

TC Group Business Advisors & Accountants 180 St Vincent Street Glasgow G2 5SG

Charity number (Scotland) SC043908

Auditor TC Group

Business Advisors & Accountants

180 St Vincent Street

Glasgow

G2 5SG

Bankers Barclays UK

Leicester Servicing Centre

Leicester

LE87 2BB

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FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 1 January 2019)".

Objectives and activities

The charity's objective is to support veterans from all three branches of the armed forces who have mental health needs or cognitive impairment related to their experiences during military service. Bravehound also supports their family members.

Principal Activities

- ◆ The provision and training of assistance dogs.
- ◆ Training veteran's own dogs to be assistance dogs.
- ◆ On-going support for companion dogs.
- ◆ Weekly group and individual training sessions as required.
- ◆ Training sessions for volunteer BRAVEHOUND Buddies as required.
- ◆ Welfare support for beneficiaries, with additional support and referral to appropriate organisations where needed.
- ◆ Activities and events to reduce isolation and promote active engagement in the community.
- ◆ Activities to raise awareness and compassion for those who carry the invisible wounds of war.
- ◆ Education and engagement activities to raise public awareness of the role dogs can play in supporting military veterans with mental health needs, particularly assistance dogs.

StrategyVision ◆ BRAVEHOUND's North Star

To support every veteran with mental health needs in Scotland.

Purpose

Bravehound is a veterans charity. Our purpose is to support veterans with clinical mental health diagnosis by the provision of Assistance Dogs International ADI and Assistance Dog UK ADUK qualified assistance dogs.

BRAVEHOUND VALUES

BRAVEHOUND MINDSET

Integrity Ambitious Respect Collaborative Professional Creative Supportive Service

We will train 5 new, fully qualified partnerships each year. Bravehound's support continues over the lifetime of each dog.

Our Bravehound assistance dogs give 24hr companionship. They reduce isolation and give a purpose and structure to each day.

We provide opportunities for veterans to socialise with other veterans and activities that raise public awareness of the challenges veterans face. We also promote their talents, ethos of service to others and the contribution veterans bring to society.

The welfare of our dogs is at the heart of all we do and is essential to the success of each partnership.

Bravehound dogs are credited with transforming and saving lives.

FOR THE YEAR ENDED 31 MARCH 2025

Partnerships

Bravehound is committed to partnership working.

We have developed longstanding partnerships including : ♦ The PDSA for veterinary care ♦ Fares4Free for transport needs ♦ Rock2Recovery for welfare support for both beneficiaries and staff ♦ The US based Theater of War company for education and outreach projects

We have developed new partnerships with: ♦ Restart Dogs ♦ Pets Foundation (Formally Pets at Home Foundation) ♦ Napier University's Department for Military Research ♦ Morgan Stanley with pro-bono consultancy support

Bravehound is a full member of Veterans Scotland, Cobseo, The Confederation of Service Charities, Assistance Dogs International ADI and Assistance Dogs UK ADUK.

We are members of the Veterans Scotland Welfare Group and Scottish Veterans Wellbeing Alliance.

Bravehound's Board of Trustees are offered Trustee Training and Governance support via Cobseo and Veterans Scotland.

Bravehound staff and volunteers where appropriate undertake First Aid and Mental Health First Aid training as well as bespoke training from Combat Stress, provided through the Armed Forces Covenant Fund Trust funded projects.

Achievements and performance

Currently Bravehound has 30 dogs in the programme.

We continue to support 6 companion dog partnerships.

There are 22 qualified assistance dog partnerships, with two further partnerships due to qualify in Autumn 2025.

Bravehound has successfully contracted a Head of Dog Training and Behaviour, Kirsten Dillon, as well as increasing part-time training staff to the team.

Achievements against targets

♦ Bravehound achieved the strategic aim of five successful new Bravehound and veteran assistance dog partnerships. ♦ Bravehound continues to be the only full member of ADI and ADUK, the only ADUK member in Scotland working exclusively to provide assistance dogs to veterans.

