

Habitat for Humanity Great Britain
Company Limited by Guarantee
Financial Statements
For the year ended 30 June 2010

Company No. 3012626
Charity No. 1043641

Members of the board

Company Registration Number:

3012626

Charity Registration Number:

1043641

Registered Office and Principal Office:

46 West Bar Street
BANBURY
Oxfordshire
OX16 9RZ

Trustee Directors:

Mr S A Baseley
Ms A Carr
Mr M J Coogan
Mr D S Haszczyn
Mr S L Howard 'Deputy Chairman'
Mr L Johnson
Mr M J Kirkwood CMG 'Chairman'
Revd Dr S C Ledbetter
Miss R Liddle
Miss S Revell
Mr C J V Shave
Mr L Sullivan
Mr S Thomas
Mr G Von Lehmden
Mr G J S Wallis OBE
Mr I K Whitehead 'Treasurer'

Secretary:

Mr D C Stapleton

Patrons and professional advisers

Patrons:

HRH The Duke of Gloucester KG GCVO
Mr A Ali MBE
The Lord Alton of Liverpool
Prof G Ashworth
The Rt Revd M Baughen
The Very Revd M Bunker
Mr A Burt MP
The Revd Dr A Campolo
The Revd S Chalke
Mr W R Haughton
Mr S Hughes MP
The Lord Ouseley of Peckham Rye
Sir J Sacks - Chief Rabbi
Mr T Waite CBE

Bankers:

National Westminster Bank Plc
Bridge Street
BANBURY
OX16 5JS

The Co-operative Bank plc
4th Floor
9 Prescott Street
LONDON
E1 8BE

Auditors:

Grant Thornton UK LLP
Registered Auditor
Chartered Accountants
1 Westminster Way
OXFORD
OX2 0PZ

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Directors' Annual Report

The directors present their report together with financial statements for the year ended 30 June 2010.

Habitat for Humanity Great Britain is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The liability of the directors, as members, is limited to £1. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the directors.

Principal activities

Our principal activities are:

1. To champion decent housing as a human right.
2. To mobilise and support communities to implement projects that help people in housing need to claim their housing rights, create access to and overcome barriers to safe, decent and appropriate housing.
3. To make housing poverty and homelessness a matter of conscience and action so that it becomes unacceptable in every nation.

We seek to achieve our mission "from the inside out" by helping to develop and resource local community partners who are involved in community development by building and renovating safe, decent and appropriate housing in their own communities. Transformation takes place as a result of the broad participation of communities and home partners in their own solutions.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Organisation

The directors met 4 times in the financial year with our annual general meeting held in November 2009.

The National Director, Ian Walkden, is responsible for the day to day running of the charity at our Registered Office. During the year, the National Director had a team of 22 full-time equivalent staff, including a management team covering operations, fundraising and communications, and finance and administration.

Related parties

Southwark Habitat for Humanity and Liverpool Habitat for Humanity are legally independent registered charities affiliated to us by means of a Covenant Agreement, a Memorandum of Understanding and a Licensing Agreement. These affiliates are responsible for completing their own financial statements due to their independent charitable status. We raise funds and make grants to these charities as reflected in Note 14 to the Accounts. In addition, we provide programme support for affiliates. The benefits of this support are reflected in the accounts of the local affiliates.

Directors' Annual Report (continued)

Business Review

Our activities are mostly focused on the international projects and volunteer programmes, with some support for key strategic domestic projects.

International Programmes

International volunteering programme ('Global Village')

Global Village team participants volunteer their time for Habitat for Humanity projects overseas. The teams raise a minimum £350 per team member (£300 for youth participants and £500 for corporate team participants) to support Habitat for Humanity. In addition to the construction work carried out during trips, participant fundraising covers the cost of grants to host countries to help fund the cost of further houses in those countries and to support the wider work of the organisation. In the year £162,508 (2009: £215,926) was transferred to hosting HFH affiliates through this programme.

During the year, a total of 422 volunteers participated in this programme. This is a significant reduction in participants (2009: 714) due in part to the loss of some high value corporate teams and the impact of the UK recession on our programme. We are developing this programme to help all volunteers understand the impact of service and acquire an increased understanding of development issues, and in so doing return to the UK with the potential to become ambassadors for the elimination of poverty housing not only overseas but also in the UK. Our staff team trained a further 14 new team leaders in the year having trained 49 in 2008/09. We have seen a number of teams being led by former team leaders demonstrating a measure of value in our training programme as well as the whole Global Village experience. As well as playing a crucial role in risk/health and safety management, management of team expenses in-country and support to participants, our trained team leaders also help team members to understand the meaning of their experience on future life choices and the issues of poverty housing.

