2024 - £962,992) for Day1 Limited, being £127,000 (2024 - £125,000) restricted funds and £784,806(2024 – £837,992) unrestricted reserves.

At 31 December 2025 Inverness Kart Raceway made a profit of £56,655 (2024 loss of £6,599). Inverness Kart Raceway Ltd's balance sheet was in a net asset position at 31 December 2025 of £84,866 (2024 - £28,211).

Reserves Policy and going concern
Given the nature of the year-long commitment to our service offered including the DAY1 mentoring programme, life skills programme and Foundation Apprenticeship programme, our reserves policy accounts for the commitment to the young people on these programmes and as such must cover overheads for a full year of operations. This includes debt repayment, DAY1 operations and staff cost and staff costs for our social enterprise employees.

If Day1 is unable to generate sufficient funds to operate our core services, the provision of the service will be suspended to allow our employees to concentrate on securing future funding.

The reserves that will be set aside to provide financial stability and the means for the development of our activities and the funding thereof will be the sum of £400,000. This figure is approximately equal to 12 months of funding for all our staff plus DAY1 overheads and full debt repayment and will cover the continuation of our service to conclusion for current beneficiaries.

The Board reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations every 12 months.

At 31 December 2025 the charity held unrestricted reserves of £784,806 (2024 - £837,992) of which £316,187 (2024 - £447,193) are invested in fixed assets. The consolidated unrestricted reserves amounted to £871,571 (2024 - £866,103) of which £1,326,913 (2024 - £1,422,847) are invested in fixed assets and £778,443 (2024 - £881,496) is tied up in loan and grant funding.

Risk Management

The trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties that the charity and its subsidiary Inverness Kart Raceway Limited face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Charity and its subsidiary company.

Attention has also been focussed on non-financial risks arising from fire, health and safety of staff and customers. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Pay policy for key management

The pay of senior management is reviewed annually and in relation to market rates within the charity and social enterprise sector. All pay reviews, including those related to senior management, are subject to approval by the full board.

Plans for Future Periods

Aspirations/long term plans.

Having established the foundations for DAY1 training from 2019 to 2024, last year we identified an increasing demand and appetite from young people, educators, parents and the private sector for an expansion in our training capabilities. Consequently, DAY1 is pursuing a growth strategy that will help address this need. Allowing us to more than double the number of young people who benefit from our training, from 100 to 250 per annum, DAY1 plans to build a centre of learning that will focus on on Construction and Business Skills.

Since committing to this vision, the past year has been about 1. Building partnerships with those who share our vision and 2. Introducing our vision to those who understand the potential for young people of the once in a generation opportunity from growth in the renewables sector.

Skills Development Scotland, Highland Council, and Highlands and Islands Enterprise are all very familiar with our work and outcomes and all continue to give us every encouragement to aim high, knowing how engaged the young people are in our methods and the success we bring to bare on preparing them for employment. In the past 12 months we have met with the CEOs of Skills development Scotland, Inverness and Cromarty Freeport and Highland Council. We have met heads of education and national leaders in in Government backed training delivery organisations. We have accepted the role as spokesperson for the Northern training provider cohort, and in this capacity have hosted a visit to the North by the Minister for Higher and Further education. For those that know us our message is clear - share that knowledge in a way that will help us leverage the kind of financial support needed to secure the build. For those that are new to us, find a way to voice your support. It is after all, about that necessary support being passed on to the younger generation.

Two good examples of successful profile building from the past 12 months:

1. During a meeting with Derek Brown, the Chief Executive of Highland Council, the subject of commercial partnership was raised by Derek. Overtly in support of our vision and proud of his own role in the formation of Foundation Apprenticeships, (his school ran the pilot when he was Head teacher), Derek's question was, who are our commercial partners. We explained how we had successfully reached out to several multinational renewables' infrastructure companies engaged in the Highlands. Derek pressed on on with the idea of linking with local housebuilding firms as this is where those young people on a construction training programme are likely to find employment. On the back of this suggestion, we now have letters of support from nine local house building companies, all of whom want work ready young people who know their mind, appreciate their own skillset and understand what being in employment means - all skills taught at DAY1.

2. Confident of the outcomes being achieved by those young people on DAY1 programmes and aware of proposed reform in education and the potential changes to the funding landscape, we felt it appropriate to seek an audience with the Minister for Education. Attracted by the high levels of attendance and attainment at DAY1, the Minister was keen to Learn about our methods. During the visit the minister expressed his opinion that in the next three years organisations like DAY1 would be able to secure a a greater number of placements, making the point that the government was in the business of contractually rewarding organisations that proved such value. He went further by saying that he saw a great possibility of our model being duplicated throughout Scotland. His parting suggestion was that we continue the conversation with his department and to ensure that the Funding Council are made equally aware of the high standards we set.