Fundraising Performance against targets

BRAVEHOUND is grateful for financial support from: The Armed Forces Covenant Fund Trust The Veterans Foundation Max Out in the Lake District The Officer's Association Scotland The Seafarers Charity Baillie Gifford MOD ANTA The John Scott Charitable Trust The Spear Family Trust Anonymous Trust, Corporate and individual donors

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

Income increased in the year from ♦289k to ♦311k.

The charity budgeted a breakeven position for the year and although income increased the charity made a deficit of ♦28.7k (2024: deficit of ♦13k). This was due to increased costs, particularly professional fees.

The charity ended the year with accumulated reserves of ♦164k (2024: ♦193k) with ♦30k of these being unrestricted general reserves (2024: ♦70k). For long term dog welfare ♦105k is designated and the remaining ♦29k represents restricted funds, carried forward to 2026 (2024: ♦17k).

Reserves Policy

The charity sets aside a designated fund of ♦105,000 to ensure that dogs classed as BRAVEHOUND Dogs and owned by the charity, can be supported for the remainder of their lives.

The Trustees aim to maintain an additional unrestricted reserve of 6 months unrestricted expenditure, to cover contractual salary and lease obligations in the event that the charity chose to cease operating.

6 months expenditure would be £69k, based on results to March 2025. £30k was held at 31st March 2025, so there is a shortfall of £39k in unrestricted funds, however restricted funding for salary costs would cover this shortfall. Increasing the level of unrestricted funding held is a priority for the for the year ahead to meet the reserves policy requirements.

In addition £10k of funding that was meant to support 24/25 core activities was received just after the year end and will be recognised in 25/26 accounts.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Going Concern

Expenditure and income are both budgeted at £355k for the 2025/26 financial year. The Trustees have approved the operational plan for the year, together with the overarching strategy.

March 2025 cash balances are £125k, which in the view of the Trustees, should provide adequate working capital for the year ahead.

Structure, governance and management

Bravehound is a registered charity (number SC043908). The principal objective of Bravehound is to support veterans and their families, particularly those living with mental health needs including cognitive impairment. The Charity is controlled by a deed of trust dated 2013 and constitutes a Scottish Charitable Incorporated Organisation (SCIO).

Remuneration of the staff is reviewed annually by the Trustees Remuneration Committee.

In terms of reporting on Gender Pay, 100% of staff are female.

Senior Management

The key management personnel are the Trustees, the CEO and Operations Manager. The Trustees are appointed by the members of the Board. Where appropriate, members are re-elected at the Annual General Meeting.

The Trustees meet four times a year and are responsible for determining the strategy of the charity and for ensuring successful operational performance, in line with the expectations of stakeholders.

FOR THE YEAR ENDED 31 MARCH 2025

The trustees who served during the year and up to the date of signature of the financial statements were:

[REDACTED]

Details of method of recruitment and appointment of trustees

There was one appointment to the board of trustees during this financial year, veteran Dave Hill.

Trustee roles are advertised to the Third Sector via Goodmoves with advertisements on Bravehound's Social Media and Website. The roles are additionally advertised in the Veterans Scotland and Cobseo (Confederation of Service Charities) newsletters and job listings as well as through The Officers Association Scotland.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- £ settle the terms of payment with suppliers when agreeing the terms of each transaction;
- £ ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts;

and £ pay in accordance with the company's contractual and other legal obligations.

Public Benefit

Military veterans living with Mental Health conditions such as Post Traumatic Stress Disorder, depression and anxiety as well as physical injury, often become isolated and withdrawn from the community.

Unable to work and with a limited support network as they often lose contact with family and friends. Many of the veterans who come to us for support have experienced homelessness and are at risk of self-harm and suicide.

Bravehound provides a way back into the community, to re-engage with family and friends and to forge new friendships and relationships.

Bravehound has just over 100 veterans registered, which includes those partnered with dogs, those waiting to be partnered with a dog and those who wish to engage in social activities. We are limited by funding for

[REDACTED]

more dogs as support is intensive and lifelong for each Bravehound dog.

