HEARING DOGS FOR DEAF PEOPLE

(A COMPANY limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2026

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 2026

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2026

CHAIR AND CEO'S INTRODUCTION

At Hearing Dogs for Deaf People, we are driven by a simple but powerful belief: every deaf person and everyone with hearing loss deserves to feel connected to the world, confident in daily life, and embraced by a supportive community.

That belief is the heart of our charity. It has inspired our work over the past year and continues to guide our strategy as we move towards our vision: a future where everyone with hearing loss can live well.

An estimated 1 in 3 people in the UK is deaf or has hearing loss [i]. Behind that figure are millions of people whose daily lives can be shaped by isolation, disconnection from friends, family, colleagues and communities, reduced confidence and independence, and risks to personal safety when important danger sounds, such as smoke alarms, are missed.

No one should have to face these challenges alone. Everyone affected by hearing loss should be able to access the right support, in the way that works best for them.

Our purpose is to help people with hearing loss rebuild connection, companionship and confidence through our expertly trained hearing dogs, alongside practical and emotional support services that can transform lives.

This work is made possible by the generosity of people who believe in that purpose. We rely primarily on public donations, and we are deeply grateful to every individual, company and foundation whose support helps us change lives.

The world around us is changing rapidly. Political and economic volatility, together with fundamental changes in social care, are creating new pressures. At the same time, changing financial circumstances and lifestyles are contributing to sector-wide declines in volunteering and regular charitable giving.

These pressures make our mission more important than ever. We remain focused on the people we are here to support, ensuring our services stay relevant, efficient and impactful, and that we continue to build the financial sustainability needed for the future.

They also bring opportunities to reach people in new and powerful ways. As more people communicate, connect and access services digitally, we must keep pace with the changing landscape so we can work efficiently, deliver services effectively, engage existing supporters and inspire new audiences to join our work.

Following the organisation-wide review and strategy refresh completed in 2024/25, we are now putting our strategy into action, with a focus on:

- Growing hearing dog partnerships sustainably each year, based on need, while supporting our more than 1,200 existing partnerships and upholding the highest standards of dog health and welfare.
- Providing emotional and practical support, information and guidance through our Hearing Link Services, so more people can find the help they need.
- Ensuring all services are needs-based and co-created with the people who use them, with rigorous impact measurement to strengthen relevance, efficiency and continuous improvement.
- Working with lived-experience volunteers and other organisations to catalyse lasting change in awareness, practice and policy.

During 2025/26, we made significant progress in bringing this strategy to life and reaching more people who are deaf or have hearing loss:

- We strengthened our governance by recruiting five new Trustees, each bringing senior leadership experience and proven success in areas vital to our strategy, including people and culture, marketing and communications, digital transformation and finance.
- We are investing in a digital transformation programme that will strengthen our digital and data estate, help us deliver more user-centred services, work more efficiently, reach and engage more people, use data-led decision making and increase our impact. A Director of Digital Transformation has been recruited to lead this important programme alongside colleagues in the executive leadership team.
- We launched a new website, bringing two existing sites together into one accessible, user-friendly platform that will help more people discover our support, engage with our work and take action.
- We refreshed and developed our brand to tell our story more clearly, express the impact of our work more powerfully, and inspire more people to engage with us.
- We expanded our Income Generation and Performance Marketing and Communications functions to grow and diversify income, reach more people who need our help, and welcome more volunteers, supporters and advocates into our community.
- We laid strong foundations in People and Culture for the years ahead. A new Learning and Organisational Development team is helping our people flourish, while refreshed values now guide how we work together.
- We reviewed pay and benefits as part of developing a transparent, competitive reward framework, and worked with volunteers to shape a new volunteering strategy that reflects their vital contribution.
- We continued to develop our Hearing Link Services, including Helpful Hours webinars, Community Drops and Helpdesk support. Discovery work and our Theory of Change have deepened our understanding of the needs of people with hearing loss, shaped future service development, and identified opportunities to scale and pilot new support. The Theory of Change also provides the basis for an impact measurement framework,

now being developed to help us better understand, measure and demonstrate the difference our services make.

Everything achieved this year has been made possible by our people. Our employees and volunteers are the heart of Hearing Dogs. Through their commitment, skill and compassion, they help rebuild connection, companionship and confidence through our dogs and through our practical and emotional support services. We will continue to invest in our people, offer opportunities for continuous development, and ensure they feel supported to do their best work.

Our role in communities matters deeply. Every day, our people help create connection, confidence and companionship across the UK. Our peer-support volunteers delivering Hearing Link Services, alongside our dog trainers, community fundraising and events teams, and fundraising volunteers, are all central to our work transforming lives. In the year ahead, we will do more to strengthen awareness of Hearing Dogs for Deaf People, both nationally and locally.

Throughout 2025/26, thousands of people stood alongside us — donating, volunteering, sponsoring puppies, fundraising, shopping with us, and supporting us through companies or foundations. Each act of support helps us move closer to our mission, and we are deeply grateful to everyone who has chosen to be part of it.

We also thank everyone who has shared their personal experiences of hearing loss, whether to help shape our services or raise funds and awareness through our storytelling. By sharing their stories, they have created powerful moments of connection, inspiring more people to support the charity and helping more people live well with hearing loss. Thank you.

As we look ahead, we hope you will continue to stand with us and help create a future where everyone with hearing loss can live well. We 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/)

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 2026.

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.

We will 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 an 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.

Our Vision, Mission and Values

Our vision

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

Our mission

Together, 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

Achieving our mission as a charity isn't only about what we do, but also how we do it. Showing effective behaviours and attitudes helps us build a workplace where people feel respected, supported and able to do their best.

We are united by purpose

We work as one team, united by purpose, trust and shared success. We focus on our shared mission and work in ways that help the whole charity and the people we support. We work openly, share ideas and support each other to achieve the best results. We build trust by being honest, keeping our promises and taking responsibility for our actions. By combining our strengths and staying focused on what matters, we make a lasting difference together. We celebrate people

We recognise, value and celebrate everyone who is part of our journey. People are at the heart of everything we do. We listen, try to understand and build strong relationships based on respect and care. We celebrate the strengths, individuality and achievements of those around us and show real appreciation for the difference they make. By recognising each person's contribution and treating everyone with kindness, we create connections that make life better. We are always improving

We are driven by curiosity, passion and pride in making a real impact. We face challenges with curiosity and look for opportunities to learn, grow and try new ideas. We act with integrity and take pride in our work and the impact it has. By using our passion, skills and creativity, we achieve results that really transform lives.

Our impact in 2025/26

This year, we helped 2,870 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 129,999 visitors accessed lived experience led hearing loss information through our website, including over 6,582 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 97 dogs into a core role supporting a person who is deaf or has hearing loss. We placed a further 10 dogs into our breeding scheme.

1119 hearing dog partnerships, including 38 dogs helping children, were supported throughout the UK during the year, 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

1189 people received emotional and practical support, information and guidance through our Hearing Link Services. These included:

- 701 people who attended our Community Days, Community drop-ins, or dog walks, for information, support and essential social interaction;
- 252 people benefitted from our Hearing Support Sessions
- 236 people accessed our Helpful Hours webinars.

Scotland

Hearing Dogs has three members of services team 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. Fundraising activities are undertaken by a full-time Community Fundraising Manager based in Scotland, who joined the charity in 2025. Fundraising activities include the generation of funds some of which are restricted for use in Scotland

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. Many people have shared their stories 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 to 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 252 (2025: 226) members of staff. Of those,144 (2025:158) are involved in the labour-intensive process of creating and supporting hearing dog partnerships and supporting people affected by hearing loss. The 252 employees at the year end equates to an average of 235 FTE staff (2025: 209 FTE). There was an average of 233 employees throughout the financial year.

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 organisational need, and to support efficiency and decision making.

Going forward 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 voluntary sector organisations and organisations in the wider working environment.

The pay of the Executive Board is reviewed annually by the People & Culture 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 2,989 (2025: 3,030) volunteers as at 31 March 2026, all of whom have entered into a formal agreement with the charity. In addition, we have 245 micro volunteers (2025: 212).

During the year, 391 (2025: 448) volunteers ceased working with us, but we recruited 534 (2025: 502) 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 a private reception with our Royal Patron, HRH The Princess Royal.

Our fundraising

Our fundraising income this year was £15.4 million and includes £12.0 million donated to the charity through legacy gifts, £1.3 million raised for puppy sponsorship, and other donations of £2.0 million, including £0.7 million from corporate partnerships, Trusts and Foundations, and philanthropy, together with £0.6 million raised through community fundraising and events including third-party fundraisers and income raised by our valued fundraising volunteers. We received £0.2 million in gift aid.

Our income excluding legacies this year was £3.4 million (2025: £4.3m). This was down by 21% on last year. This reflects, in part, wider national trends across the charity sector, where levels of charitable giving and sponsorship have declined. Puppy sponsorship remained steady during the year.

During the financial year, the Board of Trustees approved a net investment of £1 million from reserves to support the future of income generation as part of our strategy to diversify income streams and reduce dependency on legacies. This investment has enabled us to grow fundraising capacity and capability. We have formed a new income generation directorate, increasing staffing within the high value teams to support the development of a broader and more sustainable funding base for the future, with the ambition that no single income stream accounts for more than 50% of overall income. As part of this strategy, we are also exploring additional trading and commercial opportunities, including mission-driven products and services that can both support beneficiaries and generate sustainable income for the future.

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 2025/26 included Aviva, CVS, Hidden Hearing, Specsavers, Assisi Pet Care, AXA and Pets at Home.

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

We are also grateful to the numerous Trusts and Foundations whose continued support helps us deliver our services and develop our work for the future.

The year ahead

Our activity over 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 continue to invest in our Strategy Impact and Performance team, bringing together expertise in service design, content design, impact and insight to strengthen how we design, deliver and improve services.

Over the past year, we have made significant progress in developing our approach to measuring impact and understanding the effectiveness of our services. This has included foundational work on a service-wide impact measurement framework aligned to our mission to build connection, companionship and confidence, informed by a theory of change to help us better articulate how our services create outcomes for the people we support.

We are committed to ensuring our work is developed and designed with people with lived experience of hearing loss, and that people are involved in shaping and guiding our work wherever possible. To strengthen this approach, we are establishing a Lived Experience Network made up of people with personal lived experience, family members and friends, alongside those with professional expertise. Through co-design and continuous evaluation, we are ensuring our services are shaped with people, not for people, helping us identify where we create the greatest impact and where we can continue to improve.

We'll continue to 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.

Financial review

The Charity received £16.3 million total income excluding investment income of £0.9 million during the year (2025: £16.4 million). 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.

The charity recorded a net excess of £1.8 million (2025: £1.9 million excess), of which gains on investments accounted for £0.9 million (2025: £0.2 million gains).

This is very similar to the net excess earned in the prior year. When comparing this year to the prior year, there are the following underlying key variances: The value of legacies received and receivable increased by £1 million to £12.0 million (2025: £11 million).

