



HEARING DOGS FOR DEAF PEOPLE
(A COMPANY limited by guarantee)
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2025

COMPANY NUMBER: 01964878
CHARITY NUMBER - ENGLAND: 293358
CHARITY NUMBER - SCOTLAND: SC040486

HEARING DOGS FOR DEAF PEOPLE
THE TRUSTEES' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

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HEARING DOGS FOR DEAF PEOPLE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

CHAIR AND CEO'S INTRODUCTION

Our charity's vision is clear. Living well with hearing loss. It is this vision that has guided our work over the past year and remains our north star.

An estimated 1 in 3 people in the UK is deaf or has hearing loss¹. It is likely that every person in the country is connected to someone who experiences hearing loss. Hearing loss often results in people feeling isolated and disconnected, losing confidence and independence. Our core focus is to support people to rebuild connection, companionship, and confidence through our trained hearing dogs and our practical and emotional support services.

We rely entirely on public donations and our work would not be possible without the many individuals, companies, and foundations, who support the charity because they want to make a difference. To these people, we offer a sincerely heartfelt thank you for their continued support.

The world around us is rapidly changing. We are experiencing political and economic volatility, as well as facing fundamental changes in the delivery of social care. As with all charities, this external environment challenges both our service delivery as well as our finances. It is both essential that the Charity remains abreast of this impact on the people we are here to support, in order that our services remain relevant, impactful, and efficient. As always, our ability to raise money is fundamental to our sustainability.

The Charity completed a full organisational review and strategy refresh during 2024. This resulted in a realignment of our capabilities and leadership to deliver. We will progress the strategy and embed these changes during 2025/6.

The review was supported by an objective external agency. It included extensive analysis of the external environment, a review of the strategies of like organisations, and a review of the needs of those who use or who might use our services.

We are intentional in not wanting to duplicate the work of others. Where available, we will support and signpost to other organisations. We will bridge the needed gaps in services to support those with hearing loss, particularly in the emotional and practical support area, where research evidences this to be much needed. We will:

- Create 200 new assistance dog partnerships annually, with 3-4% growth post-2027 and continue to support our more than 1,200 existing partnerships.
- Provide emotional and practical support services, information, and guidance. We will signpost to others where services are available and will support those organisations with relevant expertise and research where needed.
- Ensure all services are needs based and co-created with those who use our services. We will rigorously measure the impact of all services to ensure relevance, efficiency, and continuous improvement.
- We will work together with lived experience volunteers and other organisations to catalyse change in awareness, practice, and policy.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Much has been achieved during 2024 to underpin the strategy with the operational infrastructure required to deliver.

- We have aligned our internal structures and leadership to provide the capabilities and experience to deliver.
- We have worked together with the Board of Trustees to refresh the governance structure and have established key sub-committees to support each area of the Charity. A capabilities audit informed the need for new skillsets to support the new strategy and the recruitment for six new trustees is underway.
- We have designated investment in fundraising capabilities to mitigate a current high dependency on legacy income and to diversify our fundraising, seizing identified opportunities in high net worth and commercial funding.
- We have reviewed the status of our digital estate and capabilities to modernise and future-proof the Charity and to drive further efficiencies. We will seek funding and pro bono support from 2025 to help us to deliver a comprehensive digital roadmap.

People: our paid colleagues and our volunteers are our most important asset, without whom we would be unable to deliver our services. We continue to invest in our people, to build pathways for their continuous development and frameworks to enable co-creation and decision-making.

Of particular importance to us is our role in communities across the UK. It is here that we build connections, confidence, and companionship with and on behalf of those we support. Over the year ahead we will be doing more to strengthen the awareness of Hearing Dogs for Deaf People both nationally and locally.

During 2024/5, thousands of people have donated, volunteered, sponsored a hearing dog puppy, played our lottery or raffles, run marathons and taken on other fundraising challenges, bought from our online shop, supported us through their company or foundation, and more. Many have shared their personal experience of hearing loss to help us build awareness, support, and income through our storytelling. It has been a tremendously successful year for the Charity and our heartfelt thanks goes to each and every one of you who has made this possible.

We hope that you will continue to support us during the coming year and would love to hear from you.



Christina O'Donovan-Rossa
Chair of the Board of Trustees



Tracy Griffin
Chief Executive Officer

¹ RNID, Prevalence of deafness and hearing loss (<https://rnid.org.uk/get-involved/research-and-policy/facts-and-figures/prevalence-of-deafness-and-hearing-loss/>)

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

The Trustees (who are also Directors of the Charitable Company for the purpose of Company law) present their annual report together with the audited financial statements for the year ended 31 March 2025.

Objectives, Aims and Activities

Charitable Objectives

The charity's objects as set out in the Articles of Association are the promotion of health and the relief of sickness in particular by training, providing and supporting animal assisted intervention in the relief of human deafness, disability, sickness, suffering or distress, and collaborating with other charities where appropriate.

The aims of the charity are reviewed each year by the Trustees. In 2024 we refreshed our aims:

'To offer greater independence, confidence and companionship to deaf people by:

- **the continued training of hearing assistance dogs and the creation of assistance dog partnerships**, based on need
- **the provision of emotional and practical support**, information and guidance, focusing on needs that are less well met by the wider sector; and
- **collaborating** with our service users, and relevant organisations and groups to catalyse change in awareness, practice and policy

To ensure that our work delivers the intended benefits, we will work to the following principles. We will:

- work together with our stakeholders to ensure our offer remains relevant, is informed by lived experience and continuously improves. We will be rigorously insight-led and impact driven;
- Facilitate peer collaboration as being the most effective way to co-create our services, build relevance, reach and impact;
- value connection and companionship and will reflect this in our service offer, in our media work and in our warm and welcoming brand-personality;
- collaborate with other organisations to increase our singular and our shared impact by supporting each other; and
- not duplicate the work of others, but we will signpost to others where they are set up to provide support, and we will encourage others to do likewise.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Our Vision, Mission and Values

Our vision

We have a vision of a world where anyone can live well with hearing loss.

Our mission

We rebuild connection, companionship, and confidence through our trained hearing dogs, and our practical and emotional support services; transforming the lives of people who are deaf or have hearing loss.

Our values

We celebrate individuality

Everyone is uniquely themselves. At Hearing Dogs, we prioritise the individual, personalising our interactions and support to suit their specific needs where we can. We believe in building relationships based on mutual respect, care, and open communication, taking the time to listen and to truly understand.

We build connections

We come together around a shared vision and set of common values. We create opportunities and foster genuine connections. By collaborating and combining our resources, we generate benefits that are both far-reaching and enduring. We remain receptive to new ideas and deeply appreciate individual experiences.

We unleash potential

We are committed to doing our utmost for those we support and for each other. We concentrate on finding solutions and speak up to effect meaningful change. We embrace curiosity and proactively seek opportunities to learn and to innovate. By holding ourselves and one another accountable, we foster an environment built on trust and respect.

We are always professional

We are guided by insight and a commitment to making a real difference. We listen to those we support and work alongside them to ensure our efforts are both meaningful and effective. By measuring our progress, we continuously refine and improve what we do. We prioritise the well-being of both the individuals we support and our dogs, backed by professional research and expertise.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Our impact in 2024/25

This year, we helped 3,197 people who are deaf or have hearing loss, through our specially trained hearing dogs and our practical and emotional support services; Hearing Link Services. A further 142,000 visitors accessed lived experience led hearing loss information through our website, including over 5,000 downloads of support information and video content;

All other activities, including fundraising, were carried out to support this programme and ensure we can continue to develop and grow our service offering in a unified way that is audience and needs-led.

Assistance dogs

Each hearing dog takes some 18-24 months to train. This year, we placed 142 dogs into a core role supporting a person who is deaf or has hearing loss. We placed a further 20 dogs into our breeding scheme.

1,116 hearing dog partnerships, including 48 dogs helping children, were supported throughout the UK, through in-person and digital one-to-one support from their dedicated Partnership Advisor, and access to supplementary online support resources designed specifically for those who are partnered with our dogs.

Emotional and practical support, information and guidance

Thousands of people received emotional and practical support, information and guidance through our Hearing Link Services. These included:

- 1,295 people who attended our Community Days, outreach drop-ins, or dog walks, for information, support and essential social interaction;
- 164 people benefitted from our Hearing Support Sessions and a further 88 people were supported through sessions held in our Hearing Hub at our southern training centre;
- 132 people were supported through our group support sessions held across the country and online; and
- 220 people accessed our Helpful Hours webinars.