Volunteers

Bravehound is grateful for the work of our many volunteers and special mention must be made of our dedicated Puppy Socialisers, who take a Bravehound puppy into their home for over a year of socialisation and training.

Auditor

A resolution proposing that TC Group, Business Advisors & Accountants, be reappointed as auditors of the charitable company will be put to the Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

.....
David Goodacre Chair

Dated:

FOR THE YEAR ENDED 31 MARCH 2025

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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 judgements and estimates that are reasonable and prudent;

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

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BRAVEHOUND

Opinion

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

In our opinion, the financial statements: -give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements

in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion: -the information given in the financial statements is inconsistent in any material respect with the trustees' report; or -proper accounting records have not been kept; or -the financial statements are not in agreement with the accounting records; or -we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BRAVEHOUND

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 charity'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 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 report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities,

including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; ◆ we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our wider knowledge and experience of the charity sector;
 - ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended);
 - ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and ◆ identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- ◆ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships; ◆ tested journal entries to identify unusual transactions; ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and ◆ investigated the rationale behind significant or unusual transactions.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BRAVEHOUND

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of those charged with governance;
- ◆ enquiring of management as to actual and potential litigation and claims; and
- ◆ reviewing correspondence with OSCR.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [https:// www.frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

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

TC Group

Statutory Auditor Business Advisors & Accountants 180 St Vincent Street Glasgow G2 5SG

Date:

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

Current financial year Unrestricted Unrestricted Restricted Total Total

funds funds funds

general designated

2025 2025 2025 2025 2024

Notes     

Income and endowments from:

Donations and legacies 3 95,684 - 208,336 304,020 286,592

Charitable activities 4 148 - - 148 1,106

Investments 5 1,554 - - 1,554 1,303

Other income 6 4,360 - 950 5,310 -

Total income 101,746 - 209,286 311,032 289,001

Expenditure on:

Raising funds 7 16,426 - - 16,426 14,094

Charitable activities 8 121,361 - 201,914 323,275 288,261

Total expenditure 137,787 - 201,914 339,701 302,355

Net income/(expenditure) (36,041) - 7,372 (28,669) (13,354)

Transfers between funds (4,326) - 4,326 - -

Net movement in funds 11 (40,367) - 11,698 (28,669) (13,354)

Reconciliation of funds:

Fund balances at 1 April 2024 70,336 105,000 17,340 192,676 206,030

Fund balances at 31 March 2025 29,969 105,000 29,038 164,007 192,676

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 13 to 27 form an integral part of these financial statements.

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

Prior financial year Unrestricted Unrestricted Restricted Total

funds funds funds

general designated

2024 2024 2024 2024

Notes    

Income and endowments from:

Donations and legacies 3 135,238 - 151,354 286,592

Charitable activities 4 1,106 - - 1,106

Investments 5 1,303 - - 1,303

Total income 137,647 - 151,354 289,001

Expenditure on:

Raising funds 7 14,094 - - 14,094

Charitable activities 8 152,609 - 135,652 288,261

Total expenditure 166,703 - 135,652 302,355

Net income/(expenditure) (29,056) - 15,702 (13,354)

Transfers between funds 79,698 - (79,698) -

Net movement in funds 11 50,642 - (63,996) (13,354)

Reconciliation of funds:

Fund balances at 1 April 2023 19,694 105,000 81,336 206,030

Fund balances at 31 March 2024 70,336 105,000 17,340 192,676

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.
The notes on pages 13 to 27 form an integral part of these financial statements.

AS AT 31 MARCH 2025

2025 Notes ♦ Fixed assets Tangible assets 13 Current assets Stocks 14 500 Debtors 15 29,454 Cash at bank and in hand 125,321 155,275 Creditors: amounts falling due within 16 one year (24,152) Net current assets Total assets less current liabilities The funds of the charity Restricted income funds 19 Unrestricted funds - general Unrestricted funds - designated 20 The financial statements were approved by the trustees on ♦ 32,884 131,123 164,007 29,038 29,969 105,000 164,007 2024 ♦ 400 43,194 162,888 206,482 (68,607) ♦ 54,801 137,875 192,676 17,340 70,336 105,000 192,676 David Goodacre Trustee The notes on pages 13 to 27 form an integral part of these financial statements.