Our main beneficiaries, the partner families in host countries, benefit directly from a safe and decent place to live, and indirectly through volunteer fundraising where the grants made contribute to the work of the local HFH affiliate in providing access to home improvements and new homes for others in the community.

During the year we continued to make grants to the HFH programme in Sri Lanka from our 'Partnership Teams fund' established in previous years from our volunteer programme established in partnership with a third party volunteer challenge company in the aftermath of the Asian Tsunami. During the year we made grants totalling £60,909 from this fund.

International Programme

We continued to generate income to support a variety of HFH projects worldwide. Donations and grants were received from the general public, from trusts, foundations and institutions and from companies, churches, other civic groups and governments. Total restricted income generated for these international projects totalled £1,373,601 (Note 14) in the year (2009: £1,030,994).

We are currently supporting projects in Bangladesh, Bolivia, Cambodia, Côte d'Ivoire, Egypt, Ethiopia, Haiti, India, Jamaica, Madagascar, Mozambique, Myanmar, Nepal, Philippines, Sri Lanka and Vietnam. We continue to support house-building projects in Egypt through our partnership with UK based charity Biblelands (who focus their work on the Middle East). A total of £7,414 (2009: £51,590) was transferred to HFH projects in Egypt during the year. This project focussed on the housing needs of disabled beneficiaries.

Directors' Annual Report (continued)

In respect of Haiti, HFH International's response to the 2010 12th January earthquake is anticipated to last five years and to assist 50,000 families. HFHGB has committed to providing match funding for large scale permanent core housing projects that are under development and to providing strategic technical support covering both programme and shelter design. We will be using funds raised from the appeal (total raised £444,892 as at 30th June 2010) for strategic and catalytic interventions in reconstruction. For example, our partnership with Arup (an international engineering consultancy) is providing technical expertise to the team on the ground in Haiti to plan and deliver the construction programme.

Our work in Cambodia is a two year project that will provide shelter for people affected by HIV/AIDS. The majority funder for this project is the Elton John AIDS Foundation (£610,000 over two years) with HFHGB and HFH International (Asia/Pacific) partnering to underwrite the balance (£182,670).

Projects being supported in Vietnam and Bolivia projects are funded by DFID (Civil Society Challenge Fund). The Vietnam project will run for three years totalling £454,580. It began in July 2009 and is entitled 'Rural Water and Sanitation Capacity Building for Households Affected by Poverty' in Vietnam (see also Note 14). We received £149,893 in the year for this project. The Bolivia project is entitled 'Improving Access to Urban Land and Property Rights for Women and Excluded Families in Bolivia'. We received no funding in the year but incurred a small amount of up front expenses. Income and further expenditure relating to this project will be seen in next year's accounts.

We also continued to receive funding from non-UK based governments. A total of £269,646 (2009: £95,100) was received from the governments of Jersey and Guernsey. During the year, we made grants to support projects in Philippines, Jamaica, Myanmar and Cote d'Ivoire.

In all these projects our focus is to help people into a safe and decent place to live where the beneficiaries can live with dignity and self-esteem.

Domestic Programme

London

During the year Southwark Habitat for Humanity (SHFH) has focused on a variety of building projects that deliver or improve the living conditions of vulnerable members of society within the capital. In addition, SHFH has been developing the groundwork for housing scheme for young people in Banbury, Oxfordshire. This is due for launch in late 2010, and will be reported on in next year's report.

Liverpool

During the year Liverpool Habitat for Humanity (LHFH) completed their 9th house on their site at Kingsley Road, Toxteth donated by the Archdiocese of Liverpool. .

As well as providing decent homes for people living in housing need, LHFH has also been able to use its construction site to provide training and rehabilitation opportunities for a wide range of people from pre-release prisoners, young people on employment training schemes, people with mental health problems. LHFH has also attracted volunteers from companies and the general public wanting to make a difference in their community.