1) Other significant movements were as follows:
    a. lower fundraising receipts (down by £1.0 million);
    b. payroll related costs increased by £1.2 million, due to salaries keeping pace with the cost of living and an increase in the number of staff to future proof our fundraising activities;
2) Spend on charitable activities during the 2025/26 increased by £0.2m compared with 2024/25

Total net assets of the group increased by £1.8 million to £29.5 million (2025: £27.7 million) at the year end. Total fixed assets, including investments, increased by £0.8million to £18.4 million (2025: £17.6 million). This was the net effect of £1.1 million growth in our investment portfolio, of which £0.9m was due to investment gains; offset by a reduction in tangible fixed assets of £300k, primarily due to depreciation. Net current assets increased by £0.7 million to £11.1million (2025: £10.4 million).

Designated funds increased by £0.8 million to £20.7 million (2025: £19.9 million) and the operational reserve and restricted funds amounted to £8.0 million (2025: £6.8 million) and £0.8 million (2025: £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 1,119 (2025: 1,023) current active 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.

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 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 2026 this reserve stood at £7.1 million (2025: £7.4 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 2026 were estimated at £6.4 million (2025: £6.4 million) over the next 10 years. This reserve is calculated before taking into account the potential availability of a pipeline of legacy income, which at 31 March 2026 was currently £9.6 million (2025: £9.8 million).

Designated funds for Development

During the year, the charity developed its long-term strategy. Our mission is to rebuild connection, confidence and companionship through trained hearing dogs and practical and emotional support services, transforming the lives of people who are deaf or have hearing loss.

Our income is heavily legacy dependent, which in the current external environment leaves us potentially exposed. Our cost base is annually increasing and donation trends in the sector are falling. The strategy aims to diversify our funding base and grow our income to support our mission and ensure sustainability.

To support this strategy, we plan to strengthen operations, expand our use of AI, improve our data and digital capabilities, and invest in our properties.

We have set aside surpluses generated in recent years to reinvest in the core infrastructure needed to deliver our mission effectively and efficiently in the future. During the year, we spent £1.0 million on strengthening our resources and set aside a further £1.6m from surpluses. As a result, the fund totalled £6.7 million at 31 March 2026 (2025: £6.1 million).

This fund includes the following amounts set aside:

- £2.3 million to build the infrastructure needed to diversify our funding base. This will help us grow income from major donors, trusts, corporates and commercial activity. Some investment will be needed before new income is generated, with returns expected as these areas develop.

- £3.0 million to invest in services, data, digital capability, security and manage risks. This will help us modernise systems, manage cyber risk and make better use of AI and other technologies to deliver services and supporter stewardship in ways that are current, relevant and secure.
- £1.4 million to maintain and invest in our sites in Buckinghamshire and Yorkshire, improving facilities to support operations, future growth and income generation. This is in addition to £0.3 million of restricted funds already held for property improvements.

Investment Revaluation Reserve

The Charity held £11.3 million in investments and cash at 31 March 2026. The portfolio is diversified and includes a strong cash position to help manage periods of market volatility. Given continued uncertainty in global markets, 5% of the investment portfolio has been designated as an investment revaluation reserve. At 31 March 2026 this amounted to £0.6 million.

Operational (Free) Reserve

The policy of the Trustees is to hold an operational reserve equivalent to 6-12 months operating expenditure. At 31 March 2026 this reserve stood at £8.0 million (2025: £6.8 million) which represents 6 months running costs, based on the 2026/27 expenditure budget.

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

Investment policy and performance

The Trustees have given their appointed investment managers, Quilter Cheviot, 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 Quilter Cheviot.

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.

The underlying 12-month return (net of costs) to 31 March 2026 was 10.9%. The improved performance in 2025/26 reflects the growth in global markets, particularly in the first three quarters of 2025/26.

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.

The Board has four established sub-committees, each with specific terms of reference aimed at enhancing oversight and governance of charity's activities and resources. The sub-committees are: 1) Audit, Risk and Finance, 2) Services, 3) Marketing, Comms and Data and 4) People and Culture. 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, a code of conduct, governance 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.

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 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 is implemented which comprises:

- A regular 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 minimize 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 skilled volunteers to train the potential hearing dogs;
- financial instability; and
- cyber security and internal systems failure

Risk Description	Controls and Mitigations in place
Shortage of volunteers to train the potential hearing dogs. In particular, fluctuating numbers of volunteers and their availability.	In 2025/26 we invested in a new integrated digital and word of mouth marketing recruitment campaign to attract new volunteers; 'The Best Club. Ever.' We internally reviewed our volunteer recruitment processes and procedures, optimising our recruitment and application journey for our dog training volunteers. We also introduced a new volunteer dog training forum to help us improve engagement with our dog training volunteers. In 2026, we will complete an internal audit of how we train our dogs, considering a number of alternative options with the Trustee Board.
Financial instability due to: 1.Reliance on legacy income despite 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.	In 2025/26, a new 5-year investment plan was approved by the Trustee Board detailing our approach to income generation, expenditure and our reserves policy.
Cyber security poses a real threat and leads to potential for systems breach and potential loss of data, ransom demands or ability to use website or computer systems and consequentially leads to the inability to deliver services or continue fundraising activities for a protracted period. The charity's reliance on systems presents financial, operational, and compliance risks.	In 2026 an external audit was completed of our cyber security and internal systems with findings discussed with the Trustee Board. We continue to regularly complete internal cyber security health checks and associated corrective actions in place aligned to standards set out by Cyber Essentials, Cyber Essentials Plus and ISO 27001 Our Trustees are trained in line with the Cyber Code of Governance and provide cyber security oversight and we are recruiting an independent Chief Information Security Officer (CISO) to support further improvements in our cyber security.

Risk Description	Controls and Mitigations in place
	The charity continues to invest in cyber insurance cover and continuous educational training of staff and volunteers. A digital transformation plan is in place to reduce the over reliance and security risk on our internal systems.

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.

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 17th August 2026

and signed on their behalf by



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

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 2026 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 2026 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.

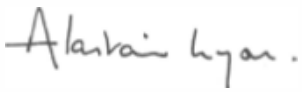
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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: 26 August 2026

HEARING DOGS FOR DEAF PEOPLE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2026

	Note	Unrestricted Funds £	Restricted Funds £	**Total 2026 £**	Total 2025 £
Income from:					
Donations and legacies	4	12,957,786	2,161,646	**15,119,432**	15,107,928
Grants receivable	4	2,000	-	**2,000**	2,000
Charitable activities	4	932	5,446	**6,378**	12,020
Trading and fundraising	4	550,388	-	**550,388**	774,997
Investments	4	529,115	-	**529,115**	459,692
Other	4	55,379	-	**55,379**	53,927
Total income		14,095,600	2,167,092	**16,262,692**	16,410,564
Expenditure on:					
Raising funds	5	3,771,428	-	**3,771,428**	3,205,354
Charitable activities	5	9,597,505	2,025,125	**11,622,630**	11,425,647
Total expenditure		13,368,933	2,025,125	**15,394,058**	14,631,001
Net gains / (losses) on investments		941,427	-	**941,427**	162,597
Net income		1,668,094	141,967	**1,810,061**	1,942,160
Transfers between funds	18	290,143	(290,143)	**-**	-
Net movement in funds		1,958,237	(148,176)	**1,810,061**	1,942,160
Reconciliation of funds:					
Total funds brought forward		26,747,340	990,359	**27,737,699**	25,795,539
Total funds carried forward	18	28,705,577	842,183	**29,547,760**	27,737,699

The notes on pages 29 to 51 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

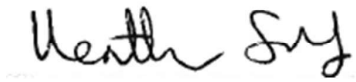
BALANCE SHEET AS AT 31 MARCH 2026

	Note	The Group 2026 £	The Group 2025 £	The Charity 2026 £	The Charity 2025 £
Fixed assets:					
Intangible assets	9	**195,531**	180,079	**195,531**	180,079
Tangible assets	10	**6,877,795**	7,197,167	**6,865,866**	7,182,191
Investments	11	**11,335,284**	10,216,400	**11,335,284**	10,216,400
Total fixed assets		**18,408,610**	17,593,646	**18,396,681**	17,578,670
Current assets:					
Stocks	12	**24,719**	30,172	**-**	-
Debtors	13	**1,632,190**	1,550,054	**1,589,925**	1,863,401
Short term deposits	19b	**10,238,002**	9,467,429	**10,238,002**	9,467,429
Cash at bank and in hand	19b	**38,187**	41,011	**29,228**	38,036
Total current assets		**11,933,098**	11,088,666	**11,857,155**	11,368,866
Liabilities:					
Creditors: Amounts falling due within one year	14	**(793,949)**	(944,613)	**(727,796)**	(919,685)
Net current assets		**11,139,149**	10,144,053	**11,129,359**	10,449,181
Total net assets	15	**29,547,760**	27,737,699	**29,526,040**	28,027,851
Funds:					
Restricted funds	18	**842,184**	990,359	**842,184**	990,359
Unrestricted funds:					
Designated funds	18	**20,735,810**	19,915,842	**20,735,810**	19,915,842
Operational reserve	18	**7,969,766**	6,831,498	**7,948,046**	7,121,650
Total funds	18	**29,547,760**	27,737,699	**29,526,040**	28,027,851

The excess in the year relating to the parent charity was £1,498,186 (2025: excess £2,032,578)

The financial statements were approved and authorised for issue by the board on 17th August 2026 and were signed on its behalf by:





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

.....
H Self
Honorary Treasurer

The notes on pages 29 to 51 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Notes		2026 £	2025 £
Cash flows from operating activities:				
Net cash provided by/(used in) operating activities	19a		**525,830**	2,273,055
Cash flows from investing activities:				
Dividends and interest from investments	11	**529,115**		459,692
Proceeds from the sale of tangible assets		**2,263**		3,397
Purchase of Intangible assets	9	**(43,385)**		(180,079)
Purchase of tangible assets	10	**(68,616)**		(282,578)
Proceeds from the sale of investments	11	**9,037,667**		6,235,971
Purchase of investments	11	**(12,973,706)**		(2,448,535)
Net cash provided by / (used in) investing activities			**(3,516,663)**	3,787,868
Change in cash and cash equivalents in the reporting period	19c		**(2,990,833)**	6,060,923
Cash and cash equivalents at the beginning of the reporting period	19b		**13,516,199**	7,455,276
Cash and cash equivalents at the end of the reporting period	19b		**10,525,366**	13,516,199

The notes on pages 29 to 51 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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.

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.

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.

Website	25% per annum on a straight-line basis

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.

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 and therefore require an estimate of the amount receivable as described in note 1b).

Intercompany loan to subsidiary – The valuation of the intercompany loan to the charity's wholly owned subsidiary involves estimation uncertainty. Recoverability depends on future cashflows from developing trading activities, which are at an early stage. Accordingly, a full impairment has been recognised at the reporting date.