Key Development:

We are happy to report that DAY1 has secured a construction site, adjacent to Inverness Kart Raceway. Large enough for us to grow into in a modular fashion, the immediate target is to build phase one that will allow us to more than double our capacity to deliver Foundation Apprenticeship training. This donation will help to future proof our efforts for generations to come. Gifted by Fairways Leisure it is an excellent example of local businesspeople actively and generously supporting our work and vision.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

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

The trustees' annual report was approved on 25-Sept-26 and signed on behalf of the board of trustees by:

Ms J Gill
Trustee

Day1 Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Day1 Limited

Year ended 31 December 2025

Opinion

We have audited the financial statements of Day1 Limited (the 'parent company') and its subsidiary (the 'group') for the period ended 31 December 2025 which comprise the company's individual and consolidated statements of financial activities (including income and expenditure account), statements of financial position, statements 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 the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 group 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 trustees' 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 group and parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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 the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities and Trustees Investment (Scotland) Act 2005 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) 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 trustees 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 trustees 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 trustees 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

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:

As part of the audit planning process, the engagement partner and the engagement team obtained an understanding and discussed the legal and regulatory frameworks that are applicable, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company. The key laws and regulations we considered in this context included Companies Act 2006, Financial Report Standard 102 (FRS 102), Charities SORP (FRS 102), review of correspondence with OSCR, Scottish Charity legislation, employment and tax laws, health and safety and disclosure regulations.

The engagement partner and the engagement team discussed non-compliance with laws and regulations at the audit team planning meeting. The engagement partner made enquiries of management regarding their assessment of the likelihood of fraud or error or non-compliance with laws and regulations which could lead to material misstatements in the financial statements and whether they were aware of any instances of fraud or non-compliance. The engagement partner was satisfied that the engagement team had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations during the audit.

The engagement team also enquired of management as part of the audit, including obtaining and reviewing supporting documentation and reading minutes of meetings of those charged with governance. The engagement team did not identify any key audit matters relating to irregularities, including fraud.

Part of the engagement team's assessment of non-compliance with laws and regulations included a review of the risk of management override of controls. This was carried out by reviewing journals posted to the financial records, reviewing accounting estimates and significant transactions that are outside the normal course of business to identify any material misstatement which may be due to fraud.

The audit team also considered whether there could be fraudulent revenue recognition. This was carried out by reviewing the revenue recognition policies, testing of material revenue streams and testing cut off at the year end date.

The disclosures in the financial statements were reviewed and tested to supporting documentation to assess compliance with applicable laws and regulations. A Disclosure Check was carried out to confirm that the financial statements comply with current accounting requirements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose 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 trustees.

- Conclude on the appropriateness of the trustees' 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.

Day1 Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Day1 Limited

Year ended 31 December 2025

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Daniel Palombo, M.A (Hons)., C.A. (Senior Statutory Auditor)
For and on behalf of
Ritsons
Chartered Accountants & Statutory Auditors
Forbes House
36 Huntly Street
Inverness
IV3 5PR

25 September 2026

Ritsons is eligible for appointment as auditor of the charitable company under regulation 10(2) of the Charities Accounts (Scotland) Regulations by virtue of its eligibility under section 1212 of the Companies Act 2006.

Day1 Limited

Company Limited by Guarantee

Consolidated Statement of Financial Activities (including consolidated income and expenditure account)

Year ended December 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 **Total funds** £	2024 Total funds £
Income and endowments					
Donations and legacies	**5**	86,627	2,000	**88,627**	42,084
Charitable activities	**6**	210,197	–	**210,197**	225,906
Other trading activities	**7**	318,426	–	**318,426**	401,393
Investment income	**8**	13,652	–	**13,652**	15,899
Other income	**9**	204,310	–	**204,310**	54,840
Total income		833,212	2,000	**835,212**	740,122
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	**7,10**	414,988	–	**414,988**	432,597
Expenditure on charitable activities	**11, 12**	389,577	–	**389,577**	301,512
Taxation	**13**	25,179	–	**25,179**	3,648
Total expenditure		829,744	–	**829,744**	737,757
Net income/(expenditure)	**14**	3,468	2,000	**5,468**	(2,365)
Net losses on investments		–	–	–	–
Net movement in funds		3,468	2,000	**5,468**	(2,365)
Reconciliation of funds					
Total funds brought forward		866,103	125,000	**991,103**	863,738
Total funds carried forward		869,571	127,000	**996,571**	991,103