Scotland

Hearing Dogs has three members of services team staff permanently based in Scotland, supplemented as necessary by management and staff from both the northeast of England and both the northern and southern training centres. There is an active dog training area around Edinburgh and Recipient support needs are covered by a partnership instructor who supports around 65 Scottish partnerships, while fundraising activities are undertaken by a full-time fundraiser based in the North of England and a local branch run by volunteers, with plans to appoint a Scottish based fundraiser in 2025. Fundraising activities include the generation of funds some of which are restricted for use in Scotland

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Collaboration

We continued to collaborate this year with different groups and organisations that share our goal of helping deaf people and people with hearing loss, or who work in the assistance dog space. Two examples are our memberships of the Deafness and Hearing Loss Alliance and Assistance Dogs UK. Through both groups we have engaged on various issues via different committees and working groups to share insights and experience, and to collaborate on different areas of work, related to topics including assistance dog access rights, dog welfare and training, issues relating to hearing loss, and communications and campaigns.

This year we also began a research collaboration with Manchester Metropolitan University to develop a Relational Training Model that will improve the outcomes for hearing dogs in training and working hearing dog partnerships.

Lived experience stories

Sharing the lived experience of people who are deaf or have hearing loss, and those who volunteer and fundraise with us, is a vital part of our communications and fundraising activity. Over 50 people shared their stories with us this year and allowed us to tell them to our supporters and wider audiences. This not only helps us to raise valuable awareness of the charity and our cause but enables people to connect with the charity and our work.

We are hugely grateful those who share their stories, by doing so they leave a lasting memory and increased insight and understanding of the impact hearing loss can have for those struggling, and also the effect for their families, in all those that hear the volunteer's story.

[Impacts of Deafness](#) Telling these stories has prompted donations, supported our work with our corporate partners, helped drive our engagement on social media and through the press, and enabled our supporters to see the real difference their support makes.

Our people and culture

The charity employs 226 (2024: 218) members of staff who are involved in the labour-intensive process of creating and supporting hearing dog partnerships and supporting people affected by hearing loss. This equates to an average of 209 FTE staff (2024: 201 FTE) throughout the financial year and ended the year with a turnover rate of 11.5%. The charity had 236 staff as at 31 March 2025.

During the year we took the first steps to establishing a strengthened People and Culture team and a new strategy, reflecting the needs set out in our organisational strategy as well as those voiced from staff and volunteers. A new Internal Communications and Engagement function was created to support our organisational development and change activity.

Our HR Management systems continue to be improved in response to the needs of our growing hybrid, regional roles. 2024/25 saw the final stages of the installation of Sage People an HR management system.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Going forwards the priorities for people and culture will include growth and development opportunities, sustainable high performance with high support, and greater focus on inclusion and disability awareness. Investment in resources for the team will support this.

Pay policy

An annual pay review was undertaken with benchmarking data gathered from similar organisations and organisations in the wider working environment.

The pay of the Executive Board is reviewed annually by the Remuneration Committee. Increases are based on agreed benchmarks. Additionally, the percentage annual pay award to all staff is taken into consideration.

Our volunteers

All our services around the country are delivered with the invaluable help of volunteers. From training puppies and providing peer support to people with hearing loss, to fundraising and working in our grounds, they are all instrumental in our efforts to improve the lives of people who are deaf or have hearing loss.

The charity had 3,030 (2024: 3,083) volunteers as at 31 March 2025. The majority of volunteers 2,818 (2024: 2,827) have entered into a formal agreement with the charity. In addition, we have 212 micro volunteers (2024: 256).

During the year, 448 (2024: 451) volunteers ceased working with us, but we recruited 502 (2024: 435) new volunteers.

These figures are encouraging considering the nationwide downturn in formal volunteering reported by the Office of National Statistics and NCVO, plus related socioeconomic and lifestyle factors. However, due to these factors, recruiting volunteers, especially into long-term commitment roles, remains challenging.

The recruitment of full-time dog care homes remains of particular strategic importance to the charity, and as such we will be taking a cross-organisational approach to continue engaging and recruiting individuals who are right for this role on an ongoing basis.

Some notable recognition of our volunteers this year included an individual winning Time2Volunteer Award and a group of volunteers attending the Christmas Carol Service at Westminster Abbey at the invitation of our Royal Patron, HRH The Princess Royal.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Our fundraising

Our income this year was £15.1 million and includes £11.0 million donated to the charity through legacy gifts, £1.3 million raised for puppy sponsorship; other donations of £2.4 million included £1.5 million from corporate partnerships, Trusts and Foundations and philanthropy; and £0.9 million through community fundraising and events, which includes third-party fundraisers and income raised by our valued fundraising volunteers. We received £346,600 in gift aid.

Our income excluding legacies this year was £4.1 million (2024: £4.5m). This was down by 11% on last year. This reflects in part the national trend where the number of people that are donating or sponsoring someone for charity across the sector has seen a decline. Puppy sponsorship remained steady, but we received around £397,800 less in corporate donations, due to our two-year Charity of the Year partnership with Pets at Home concluding in 2023-24.

All fundraising activity is carried out to support our strategic goals around providing help and support to people who are deaf or have hearing loss. Every donation, sponsorship or gift in a Will is put to use as effectively as possible to help more deaf people.

Hearing Dogs for Deaf People is registered with the Fundraising Regulator, and we follow the Regulator's Code of Practice which sets out the standards members are expected to adhere to when raising money, taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure. In cases where volunteers fundraise on our behalf, we ensure our volunteers also abide by all relevant regulations and best practices.

We work with an external company to run 2 or 3 raffles a year, as well as our Weekly Lottery. The company is accredited by the Gambling Commission, Institute of Fundraising, the Lotteries Council and Responsible Gambling Trust.

During the financial year, the charity received no complaints requiring escalation by the Fundraising Regulator.

Our IT and systems team work diligently to ensure we retain a strong understanding of, and remain fully compliant with, GDPR requirements across fundraising and all other areas of our work.

Working in partnership

We continued to engage with, and work alongside, businesses that share our values and can help us achieve our strategic goals. Businesses we worked with in 2024/25 included Aviva, CVS, Hidden Hearing, Lakeshore Leisure, Specsavers, Kennelpak and Elite Hotels.

These businesses made donations, fundraised for us, enabled us to reach new audiences, and ran deaf awareness sessions with employees.

**HEARING DOGS FOR DEAF PEOPLE
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2025**

The year ahead

All of our activity in the year ahead, and beyond, will be guided by our mission to help deaf people and people with hearing loss rebuild connection, companionship, and confidence.

We will continue training and partnering assistance dogs with deaf people and developing and delivering our emotional and practical support services.

We will invest in our new Service Design & Development team, drawing together activities around service and content design, lived experience co-creation and impact & insight.

We will embed our new Impact measurement framework, which will measure how well we are meeting our mission to build connection, companionship and confidence. This will increase our evidence-based decision-making process and help inform our service design methodology to ensure we are designing improvements with, and not for people.

We'll invest in and grow our fundraising capabilities, with the intention over time to reduce our dependency on legacies and assure our stability into the future.

We'll grow our networks and increase collaboration with other organisations and groups by sharing expertise, insights and the lived experience of our service users, to influence changes in awareness, practice and policy.

We will continue to invest in and develop our people; both our colleagues and our volunteers, who are instrumental in our ability to help deaf people and people with hearing loss.

We'll continue developing and actioning our digital, data and technology roadmap, alongside internal expertise, in order to keep abreast of the latest technologies and improve our efficiency and impact.

We will develop and strengthen our regional presence, across service delivery, dog training, volunteering recruitment and retention, fundraising, supporter stewardship and awareness and engagement.

HEARING DOGS FOR DEAF PEOPLE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

The charity recorded a net excess of £1,942,160 (2024: £615,166 excess), of which gains on investments accounted for £162,597 (2024: £791,545 gains).