Directors' Annual Report (continued)

Other Domestic Initiatives

In the past two years HFHGB has been undertaking a strategic review of its programme in Great Britain. We secured support from a corporate donor to fund the cost of research into the UK housing environment and the role HFH can play within it in the future. The New Economics Foundation has been conducting this research which will help inform the direction of our domestic programme and the type of projects we develop over the coming years. This work was completed in December 2009.

As part of this strategic review we have also undertaken a structural review of all HFH functioning entities in Great Britain with the aim of developing a "one Habitat" approach. This process will conclude in 2010 and lays the foundation for greater integration between the various communities in which we work and have a presence. It is anticipated that in 2011 we will begin to develop our domestic programme on a platform of a single domestic operating arm delivering and coordinating all local projects.

Fundraising Performance

Our 2009/10 total income was just over £3.2m (2009: £3.0m). Although this is a marginal increase, this performance exceeded our expectations during a time of recession. Two main factors enabled us to exceed our budgeted income of £2.7m. Firstly, the significant response by our supporters to the Haiti disaster boosted income from individuals, churches, foundations and companies. Secondly, expanding our capabilities in programme management and institutional fundraising has borne fruit. We almost quadrupled our income from statutory and institutional sources (2010: £732,902 / 2009: £193,783). Conversely, we saw an expected drop in income from the corporate sector as the impact of the recession saw a number of high value corporate relationships cease, resulting in our corporate income almost halving from £1.2m to £0.7m.

During the year we experienced a delay in our plans to broadening our general supporter base through a long term investment from Habitat for Humanity International (HFHI). However, at the year end HFHI agreed to provide a letter of credit to enable HFHGB to raise a bank loan to invest in our fundraising programme. This financial commitment should help to reinvigorate the growth we saw in our donor support base in 2008/09.

In addition to the above support, we received grant funding from HFHI (£116,710) to invest in two initiatives. First, to kick start a major donor programme through the hire of a major donor fundraiser. Secondly, we began to develop our website through a new 'web content management system' to bring efficiencies to processing of income from volunteer trip participants and general donors. This investment will also help HFHGB provide a better supporter service and cultivate an online community of our supporters.

Our income generated through the international volunteering programme dropped by 22% to £760,924 (2009: £975,628). This is due in part to the loss of some large corporate teams. We also attributed this decline to the continued impact of the UK recession in weakening the environment in which our volunteers are raising funds.

Directors' Annual Report (continued)

Income from individuals grew significantly (41%). This is largely due to the response from our supporter base to the Haitian earthquake. Total income from individuals was £633,096 (£2009: £447,708). As mentioned above, we have seen a curtailment to our plans to invest in attracting new support, but we close the year with new investment potential in the form of HFHI underwriting of UK lending. We move into 2010/11 with a plan to launch a variety of fundraising initiatives aimed at attracting new public support and harnessing the existing support we have by encouraging conversion to committed regular giving.

It is worth noting that in addition to the many donations from the general public, we also receive contributions from individuals through our international volunteering programme. Many teams are made up of people not connected as a group to any particular company, church or other organisation. The contribution of these teams of individuals was £386,732 in the year (2009: £335,710) and represented 51% (2009: 34%) of our total international volunteering programme income.

In a similar vein, our corporate volunteer teams make up 21% of our international volunteer programme income (2009: 41%) and when this is combined with our corporate donations a total of £850,548 (26%) of our total income is raised from the corporate sector.

Income from churches and other civic groups almost trebled (2010: £85,651 / 2009: £30,727), influenced significantly by the response of the church community to the Haiti earthquake. Church based volunteer teams provided 11% of our international volunteer programme income and when combined with church donation a total of £167,527 (5%) of our income came from the church community.

A detailed breakdown of income by donor type can be seen in Note 1 to the Accounts.

Highlights in fundraising performance during the year were as follows:

- Exceeded our budget by £0.5m in a challenging fundraising environment
- £444,892 raised in response to the Haitian earthquake, largely from our existing supporter base.
- Quadrupled income from statutory and institutional funders.
- Another successful 'Hope Challenge' fundraising event in Derbyshire's Hope Valley saw 17 teams from 14 different companies raise over £60,000. The Shelter Build stage of the event saw all the participants sleeping out in shelters they constructed themselves from scrap materials, giving them a feel for what it is like to live in poverty housing.
- We repeated the successful Desmond Tutu build which saw 57 volunteers building homes in Cape Town alongside Habitat for Humanity home partners soon after the year end.