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Day1 Limited

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year ended 31 December 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 **Total funds** £	2024 Total funds £
Income and endowments					
Donations and legacies	**5**	86,627	2,000	**88,627**	42,084
Charitable activities	**6**	210,197	–	**210,197**	225,906
Investment income	**8**	19,568	–	**19,568**	21,946
Other income	**9**	20,000	–	**20,000**	20,542
Total income		336,392	2,000	**338,392**	310,478
Expenditure					
Expenditure on charitable activities	**11,12**	389,258	–	**389,258**	301,514
Other expenditure		320		**320**	
Total expenditure	**14**	389,578	–	**369,578**	301,514
Net losses on investments		–	–	–	–
Net income/(expenditure)		(53,186)	2,000	**(51,186)**	8,964
Reconciliation of funds					
Total funds brought forward		837,992	125,000	**962,992**	954,028
Total funds carried forward		784,806	127,000	**911,806**	962,992

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 18 to 38 form part of these financial statements.

Day1 Limited

Company Limited by Guarantee

Statement of Financial Position

31 December 2025

	Note	Group 2025	Group 2024	Charity 2025	Charity 2024
Fixed Assets					
Tangible Assets	17	**1,451,913**	1,547,846	**441,187**	447,193
Fixed Asset Investments	18	**-**	-	**100**	100
Total Fixed Assets		**1,451,913**	1,547,846	**441,287**	447,293
Current assets					
Stock	19	**6,952**	6,754	**-**	-
Debtors	20	**22,246**	31,119	**259,456**	290,825
Cash at bank and in hand		**479,365**	444,446	**342,338**	357,888
Total Current Assets		**508,563**	482,319	**601,794**	648,713
Current Liabilities					
Creditors falling due within one year	21	**251,957**	240,377	**32,066**	27,531
Net Current Assets		**256,606**	241,942	**569,728**	621,182
Total Assets less Current Liabilities		**1,709,519**	1,789,788	**1,011,015**	1,068,475
Creditors: amounts falling due after more than one year	22	**680,654**	779,925	**99,209**	105,483
Provisions					
Taxation including deferred tax	24	**31,294**	18,760	**-**	-
Net Assets		**996,571**	991,103	**911,806**	962,992
Funds of the charity					
Unrestricted income funds	28	**869,571**	866,103	**784,806**	837,992
Restricted income funds	28	**127,000**	125,000	**127,000**	125,000
Total Charity funds		**996,571**	991,103	**911,806**	962,992

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

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

These financial statements were approved by the board of trustees and authorised for issue on 25-Apr-26, and are signed on behalf of the board by:

Mrs J Gill
Trustee

Company Registration Number: SC291616

The notes on pages 18 to 38 form part of these financial statements.

Day1 Limited

Company Limited by Guarantee

Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Group 2025 £	Group 2024 £
Cash flows from operating activities		
Net income/(expenditure)	**5,468**	**(2,365)**
Adjustments for:		
Depreciation of tangible fixed assets	**102,527**	88,955
Government grant income	**(61,722)**	(49,112)
Net losses on investments		-
Dividends interest and rents from investment	**(8,709)**	(11,058)
Other interest receivable and similar income	**(13,652)**	(15,898)
Interest payable	**12,487**	18,131
Gain/ Loss on disposal of tangible assets	**(52,460)**	(1,395)
Tax on profit	**25,179**	3,648
Accrued (income)/expenses	**(2,321)**	(6,529)
Changes in:		
Stocks	**(198)**	1,691
Trade and other debtors	**8,873**	(13,612)
Trade and other creditors	**(42,340)**	244,832
Cash generated from operations	**(26,868)**	275,076
Interest paid	**(12,487)**	(18,131)
Tax paid	**(12,645)**	(4,472)
Net cash from operating activities	**(52,000)**	252,473
Cash flows from investing activities		
Dividends, interest and rents from investments	**22,361**	26,957
Purchase of tangible assets	**(13,201)**	(326,317)
Proceeds from sale of tangible assets	**59,067**	11,658
Net cash used in investing activities	**68,227**	(287,702)
Cash flows from financing activities		
Proceeds from borrowings	**(43,030)**	(38,596)
Government grant income	**61,722**	49,112
Net cash used in investing activities	**18,692**	(10,516)
Net increase/(decrease) in cash and cash equivalents	**34,919**	(24,713)
Cash and cash equivalents at beginning of year	**444,446**	469,159
Cash and cash equivalents at end of year	**479,365**	444,446

The notes on pages 18 to 38 form part of these financial statements.