The primary reasons for the change in compared to the previous year are:

- 1) The value of legacies received and receivable increased by £3.8 million to £11.0 million (2024: £7.2 million).
- 2) This was offset by:
 - a. lower fundraising receipts (down by £0.5 million);
 - b. increases in payroll related costs by £0.6 million, due to salaries keeping pace with the cost of living and a small increase in the number of staff;
 - c. lower gains in the value of our investment portfolio of £0.2 million (2024: £0.8 million);
 - d. utilising the skills and expertise of consultants on specific areas of research to facilitate the development of our new strategy (£0.3 million)
 - e. higher depreciation charges (up £0.1 million)
- 3) Spend on charitable activities during the 2024/25 year increased by £1.1million.

Total income £16.4 million (2024: £13.1 million). The main change in the year relates to the increase in legacies received and receivable. We remain very grateful to all our supporters who provide us with the financial resources we need to continue to maintain and develop our work. Their many contributions are essential given that there is continuing demand for the charity's hearing dog and hearing loss services for which it receives only a small amount of government funding.

Total net assets of the group increased by £1.9 million to £27.7 million (2024: £25.8 million) at the year end. Total fixed assets increased by £0.2 million to £17.6 million (2024: £17.4 million) principally due to the investment in our new website. Net current assets increased by £1.7 million to £10.1 million (2024: £8.4 million).

Designated funds increased by £2.2million to £19.9 million (2024: £17.8 million) and the operational reserve and restricted funds amounted to £6.8 million (2024: £6.9 million) and £1.0 million (2024: £1.1 million) respectively.

Reserves policy

The charity operates to provide immediate benefit to hearing dog deaf partners followed by a lifetime of partnership support for them and their families. With plans to increase the number of dogs being trained each year and 1,023 (2024: 1,050) working partnerships located throughout the country this level of support is expensive to maintain and will require both capital and revenue expenditure as a continuing investment for the future. In addition, it is dependent on voluntary income, principally legacies, which can be subject to considerable fluctuation from year to year.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

The Trustees continue to monitor and review annually the level of reserves in conjunction with the setting of annual budgets and the development of the long-term strategy to meet the changing nature of demand.

The charity's policy has been reviewed during the year and is to maintain the following unrestricted funds:

Designated Funds for Tangible and Intangible Fixed Assets

This represents unrestricted reserves set aside by the Trustees for the functional fixed assets and capital commitments of the charity required to carry out its principal activities. At 31 March 2025 this reserve stood at £7.4 million (2024: £7.5 million).

Designated Funds for Existing Partnerships

These funds have been set aside to cover future long-term commitments, principally relating to existing hearing dog partnerships, which as at 31 March 2025 were estimated at £6.4 million (2024: £6.8 million) over the next 10 years. This reserve is calculated before taking into account the potential availability of a pipeline of legacy income, which is currently £9.8 million (2024: £8.4 million).

Designated funds for Development

We are utilising the surplus generated in recent years to reinvest in the core infrastructure necessary to deliver our mission effectively and efficiently in the future. The fund totals £6.1 million (2024: £3.5 million).

There are plans currently being formulated to alter dilapidated parts of the sites in Buckinghamshire and Yorkshire. The operating environment has changed since the Coronavirus pandemic and neither site now use their kennel buildings, which are quickly falling into disrepair. A fund of **£3.5 million** has been established to support the plans. This is in addition to c £0.6 million held in restricted funds for enhancing our properties.

In addition, this year we have set aside funds **£1.6 million** to invest in improving our data and digital capabilities, which have historically suffered from significant underinvestment. Our CRM system is now 10 years-old and we must take advantage of new technologies and software to deliver our services and supporter stewardship in a manner which is both contemporary, relevant, and secure.

Our income is heavily legacy dependant, which in the current external environment leaves us potentially exposed. Our cost base is annually increasing and donation trends in the sector are falling. We will reserve **£1.0 million** to build the infrastructure needed to diversify our funding base. This will enable us to reach markets (major donor, trusts, corporate, commercial) that have hitherto not been developed. We will need to underwrite some expenditure in advance of new income being realised and which will be recouped as these areas develop towards end of year two.

HEARING DOGS FOR DEAF PEOPLE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2025

Operational (Free) Reserve

The policy of the Trustees is to hold an operational reserve equivalent to 6-12 months operating expenditure. At 31 March 2025 this reserve stood at £6.8 million (2024: £6.9 million) which represents 6.0 months running costs, based on the 2024/25 expenditure budget.

The objective is, therefore, to maintain this reserve to ensure that sufficient funds are available at all times to cover the charity's operating expenditure.

Investment policy and performance

For the last twenty years, the Trustees have given their appointed investment managers, Evelyn (formerly Tilney), discretion to manage the Income and Growth Portfolio with a cautious growth risk profile providing both income and capital growth. The Trustees have also invested additional funds in a more aggressive Growth Portfolio which is also managed on a discretionary basis by Evelyn.

Decisions are taken in accordance with the charity's investment policy document which has been approved by the Board of Trustees. The charity's overriding policy remains to maximise returns whilst ensuring that as far as possible the funds invested are adequately safeguarded.

After conducting a tendering process in autumn 2024, the Board has now appointed Quilter Cheviot as our new investment manager, with the goal of reducing overall. The portfolios were in the process of being transferred at the end of March 2025.

The table below records the value of the various portfolios at 31 March 2025:

Portfolio	Investment Manager	Stocks	Cash awaiting reinvestment	Total 2025	Total 2024
		£	£	£	£
Income and Growth	Evelyn	1,554,504	1,718,165	3,272,669	8,634,271
Growth	Evelyn	292,102	527,524	819,626	1,328,249
In transfer / other	n/a	270,681	-	270,681	-
Global charity portfolio	Quilter Cheviot	4,091,354	1,762,070	5,853,424	-
Total		6,208,641	4,007,759	10,216,400	9,962,520

The total return for the combined portfolios over the year 2024/25 was 5.26%. This is down from 10% the previous year, reflecting changes in global markets, particularly in the first three months of 2025.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Structure, Governance and Management

Governing Document

Hearing Dogs for Deaf People is a charitable company limited by guarantee and registered as a charity. The charity was incorporated on 26 November 1985 and its governing document is its Articles of Association which were adopted on 11 November 2015 and as amended by special resolutions passed 25 July 2017, 18 February 2020, 03 September 2020 and 01 May 2025.

Governing Body

Overall responsibility rests with the Board of Trustees who are also appointed as Directors of the charitable company. The appointment of Trustees is made in accordance with the Articles of Association including receipt and approval of an application for membership.

The Trustees meet formally four times a year. In addition, the Trustees hold ad hoc 'away days' where governance and the future strategy of the charity are discussed.

During the year the Board reviewed the structure of its sub-Committees and established four groups, each with specific terms of reference aimed at enhancing oversight of Hearing Dogs activities. The sub-committees are: 1) Audit, Risk and Finance, 2) Services, 3) Marketing, Comms, Tech and Data and 4) People and Culture sub-committees. Each sub-Committee will meet at least 4 times per year. All sub-committees report into the Trustee Board.

From time to time, certain authority from the Trustees is delegated to the Chief Executive, who is responsible for the day-to-day running of the charity.

Recruitment and Training of Trustees

The selection of Trustees is designed to supplement the existing skills and expertise of the Board and is governed by an informal skills assessment. The Trustees have a formal approach to selection, induction and training, of new trustees which includes the declaration of eligibility to serve as a Trustee, including notification of any potential conflicts of interest, introduction of a code of conduct and deaf awareness training. DBS checks are also carried out on all Trustees who also undergo safeguarding training every two years. Applications to fill vacancies are advertised and shortlisted candidates are interviewed and references taken up before they are proposed as new Trustees. Outside recruitment agencies are used to widen the search for specifically skilled Board members.

The Trustees consider it to be best practice to make every effort to have representation of the charity's beneficiaries on the Board of Trustees.

HEARING DOGS FOR DEAF PEOPLE TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2025

Group structure and relationships

The charity has a wholly owned subsidiary which is incorporated in the UK, Hearing Dogs for Deaf People (Trading) Limited. The subsidiary sells promotional and other goods and operates a restaurant/café from premises owned by the charitable company. It donates its taxable profits to the charitable company.