HFHGB would like to thank the following organisations and major supporters. Without their significant contribution, we would not have been able to help people in housing need both at home and overseas:

Directors' Annual Report (continued)

1st Grimsbury Scout Group Banbury, Addleshaw Goddard LLP, AEGON Direct Marketing Services Europe Ltd, All Saints Church Woodford Green, All Souls' Church Langham Place, Arley Homes North West Ltd, Austin and Hope Pilkington Trust, Baillie Gifford and Company, Banbury Community Church, Bank of America, Barclays Bank PLC, Barratt Developments PLC, BibleLands, Black River Asset Management (UK) Ltd, Blessed George Napier Catholic School Banbury, Bovis Homes Group Plc, BP Foundation Employee Matching Fund, Bruton School for Girls, Buschow Henley Ltd, CB Richard Ellis Ltd, Chipping Norton School, Cisco Systems Ltd, Citi, City of Edinburgh Methodist Church, COINS, Council of Mortgage Lenders, Coutts & Co, Credit Suisse Group, Croudace Homes Ltd, Datateam, Daughters of Jesus Rickmansworth, Davenport Road Methodist Church Witney, Deacon Insurance, Department for International Development, EC Harris, Elim Pentecostal Church West Malvern, Eltham College, Elton John AIDS Foundation, Ely 6th Form College, EMC², Emmanuel Methodist Church Barnsley, Financial Risk Management Limited, Freshfields Bruckhaus Deringer LLP, GE Money UK, Genworth Financial, Global Forwarding Partners, Gosling Trust, Grangewood Methodist Church, Guernsey Overseas Aid Commission, Hallam Methodist Church, Hayward (Charles) Foundation, The Home Builders Federation, Home Educators and UK Muslims, Huntington School, Islip Villagers, Jersey Overseas Aid Commission, Jesus House Brent, John Laing Partnership, Kings Church Staines, Laing O'Rourke, LaCrosse Global Fund Services, Lee Bolton Monier-Williams Solicitors, Liberty Connections Ltd, Lloyds Banking Group, Lovell Northwest, Marr Munning Trust, Martin Howden Ltd, Mayo Wynne Baxter Solicitors, Mellow Lane School, Michael Shanly Charitable Trust, Mineral Products Association, National Advertising Benevolent Society (NABS), Neale-Wade Community College, New Wine, NG Bailey, National House-building Council (NHBC), National Institute of Adult Continuing Excellence (NIACE), North East Scotland H4H (Habitat For Humanity), Numen Capital LLP, Old & Abbey Parish Church, Open Gate Trust, OVE Arup Partnership, Overton Grange School, Parish Church of Saint Mary's Nantwich, Phoebus Software Ltd, Places for People, Priestley College, Prism Communications & Management Ltd, Priva Building Intelligence Ltd, Redland High School for Girls, Richmond Housing Partnership, Robert Bion & Co Ltd, Roffey Homes Ltd, Serco Group plc, Southwark Habitat for Humanity, Speechly Bircham LLP, Speedyhire Plc, St Barnabas Church Barnet, St Hilda's CE High School, St John the Baptist Church Burford, St Mary's Church Speldhurst, St Mary's and All Souls Church, St. Mary's Church Slough, St Oswald's Church Sowerby PCC, The American Church In London, The Bay United Reformed Church, The Bryan Guinness Charitable Trust, The Clara E Burgess Charity, The Dr. Mortimer and Theresa Sackler Foundation, The Madeline Mabey Trust, The S B Trust, The Sir James Roll Charitable Trust, The Talbot Trust, The Thames Wharf Charity Ltd, The Tisbury Telegraph Trust, The Tresillian Trust, The Vineyard Church St Albans, The Warriner School Banbury, Thomson Reuters, Threshold Church Nettleham, Tramman Trust, Tring Parish Team, Tudor Hall School, Banbury, United Christian Broadcasters, Victoria College Belfast, Vitol Foundation, Wanderwide Charitable Trust, Warwick School, Woodlands PH Ltd, W-Print.

In addition, we would like to express our appreciation to the hundreds of individual donors, volunteers and other organisations who also gave so generously during the year to support the work of Habitat for Humanity both in Britain and abroad.