Day1 Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2025

	Charity 2025 £	Charity 2024 £
Cash flows from operating activities		
Net income/(expenditure)	**(51,186)**	8,964
Adjustments for:		
Depreciation of tangible fixed assets	**15,655**	16,347
Net losses on investments		–
Dividends interest and rents from investments	**(4,944)**	(4,840)
Other interest receivable and similar income	**(14,624)**	(17,105)
Interest payable	**7,307**	9,257
Gain/ Loss on disposal of tangible assets	**320**	(513)
Accrued (income)/expenses	**64**	(5,366)
Changes in:		
Trade and other debtors	**25,242**	(14,967)
Trade and other creditors	**(3,803)**	(15,566)
Cash generated from operations	**(25,969)**	(23,789)
Interest paid	**(7,307)**	(9,256)
Interest received	**20,751**	17,783
Net cash from operating activities	(12,525)	(15,262)
Cash flows from investing activities		
Dividends, interest and rents from investments	**4,944**	4,840
Purchase of tangible assets	**(12,369)**	(6,218)
Proceeds from sale of tangible assets	**2,400**	3,250
Net cash used in investing activities	**(5,025)**	1,872
Cash flows from financing activities		
Proceeds from borrowings	**2,000**	(3,124)
Net cash used in investing activities	**2,000**	(3,124)
Net increase/(decrease) in cash and cash equivalents	**(15,550)**	(16,514)
Cash and cash equivalents at beginning of year	**357,888**	374,402
Cash and cash equivalents at end of year	**342,338**	357,888

The notes on pages 18 to 38 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 47 Island Bank Road, Inverness, IV2 4QT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

Due to the level of reserves and secured funding there are no material uncertainties about the charity's ability to continue.

Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary Inverness Kart Raceway Ltd, a private company limited by shares and registered in Scotland with the company registration number SC375740. The address of the registered office and principal place of business is Fairways Business Park, Sir Walter Scott Drive, Inverness, IV2 6AA, United Kingdom.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Useful economic lives and residual values of tangible assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect the current estimates. See note 18 for the carrying amount of the property, plant and equipment and below for the depreciation accounting policy for the useful economic lives for each class of assets.

3. **Accounting policies** *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

See note 28 for details on the charity's funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- interest on deposit funds and loans granted is included when receivable and the amount can be measured reliably.

Commercial Trading Operations

Turnover within Inverness Kart Raceway Ltd is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Operating leases are recognised over the period of which the lease falls due.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

3. Accounting policies *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	2% straight line
Leasehold Property	over the lease term
Motor vehicles	25% straight line
Plant and Machinery	10% - 20% straight line
Fixtures fittings & equipment	10% - 25% straight line

Land is not depreciated.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government Grants

Government Grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government Grants are recognised using the accrual model and the performance model.

3. Accounting policies *(continued)*

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions to the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is an contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

3. Accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents are recognised at cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Day1 Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

Group and Charity	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Donations			
Other donations	86,627	–	**86,627**
Grants			
Green Freeport Capacity Fund Group	-	2,000	**2,000**
	86,627	2,000	**88,627**

Group	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Other donations	42,084	–	42,084

Charity	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Other donations	42,084	–	**42,084**
Grants			
Green Freeport Capacity Fund Group	-	-	**-**
	42,084	-	**42,084**

6. Charitable activities

Group and charity

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Skills Development Scotland	210,197	**210,197**	225,906	225,906

7. Income earned from other trading activities

Day1 Limited owns 100% of the ordinary shares in Inverness Kart Raceway Limited, the trading subsidiary is registered in Scotland (company number SC375740). The address of the registered office and principal place of business is Fairways Business Park, Sir Walter Scott Drive, Inverness, IV2 6AA. The company has been established with the intention of paying all of its profits to the charity under the gift aid scheme. Inverness Kart Raceway Limited's year end is 31 December 2025. Inverness Kart Raceway Limited operates an Indoor Karting Raceway, a summary of the trading results are detailed below:

The summary financial performance of the subsidiary alone is:

	31 Dec 2025	31 Dec 2024
	£	£
Turnover	318,426	401,393
Cost of sales and administration costs	(377,027)	(442,838)
Other Operating Income	151,530	53,415
Interest Payable	(11,095)	(14,921)
Net Profit/(loss)	**81,834**	(2,951)
Tax on profit	(25,179)	(3,648)
Amount gift aided to the charity	-	-
Retained in Subsidiary	**56,655**	(6,599)
The assets and liabilities of the subsidiary were:		
Fixed Assets	1,010,725	1,100,653
Current Assets	164,732	110,056
Current Liabilities	(255,423)	(278,549)
Long Term Liabilities	(803,874)	(885,189)
Provisions	(31,294)	(18,760)
Total Net Liabilities	**84,866**	28,211
Aggregate share capital and reserves	**84,866**	28,211

Per the above, cost of sales, administration costs and interest payable costs amount to £388,123 (2024 - £457,759) after consolidation adjustments are £362,208 (2024 - £431,712).

8. Investment income

Group

	Unrestricted Funds	**Total Funds 2025**	Unrestricted Funds	Total Funds 2024
	£	**£**	£	£
Commission from sfG Mentornet	4,943	**4,943**	4,840	4,480
Bank interest receivable	8,709	**9,709**	11,059	11,059
	13,652	**13,652**	15,899	15,899

Charity

	Unrestricted Funds	**Total Funds 2025**	Unrestricted Funds	Total Funds 2024
	£	**£**	£	£
Commission from sfG Mentornet	4,944	**4,944**	4,840	4,840
Bank interest receivable	8,709	**8,709**	11,059	11,059
Other interest receivable	5,915	**5,915**	6,047	6,047
	19,568	**19,568**	21,946	21,946

9. Other income

Group

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Other income	204,310	**204,310**	54,840	54,840

Charity

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Gain on disposal of tangible fixed assets held for charity's own use	-	-	513	513
Other income	-	-	29	29
Rental income	20,000	**20,000**	20,000	20,000
	20,000	**20,000**	20,542	20,542

10. Costs of other trading activities

Group

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Commercial Trading Operations	414,988	**414,988**	432,597	432,597

11. Expenditure on charitable activities by fund type

Group

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
General Operations	389,577	–	**389,577**

Charity

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
General Operations	389,258	–	**389,258**

Group

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
General Operations	301,512	–	301,512

11. Expenditure on charitable activities by fund type *(continued)*

Charity

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
General Operations	301,514	–	301,514

12. Expenditure on charitable activities by activity type

Group

	Activities undertaken directly £	**Total funds 2025 £**	Total fund 2024 £
General Operations	389,577	**389,577**	301,512

Charity

	Activities undertaken directly £	**Total funds 2024 £**	Total fund 2024 £
General Operations	389,258	**389,258**	301,514

13. Taxation

Group

Major components of tax expense

	2025 £	2024 £
Current tax:		
UK current tax expense	**12,645**	-
Deferred tax:		
Origination and reversal of timing differences	**12,534**	3,648
Taxation	**25,179**	3,648

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2024: higher than) the standard rate of corporation tax in the UK of 19% (2024: 19%).

13. Taxation *(continued)*

	2025 £	2024 £
Profit on ordinary activities before taxation	**81,833**	(2,951)
Profit on ordinary activities by rate of tax	**18,885**	(561)
Effect of expenses not deductible for tax purposes	**(26,993)**	(9,015)
Effect of capital allowances and depreciation	**20,753**	7,591
Unused tax losses	**-**	1,985
Origination and reversal of timing differences	**12,534**	3,648
Tax on profit	**25,179**	3,648

14. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Depreciation	**102,527**	88,955	**15,655**	16,348
Interest payable on bank loans and overdrafts	**4,807**	8,875	**-**	–
Interest payable on other loans	**5,180**	9,256	**5,915**	8,556
Accountancy and audit fees				
- audit of the financial statements	**16,822**	16,838	**12,822**	12,838
- other non-audit services	**14,112**	11,484	**12,112**	9,484

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Salaries and Wages	**415,425**	393,287	**229,202**	173,729
Social Security Costs	**28,183**	18,517	**27,851**	17,175
Employer contributions to pension plans	**13,661**	11,689	**11,770**	9,004
	457,269	423,493	**268,823**	199,908

15. Staff costs *(continued)*

The average head count of employees during the year for the group was 20 (2024 – 20) and for the charity was 7 (2024 - 6). The average number of full-time equivalent employees during the year is analysed as follows:

	Group 2025	Group 2024	**Charity 2025**	Charity 2024
Number of Staff	**18**	17	**6**	5

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

Key Management Personnel

Day 1 Ltd

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel was:-

	2025	2024
	£	£
Salaries and Wages	**49,440**	49,440
Social Security Costs	**6,391**	5,568
Employer contributions to pension plans	**6,948**	5,147
	62,779	60,155

Inverness Kart Raceway Ltd

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the wholly owned subsidiary, Inverness Kart Raceway. The total compensation paid to key management personnel of Inverness Kart Raceway was £8,587 (2024 - £24,229).

