Kanzen for Life Limited
(a company limited by guarantee)

Directors' report and financial statements for
for the year ended 31 December 2025

Company registration number: SC613655

Charity registration number: SC050587

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Contents

	Page
Directors, officials and advisors	1
Report of the directors	2-5
Auditor's report	6-9
Statement of financial activities incorporating income and expenditure account	10
Balance sheet	11
Cash flow statement	12
Notes to the financial statements	13-25

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Company information

Directors	Peter Stanton (Chair) Liam Reid (Vice Chair) Ashley Jane Leggatt (Secretary & Treasurer) Roy O'Kane (Chief Officer) Susan Muir Martin Gavin Henderson – appointed 17/04/2026
Registered office	Kanzen for Life Centre Unit 2 119 Clepington Road Dundee DD3 7NU
Auditor	Findlays Audit Limited 11 Dudhope Terrace Dundee DD3 6TS
Bank	Barclays 1 Churchill Place London E14 5HP
Solicitor	MML Law Meadowplace Building Bell Street Dundee DD1 1EJ
Company registration number	SC613655
Charity registration number	SC050587

Kanzen - accounts to 31.12.25.pdf [a38ea1ab-ee8b-4107-b499-1897f356b5fb] Page: 3 / 28

Report of the directors for the year ended 31 December 2025

The Directors, who are also the Trustees of the charity for the purposes of Charity Law, submit their annual report and the financial statements for the year ended 31 December 2025.

The company information set out on page 1 forms part of this report. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association of the company and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company is limited by guarantee and therefore governed by its Memorandum and Articles of Association. It is a registered charity. In the event of the charitable being wound up, the liability in respect of the guarantee is limited to £1 per member.

Directors

The Directors as at the date of this report are shown on page 1.

All office bearers shall cease to hold office at each AGM but shall then be eligible for re-election. The maximum directors at any one time will be 7.

Recruitment and appointment of directors

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Induction and training of new directors

New directors undergo orientation to brief them on their legal obligations under charity and company law, the content of the Articles of Association, the structure and decision making process of Board meetings and the financial performance of the charitable company.

SCVO provides SCOPE training to all new directors.

Key management personnel

The Directors consider the Board of Directors as comprising the key management personnel of the charitable company in charge of directing and controlling the charitable company and running and operating the charitable company on a day to day basis. All Directors give of their time freely.

Directors are required to disclose all relevant interests and register them with the Board and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

During the year two (2024: two) directors were employed by the charitable company as coaches, as disclosed in Note 9.

Related parties

During the year there were related party transactions which are disclosed in Note 17.

Objectives and activities

The objectives of the charitable company are:

The advancement of education and public participation in sport for those of all ages and from all backgrounds, through participation in sports, games, or any other physical activities which promote health and wellbeing via physical or mental skill or exertion.

The advancement of education by provision of learning opportunities and personal achievement for all participants, along with the continued professional development of staff and volunteers, and from liaison and engagement with the relevant education authorities where appropriate.

Achievements and Performance

2025 was a landmark year for Kanzen for Life, the charity firmly established itself as a leading community organisation using activity, wellbeing, education and leadership to build better lives and empower communities.

During the year, more than 2,000 people engaged with Kanzen for Life activities every week across Dundee, Angus, Fife and Perth and Kinross. Through our social enterprise model and charitable programmes, we supported children, young people, adults and older people to become more active, improve their wellbeing, develop confidence and leadership skills, and strengthen their connections within their communities.

Our work continued to grow across schools, communities and local partnerships. Programmes such as Kanzen Active Families, Kanzen Balanced Lives, Wellbeing through Activity, employability and leadership initiatives, and our expanding schools programme provided accessible opportunities for people of all ages. Working alongside local authorities, NHS partners, schools, universities and community organisations, we continued to focus on prevention by tackling inactivity, isolation, poor mental health and inequality before they become more significant challenges.

Alongside our charitable delivery, our social enterprise activities continued to grow. Income generated through activities was reinvested directly into our charitable objectives, creating a more sustainable organisation capable of supporting communities for the long term. We remain proud to operate as a social enterprise, recognising that every pound generated through our activities helps create opportunities for those who need them most.