Habitat for Humanity International

As in the previous year HFHI continued to support us with a strategic investment in direct marketing (DM) activities. This came in the form of the HFHI loan (Note 10). Additional support from HFHI came in the form of grant funding of £116,710 to launch a major donor campaign and invest in a website content management system.

Directors' Annual Report (continued)

Financial Review

Total income rose by 7% to £3.2m in the year. This was largely due to an increase in statutory and institutional income and the response to the Haitian earthquake.

Grant funding received from HFHI (£116,710) grew from its 2008/09 level (£12,634).

During the year, contributions were received from: individuals (£633,096), churches & civic groups (£85,651), companies (£693,302), statutory, foundations, organisations and institutions (£732,902) and income associated with the international volunteering programme totalling £760,924. Other income was received from gift aid recovery (£163,318), interest (£11,663) and legacies (£8,500).

In the year, charitable expenditure (Note 5) included grants to other HFH projects totalling £914,405 (2009: £1,541,220). These grants were made to HFH affiliates worldwide and to local HFH affiliates in Great Britain. The purpose of these grants is for local house repair and construction, local affiliate capacity development, advocacy programmes and disaster response/reconstruction. We carry forward increased levels of restricted funds to support projects in 2010/11. In addition to these grants, other direct project expenditure of £453,428 (2009: £497,510) was incurred, primarily in sending teams of volunteers through our 'Global Village' programme. Grant funding totalling £73,676 (2009: £15,302) was returned to funders in the year due in part to some projects which were under spent and where some funders requested return of funds following the Haitian earthquake.

Other costs of the organisation (employment, overhead and other expenses incurred in generating funds and in governance) totalled £1,401,482 (2009: £1,659,663). Employment and overhead expenses are apportioned to each of the main expense categories as shown on the Statement of Financial Activities. These apportionments are based upon staff time dedicated to charitable activities, to activities undertaken to generate funds and in governance work. In total the employment costs of the organisation were £676,350 (2009: £769,772) represent 24% (2009: 21%) of total expenditure in the year.

The company's assets are held to further its charitable objectives. At 30th June 2010, the charity held net assets totalling £1,942,418 (2009: £1,581,688).

Grant Making Policy

We make payments to other HFH entities in Great Britain and overseas. These payments are made from both restricted and unrestricted funds generated within Great Britain. Payments are made to organisations with aims consistent with our charitable objectives.

In respect of grants made to domestic projects, we make payments to other legally independent but affiliated HFH groups. We work alongside the local affiliates to monitor usage of the funds.

In respect of grants made to overseas projects, we transfer funds directly to HFH organisations. Disbursement is managed through authorisation processes involving the Europe/Central Asia area office of HFHI and the appropriate area office of the recipient HFH organisation. We also manage the monitoring and reporting of project funding in liaison with, and supported by, HFHI area offices relevant to where funding is directed. The viability and standing of all recipient HFH organisations are reviewed before making grants, and throughout the project cycle by means of our monitoring/reporting role.

Directors' Annual Report (continued)

In addition to controls in place within the HFHI network, all grant payments are subject to internal financial controls and transfer policies. This helps to ensure an appropriate level of management control is exerted over grants made from unrestricted and restricted funds.

Risk Assessment

On a periodic basis the directors review, with management, the major risks the charity faces. This is achieved through our regular Board meetings and sub-committee structure. In respect of financial risk, the Board receive financial reports on a quarterly basis to enable them to assess these risks. We seek to maintain sufficient unrestricted cash to cover ongoing costs in the near term but these projections assume ongoing levels of income. The directors continue to seek to build up a reserve fund to help meet obligations in the event of material adverse conditions.

Systems and internal financial controls have been established to mitigate significant financial risks. During uncertain economic conditions we have and will continue to review our business risks, specifically focussing on the risks to our traditionally strong corporate and volunteer programme income streams and, over the course of the next few years, the risks associated with our continued investment in fundraising to broaden our public support base.

Other risks include implementation risk (that the work supported by HFHGB funds will not achieve the planned results), health and safety risk (that our overseas volunteer programme and work carried out overseas by HFHGB staff may pose risk) and funding risk (not having the resources to support the planned activities) are also monitored regularly by management and Board through the sub-committee structure.