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

3. Comparative statement of financial activities

	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**
Income from:			
Donations and legacies	12,768,366	2,339,562	**15,107,928**
Grants receivable	2,000	-	**2,000**
Charitable Activities	12,020	-	**12,020**
Trading and fundraising	774,997	-	**774,997**
Investments	459,692	-	**459,692**
Other	53,927	-	**53,927**
Total income	14,071,002	2,339,562	**16,410,564**
Expenditure on:			
Raising funds	3,205,354	-	**3,205,354**
Charitable activities	8,959,215	2,466,432	**11,425,647**
Total expenditure	12,164,569	2,466,432	**14,631,001**
Net gains on investments	162,597	-	**162,597**
Net income	2,069,030	(126,870)	**1,942,160**
Transfers between funds	-	-	**-**
Net movement in funds	2,069,030	(126,870)	**1,942,160**
Reconciliation of funds:			
Total funds brought forward	24,678,310	1,117,229	**25,795,539**
Total funds carried forward	26,747,340	990,359	**27,737,699**

4. Income

	Unrestricted Funds £	Restricted Funds £	**Total 2026 £**	Total 2025 £
Donations and legacies				
Donations	1,149,931	379,160	**1,529,091**	2,415,561
Income from branches	9,171	-	**9,171**	42,249
Sponsorship	3,687	1,345,954	**1,349,641**	1,302,193
Legacies	11,577,407	436,533	**12,013,940**	11,001,343
Gift Aid	217,589	-	**217,589**	346,582
	12,957,786	2,161,646	**15,119,432**	15,107,928
Grants receivable				
Local Authority Grants	2,000	-	**2,000**	2,000
	2,000	-	**2,000**	2,000
Charitable activities				
Sale of hearing equipment	682	5,446	**6,128**	12,020
Services to other charities	250	-	**250**	-
	932	5,446	**6,378**	12,020
Trading and fundraising				
Fundraising events	250,739	-	**250,739**	229,011
Trading subsidiary income	299,649	-	**299,649**	545,986
	550,388	-	**550,388**	774,997
Investment income				
UK listed securities	281,271	-	**281,271**	157,398
UK bank interest	247,844	-	**247,844**	302,294
	529,115	-	**529,115**	459,692
Other income				
Rent received	50,424	-	**50,424**	45,045
Profit on sale of tangible assets	2,264	-	**2,264**	3,396
Other income	2,691	-	**2,691**	5,486
	55,379	-	**55,379**	53,927
Total income	**14,095,600**	**2,167,092**	**16,262,692**	16,410,564

5. Expenditure

Expenditure on:	Direct Costs £	Staff Costs £	Depreciation and amortisation £	Support Costs £	**Total 2026 £**	Total 2025 £
Raising funds:						
Donations and legacies	873,350	1,777,326	81,020	580,994	**3,312,690**	2,493,200
Fundraising trading	318,446	30,832	4,472	49,266	**403,016**	661,449
Investment management	55,722	-	-	-	**55,722**	50,705
	1,247,518	1,808,158	85,492	630,260	**3,771,428**	3,205,354
Charitable activities:						
Provision of hearing dogs	1,746,215	7,651,006	325,016	1,834,084	**11,556,321**	10,989,833
Supporting people affected by hearing loss	5,665	28,939	4,749	26,958	**66,309**	435,814
	1,751,880	7,679,944	329,765	1,861,042	11,622,630	11,425,647
Total expenditure 2026	**2,999,398**	**9,488,103**	**415,257**	**2,491,302**	**15,394,058**	14,631,001
Total expenditure 2025	3,092,246	7,657,840	360,570	2,170,559	13,281,215	

5a. Support costs

Support costs included in the above are analysed as follows:

	Facilities £	General Management £	Legal & Professional £	IT £	**Total 2026 £**	Total 2025 £
Raising funds:						
Donations and legacies	104,401	292,319	76,617	107,657	**580,994**	386,625
Fundraising trading	13,099	23,611	10,564	1,992	**49,266**	48,323
	117,500	315,930	87,181	109,649	**630,260**	434,947
Charitable activities:						
Provision of hearing dogs	502,640	763,681	208,373	359,390	**1,834,084**	2,199,422
Supporting people affected by hearing loss	7,044	11,724	2,871	5,319	**26,958**	158,803
	509,684	775,405	211,244	364,709	1,861,042	2,358,226
Total expenditure 2026	**627,184**	**1,091,335**	**298,425**	**474,358**	**2,491,302**	2,793,173
Total expenditure 2025	708,642	777,715	332,997	351,205	2,170,559	

Total governance costs included above are £127,611 (2025: £103,768).

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.

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

	2026 %	2025 %
Raising funds:		
Donations and legacies	21.5	17.1
Fundraising trading	2.6	4.5
Investment management	0.4	0.3
Charitable activities:		
Provision of hearing dogs	75.1	75.1
Supporting people affected by hearing loss	0.4	3.0

Net income

This is stated after charging/(crediting):

		2026 £	2025 £
Profit on sale of fixed assets		**1,600**	(44,449)
Depreciation		**387,323**	497,038
Amortisation		**27,933**	-
Auditors' remuneration	- audit	**30,374**	26,033
	-other services	**5,738**	2,930
Operating lease rentals	- equipment	**7,299**	36,414
	-property	**-**	3,453

6. Staff costs and numbers

Staff costs were as follows:

	2026 £	2025 £
Salaries and wages	**8,117,492**	7,242,716
Social security costs	**1,066,731**	736,802
Pension contributions	**303,882**	278,948
	9,488,105	8,258,466

There were termination costs in the year of £95,896 (2025: £70,467). Termination costs include any payments in lieu of notice and pension contributions paid on termination.

7. **Staff costs and numbers (continued)**

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

	2026 **Number**	2025 Number
£60,001 - £70,000	**3**	1
£70,001 - £80,000	**1**	1
£80,001 - £90,000	**2**	1
£90,001 - £100,000	**1**	-
£100,001 - £110,000	**1**	-
£110,001 - £120,000	**1**	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 £4,267 (2025: £8,367).

The key management personnel of the charity are the trustees and the executive team led by the Chief Executive. One (2025: Five) member of the executive team earned a salary of less than £60,000 and is 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 £654,766 (2025: £599,815).

The Trustees did not receive any remuneration during the year to 31 March 2026 (2025: £Nil).

5 Trustees received reimbursed travel and subsistence expenses in 2026 of £1,010 (2025: 4 Trustees £633).

Staff numbers

	2026 Number		2025 Number	
	Average	FTE	Average	FTE
Hearing Dogs: supply, training, welfare and aftercare	162	151	173	160
Fundraising	35	32	23	22
Communications and marketing	7	6	7	6
Management and administration	29	27	23	21
Total	**233**	**216**	**226**	**209**

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 2026 amounted to £Nil (2025: £51,240).

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 £	Intangible assets £
Cost		
At 1 April 2025	180,079	-
Additions	-	43,385
Transfers	(180,079)	180,079
At 31 March 2026	**-**	**223,464**
Amortisation		
At 1 April 2025	-	-
Charge for the year	-	(27,933)
At 31 March 2026	**-**	**(27,933)**
Net book value		
At 31 March 2026	**-**	**195,531**
At 31 March 2025	180,079	-

Intangible assets comprise investment in our new website which was launched in 2025 and as a result the intangible assets under construction cost disclosed at 31 March 2025 was transferred to Intangible assets.

10. Tangible assets – Group

	Freehold property £	Motor vehicles £	Furniture and Fixtures and Fittings £	Equipment £	Assets under construction £	Total £
Cost						
At 1 April 2025	9,826,207	408,997	593,785	691,812	-	11,520,801
Additions	39,756	-	10,819	14,095	3,946	68,616
Disposals	-	(15,630)	(20,666)	-	-	(36,296)
At 31 March 2026	**9,865,963**	**393,367**	**583,938**	**705,907**	**3,946**	**11,553,121**
Depreciation						
At 1 April 2025	3,094,998	185,496	436,076	607,062	-	4,323,632
Charge for the year	210,309	73,615	68,935	34,465	-	387,324
Disposals	-	(15,630)	(20,000)	-	-	(35,630)
At 31 March 2026	**3,305,307**	**243,481**	**485,011**	**641,527**	**-**	**4,675,326**
Net book value						
At 31 March 2026	**6,560,655**	**149,886**	**98,927**	**64,380**	**3,946**	**6,877,795**
At 31 March 2025	6,731,208	223,501	157,709	84,750	-	7,197,169

Freehold property comprises:

	Beatrice Wright Centre £	The Grange £	Total £
Net book value			
At 1 April 2025	1,939,682	4,791,526	6,731,208
Additions at cost	2,837	36,919	39,756
Depreciation charge	(57,854)	(152,455)	(210,309)
Net book value at 31 March 2026	**1,884,665**	**4,675,990**	**6,560,655**

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

11. Fixed asset investments

	Group	
	2026	2025
	£	£
Quoted investments		
Market value at 1 April	**6,208,641**	9,833,480
Purchases	**12,973,706**	2,448,535
Sales	**(9,037,667)**	(6,235,971)
Net investment gains	**941,427**	162,597
Market value at 31 March	**11,086,107**	6,208,641
Cash awaiting investment	**249,177**	4,007,759
Total at 31 March	**11,335,284**	10,216,400

	2026	2025
	£	£
Total dividend and interest income for basic financial assets	**529,115**	459,692
Total gains in respect of basic financial assets	**941,427**	162,597

In addition to the above, the charity accounts included an investment of £2 in its wholly owned trading subsidiary (see note 17).

The historic cost of quoted investments at 31 March 2026 was £9,820,417 (2025: 10,216,400).

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:

	2026	2025
	£	£
Total dividend and interest income for basic financial assets	**529,115**	459,692
Total gains / (losses) in respect of basic financial assets	**941,427**	162,597

12. Stocks

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Goods for resale	**24,719**	30,172	**-**	-

13. Debtors

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Trade debtors	**58,296**	10,113	**3,607**	4,500
Loan to subsidiary	-	-	-	310,905
Other amounts due from subsidiary	-	-	**11,333**	11,978
Prepayments	**340,060**	302,235	**339,560**	301,735
Other debtors and accrued income	**1,233,834**	1,237,706	**1,235,425**	1,234,283
	1,632,190	1,550,054	**1,589,925**	1,863,401

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

Loan to subsidiary	**Group**	Group	**Charity**	Charity
	2026	2025	**2026**	2025
	£	£	**£**	£
Gross loan balance	**-**	-	**373,405**	310,905
Less: impairment	**-**	-	**(373,405)**	-
Net carrying value	**-**	-	**-**	310,905

The Trustees have assessed the recoverability of the intercompany loan with reference to the subsidiary's financial position, trading performance and forecast cashflows. The balance arises primarily from recharged parent company costs, interest, trading losses from the restaurant, and professional fees.

The subsidiary is not currently expected to generate sufficient cashflows to fully repay the balance on a standalone basis. Repayment is therefore expected to be supported by the continued development of the online shop and other future income-generating activities, which are progressing but remain at an early stage and are not yet supported by sufficient evidence at the reporting date.

The Trustees expect the balance to increase in the short term as further investment is required, and have paused parent company charges and interest for three years from 2025/26 to 2027/28.

Although it remains the Trustees' intention that the loan will ultimately be repaid, there is insufficient evidence at the balance sheet date to support recovery. Accordingly, a full impairment of £373,405 (2025: £Nil) has been recognised, based on expected future cashflows and subject to significant uncertainty.

14. Creditors: Amounts falling due within one year

	Group		Charity	
	2026	2025	2026	2025
	£	£	£	£
Trade creditors	**340,677**	483,612	**337,946**	475,820
Accruals and deferred income	**211,067**	209,874	**147,645**	196,596
Taxation and social security	**241,757**	195,384	**241,757**	195,384
Other creditors and accruals	**448**	55,742	**448**	51,883
	793,949	944,612	**727,796**	919,683

All creditors are basic financial instruments measured at amortised cost, except for taxation and social security.