A significant milestone during the year was the continued development of the Kanzen for Life Centre in Stobswell. Planning permission was secured, substantial capital funding was raised and work progressed towards transforming a former industrial building into a purpose built community hub. With work starting in 2026, the centre will provide high quality facilities for activity, wellbeing, education, employability and community connection, allowing thousands more people to benefit from our work every year.

The charity's impact and approach received increasing recognition throughout 2025. We won the People’s Choice Award at the Social Enterprise Scotland Awards and were winners of the Local Champion Award at the Living Wage Scotland Awards. We were also shortlisted in the Community section of The Courier Business Awards.

Our Charity Chief Officer was selected as one of Scotland's Changemakers through The Hunter Foundation, recognising our innovative approach to community development and prevention. We also continued to strengthen relationships with local and national partners who share our vision of creating healthier, more connected and resilient communities.

None of this would have been possible without the commitment of our staff, volunteers, trustees, partners and supporters. Together, they have helped create an organisation that combines community values with entrepreneurial thinking, ensuring we can continue to deliver lasting social impact for many years to come.

Financial review and reserves policy

The financial results of the company are set out in the financial statements. Unrestricted funds held at 31 December 2025 amounted to £185,407 (2024 - £115,984). Restricted funds held at 31 December 2025 amounted to £196,692 (2024 - £7,465). The reserves policy of the charitable company is to hold 6 months of annual operating costs, which equates to £262,764. These reserves are needed in the event of unexpected costs or reduced income. The Directors are actively addressing the reserves position with a view to meet the reserves policy.

Plans for future

The year ahead represents one of the most significant periods in the charity's history.

Our immediate priority is the completion and successful opening of the Kanzen for Life Centre in Dundee, creating a permanent home where people of all ages can access high quality opportunities to improve their physical health, mental wellbeing, confidence and life chances. The centre will significantly increase our capacity, allowing us to reach thousands more people each year while providing a sustainable base for future growth.

Alongside the centre, we will continue expanding our programmes across education, wellbeing, employability and community development. We will strengthen our partnerships with schools, NHS services, local authorities and the voluntary sector, ensuring our work complements wider strategies to reduce inequalities and improve health outcomes.

We will continue investing in our social enterprise model, recognising that generating income through high quality services enables us to reinvest in communities and reduce long term reliance on grant funding. This approach provides greater resilience while allowing us to respond quickly to local need.

As we look ahead, our ambition remains clear: to build better lives and empower communities through activity, wellbeing, education and leadership. We remain committed to creating opportunities for people to thrive, supporting stronger communities and ensuring Kanzen for Life continues to make a lasting difference across Scotland.

Risk Management

The principal risk faced by the charity lies in its ability to continue to secure appropriate funding to enable it to carry out its ongoing operations. The ongoing financial position is reviewed and discussed by directors at each meeting. This review process enables us to ensure we continue to only provide services where we have the financial ability to do so.

Statement of Directors' responsibilities

The Directors (who are also the Trustees of Kanzen for Life Limited for the purposes of charity law) are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;

- state whether applicable Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Memorandum and Articles of Association of the company. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies provision statement

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

The annual report was approved by the Directors of the charitable company on 29 September 2026 and signed on its behalf by:

Martin Henderson
Martin Henderson - 2026-09-30, 09:50:36 UTC

Martin Gavin Henderson
Director

Independent auditor's report to the Directors of Kanzen for Life Limited

Qualified opinion on financial statements

We have audited the financial statements of Kanzen for Life Limited (the charitable company) for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the financial statements:

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

Basis for qualified opinion

We were not appointed as auditor of the charitable company until after 31 December 2025 and thus did not observe the counting of the stock held at the year end. We were unable to satisfy ourselves by alternative means concerning stock quantities held at 31 December 2025, which are included in the balance sheet at £9,500, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

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 charity 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. Except for the possible effects of the matter above, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Directors' report for the financial year for which the financial statements are prepared, which includes the Directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors 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 Directors
As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable 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 the Acts and relevant regulations made or having effect thereunder.

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 below to detect material misstatement in respect of irregularities, including fraud.