Hearing Dogs for Deaf People is a member of Assistance Dogs UK (ADUK) and plays a full and active role in this umbrella organisation which is open to assistance dog charities. Under the auspices of ADUK collaboration takes place on several fronts including access, public relations and training issues. The charity is also a fully accredited member of Assistance Dogs Europe (ADEu) and Assistance Dogs International (ADI) and is therefore involved with assistance dog organisations worldwide. Hearing Dogs for Deaf People is also a member of the UK Council on Deafness, a national infrastructure organisation for voluntary sector

organisations working with deaf people. Other collaborative relationships with which the charity is actively involved include the Deaf Alliance and the Microchipping Alliance

Principal risks and risk management

The Trustees of Hearing Dogs for Deaf People recognise and accept their responsibility for ensuring that risks to which the charity is exposed are reviewed, and steps taken to mitigate the impact of adverse factors through the application of appropriate preventative controls and corrective actions. An Audit, Risk and Finance sub-committee is in place and a risk management strategy has been implemented which comprises: -

- A quarterly review of the risks which the charity may face
- The establishment of systems and procedures to mitigate identified risks, including oversight by Board sub-committees of risks pertinent to their terms of reference;
- The implementation of procedures designed to minimise any potential impact on the charity of adverse factors; and
- Reporting on the level of risk remaining after implementing the systems and procedures above.

The most significant risks to the organisation have been identified as: -

- a shortage of suitable dogs to enter the training program.
- a shortage of skilled volunteers to train the potential hearing dogs;
- financial instability; and
- potential breaches in our cyber security

HEARING DOGS FOR DEAF PEOPLE
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2025

Risk Description	Controls and Mitigations in place
<p>Availability of suitable dogs to enter the training programme, constraining our ability to support new and replacement partnerships. Compounded by new ADI changes to breeding regulations.</p>	<p>The breeding programme actively monitored in monthly reporting to identify potential shortfalls and so trigger corrective actions. Investment and action in increasing "buffer" of puppies by a third, plus 20% contingency for early retirements. Small budget allocated to for the purchase of puppies to cover short-term gaps in the breeding programme. Work with Guide Dogs who are outperforming in breeding number and who have offered to transfer suitable puppies to Hearing Dogs if / when needed</p>
<p>Shortage of volunteers to train the potential hearing dogs. In particular, fluctuating numbers of volunteers and their availability.</p>	<p>Revamped volunteer recruitment process in place to speed the process, complemented by a new integrated marketing campaign to attract new volunteers.</p>
<p>Financial instability due to:</p> <ol style="list-style-type: none"> 1. Reliance on legacy income in spite of a strong pipeline, risks stability in the long term. 2. The external economic and political environment is volatile – this has potential to impact in investment performance and therefore reduce financial stability. 	<p>Review of our reserves policy into order to divert surplus funds to income generation and projects related to organisational sustainability. New strategy for Income Generation in place to immediately begin a diversification of income sources.</p>
<p>Potential breaches of our cyber security leads to potential for systems breach and potential loss of data or ability to use website or computer systems, and consequential inability to deliver benefits or continue fundraising activities for a protracted period. Potential risk of ransom demands.</p>	<p>Regular internal cyber security health check and associated corrective actions in place, including continuous update of MS security software. Cyber insurance cover and continuous educational training of staff.</p>

The Audit, Risk and Finance sub-committee reports into the Trustee Board. It meets at least four times annually and monitors financial performance of the organisation, including progress against fundraising targets, and the overall status of risk and risk management.

**HEARING DOGS FOR DEAF PEOPLE
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2025**

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the reappointment of Crowe U.K. LLP as auditors of the company will be put to the Annual General Meeting.

Approved by the Board on 23 July 2025

and signed on their behalf by



..... C M P O'Donovan-Rossa (Chairman)

HEARING DOGS FOR DEAF PEOPLE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Hearing Dogs for Deaf People for the purposes of company law) are responsible for preparing the Trustees' Annual Report, the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Charities SORP.
- make judgments and estimates that are reasonable and prudent.
- state whether applicable UK accounting standards have been followed, subject to any material 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF HEARING DOGS FOR DEAF PEOPLE

Opinion

We have audited the financial statements of Hearing Dogs for Deaf People ('the charitable company') and its subsidiary ('the group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Consolidated 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 the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2025 and of the group's 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (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 trustee's 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 charitable company's or the group'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 contained within the annual report. 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.

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 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have 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 group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 requires us to report to you if, in our opinion:

- adequate and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company 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 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 trustees 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we particularly considered in this context for the charitable company were Charity Commission regulations, General Data Protection Regulation (GDPR), cyber security, Equality Act and Animal Welfare Act, whilst also acknowledging that the charitable company works to comply with all other relevant legislation such as Employment law.

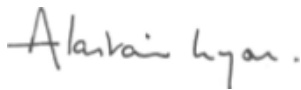
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within completeness and timing of recognition of income from certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing related income streams, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 trustees, 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor, Reading

Date: 11 August 2025

HEARING DOGS FOR DEAF PEOPLE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	4	12,768,366	2,339,562	15,107,928	11,763,569
Grants receivable	4	2,000	-	2,000	500
Charitable activities	4	12,020	-	12,020	11,157
Trading and fundraising	4	774,997	-	774,997	794,666
Investments	4	459,692	-	459,692	464,980
Other	4	53,927	-	53,927	69,964
Total income		<u>14,071,002</u>	<u>2,339,562</u>	<u>16,410,564</u>	<u>13,104,836</u>
Expenditure on:					
Raising funds	5	3,205,354	-	3,205,354	2,962,672
Charitable activities	5	8,959,215	2,466,432	11,425,647	10,318,543
Total expenditure		<u>12,164,569</u>	<u>2,466,432</u>	<u>14,631,001</u>	<u>13,281,215</u>
Net gains / (losses) on investments		162,597	-	162,597	791,545
Net income		2,069,030	(126,870)	1,942,160	615,166
Transfers between funds	18	-	-	-	-
Net movement in funds		2,069,030	(126,870)	1,942,160	615,166
Reconciliation of funds:					
Total funds brought forward		24,678,310	1,117,229	25,795,539	25,180,373
Total funds carried forward	18	<u>26,747,340</u>	<u>990,359</u>	<u>27,737,699</u>	<u>25,795,539</u>

The notes on pages 28 to 48 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

BALANCE SHEETS AT 31 MARCH 2025

		The Group		The Charity	
	Note	2025 £	2024 £	2025 £	2024 £
Fixed assets:					
Intangible assets	9	180,079	-	180,079	-
Tangible assets	10	7,197,167	7,459,727	7,182,191	7,459,727
Investments	11	10,216,400	9,962,520	10,216,400	9,962,520
Total fixed assets		17,593,646	17,422,247	17,578,670	17,422,247
Current assets:					
Stocks	12	30,172	26,410	-	-
Debtors	13	1,550,054	1,817,107	1,863,401	2,036,306
Short term deposits		9,467,429	7,214,865	9,467,429	7,214,865
Cash at bank and in hand		41,011	111,371	38,036	109,263
Total current assets		11,088,666	9,169,753	11,368,866	9,360,434
Liabilities:					
Creditors: Amounts falling due within one year	14	(944,613)	(796,461)	(919,685)	(787,405)
Net current assets		10,144,053	8,373,292	10,449,181	8,573,029
Total net assets	15	27,737,699	25,795,539	28,027,851	25,995,276
Funds:					
Restricted funds	18	990,359	1,117,229	990,359	1,117,229
Unrestricted funds:	18				
Designated funds	18	19,915,842	17,802,853	19,915,842	17,802,853
Operational reserve	18	6,831,498	6,875,457	7,121,650	7,075,194
Total funds	18	27,737,699	25,795,539	28,027,851	25,995,276

The excess in the year relating to the parent charity was £2,032,578 (2024: excess £731,682)

The financial statements were approved and authorised for issue by the board on 23 July 2025 and were signed on its

behalf by:



.....
C M P O'Donovan-Rossa
Chairman



.....
H Self

Honorary Treasurer

The notes on pages 28 to 48 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2025

CONSOLIDATED STATEMENT OF CASH FLOWS	Notes	2025 £	2025 £	2024 £
Cash flows from operating activities:				
Net cash provided by/(used in) operating activities	19a		2,273,055	(1,226,463)
Cash flows from investing activities:				
Dividends and interest from investments		459,692		464,980
Proceeds from the sale of tangible assets		3,397		8,339
Purchase of Intangible assets		(180,079)		-
Purchase of tangible assets		(282,578)		(347,207)
Proceeds from the sale of investments		6,235,971		1,607,833
Purchase of investments		(2,448,535)		(1,820,018)
Net cash provided by / (used in) investing activities			3,787,868	(86,073)
Change in cash and cash equivalents in the reporting period	19c		6,060,923	(1,312,536)
Cash and cash equivalents at the beginning of the reporting period	19b		7,455,276	8,767,812
Cash and cash equivalents at the end of the reporting period	19b		13,516,199	7,455,276

The notes on pages 28 to 48 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

a) Basis of preparation

Hearing Dogs for Deaf People is a charity registered in the UK (charity number 293358 (England) and SC040486 (Scotland)) with its registered office at The Grange, Wycombe Road, Saunderton, Princes Risborough, Buckinghamshire, HP27 9NS.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Consolidated financial statements (“group accounts”) have been prepared in respect of the charity and its wholly owned subsidiary, Hearing Dogs for Deaf People (Trading) Limited. The parent has taken exemption from presenting its unconsolidated profit and loss account under section 408 of the Companies Act 2006 and as permitted by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Hearing Dogs for Deaf People meets the definition of a public benefit entity under FRS 102.

b) Income

Voluntary income received by way of donations and gifts to the charity is included in full in the statement of financial activities when received.