15. Analysis of group net assets between funds

	Restricted funds	Unrestricted designated funds	Unrestricted operational reserve	Total funds
2026	£	£	£	£
Intangible Assets	-	195,531		**195,531**
Tangible fixed assets	-	6,877,795	-	**6,877,795**
Investments	-	11,335,284	-	**11,335,284**
Current assets	842,184	2,327,200	8,763,715	**11,933,098**
Current liabilities	-	-	(793,949)	**(793,949)**
Group funds at 31 March 2026	842,184	20,735,810	7,969,766	**29,547,760**
Add: Subsidiary net liabilities			351,683	**351,683**
Less: Impairment provision			**(373,403)**	**(373,403)**
Charity funds at 31 March 2026	**842,184**	**20,735,810**	**7,948,046**	**29,526,040**

2025	Restricted funds £	Unrestricted designated funds £	Unrestricted operational reserve £	Total funds £
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**

16. Other financial commitments

At 31 March 2026 the ageing of total minimum lease payments was as follows:

	2026			2025		
	Property Leases £	**Other £**	**Total £**	Property Leases £	Other £	Total £
Operating leases due:						
Within one year	-	**6,844**	**6,844**	108	6,393	6,501
Between 2-5 years	-	**12,523**	**12,523**	-	15,768	15,768
Over 5 years		**473**	**473**	-	-	-
Total	-	**19,840**	**19,840**	108	22,161	22,269

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.

	2026 £	2025 £
Trading and profit and loss account		
Turnover	**306,677**	554,970
Cost of sales	**(268,195)**	(492,594)
Gross profit	**38,482**	62,376
Administrative expenses	**(100,011)**	(138,863)
Operating loss	**(61,529)**	(76,487)
Interest payable	**-**	(13,931)
Loss on ordinary activities	**(61,529)**	(90,418)
Retained losses brought forward	**(290,156)**	(199,738)
Retained losses carried forward	**(351,685)**	(290,156)
Balance sheet		
Total assets	**97,947**	52,346
Total liabilities	**(449,630)**	(342,500)
Net liabilities	**(351,683)**	(290,154)
Share capital	**2**	2
Retained losses	**(351,685)**	(290,156)
Capital and reserves	**(351,683)**	(290,154)

18. Movement in funds

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.

The transfer from the physical facility in the table below represents the allocation of qualifying prior-year expenditure against the physical facility fund.

	2025 £	Total Income £	Total Expenditure £	Transfers	2026 £
Restricted funds:					
Hearing Dogs:					
By project / activity					
Hearing Dog training	-	1,416,183	(1,416,183)	-	-
Hearing Dogs for Deaf Children	-	24,825	(24,825)	-	-
Physical Facility	**290,000**	143	-	(290,143)	-
BWC	-			-	-
Purchase & Training of HD	**90,000**			-	**90,000**
Training, partnership and salaries	-	50,000	(50,000)	-	-
Training Dogs in Merseyside		27,971			**27,971**
Operations Development Team	**22,806**	-	(22,806)	-	-
Upgrade: The Grange Farmhouse	**300,000**			-	**300,000**
Name a puppy	-	25,678	(678)	-	**25,000**
Vets and Welfare	-	5,000	(5,000)	-	-
					-
By location					-
Scotland	**278,135**	16,612	(219,764)	-	**74,983**
Buckinghamshire	-	5,490	(5,490)	-	-
Hereford & Worcester	-	5,000	(5,000)	-	-
Jersey	**9,418**	-	-	-	**9,418**
Leicestershire	-	15,000	(15,000)	-	-
Lincolnshire	-	5,000	(5,000)	-	-
Merseyside	-	15,000	(15,000)	-	-
North West of England	-	10,000	(10,000)	-	-
North Yorkshire		43,900	(43,900)	-	-
Saunderton		314,812		-	**314,812**
Shropshire	-	5,000	(5,000)	-	-
South Tyneside	-	10,000	(10,000)	-	-
Amounts £5,000 or less	-	133,119	(133,119)	-	-
Hearing Dogs Total	**990,359**	2,128,732	(1,986,765) -	(290,143)	**842,184**
Hearing Link:					
Hearing Link	-	38,360	(38,360)		-
Hearing Link Total	-	**38,360**	**(38,360)** -	-	-
Total restricted	**990,359**	**2,167,092**	**(2,025,125)** -	**(290,143)**	**842,184**

2026

	2025 £	Total Income £	Total Expenditure £	Investment Gains / Transfers £	2026 £
Unrestricted funds:					
Designated funds:					
Intangible assets	180,079	-	(27,933)	43,385	**195,531**
Freehold - BWC	1,939,682	-	(57,853)	2,837	**1,884,666**
Freehold - The Grange	4,791,526	-	(152,455)	36,919	**4,675,990**
Other functional fixed assets	465,961	-	(177,015)	28,194	**317,140**
Sub-total fixed assets	7,377,248	-	(415,256)	111,335	**7,073,327**
Capital commitments	53,590	-	(53,590)	4,040	**4,040**
Total fixed assets	7,430,838	-	(468,846)	115,375	**7,077,367**
Partnership commitments	6,384,542	-	-	-	**6,384,542**
Development fund	6,100,208	-	(1,014,197)	1,621,126	**6,707,137**
Investment revaluation reserve	-	-	-	566,764	**566,764**
Total designated	19,915,588	-	(1,483,043)	2,303,265	**20,735,810**
Operational reserve	6,831,752	14,095,599	(11,885,891)	(1,071,694)	**7,969,766**
Total unrestricted	26,747,340	14,095,599	(13,368,934)	1,231,571	**28,705,576**
Total restricted and unrestricted funds	27,737,699	16,262,691	(15,394,058)	941,428	**29,547,760**

Designated funds of £7,073,327 (2025: £7,377,248) 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 £4,040 existed at 31 March 2026 (2025: £53,590). An amount of £115,375 (2025: £483,130) was transferred from general funds to designated funds in respect of the contractual commitments and 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 2026 this amount was calculated at £6,384,542 (2025: £6,384,542) representing the projected costs over a 10-year period. No amounts were transferred out in the year. (2025: £458,584 was transferred from general funds to designated funds in respect of future partnership liabilities.)

- At the year end the development fund has increased to £6,707,137. The Charity has developed a 5 year plan which to expand fundraising activities, brand development and marketing. During the year we spent £1,014,197 investing in resources to support the plans. At the year end, we have set aside £2,366,860 within the development fund to underwrite expenditure in advance of new income streams being realised.

- In addition, this year we have set aside funds £2,974,777 within the development fund to invest in improving our services, data and digital capabilities and manage to unbudgeted spends as we implement our 5 year plan.

18 Movement in funds (continued)

- A designated fund of £3,500,000 was established in 2022/23 to develop parts of both sites no longer used after the pandemic. During 2025/26, following consideration of priorities arising from the development of the 5 year plan, the charity reduced the designated fund for property redevelopment to £1,365,500. This is also included within the development fund.

- The Charity held £11.3 million in investments and cash at 31 March 2026. The portfolio is diversified and includes a strong cash position to help manage periods of market volatility. Given continued uncertainty in global markets, 5% of the investment portfolio has been designated as an investment revaluation reserve. At 31 March 2026 this amounted to £0.6 million.

- **Prior year movement in funds - restricted**

	2024	Total Income	Total Expenditure	Transfers	**2025**
	£	£	£	£	**£**
Restricted funds:					
Hearing Dogs:					
By project / activity					
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)		-
By location					
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**

18. Movement in funds (continued)

Prior year movement in funds - unrestricted

	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**

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

	2026 £	2025 £
Net income / (expenditure)	**1,810,061**	1,942,160
Adjustments for:		
Depreciation charges	**387,324**	497,292
Amortisation charges	**27,933**	-
Gains on investments	**(941,427)**	(162,597)
Dividends and interest from investments	**(529,115)**	(459,692)
(Profit)/Loss on sale of tangible fixed assets	**(1,600)**	44,449
Decrease / (Increase) in stock	**5,453**	(3,762)
Decrease/ (Increase) in debtors	**(82,136)**	271,082
(Decrease) /Increase in creditors	**(150,663)**	144,123
Net cash provided by operating activities	**525,830**	2,273,055

19b. Analysis of cash and cash equivalents

	2026 £	2025 £
Cash awaiting investment	**249,177**	4,007,759
Short term deposits	**10,238,002**	9,467,429
Cash at bank and in hand	**38,187**	41,011
	10,525,366	13,516,199

19c. Movement in net funds

	At 1 April 2025	Cash flow	At 31 March 2026
	£	£	£
Short term deposits	9,467,429	770,573	10,238,002
Cash at bank and in hand	41,011	(2,824)	38,187
Cash held awaiting investment	4,007,759	(3,758,582)	249,177
Total net cash	13,516,199	(2,990,833)	10,525,366

20.Capital commitments

	2026	2025
	£	£
Contracted capital commitments for the group and the charity	£4,040	£53,590

21. Related parties

In the year to 31 March 2026 the following transactions took place between the charity and its wholly owned trading subsidiary:

a. Management charges from the charity to the trading subsidiary £Nil (2025: £18,000).

b. Interest payable by the trading subsidiary to the charity £Nil (2025: £13,931).

At 31 March 2026 the amount owed by the trading subsidiary to the charity amounted to £11,333 (2025: £8,553).

In addition, the charity has loaned the trading subsidiary £373,403. The loan is unsecured and is repayable over a 10 year period, with no early redemption penalties. The loan entitles the charity to accrued interest on the outstanding balance of the Loan at a rate equivalent to the rate earned by the Lender from its cash holdings in the Royal London Bond Funds Short Term

21. Related parties (continued)

Money Market account. As explained in note 13, the Trustees have agreed to pause this charge from 2025/26 to 2027/28.

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

During the year the charity has used a veterinary practice owned by Ms S Heath (charity trustee). Invoiced amounts totalled £12,356 (2025: £14,573)

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, who was Director of Services until the end of the financial year, was not involved in the recruitment process and the appointment was approved by the Trustees.

£230 (2025: £180) 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 2026 was £9.6 million (2025: £8.8 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		Dr Michelle King
Life vice-presidents		F B Clark MBE A M Horsley JP DL Dr B Fogle MBE DVM MRCVS
Vice-presidents		R Bourne Air Vice-Marshal D Crwys-Williams CB FCIPD FCIM Dr H Harris MB ChB FRCGP K W Keir OBE V Harrison MA, DPhil V Hunt
Trustees		C M P O'Donovan-Rossa BA Hons MA ACIB FCIPD DMS (Chair) C Brocklesby (appointed 18 November 2025) E M Burness R Casey BVSc DipECAWBM FRCVS (resigned 2 September 2025) C Corbin (appointed 18 November 2025) P R G Davis BSc FCA BFP B S Downes LL.B FSHAA SFBSA K A England RVN DipCIM (resigned 31 December 2025) A Gordon (appointed 18 November 2025) S E Heath BVSc PgCertVE DipECAWBM (BM) CCAB FHEA FRCVS C McKay (resigned 23 July 2025) S A L Marshall Professor R T Ramsden MBE FRCS (resigned 23 July 2025) T W B Schultz-Jagow C A Skouras MIEE, CEng, PhD (appointed 18 November 2025) H Self MA, FCA, CTA (Fellow) S AM Verschoor (appointed 18 November 2025)

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

HEARING DOGS FOR DEAF PEOPLE

(A COMPANY limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2026

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 2026

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HEARING DOGS FOR DEAF PEOPLE
TRUSTEES' REPORT ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2026

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2026

CHAIR AND CEO'S INTRODUCTION

At Hearing Dogs for Deaf People, we are driven by a simple but powerful belief: every deaf person and everyone with hearing loss deserves to feel connected to the world, confident in daily life, and embraced by a supportive community.