	2025	2024
	£	£
Salaries and Wages	**8,383**	22,538
Social Security Costs	**-**	3,342
Employer contributions to pension plans	**204**	349
	8,587	24,229

16. Trustee remuneration and expenses

No trustees have been paid remuneration or received other benefits from employment with the charity or a related entity.

No trustees or other persons related to the charity had any personal interest to any contract or transaction entered into by the charity during the year.

17. Tangible fixed assets

Group

	Freehold and leasehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	**Total £**
Cost					
At 1 Jan 2025	1,424,491	426,396	88,786	26,596	**1,966,269**
Additions		9,270	1,631	2,300	**13,201**
Disposals	-	4,944	2,462	3,250	**10,656**
At 31 Dec 2025	1,424,491	430,722	87,955	25,646	**1,968,814**
Depreciation					
At 1 Jan 2025	239,830	90,880	71,347	16,366	**418,423**
Charge for the year	30,649	60,668	7,393	3,817	**102,527**
Disposals	-	1,851	1,385	813	**4,049**
At 31 Dec 2025	270,479	149,697	77,355	19,370	**516,901**
Carrying amount					
At 31 Dec 2025	1,154,012	281,025	10,600	6,276	**1,451,913**
At 31 Dec 2024	1,184,661	335,516	17,439	10,229	1,547,846

Included within Freehold and Leasehold land and buildings is land with a value of £201,050 (2024 - £201,050).

Charity

	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	**Total £**
Cost					
At 1 Jan 2025	437,690	11,653	27,392	26,596	**503,331**
Additions	–	9,270	799	2,300	**12,369**
Disposals	-	-	1,333	3,250	**4,583**
At 31 Dec 2025	437,690	20,923	26,838	25,646	**503,331**
Depreciation					
At 1 Jan 2025	13,016	6,060	20,696	16,366	**56,138**
Charge for the year	4,732	4,800	2,306	3,817	**15,655**
Disposals	-	-	1,051	812	**1,863**
At 31 Dec 2025	17,748	10,860	21,951	19,371	**69,930**
Carrying amount					
At 31 Dec 2025	419,942	10,063	4,907	6,275	**441,187**
At 31 Dec 2024	424,674	5,593	6,696	10,230	**447,193**

Included within land and buildings is land with a value of £201,050 (2024 - £201,050).

17. Tangible fixed assets *(continued)*

The carrying amount of land and buildings comprises:

	Group 2025	Group 2024	**Charity 2025**	Charity 2024
	£	£	**£**	£
Long leasehold	**734,071**	759,987	**-**	-
Freehold	**218,892**	223,625	**218,892**	223,625
	952,963	983,612	**218,892**	223,625

18. Fixed Asset Investments

Charity

	Other investments £
Cost or valuation	
At 1 January 2025	**100**
Additions	**–**
At 31 December 2025	**100**
Impairment	
At 1 January 2025 and 31 December 2025	**–**
Carrying amount	
At 31 December 2025	**100**
At 31 December 2024	100

The charity's investment comprises the investment in the subsidiary Inverness Kart Raceway Ltd and is stated at cost.

19. Stocks

Group

	2025	2024
	£	£
Consumables	**6,952**	6,754

20. Debtors

	Group 2025	Group 2024	**Charity 2025**	Charity 2024
	£	£	**£**	£
Trade debtors	**469**	-		4,000
Amounts owed by group undertakings	**-**	-	**249,398**	259,756
Prepayments and accrued income	**21,431**	19,523	**9,887**	15,647
Other debtors	**346**	11,596	**171**	11,422
	22,246	31,119	**259,456**	290,825

20. Debtors *(continued)*

Charity

The debtors above include the following amounts falling due after more than one year:

	2025	2024
	£	£
Amounts owed by group undertakings	**222,428**	210,747

21. Creditors: amounts falling due within one year

	Group	Group	**Charity**	Charity
	2025	2024	**2025**	2024
	£	£	**£**	£
Trade creditors	**19,674**	16,335	**74**	1,156
Amounts owed to group undertakings	**-**	-	**2,000**	-
Accruals and deferred income	**90,871**	90,834	**13,652**	13,587
Social security and other taxes	**29,864**	28,385	**8,957**	4,851
Other loans	**6,274**	5,650	**6,274**	5,650
Other creditors	**1,114**	3,252	**1,109**	2,287
Corporation tax	**12,645**	-	**-**	-
Grant	**60,023**	60,023	**-**	-
Bank loan	**31,492**	35,898	**-**	-
	251,957	240,377	**32,066**	27,531

Included in the bank loans is £27,082 (2024 - £25,494) which is secured by a first and floating charge over the property or undertaking of the company.

The other loans amounting to £6,274 (2024 - £5,650) are secured by a second charge over the assets of the company.

22. Creditors: amounts falling due after more than one year

Group	**2025**	2024
	£	£
Other loans	**99,209**	105,483
Grant	**537,207**	597,230
Bank loan	**44,238**	77,212
	680,654	779,925

Charity

	2025	2024
	£	£
Other loans	**99,209**	105,483

Included in the bank loans is £44,239 (2024 - £72,801) which is secured by a first and floating charge over the property or undertaking of the company.

22. Creditors: amounts falling due after more than one year *(continued)*

The other loans amounting to £99,209 (2024 - £105,483) are secured by a second charge over the assets of the company.

Included within creditors: amounts falling due after more than one year is an amount of £67,874 (2024 - £79,140) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The loans falling due after more than five years are repayable by instalments at a fixed rate of interest of 2.75% over the Bank of England base rate or 6%.

23. Deferred income

Deferred Income comprises of advanced rent in Day1 Ltd and advanced sales, advertising space and deferred grant in Inverness Kart Raceway Ltd.

	Group 2025	Charity 2025
	£	£
Balance at 1 January 2025	65,909	-
Amounts deferred in year	20,119	-
Amounts released to income	(17,760)	-
Balance as at 31 December 2025	68,268	-

	Group 2024	Charity 2024
	£	£
Balance at 1 April 2024	66,590	5,000
Amounts deferred in year	24,292	-
Amounts released to income	(24,973)	(5,000)
Balance as at 31 December 2024	65,909	-

24. Provisions

Group

	Deferred tax (note 25)
	£
At 1 January 2025	**18,760**
Charge against provision	**12,534**
At 31 December 2025	**31,294**

25. Deferred tax

The deferred tax included in the statement of financial position is as follows:

Group

	2025	2024
	£	£
Included in provisions	31,294	18,760

The deferred tax account consists of the tax effect of timing differences in respect of:

	2025	2024
	£	£
Origination and reversal of timing differences	31,294	18,760

26. Pensions and other post-retirement benefits

Defined contribution plans

Group

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £13,371 (2024 - £11,340). At the year end the outstanding pension payments amounted to £1,092 (2024 - £2,955).

Charity

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £11,770 (2024 - £9,004). At the year end the outstanding pension payments amounted to £1,092 (2024 - £2,270).

27. Government grants

Group

The amounts recognised in the financial statements for government grants are as follows:

	2025	2024
	£	£
Recognised in Other trading activities:		
Government grants income	**61,722**	49,112

28. Analysis of charitable funds

Unrestricted funds

Group

	At 1 Jan 2025	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2025**
	£	£	£	£	£	**£**
General funds	866,103	833,212	(829,744)	–	–	**869,571**

Charity	At 1 Jan 2025	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2025**
	£	£	£	£	£	£
General funds	837,992	336,392	(389,578)	–	–	784,806

Group	At 1 Apr 2024	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2024**
	£	£	£	£	£	**£**
General funds	863,738	740,122	(737,757)	–	–	866,103

Charity	At 1 Apr 2024	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2024**
	£	£	£	£	£	£
General funds	829,028	310,478	(301,154)	–	–	837,992

General funds

The General fund the unrestricted funds from past operating results. It also represents the free reserves of the charity.

Restricted funds

Group and charity

	At 1 Jan 2025	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2025**
	£	£	£	£	£	**£**
Social Investment Scotland	125,000	–	–	–	–	**125,000**
Green Freeport Capacity Fund Group	–	2,000	–	–		**2,000**
	125,000	2,000	–	–	–	127,000

	At 1 Apr 2024	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2024
	£	£	£	£	£	£
Social Investment Scotland	125,000	–	–	–	–	125,000
	125,000	–	–	–	–	125,000

28. Analysis of charitable funds *(continued)*

Social Investment Scotland
Towards construction of multi-use annex.