Legacy income is included in the financial statements when the charity is satisfied that the conditions of entitlement, probability and measurement have been met. Pecuniary legacies are accounted for when notified. Residuary legacies are accounted for when notification of impending distribution is received and/or receipt occurs within one month of the year end. Residuary legacies subject to a life interest held by another party are not included in income until the conditions associated with payment have been fulfilled.

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made.

Grants receivable are accounted for under the performance model as permitted by the Charities SORP.

c) Volunteers

In accordance with the Charities SORP (FRS 102), the time given by volunteers is not recognised in the accounts. Information about the contribution of volunteers is contained in the trustees’ annual report.

**HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)**

1. Accounting policies (continued)

d) Unrestricted funds

Unrestricted funds are donations and other incoming resources to the charity, received or generated for its charitable purposes.

e) Designated funds

Designated funds are funds set aside out of unrestricted funds by the Board of Trustees and applied towards specific purposes as identified by the Board of Trustees.

f) Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged against the fund, together with a fair allocation of overheads and support costs.

g) Expenditure and irrecoverable VAT

Expenditure is recognised 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 amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on raising funds comprises the costs of the central and community fundraising teams and the trading subsidiary and their associated support costs.

Expenditure on charitable activities comprises all costs relating to the provision of hearing dogs for deaf people including the costs of the supply and training, partnership services and quality assurance teams and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs comprising facilities, general management, legal and professional, IT and governance costs which support the charity's activities. These costs have been allocated between expenditure on raising funds and expenditure on charitable activities on the basis set out in note 5a.

i) Operating leases

All leased property and equipment are considered to be operating leases, and rentals are charged against revenue on a straight-line basis over the life of the lease. No assets are held under hire purchase agreements.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

1. Accounting policies (continued)

j) Intangible assets and amortisation

Intangible assets include investment in our website. Amortisation is provided on intangible assets at rates calculated to write off the cost of the assets over its estimated useful life.

k) Fixed assets and depreciation

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

Motor vehicles	25% per annum on a straight-line basis
Furniture, Fittings, Equipment	20% per annum on a straight-line basis
Freehold property	2-10% per annum on a straight-line basis

Fixed assets costing under £1,000 are not capitalised and treated as revenue expenditure.

l) Investments

Listed investments are stated at market value. Investments in subsidiaries are included in the charity accounts at cost.

m) Stocks

Stocks of goods held for resale are stated at the lower of cost and net realisable value, after making due allowance for obsolete or damaged goods.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Short term deposits and cash at bank and in hand

Short term deposits and cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Branches

The branches of Hearing Dogs for Deaf People are run independently under their own constitutions. Net income from branches is included in the SOFA on an accruals basis.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

1. Accounting policies (continued)

r) Pensions

The charity operates a defined contribution pension scheme. The charge in the Statement of Financial Activities is the amount of contributions payable to the pension scheme in respect of the accounting year.

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Critical accounting judgements and key sources of estimation uncertainty

Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are as follows:

Residuary legacies are recognised on notification which therefore requires an estimation of the amount receivable as described in note 1b).

The estimates and underlying assumptions are reviewed on an ongoing basis. In the view of the Trustees, no assumptions concerning the estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

3. Comparative statement of financial activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Income from:			
Donations and legacies	8,579,803	3,183,766	11,763,569
Grants receivable	500	-	500
Charitable activities	11,157	-	11,157
Trading and fundraising	791,221	3,445	794,666
Investments	464,980	-	464,980
Other	61,118	8,846	69,964
Total income	9,908,779	3,196,057	13,104,836
Expenditure on:			
Raising funds	2,962,672	-	2,962,672
Charitable activities	7,247,745	3,070,798	10,318,543
Total expenditure	10,210,417	3,070,798	13,281,215
Net gains / (losses) on investments	791,545	-	791,545
Net income	489,907	125,259	615,166
Transfers between funds	-	-	-
Net movement in funds	489,907	125,259	615,166
Reconciliation of funds			
Total funds brought forward	24,188,403	991,970	25,180,373
Total funds carried forward	24,678,310	1,117,229	25,795,539

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

4. Income

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Donations and legacies				
Donations	1,524,142	891,419	2,415,561	2,762,665
Income from branches	42,249	-	42,249	116,672
Sponsorship	-	1,302,193	1,302,193	1,284,805
Legacies	10,855,393	145,950	11,001,343	7,156,835
Gift Aid	346,582	-	346,582	442,592
	<u>12,768,366</u>	<u>2,339,562</u>	<u>15,107,928</u>	<u>11,763,569</u>
Grants receivable				
Local Authority Grants	2,000	-	2,000	500
	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>500</u>
Charitable activities				
Sale of hearing equipment	12,020	-	12,020	11,157
Services to other charities	-	-	-	-
	<u>12,020</u>	<u>-</u>	<u>12,020</u>	<u>11,157</u>
Trading and fundraising				
Fundraising events	229,011	-	229,011	185,877
Trading subsidiary income	545,986	-	545,986	608,789
	<u>774,997</u>	<u>-</u>	<u>774,997</u>	<u>794,666</u>
Investment income				
UK listed securities	157,398	-	157,398	134,198
UK bank interest	302,294	-	302,294	330,782
	<u>459,692</u>	<u>-</u>	<u>459,692</u>	<u>464,980</u>
Other income				
Rent received	45,045	-	45,045	46,163
Profit on sale of tangible assets	3,396	-	3,396	5,375
Other income	5,486	-	5,486	18,426
	<u>53,927</u>	<u>-</u>	<u>53,927</u>	<u>69,964</u>
Total income	<u>14,071,002</u>	<u>2,339,562</u>	<u>16,410,564</u>	<u>13,104,836</u>

HEARING DOGS FOR DEAF PEOPLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

5. Expenditure

Expenditure on:	Direct Costs £	Staff Costs £	Depreciation £	Support Costs £	Total 2025 £	Total 2024 £
Raising funds:						
Donations and legacies	802,096	1,223,610	80,869	386,625	2,493,200	2,184,380
Fundraising trading	584,179	27,031	1,916	48,323	661,449	736,610
Investment management	50,705	-	-	-	50,705	41,682
	<u>1,436,981</u>	<u>1,250,641</u>	<u>82,785</u>	<u>434,947</u>	<u>3,205,354</u>	<u>2,962,672</u>
Charitable activities:						
Provision of hearing dogs	1,620,817	6,777,898	391,696	2,199,422	10,989,833	9,923,218
Supporting people affected by hearing loss	24,526	229,928	22,557	158,803	435,814	395,325
	<u>1,645,342</u>	<u>7,007,826</u>	<u>414,253</u>	<u>2,358,226</u>	<u>11,425,647</u>	<u>10,318,543</u>
Total expenditure 2025	<u>3,082,323</u>	<u>8,258,467</u>	<u>497,038</u>	<u>2,793,173</u>	<u>14,631,001</u>	<u>13,281,215</u>
Total expenditure 2024	<u>3,092,246</u>	<u>7,657,840</u>	<u>360,570</u>	<u>2,170,559</u>	<u>13,281,215</u>	