The audit team has appropriate skills and expertise required and through discussions with management and trustees and knowledge of the sector to ensure any non-compliance is recognised and all necessary disclosures are made. The controls in place help the charity mitigate the risk of fraud and also aids them in highlighting any instances of fraud that might have occurred.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations including GDPR, employment law and fraud
- Review of correspondence with regulators including OSCR, Companies House and legal advisors
- Review of legal fees expenditure and board minutes
- Challenging assumptions and judgements made by management in their significant accounting estimates including the application of judgement-based accounting policies and the allocation of restricted expenses
- Auditing the risk of management override controls, including through testing of journal entries and other adjustments for appropriateness
- Performing analytical procedures to identify any unusual transactions.

Because of the field in which the charitable company operates, we identified the following areas as those most likely to have a material impact on the financial statements:

Direct impact on financial statements:

- Companies Act 2006
- Charities Trustees and Investments (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006
- SORP – FRS 102

Indirect impact on financial statements:

- GDPR and Data Protection Act 2010
- Health & Safety at Work Act 1974
- The Human Rights Act 1998
- Employment Rights Act 1996
- Employment Act 2002
- The Fire (Scotland) Act 2005
- The Fire Safety (Scotland) Regulations 2006
- Equality Act 2010.
- PVG (Protecting Vulnerable Groups) legislation.
- The Money Laundering Regulations 2017
- Charities constitution
- OSCR requirements

Because of the inherent limitations of an audit, there is risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

We communicate with those charged with governance, directors 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.

Material misstatement that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we require to address

The financial statements were not audited in the prior year. Therefore, additional audit procedures have been carried out to obtain sufficient appropriate evidence that the opening balances do not contain any misstatements that materially affect the current period's financial statements.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's Directors 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 charitable company, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

LOUISE DEUCHAR
LOUISE DEUCHAR - 2026-09-30, 09:41:41 UTC

Louise Deuchar, C.A.
Senior Statutory Auditor
For and on behalf of Findlays Audit Limited

11 Dudhope Terrace
Dundee
DD3 6TS

Date: 29 September 2026

Findlays Audit Limited is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Kanzen for Life Limited
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Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 December 2025

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and endowment funds:							
Donations and legacies	3	**16,500**	**44,300**	**60,800**	2,800	-	2,800
Charitable activities	4	**428,193**	**261,175**	**689,368**	378,167	46,700	424,867
Other trading activities	5	**59,016**	**-**	**59,016**	61,570	-	61,570
Investment income	6	**1,484**	**-**	**1,484**	978	-	978
Total income		**505,193**	**305,475**	**810,668**	443,515	46,700	490,215
Expenditure on:							
Raising funds	7	**26,490**	**-**	**26,490**	9,690	-	9,690
Charitable activities	8	**407,809**	**117,719**	**525,528**	378,788	39,157	417,945
Total expenditure		**434,299**	**117,719**	**552,018**	388,478	39,157	427,635
Net income		**70,894**	**187,756**	**258,650**	55,037	7,543	62,580
Transfer between funds	16	**(1,471)**	**1,471**	**-**	78	(78)	-
		69,423	**189,227**	**258,650**	55,115	7,465	62,580
Reconciliation of funds							
Total funds brought forward		**115,984**	**7,465**	**123,449**	60,869	-	60,869
Total funds carried forward	16	**185,407**	**196,692**	**382,099**	115,984	7,465	123,449

All the charitable company's activities derive from continuing operations during the above two periods.

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Balance sheet at 31 December 2025

	Note	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	10		**72,368**		-
Current assets					
Stock	11	**9,500**		5,000	
Debtors	12	**12,189**		43,780	
Cash at bank and in hand	13	**307,592**		91,661	
		329,281		140,441	
Creditors: amounts falling due within one year	14	**(19,550)**		(16,992)	
Net current assets			**309,731**		123,449
Net assets			**382,099**		123,449
Funds					
Restricted funds	16		**196,692**		7,465
Unrestricted funds	16		**185,407**		115,984
			382,099		123,449

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

The financial statements were approved by the Directors and authorised for issue on 29 September 2026 and signed on their behalf by:

Martin Henderson
Martin Henderson - 2026-09-30, 09:50:36 UTC

Martin Gavin Henderson
Director

Kanzen - accounts to 31.12.25.pdf [a38ea1ab-ee8b-4107-b499-1897f356b5fb] Page: 13 / 28

Kanzen for Life Limited
(a company limited by guarantee)

Statement of cash flows for the year ended 31 December 2025

	Note	2025 £	2024 £
Cash flows from/(used by) operating activities:			
Net cash from/(used by) operating activities	18	**288,299**	31,660
Cash flows used in investing activities:			
Purchase of tangible assets		**(72,368)**	-
Net cash used in investing activities		**(72,368)**	-
Change in cash and cash equivalents in the reporting period		**215,931**	31,660
Cash and cash equivalents at 1 January 2025		**91,661**	60,001
Cash and cash equivalents at 31 December 2025		**307,592**	91,661

1 Charity status

Kanzen for Life Limited is a company limited by guarantee by its members and does not have a share capital. In the event of the company being wound up, the liability of each member is limited to £1.

The registered office is Kanzen for Life Centre, Unit 2, 119 Clepington Road, Dundee, DD3 7NU.

2 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and include the results of the charity's operations in the year, as indicated in the report of the directors. All activities are continuing.

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

The charity constitutes a public benefit entity as defined by FRS 102.

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

Going concern

The directors consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Fee income

Fee income includes class fees, membership income and competition fees which is recognised in the period to which it relates.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

2 Accounting policies (continued)

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Other trading activities

Trading income includes rental income which is included in the period to which it relates.

Fundraising income is received from activities held in the year and is included in the Statement of Financial Activities when receivable and in the period to which it relates.

Expenditure

Expenditure is included in the financial statements once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the obligation can be reliably measured.

- Costs of generating funds are those incurred in attracting voluntary income.
- Charitable activities include expenditure associated with the charitable objects of the charitable company and include both the direct costs and support costs relating to these activities.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of hours spent on these activities.

Pension costs

The charity operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the Statement of Financial Activities in the period to which they relate. These contributions are invested separately from the charitable company's assets.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life as follows:

Computer equipment - 33% straight line

Leasehold improvements represents costs incurred on renovating the new Kanzen for Life centre which will be depreciated over the term of the lease, once the property is complete.

2 Accounting policies (continued)

Financial instruments

The charitable company has elected to apply the provision of Section 11: 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable 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 and cash and bank balances, 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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 good or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2 Accounting policies (continued)

Funds

In the Statement of Financial Activities funds are classified as either restricted funds or unrestricted funds, defined as follows:

Unrestricted funds are general funds that are available for use at the directors discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Critical accounting estimates and judgements

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

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

In preparing these financial statements, the directors have made the following judgments:

- Accruals are applied at the year end based upon financial costs received post year end and the experience of the directors.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Allocation of restricted expenditure is assessed by management as some of the funds require an allocation of costs
- Support costs are those functions that assist the work of the charitable company but do not directly undertake charitable activities. Support costs include premises expenses, finance and governance costs that support the activities of the charitable company. These costs have been allocated to expenditure on charitable activities. The support costs are apportioned between key charitable activities undertaken in the year based on the deemed usage of that support cost by each charitable activity.

3 Income from donations and legacies

	Unrestricted £	**Restricted £**	**Total 2025 £**	Total 2024 £
Donations from individuals	**16,500**	**44,300**	**60,800**	2,800
	16,500	**44,300**	**60,800**	2,800

2024 income detailed above, relates to unrestricted income.

4 Charitable activities

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Fees received	**407,393**	**-**	**407,393**	338,367
Grants	**20,800**	**261,175**	**281,975**	86,500
	428,193	**261,175**	**689,368**	424,867

2024 income detailed above includes £46,700 of restricted grants.

5 Other trading activities

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Fundraising income	**30,229**	**-**	**30,229**	34,947
Digital media income	**268**	**-**	**268**	215
External event entry fees	**27,619**	**-**	**27,619**	25,508
Rental income	**900**	**-**	**900**	900
	59,016	**-**	**59,016**	61,570

2024 income detailed above, relates to unrestricted income.

6 Investment income

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Interest on cash deposits	**1,484**	**-**	**1,484**	978
	1,484	**-**	**1,484**	978

2024 income detailed above, relates to unrestricted income.