Green Freeport Capacity Fund Group
Grant funding towards the life Skills Programme

29. Analysis of net assets between funds

Group

	Unrestricted Funds £	Restricted Funds £	**Total Funds 31 Dec 25 £**
Tangible fixed assets	1,326,913	125,000	**1,451,913**
Current assets	506,563	2,000	**508,563**
Creditors less than 1 year	(251,957)	-	**(251,957)**
Long term liabilities	(680,654)	-	**(680,654)**
Provisions	(31,294)	-	**(31,294)**
Net assets	869,571	127,000	**996,571**

Charity

	Unrestricted Funds £	Restricted Funds £	**Total Funds 31 Dec 25 £**
Tangible fixed assets	316,187	125,000	**441,187**
Investments	100	-	**100**
Current assets	599,794	2,000	**601,794**
Creditors less than 1 year	(32,066)	-	**(32,068)**
Long term liabilities	(99,209)	-	**(99,209)**
Net assets	784,806	127,000	**911,806**

Group

	Unrestricted Funds £	Restricted Funds £	Total Funds 31 Dec 24 £
Tangible fixed assets	1,422,847	125,000	1,547,847
Current assets	482,319	-	482,319
Creditors less than 1 year	(240,378)	-	(240,378)
Long term liabilities	(779,925)	-	(779,925)
Provisions	(18,760)	-	(18,760)
Net assets	886,103	125,000	988,738

Charity	Unrestricted Funds £	Restricted Funds £	Total Funds 31 Dec 2024 £
Tangible fixed assets	322,192	125,000	447,192
Investments	100	-	100
Current assets	648,712	-	648,712
Creditors less than 1 year	(27,532)	-	(27,532)
Long term liabilities	(105,482)	-	(105,482)
Net assets	837,992	125,000	962,992

30. Operating leases

Charity

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	31 Dec 25	31 Dec 24
	£	£
Not later than 1 year	**20,000**	20,000
Later than 1 year and not later than 5 years	**80,000**	80,000
Later than 5 years	**475,001**	495,001
	575,001	595,001

The total rent recognised as income during the period amounted to £20,000 (2024 - £20,000).

31. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Group

	2025	2024
	£	£
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	**181,213**	224,242

Charity

	2025	2024
	£	£
Financial assets measured at amortised cost		
Financial assets measured at amortised cost	**249,398**	259,756
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	**105,483**	111,132

32. Analysis of changes in net debt

Group

	At 1 Jan 2025	Cash flows	**At 31 Dec 2025**
	£	£	**£**
Cash at bank and in hand	444.446	34,919	**479,365**
Debt due within one year	(41,548)	3,782	**(37,766)**
Debt due after one year	(182,695)	39,248	**(143,447)**
	220,203	77,949	**298,152**

32. Analysis of changes in net debt *(continued)*

Charity

	At 1 Jan 2025	Cash flows	**At 31 Dec 2025**
	£	£	**£**
Cash at bank and in hand	357,888	(15,550)	**342,338**
Debt due within one year	(5,650)	(2,624)	**(8,274)**
Debt due after one year	(105,483)	6,274	**(99,209)**
	246,755	(11,900)	**234,855**

Group

	At 1 Jan 2024	Cash flows	**At 31 Dec 2024**
	£	£	**£**
Cash at bank and in hand	469,159	(24,713)	**444,446**
Debt due within one year	(38,597)	(2,951)	**(41,548)**
Debt due after one year	(224,243)	41,548	**(182,695)**
	206,319	13,884	**220,203**

Charity

	At 1 Jan 2024	Cash flows	**At 31 Dec 2024**
	£	£	**£**
Cash at bank and in hand	374,402	(16,514)	**357,888**
Debt due within one year	(8,149)	2,499	**(5,650)**
Debt due after one year	(111,133)	5,650	**(105,483)**
	255,120	(8,365)	**246,755**

33. Charges on assets

A standard security in favour of HSBC UK Bank PLC was created on 6 August 2018 over the subjects at Fairways Leisure Park, Sir Walter Scott Drive, Balloan, Inverness.

A second standard security in favour of Social Growth Fund 2 LLP was created on 24 June 2021 over the subjects at Fairways Leisure Park, Sir Walter Scott Drive Balloan, Inverness.

34. Related parties

Group and charity

During the year the charity received commission income of £4,944 (2024 - £4,840) from sfG Software Ltd, a company in which one of the trustees is also a director.