Reserves Policy

The directors have reviewed the charity's need for reserves in line with the Charity Commission guidelines and believe the charity should hold reserves to protect against the risks of shortfalls in its cash balances due to uncertainties in the timing of fund raising opportunities for unrestricted funds.

The directors are seeking to establish a reserve fund equivalent to 6 months operating costs reviewed annually and that this fund should be built up to the desired level in stages consistent with the charity's overall financial position and its needs to maintain and develop its charitable activities. The total of this designated fund stands at £260,000 (Note 13 to the Accounts).

Funding

The charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

Directors' Annual Report (continued)

Directors

The directors, who are the charity trustees, and who have served during the year are listed below.

Mr S A Baseley
Ms A Carr (appointed 14 September 2009)
Mr M J Coogan
Mr D S Haszczyń
Mr S L Howard
Mr C R Hyman (resigned 9 November 2009)
Mr L Johnson
Mr M J Kirkwood CMG
Revd Dr S C Ledbetter (appointed 14 September 2009)
Miss R Liddle
Miss S Revell
Mr A M V Salz (resigned 1 March 2010)
Mr C J V Shave
Mr L Sullivan (appointed 25 May 2010)
Mr S Thomas
Mr G Von Lehmden
Mr G J S Wallis OBE
Mr I K Whitehead

The company has no share capital and is limited by guarantee. The members' liability is limited to a maximum of £1 each.

Directors' Responsibilities for the Financial Statements

The directors (who are also trustees of Habitat for Humanity Great Britain for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Directors' Annual Report (continued)

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors' are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Fixed Assets

The movements in fixed assets are set out in Note 8 to the Accounts.

Charitable and Political Contribution

There were no donations to charitable organisations or political contributions made during the period.

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD



Mr D Stapleton
Secretary

Report of the Independent Auditor to the Directors of Habitat for Humanity Great Britain

We have audited the financial statements of Habitat for Humanity Great Britain for the year ended 30 June 2010 which comprise the principal accounting policies, the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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. 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The trustees' (who are also the directors of Habitat for Humanity Great Britain for the purposes of company law) responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether the information given in the Directors' Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

Report of the Independent Auditor to the Directors of Habitat for Humanity Great Britain (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 June 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 30 June 2010.



Janet Crookes
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford

9 November 2010

The maintenance and integrity of the Habitat for Humanity Great Britain website is the responsibility of the directors: the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Principal accounting policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the recommendations in the Statement of Recommended Practice: Accounting by Charities (the SORP) issued in 2005.

The principal accounting policies have remained unchanged from the previous year and are set out below.

Incoming Resources

Grants Receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Donations and Gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the company is entitled are included in the statement of financial activities unless they are incapable of measurement.

Gifts-in-kind are accounted for at the directors' estimate of value to the company or sale value as follows:

- assets received for distribution by the company are recognised only when distributed
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold
- gifts of funds for acquiring fixed assets for company use are accounted for as restricted funds immediately on receipt.

Intangible income is valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure. Voluntary help is not included in income.

Principal accounting policies (continued)

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the statement of financial activities.

Investment Income

Investment income is recognised when receivable.

Resources Expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (charitable activities)
- expenditure incurred directly in the effort to raise voluntary contributions (costs of generating voluntary income) and
- expenditure incurred directly attributable to the governing of the charity (governance costs).

Items of expenditure involving more than one cost category are apportioned on the basis of the estimated costs relating to each category appropriate. Notes 3 to 5 detail the basis of apportioning costs. In summary:

- Governance costs are costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Governance costs includes external audit, legal and professional fees, remuneration to trustees and costs associated with constitutional and statutory requirements. Also included within this category are any costs associated with the strategic management of the charity's activities.
- Office costs and employment costs are apportioned based on staff time analysis.
- Grants to Habitat for Humanity projects, projects expenses, fundraising and publicity, and travel costs are charged directly to the project or programme to which they relate.

Grants

Grant expenditure is treated as outgoing when it is payable provided payment conditions have been met, unless it relates to a specified future period, in which case it is treated as prepaid.

Liabilities

Liabilities are recognised when there is a legal and constructive obligation committing the charity to the expenditure.

Principal accounting policies (continued)

Corporation Tax and VAT

The company has charitable status and is exempt from corporation tax on the income it has received. The company is not registered for VAT.