7 Expenditure on raising funds

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Kiltwalk registration costs	**5,190**	**-**	**5,190**	2,190
Fundraising consultants	**21,300**	**-**	**21,300**	7,500
	26,490	**-**	**26,490**	9,690

2024 expenditure detailed above, relates to unrestricted expenditure.

8 Expenditure on charitable activities

	Note	2025 Unrestricted £	2025 Restricted £	2025 Total £	2024 Unrestricted £	2024 Restricted £	2024 Total £
Wages and salaries		**127,640**	**80,421**	**208,061**	124,009	33,231	157,240
Staff NIC (Employers)		**6,321**	**3,830**	**10,151**	2,010	3,766	5,776
Staff pensions (Defined contribution)		**4,451**	**979**	**5,430**	3,306	840	4,146
Merchandise		**23,765**	**1,500**	**25,265**	24,133	1,000	25,133
Volunteer & staff training		**10,796**	**307**	**11,103**	10,131	120	10,251
Event fees & costs		**87,266**	**12,557**	**99,823**	84,383	-	84,383
Rent, rates & utilities		**31,813**	**7,000**	**38,813**	33,153	-	33,153
Insurance		**5,174**	**-**	**5,174**	2,941	-	2,941
Repairs and maintenance		**4,020**	**-**	**4,020**	7,468	-	7,468
Office costs		**8,654**	**-**	**8,654**	6,833	-	6,833
Computer software and maintenance		**9,372**	**-**	**9,372**	6,269	200	6,469
Charitable donations		**2,990**	**-**	**2,990**	4,490	-	4,490
Sundry expenses		**-**	**-**	**-**	1,352	-	1,352
Travel and hosting costs		**40,577**	**1,500**	**42,077**	38,650	-	38,650
Subscriptions		**6,208**	**-**	**6,208**	3,224	-	3,224
Advertising		**13,699**	**2,185**	**15,884**	8,268	-	8,268
Accountancy fees		**2,359**	**-**	**2,359**	1,929	-	1,929
Professional fees		**6,850**	**7,440**	**14,290**	8,388	-	8,388
Kanzen for Life centre costs		**(3,300)**	**-**	**(3,300)**	3,300	-	3,300
Depreciation		**536**	**-**	**536**	-	-	-
Interest paid		**51**	**-**	**51**	51	-	51
Bank charges		**807**	**-**	**807**	797	-	797
Corporation tax		**-**	**-**	**-**	103	-	103
Governance costs							
Independent examiners fee		**4,800**	**-**	**4,800**	3,600	-	3,600
Other accountancy fees		**5,760**	**-**	**5,760**	-	-	-
Audit fees		**7,200**	**-**	**7,200**	-	-	-
		407,809	**117,719**	**525,528**	378,788	39,157	417,945

9 Staff costs

	2025	2024
	£	£

The aggregate payroll costs were as follows:

Staff costs during the year were:		
Wages and salaries	**208,061**	157,240
Social security costs	**10,151**	5,776
Pension costs	**5,430**	4,146
	223,642	167,162

The average number of employee during the year were as follows:

	2025	2024
	No.	No.
	11	8

No employee received emoluments of more than £60,000 during the year. Two (2024: two) directors received expenses for fuel and travel during the year totalling £2,101 (2024: £4,718).

The charitable company considers its key management personnel comprises the directors. During the year two Directors were employed as coaches (2024 – two). The total employment benefits, including employer's national insurance and pension contributions, of key management personnel were £79,241 (2024 - £77,873).