That belief is the heart of our charity. It has inspired our work over the past year and continues to guide our strategy as we move towards our vision: a future where everyone with hearing loss can live well.

An estimated 1 in 3 people in the UK is deaf or has hearing loss [i]. Behind that figure are millions of people whose daily lives can be shaped by isolation, disconnection from friends, family, colleagues and communities, reduced confidence and independence, and risks to personal safety when important danger sounds, such as smoke alarms, are missed.

No one should have to face these challenges alone. Everyone affected by hearing loss should be able to access the right support, in the way that works best for them.

Our purpose is to help people with hearing loss rebuild connection, companionship and confidence through our expertly trained hearing dogs, alongside practical and emotional support services that can transform lives.

This work is made possible by the generosity of people who believe in that purpose. We rely primarily on public donations, and we are deeply grateful to every individual, company and foundation whose support helps us change lives.

The world around us is changing rapidly. Political and economic volatility, together with fundamental changes in social care, are creating new pressures. At the same time, changing financial circumstances and lifestyles are contributing to sector-wide declines in volunteering and regular charitable giving.

These pressures make our mission more important than ever. We remain focused on the people we are here to support, ensuring our services stay relevant, efficient and impactful, and that we continue to build the financial sustainability needed for the future.

They also bring opportunities to reach people in new and powerful ways. As more people communicate, connect and access services digitally, we must keep pace with the changing landscape so we can work efficiently, deliver services effectively, engage existing supporters and inspire new audiences to join our work.

Following the organisation-wide review and strategy refresh completed in 2024/25, we are now putting our strategy into action, with a focus on:

- Growing hearing dog partnerships sustainably each year, based on need, while supporting our more than 1,200 existing partnerships and upholding the highest standards of dog health and welfare.
- Providing emotional and practical support, information and guidance through our Hearing Link Services, so more people can find the help they need.
- Ensuring all services are needs-based and co-created with the people who use them, with rigorous impact measurement to strengthen relevance, efficiency and continuous improvement.
- Working with lived-experience volunteers and other organisations to catalyse lasting change in awareness, practice and policy.

During 2025/26, we made significant progress in bringing this strategy to life and reaching more people who are deaf or have hearing loss:

- We strengthened our governance by recruiting five new Trustees, each bringing senior leadership experience and proven success in areas vital to our strategy, including people and culture, marketing and communications, digital transformation and finance.
- We are investing in a digital transformation programme that will strengthen our digital and data estate, help us deliver more user-centred services, work more efficiently, reach and engage more people, use data-led decision making and increase our impact. A Director of Digital Transformation has been recruited to lead this important programme alongside colleagues in the executive leadership team.
- We launched a new website, bringing two existing sites together into one accessible, user-friendly platform that will help more people discover our support, engage with our work and take action.
- We refreshed and developed our brand to tell our story more clearly, express the impact of our work more powerfully, and inspire more people to engage with us.
- We expanded our Income Generation and Performance Marketing and Communications functions to grow and diversify income, reach more people who need our help, and welcome more volunteers, supporters and advocates into our community.
- We laid strong foundations in People and Culture for the years ahead. A new Learning and Organisational Development team is helping our people flourish, while refreshed values now guide how we work together.
- We reviewed pay and benefits as part of developing a transparent, competitive reward framework, and worked with volunteers to shape a new volunteering strategy that reflects their vital contribution.
- We continued to develop our Hearing Link Services, including Helpful Hours webinars, Community Drops and Helpdesk support. Discovery work and our Theory of Change have deepened our understanding of the needs of people with hearing loss, shaped future service development, and identified opportunities to scale and pilot new support. The Theory of Change also provides the basis for an impact measurement framework,

now being developed to help us better understand, measure and demonstrate the difference our services make.

Everything achieved this year has been made possible by our people. Our employees and volunteers are the heart of Hearing Dogs. Through their commitment, skill and compassion, they help rebuild connection, companionship and confidence through our dogs and through our practical and emotional support services. We will continue to invest in our people, offer opportunities for continuous development, and ensure they feel supported to do their best work.

Our role in communities matters deeply. Every day, our people help create connection, confidence and companionship across the UK. Our peer-support volunteers delivering Hearing Link Services, alongside our dog trainers, community fundraising and events teams, and fundraising volunteers, are all central to our work transforming lives. In the year ahead, we will do more to strengthen awareness of Hearing Dogs for Deaf People, both nationally and locally.

Throughout 2025/26, thousands of people stood alongside us — donating, volunteering, sponsoring puppies, fundraising, shopping with us, and supporting us through companies or foundations. Each act of support helps us move closer to our mission, and we are deeply grateful to everyone who has chosen to be part of it.

We also thank everyone who has shared their personal experiences of hearing loss, whether to help shape our services or raise funds and awareness through our storytelling. By sharing their stories, they have created powerful moments of connection, inspiring more people to support the charity and helping more people live well with hearing loss. Thank you.

As we look ahead, we hope you will continue to stand with us and help create a future where everyone with hearing loss can live well. We 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/)

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 2026.

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.

We will 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 an 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.

Our Vision, Mission and Values

Our vision

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

Our mission

Together, 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

Achieving our mission as a charity isn't only about what we do, but also how we do it. Showing effective behaviours and attitudes helps us build a workplace where people feel respected, supported and able to do their best.

We are united by purpose

We work as one team, united by purpose, trust and shared success. We focus on our shared mission and work in ways that help the whole charity and the people we support. We work openly, share ideas and support each other to achieve the best results. We build trust by being honest, keeping our promises and taking responsibility for our actions. By combining our strengths and staying focused on what matters, we make a lasting difference together. We celebrate people

We recognise, value and celebrate everyone who is part of our journey. People are at the heart of everything we do. We listen, try to understand and build strong relationships based on respect and care. We celebrate the strengths, individuality and achievements of those around us and show real appreciation for the difference they make. By recognising each person's contribution and treating everyone with kindness, we create connections that make life better. We are always improving

We are driven by curiosity, passion and pride in making a real impact. We face challenges with curiosity and look for opportunities to learn, grow and try new ideas. We act with integrity and take pride in our work and the impact it has. By using our passion, skills and creativity, we achieve results that really transform lives.

Our impact in 2025/26

This year, we helped 2,870 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 129,999 visitors accessed lived experience led hearing loss information through our website, including over 6,582 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 97 dogs into a core role supporting a person who is deaf or has hearing loss. We placed a further 10 dogs into our breeding scheme.

1119 hearing dog partnerships, including 38 dogs helping children, were supported throughout the UK during the year, 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

1189 people received emotional and practical support, information and guidance through our Hearing Link Services. These included:

- 701 people who attended our Community Days, Community drop-ins, or dog walks, for information, support and essential social interaction;
- 252 people benefitted from our Hearing Support Sessions
- 236 people accessed our Helpful Hours webinars.

Scotland

Hearing Dogs has three members of services team 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. Fundraising activities are undertaken by a full-time Community Fundraising Manager based in Scotland, who joined the charity in 2025. Fundraising activities include the generation of funds some of which are restricted for use in Scotland

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. Many people have shared their stories 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 to 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 252 (2025: 226) members of staff. Of those,144 (2025:158) are involved in the labour-intensive process of creating and supporting hearing dog partnerships and supporting people affected by hearing loss. The 252 employees at the year end equates to an average of 235 FTE staff (2025: 209 FTE). There was an average of 233 employees throughout the financial year.

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 organisational need, and to support efficiency and decision making.

Going forward 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 voluntary sector organisations and organisations in the wider working environment.

The pay of the Executive Board is reviewed annually by the People & Culture 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 2,989 (2025: 3,030) volunteers as at 31 March 2026, all of whom have entered into a formal agreement with the charity. In addition, we have 245 micro volunteers (2025: 212).

During the year, 391 (2025: 448) volunteers ceased working with us, but we recruited 534 (2025: 502) 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 a private reception with our Royal Patron, HRH The Princess Royal.

Our fundraising

Our fundraising income this year was £15.4 million and includes £12.0 million donated to the charity through legacy gifts, £1.3 million raised for puppy sponsorship, and other donations of £2.0 million, including £0.7 million from corporate partnerships, Trusts and Foundations, and philanthropy, together with £0.6 million raised through community fundraising and events including third-party fundraisers and income raised by our valued fundraising volunteers. We received £0.2 million in gift aid.

Our income excluding legacies this year was £3.4 million (2025: £4.3m). This was down by 21% on last year. This reflects, in part, wider national trends across the charity sector, where levels of charitable giving and sponsorship have declined. Puppy sponsorship remained steady during the year.

During the financial year, the Board of Trustees approved a net investment of £1 million from reserves to support the future of income generation as part of our strategy to diversify income streams and reduce dependency on legacies. This investment has enabled us to grow fundraising capacity and capability. We have formed a new income generation directorate, increasing staffing within the high value teams to support the development of a broader and more sustainable funding base for the future, with the ambition that no single income stream accounts for more than 50% of overall income. As part of this strategy, we are also exploring additional trading and commercial opportunities, including mission-driven products and services that can both support beneficiaries and generate sustainable income for the future.

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 2025/26 included Aviva, CVS, Hidden Hearing, Specsavers, Assisi Pet Care, AXA and Pets at Home.

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

We are also grateful to the numerous Trusts and Foundations whose continued support helps us deliver our services and develop our work for the future.

The year ahead

Our activity over 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 continue to invest in our Strategy Impact and Performance team, bringing together expertise in service design, content design, impact and insight to strengthen how we design, deliver and improve services.

Over the past year, we have made significant progress in developing our approach to measuring impact and understanding the effectiveness of our services. This has included foundational work on a service-wide impact measurement framework aligned to our mission to build connection, companionship and confidence, informed by a theory of change to help us better articulate how our services create outcomes for the people we support.

We are committed to ensuring our work is developed and designed with people with lived experience of hearing loss, and that people are involved in shaping and guiding our work wherever possible. To strengthen this approach, we are establishing a Lived Experience Network made up of people with personal lived experience, family members and friends, alongside those with professional expertise. Through co-design and continuous evaluation, we are ensuring our services are shaped with people, not for people, helping us identify where we create the greatest impact and where we can continue to improve.

We'll continue to 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.

Financial review

The Charity received £16.3 million total income excluding investment income of £0.9 million during the year (2025: £16.4 million). 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.

The charity recorded a net excess of £1.8 million (2025: £1.9 million excess), of which gains on investments accounted for £0.9 million (2025: £0.2 million gains).

This is very similar to the net excess earned in the prior year. When comparing this year to the prior year, there are the following underlying key variances: The value of legacies received and receivable increased by £1 million to £12.0 million (2025: £11 million).

1) Other significant movements were as follows:
    a. lower fundraising receipts (down by £1.0 million);
    b. payroll related costs increased by £1.2 million, due to salaries keeping pace with the cost of living and an increase in the number of staff to future proof our fundraising activities;
2) Spend on charitable activities during the 2025/26 increased by £0.2m compared with 2024/25

Total net assets of the group increased by £1.8 million to £29.5 million (2025: £27.7 million) at the year end. Total fixed assets, including investments, increased by £0.8million to £18.4 million (2025: £17.6 million). This was the net effect of £1.1 million growth in our investment portfolio, of which £0.9m was due to investment gains; offset by a reduction in tangible fixed assets of £300k, primarily due to depreciation. Net current assets increased by £0.7 million to £11.1million (2025: £10.4 million).