5a. Support costs

Support costs included in the above are analysed as follows:

	Facilities £	General Management £	Legal & Professional £	IT £	Total 2025 £	Total 2024 £
Raising funds:						
Donations and legacies	104,640	126,867	74,999	80,118	386,625	271,650
Fundraising trading	19,046	23,047	2,400	3,829	48,323	36,842
	<u>123,686</u>	<u>149,914</u>	<u>77,400</u>	<u>83,947</u>	<u>434,947</u>	<u>308,492</u>
Charitable activities:						
Provision of hearing dogs	567,836	710,129	566,434	355,024	2,199,422	1,763,318
Supporting people affected by hearing loss	30,236	72,931	34,581	21,055	158,803	98,749
	<u>598,072</u>	<u>783,060</u>	<u>601,015</u>	<u>376,079</u>	<u>2,358,226</u>	<u>1,862,067</u>
Total expenditure 2025	<u>721,758</u>	<u>932,974</u>	<u>678,415</u>	<u>460,026</u>	<u>2,793,173</u>	<u>2,170,559</u>
Total expenditure 2024	<u>708,642</u>	<u>777,715</u>	<u>332,997</u>	<u>351,205</u>	<u>2,170,559</u>	

Total governance costs included above are £103,768 (2024: £102,036).

Costs have been allocated across activities based on a combination of direct allocation and where appropriate apportionment based mainly on the average number of employees.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

The cost percentage allocated to each cost heading is as follows:

	2025	2024
	%	%
Raising funds:		
Donations and legacies	17.1	16.5
Fundraising trading	4.5	5.5
Investment management	0.3	0.3
Charitable activities:		
Provision of hearing dogs	75.1	74.7
Supporting people affected by hearing loss	3.0	3.0

6. Net income

This is stated after charging/(crediting):

	2025	2024
	£	£
Profit on sale of fixed assets	(44,449)	(5,375)
Depreciation	497,038	360,570
Auditors' remuneration		
- audit	26,033	25,685
-other services	2,930	1,800
Operating lease rentals		
- equipment	36,414	34,017
-property	3,453	2,511

7. Staff costs and numbers

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	7,242,716	6,726,552
Social security costs	736,802	670,942
Pension contributions	278,948	260,346
	8,258,466	7,657,840

There were termination costs in the year of £70,467 (2024: £91,044). Termination costs include any payments in lieu of notice and pension contributions paid on termination.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

7. Staff costs and numbers (continued)

The number of employees whose emolument exceeded £60,000 fell within the following ranges:

	2025	2024
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	1	2
£80,001 - £90,000	1	2
£90,001 - £100,000	-	-
£100,001 - £110,000	-	2
£110,001 - £120,000	1	-
£120,001 - £130,000	-	-
£130,001 - £140,000	1	-

Contributions to the charity's defined contribution pension scheme for the highest paid employee amounted to £8,367 (2024: £5,729).

The key management personnel of the charity are the trustees and the executive team led by the Chief Executive. Five (2024: One) members of the executive team earned a salary of less than £60,000 and are not included in the table above. Total employee benefits (gross salaries, employers NI and employers pension contributions) of all the key management personnel of the charity and the group were £599,815 (2024: £628,854).

The Trustees did not receive any remuneration during the year to 31 March 2025 (2024: £Nil).

Trustees received reimbursed travel and subsistence expenses in 2025 of £633 (2024: £1,031).

	2025		2024	
	Average	Number	Average	Number
		FTE		FTE
Hearing Dogs: supply, training, welfare and aftercare	173	160	163	150
Fundraising	23	22	22	21
Communications and marketing	7	6	11	10
Management and administration	23	21	22	20
Total	226	209	218	201

The charity operates a defined contribution pension scheme for all eligible employees which was set up in April 2014 in order to comply with auto-enrolment regulations. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension charge represents contributions payable by the charity to the fund. Pension contributions outstanding at 31 March 2025 amounted to £51,240 (2024: £Nil).

HEARING DOGS FOR DEAF PEOPLE **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 MARCH 2025 (continued)**

8. Taxation

The charitable company is not in receipt of any income that is subject to corporation tax.

9. Intangible Assets – Charity and Group

	Intangible assets under construction £
Cost	
At 1 April 2024	-
Additions	180,079
Disposals	-
At 31 March 2025	180,079
	0
Amortisation	
At 1 April 2024	-
Charge for the year	-
Disposals	-
At 31 March 2025	-
Net book value	
At 31 March 2025	180,079
At 31 March 2024	-

Intangible assets comprise investment in our new website which will be launched in 2025.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

10. Tangible assets – Group

	Freehold property £	Motor vehicles £	Furniture and Fixtures and Fittings £	Equipment £	Total £
Cost					
At 1 April 2024	9,815,664	319,985	1,589,127	-	11,724,776
Additions	60,379	140,045	66,671	15,230	282,325
Transfers	(25,232)	8,372	(659,722)	676,582	-
Disposals	(24,604)	(59,405)	(402,291)	-	(486,300)
At 31 March 2025	9,826,207	408,997	593,785	691,812	11,520,801
Depreciation					
At 1 April 2024	2,838,627	179,965	1,246,457	-	4,265,049
Charge for the year	251,509	56,564	157,998	30,967	497,038
Transfers	10,746	8,372	(595,213)	576,095	-
Disposals	(5,884)	(59,405)	(373,166)	-	(438,455)
At 31 March 2025	3,094,998	185,496	436,076	607,062	4,323,632
Net book value					
At 31 March 2025	6,731,208	223,501	157,709	84,750	7,197,169
At 31 March 2024	6,977,037	140,020	342,670	-	7,459,727

Freehold property comprises:

	Beatrice Wright Centre £	The Grange £	Total £
Net book value			
At 1 April 2024	1,997,484	4,979,553	6,977,037
Additions at cost	-	60,379	60,379
Disposals at net book value	-	(14,486)	(14,486)
Transfers	-	(25,232)	(25,232)
Depreciation charge	(57,802)	(208,688)	(266,490)
Net book value at 31 March 2025	1,939,682	4,791,526	6,731,208

All of the tangible fixed assets of the charity are used for direct charitable purposes.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

11. Fixed asset investments

	Group	
	2025	2024
	£	£
Quoted investments		
Market value at 1 April	9,833,480	8,829,750
Purchases	2,448,535	1,820,018
Sales	(6,235,971)	(1,607,833)
Net investment (losses)/gains	162,597	791,545
Market value at 31 March	6,208,641	9,833,480
Cash awaiting investment	4,007,759	129,040
Total at 31 March	10,216,400	9,962,520

In addition to the above, the charity accounts included an investment of £2 in its wholly owned trading subsidiary (see note 16).

The historic cost of quoted investments at 31 March 2025 was £10,216,400 (2024: £7,847,794).

Included in the operational reserve shown in the balance sheet (see page 20) is a revaluation reserve of £2,239,566 (2024: £1,985,686) which is calculated by comparing the historical cost of quoted investments with their market value as shown above.

These investments are basic financial instruments which are held for investment return and measured at fair/market values. The consolidated entity's income, expense, gains and losses in respect of financial instruments are as follows:

	2025	2024
	£	£
Total dividend and interest income for basic financial assets	459,692	464,980
Total gains / (losses) in respect of basic financial assets	162,597	791,545

12. Stocks

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Goods for resale	30,172	26,410	-	-

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

13. Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	10,113	6,870	4,500	2,434
Loan to subsidiary	-	-	310,905	136,510
Other amounts due from subsidiary	-	-	11,978	84,080
Prepayments	302,235	256,852	301,735	255,868
Other debtors and accrued income	1,237,706	1,557,414	1,234,283	1,557,414
	<u>1,550,054</u>	<u>1,821,136</u>	<u>1,863,401</u>	<u>2,036,306</u>

Total debtors include £310,905 (2024: £136,510) receivable after more than one year. This represents the loan to the subsidiary trading company that is secured by a fixed and floating charge over the assets of that subsidiary, with interest charged at 2% over Barclays Bank base rate.

All debtors are basic financial instruments measured at amortised cost, with the exception of prepayments.