FOR THE YEAR ENDED 31 MARCH 2025

Notes Cash flows from operating activities Cash absorbed by operations 25 Investing activities Purchase of tangible fixed assets Investment income received Net cash generated from/(used in) investing activities Net cash generated from financing activities Net decrease in cash and cash equivalents Cash and cash equivalents at beginning of year Cash and cash equivalents at end of year 2025 ♦ (1,094) 1,554 ♦ (38,027) 460 -(37,567) 162,888 125,321 2024 ♦ (30,055) 1,303 ♦ (12,960) (28,752) -(41,712) 204,600 162,888

The notes on pages 13 to 27 form part of these financial statements.

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Bravehound is a registered charity in Scotland. The Registered Office is Suite 8, Lennoxtown Enterprise Centre, Railway Court, Lennoxtown, G66 7LL.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of raising funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Any Irrecoverable VAT is included as part of the cost to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs, including governance costs, are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity.

1.6 Tangible fixed assets

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

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

Leasehold improvements Over the life of the lease once entered into Fixtures and fittings 20%, Straight Line Computers 33%, Straight Line Motor vehicles 4 to 5 years Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stock is valued at the lower of cost or net realisable value.

1.9 Cash and cash equivalents

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

FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies (Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 **Basic Financial Instruments** and Section 12 **Other Financial Instruments Issues** of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

| | Unrestricted funds 2025 | Restricted funds 2025 | Total funds 2025 | Unrestricted funds 2024 | Restricted funds 2024 | Total funds 2024 |
|--|-------------------------|-----------------------|------------------|-------------------------|-----------------------|------------------|
|--|-------------------------|-----------------------|------------------|-------------------------|-----------------------|------------------|

| | | | | | | |
|---------------------|--------|---------|---------|----------|----------|-------------------|
| Donations and gifts | 85,684 | 634 | 86,318 | 135,238 | -135,238 | Grants Receivable |
| | 10,000 | 207,702 | 217,702 | -151,354 | 151,354 | |

| | | | | | | |
|--|--------|---------|---------|---------|---------|---------|
| | 95,684 | 208,336 | 304,020 | 135,238 | 151,354 | 286,592 |
|--|--------|---------|---------|---------|---------|---------|

Grants receivable for core activities

Armed Forces Covenant

| | | | | | | | | | |
|----------------------|----------|---------|---------|-----------------------|--------------------------|---------|---------|------------------------|--------|
| Fund Trust | -110,833 | 110,833 | -16,667 | 16,667 | The Veteran's Foundation | -42,500 | 42,500 | -29,167 | 29,167 |
| ABF Soliders Charity | -15,000 | 15,000 | -15,020 | 15,020 | Pets at Home | -29,500 | 29,500 | -65,500 | 65,500 |
| Seafarers Charity | ---- | 15,000 | 15,000 | Officers' Association | | | | | |
| Scotland | -7,500 | 7,500 | -10,000 | 10,000 | Baillie Gillford | 10,000 | -10,000 | ---Ministry of Defence | -2,369 |
| | 10,000 | 207,702 | 217,702 | -151,354 | 151,354 | | | | |

FOR THE YEAR ENDED 31 MARCH 2025 FOR THE YEAR ENDED 31 MARCH 2025

4 Income from charitable activities Merchandise Sales Unrestricted funds 2025 148 Unrestricted funds 2024 1,106

5 Income from investments Interest receivable Unrestricted funds 2025 1,554 Unrestricted funds 2024 1,303

6 Other income Other income Unrestricted funds 2025 4,360 Restricted funds 2025 950 Total 2025 5,310 Unrestricted funds 2024 - Restricted funds 2024 - Total 2024 -