Designated funds increased by £0.8 million to £20.7 million (2025: £19.9 million) and the operational reserve and restricted funds amounted to £8.0 million (2025: £6.8 million) and £0.8 million (2025: £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 1,119 (2025: 1,023) current active 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.

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 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 2026 this reserve stood at £7.1 million (2025: £7.4 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 2026 were estimated at £6.4 million (2025: £6.4 million) over the next 10 years. This reserve is calculated before taking into account the potential availability of a pipeline of legacy income, which at 31 March 2026 was currently £9.6 million (2025: £9.8 million).

Designated funds for Development

During the year, the charity developed its long-term strategy. Our mission is to rebuild connection, confidence and companionship through trained hearing dogs and practical and emotional support services, transforming the lives of people who are deaf or have hearing loss.

Our income is heavily legacy dependent, which in the current external environment leaves us potentially exposed. Our cost base is annually increasing and donation trends in the sector are falling. The strategy aims to diversify our funding base and grow our income to support our mission and ensure sustainability.

To support this strategy, we plan to strengthen operations, expand our use of AI, improve our data and digital capabilities, and invest in our properties.

We have set aside surpluses generated in recent years to reinvest in the core infrastructure needed to deliver our mission effectively and efficiently in the future. During the year, we spent £1.0 million on strengthening our resources and set aside a further £1.6m from surpluses. As a result, the fund totalled £6.7 million at 31 March 2026 (2025: £6.1 million).

This fund includes the following amounts set aside:

- £2.3 million to build the infrastructure needed to diversify our funding base. This will help us grow income from major donors, trusts, corporates and commercial activity. Some investment will be needed before new income is generated, with returns expected as these areas develop.

- £3.0 million to invest in services, data, digital capability, security and manage risks. This will help us modernise systems, manage cyber risk and make better use of AI and other technologies to deliver services and supporter stewardship in ways that are current, relevant and secure.
- £1.4 million to maintain and invest in our sites in Buckinghamshire and Yorkshire, improving facilities to support operations, future growth and income generation. This is in addition to £0.3 million of restricted funds already held for property improvements.

Investment Revaluation Reserve

The Charity held £11.3 million in investments and cash at 31 March 2026. The portfolio is diversified and includes a strong cash position to help manage periods of market volatility. Given continued uncertainty in global markets, 5% of the investment portfolio has been designated as an investment revaluation reserve. At 31 March 2026 this amounted to £0.6 million.

Operational (Free) Reserve

The policy of the Trustees is to hold an operational reserve equivalent to 6-12 months operating expenditure. At 31 March 2026 this reserve stood at £8.0 million (2025: £6.8 million) which represents 6 months running costs, based on the 2026/27 expenditure budget.

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

Investment policy and performance

The Trustees have given their appointed investment managers, Quilter Cheviot, 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 Quilter Cheviot.

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.

The underlying 12-month return (net of costs) to 31 March 2026 was 10.9%. The improved performance in 2025/26 reflects the growth in global markets, particularly in the first three quarters of 2025/26.

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.

The Board has four established sub-committees, each with specific terms of reference aimed at enhancing oversight and governance of charity's activities and resources. The sub-committees are: 1) Audit, Risk and Finance, 2) Services, 3) Marketing, Comms and Data and 4) People and Culture. 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, a code of conduct, governance 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.

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 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 is implemented which comprises:

- A regular 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 minimize 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 skilled volunteers to train the potential hearing dogs;
- financial instability; and
- cyber security and internal systems failure

Risk Description	Controls and Mitigations in place
Shortage of volunteers to train the potential hearing dogs. In particular, fluctuating numbers of volunteers and their availability.	In 2025/26 we invested in a new integrated digital and word of mouth marketing recruitment campaign to attract new volunteers; 'The Best Club. Ever.' We internally reviewed our volunteer recruitment processes and procedures, optimising our recruitment and application journey for our dog training volunteers. We also introduced a new volunteer dog training forum to help us improve engagement with our dog training volunteers. In 2026, we will complete an internal audit of how we train our dogs, considering a number of alternative options with the Trustee Board.
Financial instability due to: 1.Reliance on legacy income despite 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.	In 2025/26, a new 5-year investment plan was approved by the Trustee Board detailing our approach to income generation, expenditure and our reserves policy.
Cyber security poses a real threat and leads to potential for systems breach and potential loss of data, ransom demands or ability to use website or computer systems and consequentially leads to the inability to deliver services or continue fundraising activities for a protracted period. The charity's reliance on systems presents financial, operational, and compliance risks.	In 2026 an external audit was completed of our cyber security and internal systems with findings discussed with the Trustee Board. We continue to regularly complete internal cyber security health checks and associated corrective actions in place aligned to standards set out by Cyber Essentials, Cyber Essentials Plus and ISO 27001 Our Trustees are trained in line with the Cyber Code of Governance and provide cyber security oversight and we are recruiting an independent Chief Information Security Officer (CISO) to support further improvements in our cyber security.

Risk Description	Controls and Mitigations in place
	The charity continues to invest in cyber insurance cover and continuous educational training of staff and volunteers. A digital transformation plan is in place to reduce the over reliance and security risk on our internal systems.

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.

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 17th August 2026

and signed on their behalf by



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

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 2026 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 2026 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.

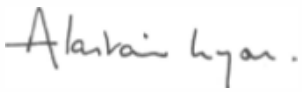
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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: 26 August 2026

HEARING DOGS FOR DEAF PEOPLE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2026

	Note	Unrestricted Funds £	Restricted Funds £	**Total 2026 £**	Total 2025 £
Income from:					
Donations and legacies	4	12,957,786	2,161,646	**15,119,432**	15,107,928
Grants receivable	4	2,000	-	**2,000**	2,000
Charitable activities	4	932	5,446	**6,378**	12,020
Trading and fundraising	4	550,388	-	**550,388**	774,997
Investments	4	529,115	-	**529,115**	459,692
Other	4	55,379	-	**55,379**	53,927
Total income		14,095,600	2,167,092	**16,262,692**	16,410,564
Expenditure on:					
Raising funds	5	3,771,428	-	**3,771,428**	3,205,354
Charitable activities	5	9,597,505	2,025,125	**11,622,630**	11,425,647
Total expenditure		13,368,933	2,025,125	**15,394,058**	14,631,001
Net gains / (losses) on investments		941,427	-	**941,427**	162,597
Net income		1,668,094	141,967	**1,810,061**	1,942,160
Transfers between funds	18	290,143	(290,143)	**-**	-
Net movement in funds		1,958,237	(148,176)	**1,810,061**	1,942,160
Reconciliation of funds:					
Total funds brought forward		26,747,340	990,359	**27,737,699**	25,795,539
Total funds carried forward	18	28,705,577	842,183	**29,547,760**	27,737,699

The notes on pages 29 to 51 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

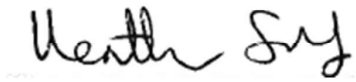
BALANCE SHEET AS AT 31 MARCH 2026

	Note	The Group 2026 £	The Group 2025 £	The Charity 2026 £	The Charity 2025 £
Fixed assets:					
Intangible assets	9	**195,531**	180,079	**195,531**	180,079
Tangible assets	10	**6,877,795**	7,197,167	**6,865,866**	7,182,191
Investments	11	**11,335,284**	10,216,400	**11,335,284**	10,216,400
Total fixed assets		**18,408,610**	17,593,646	**18,396,681**	17,578,670
Current assets:					
Stocks	12	**24,719**	30,172	**-**	-
Debtors	13	**1,632,190**	1,550,054	**1,589,925**	1,863,401
Short term deposits	19b	**10,238,002**	9,467,429	**10,238,002**	9,467,429
Cash at bank and in hand	19b	**38,187**	41,011	**29,228**	38,036
Total current assets		**11,933,098**	11,088,666	**11,857,155**	11,368,866
Liabilities:					
Creditors: Amounts falling due within one year	14	**(793,949)**	(944,613)	**(727,796)**	(919,685)
Net current assets		**11,139,149**	10,144,053	**11,129,359**	10,449,181
Total net assets	15	**29,547,760**	27,737,699	**29,526,040**	28,027,851
Funds:					
Restricted funds	18	**842,184**	990,359	**842,184**	990,359
Unrestricted funds:					
Designated funds	18	**20,735,810**	19,915,842	**20,735,810**	19,915,842
Operational reserve	18	**7,969,766**	6,831,498	**7,948,046**	7,121,650
Total funds	18	**29,547,760**	27,737,699	**29,526,040**	28,027,851

The excess in the year relating to the parent charity was £1,498,186 (2025: excess £2,032,578)

The financial statements were approved and authorised for issue by the board on 17th August 2026 and were signed on its behalf by:





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

.....
H Self
Honorary Treasurer

The notes on pages 29 to 51 form part of these financial statements

HEARING DOGS FOR DEAF PEOPLE

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Notes		2026 £	2025 £
Cash flows from operating activities:				
Net cash provided by/(used in) operating activities	19a		**525,830**	2,273,055
Cash flows from investing activities:				
Dividends and interest from investments	11	**529,115**		459,692
Proceeds from the sale of tangible assets		**2,263**		3,397
Purchase of Intangible assets	9	**(43,385)**		(180,079)
Purchase of tangible assets	10	**(68,616)**		(282,578)
Proceeds from the sale of investments	11	**9,037,667**		6,235,971
Purchase of investments	11	**(12,973,706)**		(2,448,535)
Net cash provided by / (used in) investing activities			**(3,516,663)**	3,787,868
Change in cash and cash equivalents in the reporting period	19c		**(2,990,833)**	6,060,923
Cash and cash equivalents at the beginning of the reporting period	19b		**13,516,199**	7,455,276
Cash and cash equivalents at the end of the reporting period	19b		**10,525,366**	13,516,199

The notes on pages 29 to 51 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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.

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.

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.

Website	25% per annum on a straight-line basis

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.

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 and therefore require an estimate of the amount receivable as described in note 1b).

Intercompany loan to subsidiary – The valuation of the intercompany loan to the charity's wholly owned subsidiary involves estimation uncertainty. Recoverability depends on future cashflows from developing trading activities, which are at an early stage. Accordingly, a full impairment has been recognised at the reporting date.

