The novel opens with a mini mystery—Sherlock Holmes and wonder about the identity of the owner of a cane that has been left in their office by an unknown visitor. Entering the office and unveiling an 18th century manuscript, recounts the myth of Hugo Baskerville who captured and imprisoned a young woman at his house, only to fall victim to a vicious hound of hell as he chased her along the moors late one night. Ever since the Baskerville line has been plagued by a mysterious and supernatural black hound. The recent death of Sir Charles Baskerville has rekindled suspicions and fears. Sir has arrived in London, but he has already been intimidated by an anonymous note of warning and the theft of a shoe.

Once in Devonshire, Watson discovers a state of emergency, with armed guards on the watch for an escaped convict called roaming the moors. He meets Baskerville Hall’s servants Mr and Mrs and neighbours Mr and Miss, brother and sister.

A series of mysteries arrive in rapid succession: is heard crying in the mansion at night; Watson spies a lonely figure keeping watch over the moors; and the doctor hears what sounds like a dog's howling. Watson learns of a secret encounter between Sir Charles and a local woman named on the night of his death.

Watson discovers that Mrs Barrymore turns out to be ‘s sister. The doctor discovers that the lonely figure spying from the moors is none other than himself; he only pretended to be in London. Mr Stapleton is actually part of the family.

Holmes and Watson use Sir Henry as bait to catch Stapleton red-handed. After a late supper at the Stapletons’, Sir Henry heads home across the moors, only to be attacked by the hound. Holmes and Watson are able to kill the dog, and Stapleton drowns in a marshland on the moors. Beryl Stapleton, who turns out to be Stapleton’s and not his sister, is discovered tied up in his house, having refused to participate in his plans.

Back in London, Holmes ties up the loose ends, announcing that the stolen was used to give the hound Henry's scent, and that the mysterious warning note came from , whose husband had pretended not to be married to her so he could use Laura Lyons.