Pension Contributions

At the year end the company operated a stakeholder pension scheme into which the employer and employees make contributions on a matching basis. The pension costs charged against the Statement of Financial Activities are the contributions payable to this scheme in respect of the accounting period, as shown in Note 6.

Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs. Historically HFHGB has charged the cost of programmatic support to restricted funds at the point at which grant payments are made from those restricted funds, purely for reasons of system administration. In this financial year the accounts reflect programmatic support costs charged to specific restricted funds received during the period, in accordance with the terms agreed with the donor/grant provider. This is shown in Note 4.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the directors.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are capitalised at cost where their acquisition value is greater than £250, and are stated at cost net of depreciation.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Fixtures, fittings and equipment	-	over 5 years, on a straight line basis.
Computer equipment	-	over 3 years, on a straight line basis.

Leased Assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the lease term.

Statement of Financial Activities (incorporating an income and expenditure account and a statement of recognised gains and losses)

	Note	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Income					
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	1,187,719	2,006,684	3,194,403	2,961,833
Investment income		11,663	–	11,663	47,576
Total incoming resources	2	1,199,382	2,006,684	3,206,066	3,009,409
Expenditure					
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	3	548,751	–	548,751	797,242
Charitable activities	4	460,736	1,747,915	2,208,651	2,820,613
Governance costs		87,934	–	87,934	95,840
Total resources expended	5	1,097,421	1,747,915	2,845,336	3,713,695
Net incoming/(outgoing) resources before transfers		101,961	258,769	360,730	(704,286)
Transfers		(61)	61	–	–
Net income and expenditure and movement in funds		101,900	258,830	360,730	(704,286)
Total funds brought forward at 1 July 2009		240,369	1,341,319	1,581,688	2,285,974
Total funds carried forward at 30 June 2010	12	342,269	1,600,149	1,942,418	1,581,688

There were no recognised gains or losses other than the surplus for the financial period. All incoming resources and resources expended derive from continuing operations.

The accompanying accounting policies and notes form an integral part of these financial statements.

Habitat for Humanity Great Britain
Company Limited by Guarantee
Financial statements for the year ended 30 June 2010

Balance Sheet

	Note	2010	2009
		£	£
Fixed assets			
Tangible assets for use by the charity	8	31,987	48,354
Current assets			
Debtors	9	225,041	204,771
Cash at bank and in hand		<u>2,122,064</u>	<u>1,986,916</u>
		2,347,105	2,191,687
Creditors - amounts falling due within one year	10	<u>436,674</u>	<u>428,720</u>
Net current assets		<u>1,910,431</u>	<u>1,762,967</u>
Total assets less current liabilities		<u>1,942,418</u>	<u>1,811,321</u>
Creditors - amounts falling due in more than one year	11	<u>-</u>	<u>229,633</u>
Net Assets		<u>1,942,418</u>	<u>1,581,688</u>
Funds			
Unrestricted funds	13	342,269	240,369
Restricted funds	14	<u>1,600,149</u>	<u>1,341,319</u>
		<u>1,942,418</u>	<u>1,581,688</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The financial statements were approved by the Directors on 8 NOVEMBER 2010.


M J Kirkwood
Director and Chairman


I K Whitehead
Director and Treasurer

Company number 3012626
Charity number 1043641

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Voluntary income

	Unrestricted £	Restricted £	2010 Total £	2009 Total £
Grant income:				
Non-United Kingdom Governments	-	269,646	269,646	95,100
Habitat for Humanity International	116,710	-	116,710	12,634
Department for International Development	-	149,893	149,893	-
Biblelands	-	7,414	7,414	51,590
	<u>116,710</u>	<u>426,953</u>	<u>543,663</u>	<u>159,324</u>
Donation income:				
Individuals	398,482	234,614	633,096	447,708
Churches	24,993	58,471	83,464	30,177
Companies	231,946	461,356	693,302	1,173,454
Gifts in kind	-	-	-	34,537
Civic groups	672	1,515	2,187	550
Legacies	8,500	-	8,500	140
Foundations, Organisations & Institutions	33,357	272,592	305,949	47,093
Gift Aid recovered on donations from individuals	163,318	-	163,318	93,222
	<u>861,268</u>	<u>1,028,548</u>	<u>1,889,816</u>	<u>1,826,881</u>
International Volunteering Programme	<u>209,741</u>	<u>551,183</u>	<u>760,924</u>	<u>975,628</u>
Total voluntary income	<u>1,187,719</u>	<u>2,006,684</u>	<u>3,194,403</u>	<u>2,961,833</u>

2 Total incoming resources

Income attributable to geographical markets outside the United Kingdom amounted to 20% (2009: 29%).