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

3. Comparative statement of financial activities

	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**
Income from:			
Donations and legacies	12,768,366	2,339,562	**15,107,928**
Grants receivable	2,000	-	**2,000**
Charitable Activities	12,020	-	**12,020**
Trading and fundraising	774,997	-	**774,997**
Investments	459,692	-	**459,692**
Other	53,927	-	**53,927**
Total income	14,071,002	2,339,562	**16,410,564**
Expenditure on:			
Raising funds	3,205,354	-	**3,205,354**
Charitable activities	8,959,215	2,466,432	**11,425,647**
Total expenditure	12,164,569	2,466,432	**14,631,001**
Net gains on investments	162,597	-	**162,597**
Net income	2,069,030	(126,870)	**1,942,160**
Transfers between funds	-	-	**-**
Net movement in funds	2,069,030	(126,870)	**1,942,160**
Reconciliation of funds:			
Total funds brought forward	24,678,310	1,117,229	**25,795,539**
Total funds carried forward	26,747,340	990,359	**27,737,699**

4. Income

	Unrestricted Funds £	Restricted Funds £	**Total 2026 £**	Total 2025 £
Donations and legacies				
Donations	1,149,931	379,160	**1,529,091**	2,415,561
Income from branches	9,171	-	**9,171**	42,249
Sponsorship	3,687	1,345,954	**1,349,641**	1,302,193
Legacies	11,577,407	436,533	**12,013,940**	11,001,343
Gift Aid	217,589	-	**217,589**	346,582
	12,957,786	2,161,646	**15,119,432**	15,107,928
Grants receivable				
Local Authority Grants	2,000	-	**2,000**	2,000
	2,000	-	**2,000**	2,000
Charitable activities				
Sale of hearing equipment	682	5,446	**6,128**	12,020
Services to other charities	250	-	**250**	-
	932	5,446	**6,378**	12,020
Trading and fundraising				
Fundraising events	250,739	-	**250,739**	229,011
Trading subsidiary income	299,649	-	**299,649**	545,986
	550,388	-	**550,388**	774,997
Investment income				
UK listed securities	281,271	-	**281,271**	157,398
UK bank interest	247,844	-	**247,844**	302,294
	529,115	-	**529,115**	459,692
Other income				
Rent received	50,424	-	**50,424**	45,045
Profit on sale of tangible assets	2,264	-	**2,264**	3,396
Other income	2,691	-	**2,691**	5,486
	55,379	-	**55,379**	53,927
Total income	**14,095,600**	**2,167,092**	**16,262,692**	16,410,564

5. Expenditure

Expenditure on:	Direct Costs £	Staff Costs £	Depreciation and amortisation £	Support Costs £	**Total 2026 £**	Total 2025 £
Raising funds:						
Donations and legacies	873,350	1,777,326	81,020	580,994	**3,312,690**	2,493,200
Fundraising trading	318,446	30,832	4,472	49,266	**403,016**	661,449
Investment management	55,722	-	-	-	**55,722**	50,705
	1,247,518	1,808,158	85,492	630,260	**3,771,428**	3,205,354
Charitable activities:						
Provision of hearing dogs	1,746,215	7,651,006	325,016	1,834,084	**11,556,321**	10,989,833
Supporting people affected by hearing loss	5,665	28,939	4,749	26,958	**66,309**	435,814
	1,751,880	7,679,944	329,765	1,861,042	11,622,630	11,425,647
Total expenditure 2026	**2,999,398**	**9,488,103**	**415,257**	**2,491,302**	**15,394,058**	14,631,001
Total expenditure 2025	3,092,246	7,657,840	360,570	2,170,559	13,281,215	

5a. Support costs

Support costs included in the above are analysed as follows:

	Facilities £	General Management £	Legal & Professional £	IT £	**Total 2026 £**	Total 2025 £
Raising funds:						
Donations and legacies	104,401	292,319	76,617	107,657	**580,994**	386,625
Fundraising trading	13,099	23,611	10,564	1,992	**49,266**	48,323
	117,500	315,930	87,181	109,649	**630,260**	434,947
Charitable activities:						
Provision of hearing dogs	502,640	763,681	208,373	359,390	**1,834,084**	2,199,422
Supporting people affected by hearing loss	7,044	11,724	2,871	5,319	**26,958**	158,803
	509,684	775,405	211,244	364,709	1,861,042	2,358,226
Total expenditure 2026	**627,184**	**1,091,335**	**298,425**	**474,358**	**2,491,302**	2,793,173
Total expenditure 2025	708,642	777,715	332,997	351,205	2,170,559	

Total governance costs included above are £127,611 (2025: £103,768).

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.

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

	2026 %	2025 %
Raising funds:		
Donations and legacies	21.5	17.1
Fundraising trading	2.6	4.5
Investment management	0.4	0.3
Charitable activities:		
Provision of hearing dogs	75.1	75.1
Supporting people affected by hearing loss	0.4	3.0

Net income

This is stated after charging/(crediting):

		2026 £	2025 £
Profit on sale of fixed assets		**1,600**	(44,449)
Depreciation		**387,323**	497,038
Amortisation		**27,933**	-
Auditors' remuneration	- audit	**30,374**	26,033
	-other services	**5,738**	2,930
Operating lease rentals	- equipment	**7,299**	36,414
	-property	**-**	3,453

6. Staff costs and numbers

Staff costs were as follows:

	2026 £	2025 £
Salaries and wages	**8,117,492**	7,242,716
Social security costs	**1,066,731**	736,802
Pension contributions	**303,882**	278,948
	9,488,105	8,258,466

There were termination costs in the year of £95,896 (2025: £70,467). Termination costs include any payments in lieu of notice and pension contributions paid on termination.

7. **Staff costs and numbers (continued)**

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

	2026 **Number**	2025 Number
£60,001 - £70,000	**3**	1
£70,001 - £80,000	**1**	1
£80,001 - £90,000	**2**	1
£90,001 - £100,000	**1**	-
£100,001 - £110,000	**1**	-
£110,001 - £120,000	**1**	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 £4,267 (2025: £8,367).

The key management personnel of the charity are the trustees and the executive team led by the Chief Executive. One (2025: Five) member of the executive team earned a salary of less than £60,000 and is 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 £654,766 (2025: £599,815).

The Trustees did not receive any remuneration during the year to 31 March 2026 (2025: £Nil).

5 Trustees received reimbursed travel and subsistence expenses in 2026 of £1,010 (2025: 4 Trustees £633).

Staff numbers

	2026 Number		2025 Number	
	Average	FTE	Average	FTE
Hearing Dogs: supply, training, welfare and aftercare	162	151	173	160
Fundraising	35	32	23	22
Communications and marketing	7	6	7	6
Management and administration	29	27	23	21
Total	**233**	**216**	**226**	**209**

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 2026 amounted to £Nil (2025: £51,240).

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 £	Intangible assets £
Cost		
At 1 April 2025	180,079	-
Additions	-	43,385
Transfers	(180,079)	180,079
At 31 March 2026	**-**	**223,464**
Amortisation		
At 1 April 2025	-	-
Charge for the year	-	(27,933)
At 31 March 2026	**-**	**(27,933)**
Net book value		
At 31 March 2026	**-**	**195,531**
At 31 March 2025	180,079	-

Intangible assets comprise investment in our new website which was launched in 2025 and as a result the intangible assets under construction cost disclosed at 31 March 2025 was transferred to Intangible assets.

10. Tangible assets – Group

	Freehold property £	Motor vehicles £	Furniture and Fixtures and Fittings £	Equipment £	Assets under construction £	Total £
Cost						
At 1 April 2025	9,826,207	408,997	593,785	691,812	-	11,520,801
Additions	39,756	-	10,819	14,095	3,946	68,616
Disposals	-	(15,630)	(20,666)	-	-	(36,296)
At 31 March 2026	**9,865,963**	**393,367**	**583,938**	**705,907**	**3,946**	**11,553,121**
Depreciation						
At 1 April 2025	3,094,998	185,496	436,076	607,062	-	4,323,632
Charge for the year	210,309	73,615	68,935	34,465	-	387,324
Disposals	-	(15,630)	(20,000)	-	-	(35,630)
At 31 March 2026	**3,305,307**	**243,481**	**485,011**	**641,527**	**-**	**4,675,326**
Net book value						
At 31 March 2026	**6,560,655**	**149,886**	**98,927**	**64,380**	**3,946**	**6,877,795**
At 31 March 2025	6,731,208	223,501	157,709	84,750	-	7,197,169

Freehold property comprises:

	Beatrice Wright Centre £	The Grange £	Total £
Net book value			
At 1 April 2025	1,939,682	4,791,526	6,731,208
Additions at cost	2,837	36,919	39,756
Depreciation charge	(57,854)	(152,455)	(210,309)
Net book value at 31 March 2026	**1,884,665**	**4,675,990**	**6,560,655**

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

11. Fixed asset investments

	Group	
	2026	2025
	£	£
Quoted investments		
Market value at 1 April	**6,208,641**	9,833,480
Purchases	**12,973,706**	2,448,535
Sales	**(9,037,667)**	(6,235,971)
Net investment gains	**941,427**	162,597
Market value at 31 March	**11,086,107**	6,208,641
Cash awaiting investment	**249,177**	4,007,759
Total at 31 March	**11,335,284**	10,216,400

	2026	2025
	£	£
Total dividend and interest income for basic financial assets	**529,115**	459,692
Total gains in respect of basic financial assets	**941,427**	162,597

In addition to the above, the charity accounts included an investment of £2 in its wholly owned trading subsidiary (see note 17).

The historic cost of quoted investments at 31 March 2026 was £9,820,417 (2025: 10,216,400).

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:

	2026	2025
	£	£
Total dividend and interest income for basic financial assets	**529,115**	459,692
Total gains / (losses) in respect of basic financial assets	**941,427**	162,597

12. Stocks

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Goods for resale	**24,719**	30,172	**-**	-

13. Debtors

	Group		Charity	
	2026	2025	**2026**	2025
	£	£	**£**	£
Trade debtors	**58,296**	10,113	**3,607**	4,500
Loan to subsidiary	-	-	-	310,905
Other amounts due from subsidiary	-	-	**11,333**	11,978
Prepayments	**340,060**	302,235	**339,560**	301,735
Other debtors and accrued income	**1,233,834**	1,237,706	**1,235,425**	1,234,283
	1,632,190	1,550,054	**1,589,925**	1,863,401

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

Loan to subsidiary	**Group**	Group	**Charity**	Charity
	2026	2025	**2026**	2025
	£	£	**£**	£
Gross loan balance	**-**	-	**373,405**	310,905
Less: impairment	**-**	-	**(373,405)**	-
Net carrying value	**-**	-	**-**	310,905

The Trustees have assessed the recoverability of the intercompany loan with reference to the subsidiary's financial position, trading performance and forecast cashflows. The balance arises primarily from recharged parent company costs, interest, trading losses from the restaurant, and professional fees.

The subsidiary is not currently expected to generate sufficient cashflows to fully repay the balance on a standalone basis. Repayment is therefore expected to be supported by the continued development of the online shop and other future income-generating activities, which are progressing but remain at an early stage and are not yet supported by sufficient evidence at the reporting date.

The Trustees expect the balance to increase in the short term as further investment is required, and have paused parent company charges and interest for three years from 2025/26 to 2027/28.

Although it remains the Trustees' intention that the loan will ultimately be repaid, there is insufficient evidence at the balance sheet date to support recovery. Accordingly, a full impairment of £373,405 (2025: £Nil) has been recognised, based on expected future cashflows and subject to significant uncertainty.

14. Creditors: Amounts falling due within one year

	Group		Charity	
	2026	2025	2026	2025
	£	£	£	£
Trade creditors	**340,677**	483,612	**337,946**	475,820
Accruals and deferred income	**211,067**	209,874	**147,645**	196,596
Taxation and social security	**241,757**	195,384	**241,757**	195,384
Other creditors and accruals	**448**	55,742	**448**	51,883
	793,949	944,612	**727,796**	919,683

All creditors are basic financial instruments measured at amortised cost, except for taxation and social security.