7 Cost of raising funds Unrestricted funds funds general general 2025 2024 2025 2024

| | | | | | | |
|-------------|-------|-------|--------|--------|-----|--------|
| Advertising | 8,971 | 7,455 | 16,426 | 13,878 | 216 | 14,094 |
|-------------|-------|-------|--------|--------|-----|--------|

8 Cost of charitable activities

| | Total 2025 | Total 2024 |
|--|------------|------------|
|--|------------|------------|

| | | | | | | | | |
|-------------------|---------|---------|------------------------------|--------|--------|------------------------|--------|--------|
| Staff costs | 131,655 | 175,941 | Depreciation and impairment | 18,323 | 17,800 | Premises costs | 9,805 | 8,808 |
| Running costs | 100,479 | 43,079 | Motor and travel costs | 25,532 | 20,943 | Legal and professional | 10,316 | 10,697 |
| Accountancy costs | 13,194 | - | Interest and finance charges | 451 | 331 | Governance costs | 13,520 | 10,662 |
| | 323,275 | 288,261 | | | | | | |

Analysis by fund

Unrestricted funds - general 121,361 152,609 Restricted funds 201,914 135,652

323,275 288,261

9 Trustees

£2,630 of Trustees travel cost expenses were reimbursed during the year for one Trustee living in London (2024: £2,382).

10 Employees

The average monthly number of employees during the year was:

2025 2024 Number Number

Total 4 5

Employment costs 2025 2024 ££

Wages and salaries 122,909 161,583 Social security costs 6,846 11,022 Other pension costs 1,900 3,336
131,655 175,941

During the year, the charity paid a termination payment to one member of staff totalling £4,051 (2024 :
£nil).

There were no employees whose annual remuneration was £60,000 or more.

FOR THE YEAR ENDED 31 MARCH 2025

11 Net movement in funds 2025 2024 ££

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements 10,890 8,280 Depreciation of owned tangible
fixed assets 18,323 17,800

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

Cost At 1 April 2024 Additions Disposals Leasehold improvements £ 4,000 -(4,000) Fixtures and fittings £
885 -- Computers £ 7,382 1,094 (688) Motor vehicles £ 87,764 -- Total £ 100,031 1,094 (4,688)

At 31 March 2025 - 885 7,788 87,764 96,437

Depreciation and impairment At 1 April 2024 Depreciation charged in the year -- -177 1,335 5,064 43,895
13,082 45,230 18,323

At 31 March 2025 - 177 6,399 56,977 63,553

Carrying amount At 31 March 2025 - 708 1,389 30,787 32,884

At 31 March 2024 4,000 885 6,047 43,869 54,801

14 Stocks 2025 £ 2024 £

Consumables 500 400

15 Debtors Amounts falling due within one year: 2025 £ 2024 £

Other debtors Prepayments and accrued income 5,869 23,585 40,000 3,194

29,454 43,194

- 19 £

FOR THE YEAR ENDED 31 MARCH 2025 FOR THE YEAR ENDED 31 MARCH 2025

16 Creditors: amounts falling due within one year

2025 £ 2024 £

Other taxation and social security Trade creditors Other creditors Accruals and deferred income 5,562 2,211
242 16,137 4,311 2,334 264 61,698

24,152 68,607

17 Deferred income

Deferred income is included in the financial statements as follows:

1 Apr '24 £ Receipts in year £ Released in year £ 31 Mar '25 £

Veterans Foundation 17,500 - (17,500) -

Officers Association 7,500 - (7,500) -

Covenant Fund 28,333 12,500 (40,833) -

53,333 12,500 (65,833) -

1 Apr '23 £ Receipts in year £ Released in year £ 31 Mar '24 £

Veterans Foundation 16,667 30,000 (29,167) 17,500

Officers Association 7,500 10,000 (10,000) 7,500

Covenant Fund - 45,000 (16,667) 28,333

24,167 85,000 (55,834) 53,333
- 20

18 Retirement benefit schemes 2025 2024 Defined contribution schemes
Charge to profit or loss in respect of defined contribution schemes 1,900 3,336