14. Creditors: Amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	483,612	396,229	475,820	394,794
Taxation and social security	195,384	174,820	195,384	174,820
Other creditors and accruals	265,616	229,441	248,479	217,791
	<u>944,612</u>	<u>800,490</u>	<u>919,683</u>	<u>787,405</u>

All creditors are basic financial instruments measured at amortised cost, with the exception of taxation and social security.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

15. Analysis of group net assets between funds

	Restricted funds	Unrestricted designated funds	Unrestricted operational reserve	Total funds
2025	£	£	£	£
Intangible Assets	-	180,079		180,079
Tangible fixed assets	-	7,197,169	-	7,197,169
Investments	-	10,216,400	-	10,216,400
Current assets	990,359	2,322,196	7,776,111	11,088,666
Current liabilities	-	-	(944,613)	(944,613)
Group funds at 31 March 2025	990,359	19,915,844	6,831,498	27,737,701
Add: Subsidiary net liabilities			290,152	290,152
Charity funds at 31 March 2025	990,359	19,915,844	7,121,650	28,027,853

	Restricted funds	Unrestricted designated funds	Unrestricted operational reserve	Total funds
2024	£	£	£	£
Tangible fixed assets	-	7,459,727	-	7,459,727
Investments	-	9,962,520	-	9,962,520
Current assets	1,117,229	380,606	7,671,918	9,169,753
Current liabilities	-	-	(796,461)	(796,461)
Group funds at 31 March 2024	1,117,229	17,802,853	6,875,457	25,795,539
Add: Subsidiary net liabilities			199,737	199,737
Charity funds at 31 March 2024	1,117,229	17,802,853	7,075,194	25,995,276

16. Other financial commitments

At 31 March 2025 the ageing of total minimum lease payments was as follows:

	Property leases £	2025 Other £	Total £	Property leases £	2024 Other £	Total £
Operating leases due:						
Within one year	108	6,393	6,501	3,897	6,717	10,614
Between 2 - 5 years	-	15,768	15,768	-	16,716	16,716
	108	22,161	22,269	3,897	23,433	27,330

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

17. Subsidiary undertaking

The charity has a wholly owned subsidiary which is incorporated in the UK, Hearing Dogs for Deaf People (Trading) Limited (Company number 02786252). The subsidiary operates from premises owned by the charity, its principal address being The Grange, Wycombe Road, Saunderton, Princes Risborough, Buckinghamshire, HP27 9NS, from which it operates a restaurant and café and sells promotional items. It donates its taxable profits to the charity.

	2025 £	2024 £
Turnover	554,970	621,180
Cost of sales	<u>(492,594)</u>	<u>(581,729)</u>
Gross Profit	62,376	39,451
Administrative expenses	<u>(138,863)</u>	<u>(145,936)</u>
Operating Loss	(76,487)	(106,485)
Interest payable	<u>(13,931)</u>	<u>(10,031)</u>
Loss on ordinary activities	(90,418)	(116,516)
Retained losses brought forward	<u>(199,738)</u>	<u>(83,222)</u>
Retained losses carried forward	<u>(290,156)</u>	<u>(199,738)</u>
 Balance sheet		
Total assets	52,346	34,250
Total liabilities	<u>(342,500)</u>	<u>(233,987)</u>
 Net liabilities	<u>(290,154)</u>	<u>(199,737)</u>
 Share capital	2	2
Retained losses	<u>(290,156)</u>	<u>(199,739)</u>
 Capital and reserves	<u>(290,154)</u>	<u>(199,737)</u>

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

18. Movement in funds

	2024 £	Total Income £	Total Expenditure £	Transfers £	2025 £
Restricted funds:					
<u>Hearing Dogs:</u>					
<u>By project / activity</u>					
Hearing Dog training	-	1,362,829	(1,362,829)		-
Hearing Dogs for Deaf Children	-	51,000	(51,000)		-
Physical Facility	290,000	-	-		290,000
BWC	-	17,588	(17,588)		-
Purchase & Training of HD	90,000	-	-		90,000
Training, partnership and salaries	-	425,695	(425,695)		-
Operations Development Team	20,831	20,000	(18,025)		22,806
Upgrade: The Grange Farmhouse	300,000	-	-		300,000
Lifetime Partnership Support	-	20,000	(20,000)		-
Name a puppy	-	54,060	(54,060)		-
Vets and Welfare	-	67,302	(67,302)		-
<u>By location</u>					
Scotland	405,480	36,529	(164,874)	1,000	278,135
Buckinghamshire	-	22,800	(22,800)		-
Bedfordshire	-	17,000	(17,000)		-
Berkshire	-	6,500	(6,500)		-
Cheshire	-	9,480	(9,480)		-
Glasgow	-	13,500	(13,500)		-
Jersey	9,418	-	-		9,418
Leicestershire	-	19,500	(19,500)		-
Lincolnshire	-	11,000	(11,000)		-
Merseyside	-	11,500	(11,500)		-
Norfolk	-	12,000	(12,000)		-
North West of England	-	10,000	(10,000)		-
Nottinghamshire	-	6,500	(6,500)		-
Peterborough	-	10,000	(10,000)		-
Sussex	-	7,000	(7,000)		-
Suffolk	-	5,750	(5,750)		-
Wales	-	17,500	(17,500)		-
Amounts £5,000 or less	1,500	104,530	(105,030)	(1,000)	
Hearing Dogs Total	1,117,229	2,339,562	(2,466,432)	-	990,359

Restricted funds are those where the donor has imposed restrictions on the use of the funds.

The charity operates dog and puppy sponsorships schemes to sponsor the costs of partnerships between deaf people and hearing dogs. Typically amounts between £5,000 and £10,000 are received as sponsorship donations. Puppy sponsorship donations are mostly given on a regular monthly basis. Costs associated with the selection, socialising, training, welfare, placement and aftercare of dogs are charged to these sponsorship funds as appropriate.

The charity also has a number of restricted funds where donors have specified the specific project/activity or geographical area for which the funds are to be used.

Restricted funds are shown in two parts; those relating to Hearing Dogs and those relating to Hearing Link.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

18. Movement in funds (continued)

	2024 £	Total Income £	Total Expenditure £	Investment Gains / Transfers £	2025 £
Unrestricted funds:					
Designated funds:					
Intangible assets	-	-	-	180,079	180,079
Freehold - BWC	1,997,484	-	(57,802)	-	1,939,682
Freehold - The Grange	4,979,553	-	(208,688)	20,661	4,791,526
Other functional fixed assets	482,690	-	(245,529)	228,800	465,961
Sub-total fixed assets	7,459,727	-	(512,019)	429,540	7,377,248
Capital commitments	-	-	-	53,590	53,590
Total fixed assets	7,459,727	-	(512,019)	483,130	7,430,838
Partnership commitments	6,843,126	-	-	(458,584)	6,384,542
Development fund	3,500,000	-	-	2,600,208	6,100,208
Total designated	17,802,853	-	(512,019)	2,624,754	19,915,588
Operational reserve	6,875,457	14,071,002	(11,652,550)	(2,462,157)	6,831,752
Total unrestricted	24,678,310	14,071,002	(12,164,569)	162,597	26,747,340
Total restricted and unrestricted funds	25,795,539	16,410,564	(14,631,001)	162,597	27,737,699

Designated funds of £7,377,248 (2024: £7,459,727) have been set aside from the group's unrestricted funds by the Directors for the functional tangible and intangible fixed assets required to carry out the principal activities of the charity. Contractual commitments of £53,590 existed at 31 March 2025 (2024: £Nil). An amount of £483,130 (2024: £344,243) was transferred from general funds to designated funds in respect of fixed assets during the year.

The Directors have also designated the following funds for specific use:

- An amount to cover the charity's future long-term commitments relating to its existing hearing dog partnerships. At 31 March 2025 this amount was calculated at £6,384,542 (2024: £6,843,126) representing the projected costs over a 10-year period. An amount of £458,584 was transferred out in the year. (2024: £399,758 was transferred from general funds to designated funds in respect of future partnership liabilities.)
- The operating environment has changed since the Coronavirus pandemic, and it is planned to redevelop parts of both sites that are no longer used. A designated fund of £3.5m was established in 2022/23 to support the plans. The redevelopments are currently at various stages of planning.
- In addition, this year we have set aside funds £1.6 million to invest in improving our data and digital capabilities. Our CRM system is now 10 years old and we want to take advantage of new technologies and software to modernise how we capture, manage and utilise data relating to all our stakeholders – dogs, recipients, volunteers and supporters.