10 Tangible fixed assets

	Leasehold improvements	Computer equipment	Total
2025	**£**	**£**	**£**
Cost			
At 31 December 2024	-	-	-
Additions	71,279	1,625	72,904
At 31 December 2025	**71,279**	**1,625**	**72,904**
Depreciation			
At 31 December 2024	-	-	-
Charge for year	-	536	536
At 31 December 2025	**-**	**536**	**536**
Net book value			
At 31 December 2025	**71,279**	**1,089**	**72,368**
At 31 December 2024	-	-	-

11 Stock

	2025	2024
	£	£
Stocks	**9,500**	5,000

12 Debtors

	2025	2024
	£	£
Prepayments	**12,189**	-
Other debtors	**-**	43,780
	12,189	43,780

13 Cash and cash equivalents

	2025	2024
	£	£
Cash on hand	**90**	90
Cash at bank	**307,502**	91,571
	307,592	91,661

14 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	**5,512**	3,361
Other creditors	**1,078**	31
Deferred income (see below)	**-**	10,000
Accruals	**12,960**	3,600
	19,550	16,992

Deferred income

	£	£
Opening balance	**10,000**	-
Income deferred in year	**-**	10,000
Deferred income released	**(10,000)**	-
Closing balance	**-**	10,000

Deferred income relates to a future period.

15 Analysis of net assets between funds

2025	**Unrestricted funds £**	**Restricted funds £**	**Total £**
Current assets/(liabilities)	**185,407**	**196,692**	**382,099**
Net assets at 31 December 2025	**185,407**	**196,692**	**382,099**

2024	Unrestricted Funds £	Restricted funds £	Total £
Current assets/(liabilities)	115,984	7,465	123,449
Net assets at 31 December 2024	115,984	7,465	123,449

Notes to the financial statements (continued)

16 Funds

	Balance at 1 January 2025 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2025 £
Unrestricted funds					
General	**115,984**	**505,193**	**(434,299)**	**(1,471)**	**185,407**
Restricted funds					
Revenue					
Balgay Children's Society	**1,500**	**-**	**(1,500)**	**-**	**-**
RANK Foundation Aspire Programme	**5,965**	**42,475**	**(31,656)**	**-**	**16,784**
Mathew Trust	**-**	**10,000**	**(10,000)**	**-**	**-**
Multiply – Dundee City Council	**-**	**5,000**	**(5,264)**	**264**	**-**
Dundee Volunteer & Voluntary Action	**-**	**15,000**	**(15,000)**	**-**	**-**
SSEN Transmission East Coast Fund	**-**	**4,500**	**(5,109)**	**609**	**-**
National Lottery Awards for All	**-**	**10,000**	**(10,000)**	**-**	**-**
Rowantree Free the Fun	**-**	**11,700**	**(12,298)**	**598**	**-**
Austin & Hope Pilkington Charitable Trust	**-**	**1,000**	**(1,000)**	**-**	**-**
NHS Tayside Charitable Foundation	**-**	**25,892**	**(25,892)**	**-**	**-**
Capital					
Northwood Charitable Trust	**-**	**50,000**	**-**	**-**	**50,000**
WM Sword Charitable Trust	**-**	**5,000**	**-**	**-**	**5,000**
Leng Charitable Trust	**-**	**10,000**	**-**	**-**	**10,000**
Lothian Family Charitable Trust	**-**	**25,000**	**-**	**-**	**25,000**
Walter Craig Charitable Trust	**-**	**2,500**	**-**	**-**	**2,500**
William S Phillips Fund	**-**	**2,000**	**-**	**-**	**2,000**
Leach Family Charitable Trust	**-**	**2,000**	**-**	**-**	**2,000**
Tay Charitable Trust	**-**	**6,000**	**-**	**-**	**6,000**
Alexander Kydd Trust	**-**	**2,000**	**-**	**-**	**2,000**
Jon Frullani Architects – donation in kind	**-**	**40,000**	**-**	**-**	**40,000**
MML Law – donation in kind	**-**	**4,300**	**-**	**-**	**4,300**
Dundee City Council Communities Fund	**-**	**10,000**	**-**	**-**	**10,000**
NHS Tayside Charitable Foundation	**-**	**11,108**	**-**	**-**	**11,108**
Mathew Trust	**-**	**10,000**	**-**	**-**	**10,000**
Total restricted funds	**7,465**	**305,475**	**(117,719)**	**1,471**	**196,692**
Total funds	**123,449**	**810,668**	**(552,018)**	**-**	**382,099**

Notes to the financial statements (continued)

16 Funds (continued)

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Unrestricted funds					
General	60,869	443,515	(388,478)	78	115,984
Restricted funds					
Balgay Children's Society	-	2,500	(1,000)	-	1,500
Multiply – Dundee City Council	-	5,000	(4,922)	(78)	-
National Lottery Young Start	-	23,000	(23,000)	-	-
RANK Foundation Aspire Programme	-	16,200	(10,235)	-	5,965
Total funds	60,869	490,215	(427,635)	-	123,449