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

FOR THE YEAR ENDED 31 MARCH 2025

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

Movement in funds Movement in funds

Balance at Income Expenditure Transfers Balance at Income Expenditure Transfers Balance at 1 April 2023 1 April 2024 31 March 2025

Officers' Association Scotland 2,500 10,000 (12,500) --7,500 (7,500) --Trust (Anonymous) 45,138 --(45,138) -----Covenant Fund - Into Employment 788 --(788) -70,000 (40,962) -29,038 Covenant Fund - BH Connections -16,667 (16,667) --40,833 (40,833) -ABF -15,020 (15,020) --15,000 (15,000) --Veterans' Foundation 15,000 29,167 (44,167) --42,500 (42,500) --Veterinary Fees 4,577 -(4,577) -----Armed Forces Day -----2,369 (6,695) 4,326 -Pets at Home -65,500 (29,747) (23,772) 11,981 29,500 (41,481) --Seafarers' Charity -15,000 (9,641) -5,359 -(5,359) --Anonymous Treatment Donation -----134 (134) --Outdoor Activities -----1,450 (1,450) --Foundation Scotland - Bailie Gifford 10,000 --(10,000) -----The Veterans Foundation R Salaries Grant 3,333 -(3,333) -----

81,336 151,354 (135,652) (79,698) 17,340 209,286 (201,914) 4,326 29,038
- 22

FOR THE YEAR ENDED 31 MARCH 2025

19 Restricted funds (Continued)

Officers' Association Scotland - to fund Operations Co-ordinator post. Trust (Anonymous) - to develop a network of dog trainers local to each veteran for on-going training and support. Covenant Fund -consists of Bravehound Go Outside which is to encourage veterans to participate in outside activities, and Theatre of War 2 which is to plan and deliver 3 interactive performances of 'Theatre at War', performing Greek Tragedy, leading to a discussion with audience, inspiring respect and understanding of those who serve. ABF - funds to help cover staff salary costs. Veteran's Foundation - to support director and bookkeeper salary costs. Veterinary fees - to help cover veterinary costs.

Armed Forces Day -to fund Armed Forces Day. Pets at Home -to fund the training and welfare support of Bravehounds and their vulnerable military veterans. This is to be used to purchase a van and to hire two dog trainers.

Seafarers' Charity - to fund the costs of supporting 8 royal Navy Veterans and their Bravehounds.

Outdoor Activities -to support additional outdoor activities- outdoor forestry and woodworking skills courses for veterans who have been impacted by the effects of both the pandemic as well as recent and continuing events in Afghanistan. Foundation Scotland - - to help cover veterinary costs.

- 23

FOR THE YEAR ENDED 31 MARCH 2025

20 Unrestricted funds - designated

These are the designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

At 1 April At 31 March 2024 2025

Designated Fund 105,000 105,000

Previous year: At 1 April At 31 March 2023 2024

Designated Fund 105,000 105,000

The Designated Fund represents amounts set aside for our Bravehound dogs over the period of their lives.

21 Unrestricted funds

These are the unrestricted funds to the charity

At 1 April Income Expenditure Transfers At 31 March 2024 2025

General funds 70,336 101,746 (137,787) (4,326) 29,969

Previous year: At 1 April Income Expenditure Transfers At 31 March 2023 2024

General funds 19,694 137,647 (166,703) 79,698 70,336
FOR THE YEAR ENDED 31 MARCH 2025
22 Analysis of net assets between funds
Fund balances at 31 March 2025 are represented by: Tangible assets Current assets/(liabilities) Unrestricted funds 2025 £ 32,884 (2,915) Designated funds 2025 £ -105,000 Restricted funds 2025 £ -29,038 Total Unrestricted funds 2025 2024 £ £ 32,884 54,801 131,123 15,535 Designated funds 2024 £ -105,000 Restricted funds 2024 £ -17,340 Total 2024 £ 54,801 137,875 29,969 105,000 29,038 164,007 70,336 105,000 17,340 192,676