HEARING DOGS FOR DEAF PEOPLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

18. Movement in funds (continued)

- We have also identified the need to expand our fundraising activities and have reserved £1.0 million to kick-start our efforts over 2025 and 2026, recognising that we will need to underwrite some expenditure in advance of new income streams being realised.

Prior year movement in funds - restricted

	2023 £	Total Income £	Total Expenditure £	Investment Gains / Transfers £	2024 £
Restricted funds:					
<u>Hearing Dogs:</u>					
<u>By project / activity</u>					
Physical Facility	290,000				290,000
Hearing Dogs for Deaf Children	-	15,000	(15,000)		-
Purchase & Training of HD	65,000	25,000			90,000
Hearing Dogs Training	-	2,144,090	(2,144,090)		-
Partnerships	-				-
Training, partnership and salaries	231,628	277,955	(509,583)		-
Puppy Socialising Areas	-				-
Operations Development Team	-	50,000	(29,169)		20,831
Upgrade: The Grange Farmhouse	300,000				300,000
Upgrade: Kennels	10,000		(10,000)		-
Lifetime Partnership Support	25,000		(25,000)		-
Training and / or name a dog	52,500		(52,500)		-
Name a puppy	-	20,000	(20,000)		-
Training Runs	8,424	7,688	(16,112)		-
Other projects less than £10,000	-	30,650	(30,650)		-
<u>By location</u>					
Scotland	-	405,480	-		405,480
Greater Manchester	-	8,000	(8,000)		-
Jersey	9,418	-	-		9,418
Merseyside	-	10,000	(10,000)		-
Norfolk	-	39,620	(39,620)		-
South East England	-	15,000	(15,000)		-
Sussex	-	6,000	(6,000)		-
Amounts £5,000 or less	-	117,294	(115,794)		1,500
Hearing Dogs Total	991,970	3,171,777	(3,046,518)	-	1,117,229
<u>Hearing Link:</u>					
<u>By project / activity</u>					
Hearing Link	-	24,280	(24,280)		-
Hearing Link Total	-	24,280	(24,280)	-	-
Total restricted	991,970	3,196,057	(3,070,798)	-	1,117,229

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

18. Movement in funds (continued)

Prior year movement in funds - unrestricted

	2023 £	Total Income £	Total Expenditure £	Investment Gains / Transfers £	2024 £
Unrestricted funds:					
Designated funds:					
Freehold - BWC	2,008,293	-	(57,605)	46,796	1,997,484
Freehold - The Grange	5,045,356	-	(138,106)	72,303	4,979,553
Other functional fixed assets	422,405	-	(164,859)	225,144	482,690
Sub-total fixed assets	7,476,054	-	(360,570)	344,243	7,459,727
Capital commitments	119,917	-	(119,917)	-	-
Total fixed assets	7,595,971	-	(480,487)	344,243	7,459,727
Partnership commitments	6,443,368	-	-	399,758	6,843,126
Development Fund	3,500,000	-	-	-	3,500,000
Total designated	17,539,339	-	(480,487)	744,001	17,802,853
Operational reserve	6,649,064	9,908,779	(9,729,930)	47,544	6,875,457
Total unrestricted	24,188,403	9,908,779	(10,210,417)	791,545	24,678,310
Total funds	25,180,373	13,104,836	(13,281,215)	791,545	25,795,539

19a. Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net income / (expenditure)	1,942,160	615,166
Adjustments for:		
Depreciation charges	497,292	360,570
(Gains) on investments	(162,597)	(791,545)
Dividends and interest from investments	(459,692)	(464,980)
Loss / (Profit) on sale of tangible fixed assets	44,449	(5,375)
(Increase) / decrease in stock	(3,762)	18,897
Decrease/ (Increase) in debtors	271,082	(1,053,153)
Increase in creditors	144,123	93,957
Net cash provided by operating activities	2,273,055	(1,226,463)

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

19b. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash awaiting investment	4,007,759	129,040
Short term deposits	9,467,429	7,214,865
Cash at bank and in hand	41,011	111,371
	<u>13,516,199</u>	<u>7,455,276</u>

19c. Movement in net funds

	At 1 April 2024 £	Cash flow £	At 31 March 2025 £
Short term deposits	7,214,865	2,252,564	9,467,429
Cash at bank and in hand	111,371	(70,360)	41,011
Cash held awaiting investment	129,040	3,878,719	4,007,759
Total net cash	<u>7,455,276</u>	<u>6,060,923</u>	<u>13,516,199</u>

20. Capital commitments

	2025 £	2024 £
Contracted capital commitments for the group and the charity	£53,590	£-

21. Related parties

In the year to 31 March 2025 the following transactions took place between the charity and its wholly owned trading subsidiary:

- a. Management charges from the charity to the trading subsidiary £18,000 (2024: £18,000).
- b. Interest payable by the trading subsidiary to the charity £13,931 (2024: £10,031).

At 31 March 2025 the amount owed by the trading subsidiary to the charity amounted to £8,553 (2024: £84,080).

In addition, the charity has loaned the trading subsidiary £310,905 which has no fixed repayment date, but which is secured on its assets, attracting interest at 2% over bank base rate.

Mr P Davis (charity trustee) is a director of the charity's wholly owned trading subsidiary.

HEARING DOGS FOR DEAF PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

21. Related parties (continued)

During the year the charity has used a veterinary practice owned by Ms S Heath (charity trustee). Invoiced amounts totalled £14,573 (2024: £3,474)

Jane Tommey's husband Paul Tommey is employed by the charity as a dog trainer under a standard contract of employment and is paid at the same rate as other dog trainers. Jane Tommey, Director of Operations, was not involved in the recruitment process and the appointment was approved by the Trustees.

£180 (2024: £25) of donations from Trustees were received during the year.

22. Contingent assets – Legacies

At the balance sheet date, the charity had received notification that it is a beneficiary of a number of legacies. It is not possible to quantify these accurately or to ascertain the date on which the charity will receive them. The estimated value of the legacies notified as at 31 March 2025 was £8.8 million (2024: £7.1 million) and is not included in the accounts.

HEARING DOGS FOR DEAF PEOPLE REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Company number	01964878
Charity number	England: 293358 Scotland: SC040486
Registered office	The Grange, Wycombe Road, Saunderton, Princes Risborough, HP27 9NS
Royal patron	HRH The Princess Royal
President	Sir Stuart Hampson CVO DL
Life vice-presidents	F B Clark MBE A M Horsley JP DL
Vice-presidents	R Bourne Air Vice-Marshal D Crwys-Williams CB FCIPD FCIM Dr H Harris MB ChB FRCGP K W Keir OBE Dr B Fogle MBE DVM MRCVS V Harrison MA, DPhil V Hunt
Trustees	C M P O'Donovan-Rossa BA Hons MA ACIB FCIPD DMS (Chair) E M Burness R Casey BVSc DipECAWBM FRCVS M S Coote BSc (resigned 16 July 2024) P R G Davis BSc FCA BFP B S Downes LL.B FSHAA K A England RVN DipCIM D L Hay (resigned 16 July 2024) S E Heath BVSc PgCertVE DipECAWBM (BM) CCAB FHEA FRCVS A M Horsley JP DL (resigned 16 July 2024) C McKay S A L Marshall (appointed 16 July 2024) K B Milsom BHSc Hons MSc (resigned 16 July 2024) Professor R T Ramsden MBE FRCS T W B Schultz-Jagow (appointed 16 July 2024) H Self MA, FCA, CTA (Fellow)

The Trustees each guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up.

Chief Executive	T Griffin
Principal bankers	Barclays Bank plc PO Box 885, Mortlock House, Vision Park, Histon, Cambridge, CB24 9DE

HEARING DOGS FOR DEAF PEOPLE

Solicitors	Penningtons Manches LLP	Wilsons Solicitors
	9400 Garsington Road, Oxford Business Park, Oxford, OX4 2HN	Alexandra House, St Johns Street, Salisbury, SP1 2SB
Auditors		Crowe U.K. LLP, R+ Building, 2 Blagrove Street, Reading, RG1 1AZ

ⁱ RNID, Prevalence of deafness and hearing loss (<https://rnid.org.uk/get-involved/research-and-policy/facts-and-figures/prevalence-of-deafness-and-hearing-loss/>)