16 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

Restricted funds

Balgay Children's Society	- to assist with accessible activity for children
Multiply Dundee City Council programme	- funding to support the kickstart numeracy
National Lottery Young Start	- support of Kanzen Community Project
RANK Foundation, Aspire programme placement	- funding to support employment at Rank Aspire
Mathew Trust	- funding to continue the work doing
Northwood Charitable Trust	- secure the lease and establish the Kanzen for Life Centre
DVVA	- community wellbeing project – staff costs
WM Sword Charitable Trust	- Kanzen for Life Centre
SSEN Transmission East Coast	- free access to activity to 15 people in Kirriemuir to Karate classes for 6 months
National Lottery Awards for All	- transition worker ahead of opening the Kanzen for Life Centre
Leng Charitable Trust	- Kanzen for Life Centre
Rowantree Free the Fun	- move & connect Stobswell
Lothian Family Charitable Trust	- Kanzen for Life Centre
Walter Craig Charitable Trust	- Kanzen for Life Centre
Austin & Hope Pilkington Charitable Trust	- provision of ASN activity
William S Phillips Fund	- Kanzen for Life Centre
NHS Tayside Chaitable Foundation	- Kanzen for Life Centre
Leach Family Charitable Trust	- Kanzen for Life Centre
Tay Charitable Trust	- Free access to activity for children
Alexander Kydd Trust	- Kanzen for Life Centre
Dundee City Council Communities Fund	- Kanzen for Life Centre

17 Related party transactions

During the year, the charity paid £nil (2024: £1,495) to Praesidium Vos Limited for external consultancy work. Kanzen for Life Limited and Praesidium Vos Limited share a director Roy O'Kane. No balance is outstanding at 31 December 2025 in relation to this.

Additionally, Showcase the Street have a common director, Roy O'Kane, with Kanzen for Life Limited. During the year, £nil (2024: £1,125) was received from Showcase the Street towards tuition income, and £270 (2024: £150) was paid to Showcase the Street for rental of their premises. No amount is sitting in creditors or debtors at the year end in relation to this.

Additionally, Scottish Karate Council have a common director, Roy O'Kane and Peter Stanton, with Kanzen for Life Limited. During the year, £200 (2024: £nil) was paid to Scottish Karate Council for a membership. No amount is sitting in creditors or debtors at the year end in relation to this.

Additionally, TOG3 Ltd have a common director, Roy O'Kane, with Kanzen for Life Limited. During the year, £6,250 (2025: £nil) was paid to TOG3 for rent of Mains Loan premises. No amount is sitting in creditors or debtors at the year end in relation to this.

Finally, Kanzen for Life Limited also share a director, Roy O'Kane, with Dundee Social Enterprise Network. A donation of £400 (2024: £150) was made to Dundee Social Enterprise Network during the year. This has been fully paid by the year end.

18 Reconciliation of net income to net cash from/(used) in operating activities

	2025	2024
	£	£
Net income for the reporting period	**258,650**	62,580
Decrease in debtors	**31,591**	(43,780)
Increase in creditors	**2,558**	12,860
Increase in stock	**(4,500)**	-
Net cash (used by)/from operating activities	**288,299**	31,660

19 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases, for each of the following periods:

	2025	2024
	£	£
Due within one year	**62,500**	21,600
Between two and five years	**232,292**	-

20 Post balance sheet event

Subsequent to the year end, Kanzen relocated it's operations to new premises and commenced renovation works on the new property. No contractual or cost commitments had been entered into in respect of these works as at the year end date.

Following the premises move, the lease for Kanzen's previous premises were terminated early as a new tenant occupied the property. The operating lease commitments disclosed in Note 19 reflect the position at the year end date and therefore include commitments relating to the previous lease which remained in force at that date, but were terminated after the year end.

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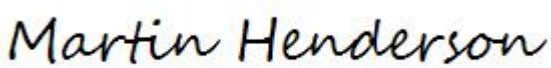
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