- 25 £
FOR THE YEAR ENDED 31 MARCH 2025
23 Related party transactions Transactions with related parties
During the year, the charity received income of £nil (2024: £10,000) from Officers Association Scotland (Scottish Charity Number: SC010665) of which a Trustee is also a Trustee of Bravehound. £7,500 deferred at 31 March 2024 was released in the year to income.
Remuneration of key management personnel
The remuneration of key management personnel is as follows.
2025 2024 £ £
Key management personnel 92,658 56,958 92,658 56,958
24 Operating lease commitments
At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:
2025 2024 £ £
Within one year 7,384 7,384 Between two and five years 1,846 9,230 9,230 16,614

FOR THE YEAR ENDED 31 MARCH 2025
25 Cash generated from operations Deficit for the year Adjustments for: Investment income recognised in statement of financial activities Loss on disposal of tangible fixed assets Depreciation and impairment of tangible fixed assets Movements in working capital: (Increase) in stocks Decrease/(increase) in debtors (Decrease)/increase in creditors Cash absorbed by operations 2025 £ (28,669) (1,554) 4,688 18,323 (100) 13,740 (44,455) (38,027) 2024 £ (13,354) (1,303) -17,800 (400) (42,828) 27,125 (12,960)
26 Analysis of changes in net funds The charity had no material debt during the year.

The following pages do not form part of the statutory accounts
FOR THE YEAR ENDED 31 MARCH 2025
Income UF Donations and gifts RF Donations and gifts UF Other general grants RF Other general grants £
85,684 634 10,000 207,702 2025 £ £ 135,238 --151,354 2024 £
304,020 286,592
Income from charitable activities UF Charitable income 1 - sales within Charitable activity 148 1,106 148 1,106
Investment income UF Other interest receivable operating 1,554 1,303 1,554 1,303
Other income UF Other income RF Other income 4,360 950 -- 5,310 -
Total income Total expenditure 311,032 (339,701) 289,001 (302,355)
Net (deficit)/surplus for the year (28,669) (13,354)

FOR THE YEAR ENDED 31 MARCH 2025 FOR THE YEAR ENDED 31 MARCH 2025
£ 2025 £ £ 2024 £
Raising funds UF Advertising UF Other fundraising costs Total raising funds expenditure 8,971 7,455 16,426 13,878 216 14,094
Charitable activities Staff costs Wages and salaries (use database for trustees) Social security costs Staff pension costs defined contribution Depreciation Depreciation Premises costs Rent Heat and light Insurance Storage Costs Running costs Printing, postage and stationery Telephone Computer, website and IT costs Training costs Subscriptions General expenses Service charges Entertainment Veterans Expenses Direct Cost - Dog Trainers Direct Cost - Other dog related expenses Direct Cost - Dog walking Direct Cost - Vet Fees Direct Cost - Dog Food Direct Cost - Cost of Goods Sold Direct Cost - Medical Report Fee Direct Cost - Other

Projects Direct Cost - Travel/Accomodation Direct Cost - Dog Trainers Expenses 122,909 6,846 1,900 18,323
4,432 1,529 3,301 543 3,948 1,941 14,006 15,835 3,982 1,796 2,712 225 2,662 25,911 6,465 3,928 7,050
6,084 1,556 50 552 1,540 236 131,655 18,323 9,805 100,479 161,583 11,022 3,336 17,800 4,165 555
2,833 1,255 1,191 1,844 9,363 1,059 735 5,751 ----10,651 4,667 2,964 4,689 -165 --- 175,941 17,800 8,808
43,079

2025 2024
Motor and travel costs Travel and subsistence Motor expenses Motor insurance 9,265 12,366 3,901 3,022
13,227 4,694
Legal and professional Legal fees Professional fees Consultancy fees 106 7,300 2,910 25,532 --10,697
20,943
Accountancy fees Accountancy support Payroll fees 8,640 4,554 10,316 -- 10,697
Interest and finance charges Interest payable Bank charges 88 363 13,194 -331 -
Governance costs Audit fees Trustees expenses 10,890 2,630 451 8,280 2,382 331
13,520 10,662
Total charitable activities expenditure 323,275 288,261
Total expenditure 339,701 302,355