15. Analysis of group net assets between funds

	Restricted funds	Unrestricted designated funds	Unrestricted operational reserve	Total funds
2026	£	£	£	£
Intangible Assets	-	195,531		**195,531**
Tangible fixed assets	-	6,877,795	-	**6,877,795**
Investments	-	11,335,284	-	**11,335,284**
Current assets	842,184	2,327,200	8,763,715	**11,933,098**
Current liabilities	-	-	(793,949)	**(793,949)**
Group funds at 31 March 2026	842,184	20,735,810	7,969,766	**29,547,760**
Add: Subsidiary net liabilities			351,683	**351,683**
Less: Impairment provision			**(373,403)**	**(373,403)**
Charity funds at 31 March 2026	**842,184**	**20,735,810**	**7,948,046**	**29,526,040**

2025	Restricted funds £	Unrestricted designated funds £	Unrestricted operational reserve £	Total funds £
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**

16. Other financial commitments

At 31 March 2026 the ageing of total minimum lease payments was as follows:

	2026			2025		
	Property Leases £	**Other £**	**Total £**	Property Leases £	Other £	Total £
Operating leases due:						
Within one year	-	**6,844**	**6,844**	108	6,393	6,501
Between 2-5 years	-	**12,523**	**12,523**	-	15,768	15,768
Over 5 years		**473**	**473**	-	-	-
Total	-	**19,840**	**19,840**	108	22,161	22,269

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.

	2026 £	2025 £
Trading and profit and loss account		
Turnover	**306,677**	554,970
Cost of sales	**(268,195)**	(492,594)
Gross profit	**38,482**	62,376
Administrative expenses	**(100,011)**	(138,863)
Operating loss	**(61,529)**	(76,487)
Interest payable	**-**	(13,931)
Loss on ordinary activities	**(61,529)**	(90,418)
Retained losses brought forward	**(290,156)**	(199,738)
Retained losses carried forward	**(351,685)**	(290,156)
Balance sheet		
Total assets	**97,947**	52,346
Total liabilities	**(449,630)**	(342,500)
Net liabilities	**(351,683)**	(290,154)
Share capital	**2**	2
Retained losses	**(351,685)**	(290,156)
Capital and reserves	**(351,683)**	(290,154)

18. Movement in funds

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.

The transfer from the physical facility in the table below represents the allocation of qualifying prior-year expenditure against the physical facility fund.

	2025 £	Total Income £	Total Expenditure £	Transfers	2026 £
Restricted funds:					
Hearing Dogs:					
By project / activity					
Hearing Dog training	-	1,416,183	(1,416,183)	-	-
Hearing Dogs for Deaf Children	-	24,825	(24,825)	-	-
Physical Facility	**290,000**	143	-	(290,143)	-
BWC	-			-	-
Purchase & Training of HD	**90,000**			-	**90,000**
Training, partnership and salaries	-	50,000	(50,000)	-	-
Training Dogs in Merseyside		27,971			**27,971**
Operations Development Team	**22,806**	-	(22,806)	-	-
Upgrade: The Grange Farmhouse	**300,000**			-	**300,000**
Name a puppy	-	25,678	(678)	-	**25,000**
Vets and Welfare	-	5,000	(5,000)	-	-
					-
By location					-
Scotland	**278,135**	16,612	(219,764)	-	**74,983**
Buckinghamshire	-	5,490	(5,490)	-	-
Hereford & Worcester	-	5,000	(5,000)	-	-
Jersey	**9,418**	-	-	-	**9,418**
Leicestershire	-	15,000	(15,000)	-	-
Lincolnshire	-	5,000	(5,000)	-	-
Merseyside	-	15,000	(15,000)	-	-
North West of England	-	10,000	(10,000)	-	-
North Yorkshire		43,900	(43,900)	-	-
Saunderton		314,812		-	**314,812**
Shropshire	-	5,000	(5,000)	-	-
South Tyneside	-	10,000	(10,000)	-	-
Amounts £5,000 or less	-	133,119	(133,119)	-	-
Hearing Dogs Total	**990,359**	2,128,732	(1,986,765) -	(290,143)	**842,184**
Hearing Link:					
Hearing Link	-	38,360	(38,360)		-
Hearing Link Total	-	**38,360**	**(38,360)** -	-	-
Total restricted	**990,359**	**2,167,092**	**(2,025,125)** -	**(290,143)**	**842,184**

2026

	2025 £	Total Income £	Total Expenditure £	Investment Gains / Transfers £	2026 £
Unrestricted funds:					
Designated funds:					
Intangible assets	180,079	-	(27,933)	43,385	**195,531**
Freehold - BWC	1,939,682	-	(57,853)	2,837	**1,884,666**
Freehold - The Grange	4,791,526	-	(152,455)	36,919	**4,675,990**
Other functional fixed assets	465,961	-	(177,015)	28,194	**317,140**
Sub-total fixed assets	7,377,248	-	(415,256)	111,335	**7,073,327**
Capital commitments	53,590	-	(53,590)	4,040	**4,040**
Total fixed assets	7,430,838	-	(468,846)	115,375	**7,077,367**
Partnership commitments	6,384,542	-	-	-	**6,384,542**
Development fund	6,100,208	-	(1,014,197)	1,621,126	**6,707,137**
Investment revaluation reserve	-	-	-	566,764	**566,764**
Total designated	19,915,588	-	(1,483,043)	2,303,265	**20,735,810**
Operational reserve	6,831,752	14,095,599	(11,885,891)	(1,071,694)	**7,969,766**
Total unrestricted	26,747,340	14,095,599	(13,368,934)	1,231,571	**28,705,576**
Total restricted and unrestricted funds	27,737,699	16,262,691	(15,394,058)	941,428	**29,547,760**

Designated funds of £7,073,327 (2025: £7,377,248) 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 £4,040 existed at 31 March 2026 (2025: £53,590). An amount of £115,375 (2025: £483,130) was transferred from general funds to designated funds in respect of the contractual commitments and 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 2026 this amount was calculated at £6,384,542 (2025: £6,384,542) representing the projected costs over a 10-year period. No amounts were transferred out in the year. (2025: £458,584 was transferred from general funds to designated funds in respect of future partnership liabilities.)

- At the year end the development fund has increased to £6,707,137. The Charity has developed a 5 year plan which to expand fundraising activities, brand development and marketing. During the year we spent £1,014,197 investing in resources to support the plans. At the year end, we have set aside £2,366,860 within the development fund to underwrite expenditure in advance of new income streams being realised.

- In addition, this year we have set aside funds £2,974,777 within the development fund to invest in improving our services, data and digital capabilities and manage to unbudgeted spends as we implement our 5 year plan.

18 Movement in funds (continued)

- A designated fund of £3,500,000 was established in 2022/23 to develop parts of both sites no longer used after the pandemic. During 2025/26, following consideration of priorities arising from the development of the 5 year plan, the charity reduced the designated fund for property redevelopment to £1,365,500. This is also included within the development fund.

- The Charity held £11.3 million in investments and cash at 31 March 2026. The portfolio is diversified and includes a strong cash position to help manage periods of market volatility. Given continued uncertainty in global markets, 5% of the investment portfolio has been designated as an investment revaluation reserve. At 31 March 2026 this amounted to £0.6 million.

- **Prior year movement in funds - restricted**

	2024	Total Income	Total Expenditure	Transfers	**2025**
	£	£	£	£	**£**
Restricted funds:					
Hearing Dogs:					
By project / activity					
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)		-
By location					
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**

18. Movement in funds (continued)

Prior year movement in funds - unrestricted

	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**

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

	2026 £	2025 £
Net income / (expenditure)	**1,810,061**	1,942,160
Adjustments for:		
Depreciation charges	**387,324**	497,292
Amortisation charges	**27,933**	-
Gains on investments	**(941,427)**	(162,597)
Dividends and interest from investments	**(529,115)**	(459,692)
(Profit)/Loss on sale of tangible fixed assets	**(1,600)**	44,449
Decrease / (Increase) in stock	**5,453**	(3,762)
Decrease/ (Increase) in debtors	**(82,136)**	271,082
(Decrease) /Increase in creditors	**(150,663)**	144,123
Net cash provided by operating activities	**525,830**	2,273,055

19b. Analysis of cash and cash equivalents

	2026 £	2025 £
Cash awaiting investment	**249,177**	4,007,759
Short term deposits	**10,238,002**	9,467,429
Cash at bank and in hand	**38,187**	41,011
	10,525,366	13,516,199

19c. Movement in net funds

	At 1 April 2025	Cash flow	At 31 March 2026
	£	£	£
Short term deposits	9,467,429	770,573	10,238,002
Cash at bank and in hand	41,011	(2,824)	38,187
Cash held awaiting investment	4,007,759	(3,758,582)	249,177
Total net cash	13,516,199	(2,990,833)	10,525,366

20.Capital commitments

	2026	2025
	£	£
Contracted capital commitments for the group and the charity	£4,040	£53,590

21. Related parties

In the year to 31 March 2026 the following transactions took place between the charity and its wholly owned trading subsidiary:

a. Management charges from the charity to the trading subsidiary £Nil (2025: £18,000).

b. Interest payable by the trading subsidiary to the charity £Nil (2025: £13,931).

At 31 March 2026 the amount owed by the trading subsidiary to the charity amounted to £11,333 (2025: £8,553).

In addition, the charity has loaned the trading subsidiary £373,403. The loan is unsecured and is repayable over a 10 year period, with no early redemption penalties. The loan entitles the charity to accrued interest on the outstanding balance of the Loan at a rate equivalent to the rate earned by the Lender from its cash holdings in the Royal London Bond Funds Short Term

21. Related parties (continued)

Money Market account. As explained in note 13, the Trustees have agreed to pause this charge from 2025/26 to 2027/28.

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

During the year the charity has used a veterinary practice owned by Ms S Heath (charity trustee). Invoiced amounts totalled £12,356 (2025: £14,573)

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, who was Director of Services until the end of the financial year, was not involved in the recruitment process and the appointment was approved by the Trustees.

£230 (2025: £180) 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 2026 was £9.6 million (2025: £8.8 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		Dr Michelle King
Life vice-presidents		F B Clark MBE A M Horsley JP DL Dr B Fogle MBE DVM MRCVS
Vice-presidents		R Bourne Air Vice-Marshal D Crwys-Williams CB FCIPD FCIM Dr H Harris MB ChB FRCGP K W Keir OBE V Harrison MA, DPhil V Hunt
Trustees		C M P O'Donovan-Rossa BA Hons MA ACIB FCIPD DMS (Chair) C Brocklesby (appointed 18 November 2025) E M Burness R Casey BVSc DipECAWBM FRCVS (resigned 2 September 2025) C Corbin (appointed 18 November 2025) P R G Davis BSc FCA BFP B S Downes LL.B FSHAA SFBSA K A England RVN DipCIM (resigned 31 December 2025) A Gordon (appointed 18 November 2025) S E Heath BVSc PgCertVE DipECAWBM (BM) CCAB FHEA FRCVS C McKay (resigned 23 July 2025) S A L Marshall Professor R T Ramsden MBE FRCS (resigned 23 July 2025) T W B Schultz-Jagow C A Skouras MIEE, CEng, PhD (appointed 18 November 2025) H Self MA, FCA, CTA (Fellow) S AM Verschoor (appointed 18 November 2025)

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