Notes to the financial statements (continued)

3 Costs of generating voluntary income

	Unrestricted £	Restricted £	2010 Total £	2009 Total £	Basis of allocation
Fundraising and promotion	309,257	–	309,257	510,613	Direct
Employment costs	172,888	–	172,888	206,118	Staff time
Support costs	66,606	–	66,606	80,511	Staff time
	<u>548,751</u>	<u>–</u>	<u>548,751</u>	<u>797,242</u>	

4 Charitable activities

	Unrestricted £	Restricted £	2010 Total £	2009 Total £
International programme	159,715	726,724	886,439	1,151,301
International volunteering programme	257,079	654,898	911,977	1,182,667
Disasters Emergency Committee funding programme (tsunami countries)	-	-	-	87,880
Domestic programme	57,983	131,056	189,039	214,252
Advocacy	221,196	-	221,196	184,513
Programme support recoverable*	(235,237)	235,237	-	-
Total	<u>460,736</u>	<u>1,747,915</u>	<u>2,208,651</u>	<u>2,820,613</u>

* In accordance with the terms agreed with specific donors and grant providers, programmatic support costs (including financial management, monitoring project outputs, evaluation, the sharing of learning and best practice), representing up to 20% of funds received, are met by those amounts held within restricted funds.

Notes to the financial statements (continued)

5 Analysis of resources expended

	Cost of generating funds £	Charitable activities £	Governance £	2010 Total £	2009 Total £	Basis of allocation
Grants to HFH projects	-	914,405	-	914,405	1,541,220	Direct*
Grants returned	-	73,676	-	73,676	15,302	Direct*
Project expenses	-	455,773	-	455,773	497,510	Direct*
Fundraising and promotions	309,257	131,122	-	440,379	626,366	Direct*
Employment costs	172,888	448,194	55,268	676,350	769,772	Staff time
Office costs	50,102	129,885	14,882	194,869	226,322	Staff time
Travel costs	7,272	18,907	2,909	29,088	47,839	Direct*
Training	2,764	1,548	27	4,339	1,361	Direct*
Audit and accountancy	-	-	9,427	9,427	9,000	Governance
Consultancy costs	1,800	5,628	720	8,148	4,838	Direct*
Recruitment costs	-	-	-	-	331	Governance
Legal and Professional	-	2,270	4,609	6,879	7,251	Direct*
Directors expenses	-	-	92	92	-	
Loan Interest	4,668	12,101	-	16,769	12,585	Staff time
Loss/(Gain) on foreign exchange	-	15,142	-	15,142	(46,002)	Staff time
	<u>548,751</u>	<u>2,208,651</u>	<u>87,934</u>	<u>2,845,336</u>	<u>3,713,695</u>	

Total resources expended include:

	2010 £	2009 £
Auditors remuneration:		
Audit services	9,427	9,000
Depreciation:		
Tangible fixed assets	<u>18,692</u>	<u>13,642</u>

* Costs that are allocated on a "Direct" basis are charged directly to the project or programme to which they relate; no apportionment of those costs is required.

All grants were paid to institutions and none to individuals.

Notes to the financial statements (continued)

6 Employees

	2010	2009
	£	£
Wages and salaries	592,145	669,147
Social security costs	58,460	66,068
Pension costs	21,829	28,625
Death in service	3,916	5,932
	<u>676,350</u>	<u>769,772</u>

The average number of full time equivalent employees during the period, analysed by activity, were as follows:

	2010	2009
	Number	Number
Costs of generating funds	6	7
Charitable activities	14	16
Governance	2	2
	<u>22</u>	<u>25</u>

During the year and the prior year no employee received emoluments more than £60,000.

7 Payments to Directors and connected persons

During the year the company engaged the consultancy services of The New Economics Foundation costing £26,364 (2009: £11,299). Mr G J S Wallis OBE, a director of the company, is the Chief Executive Officer of The New Economics Foundation.

No other director or person with a family or business connection with a director received remuneration in the period directly or indirectly, from either the charity or an institution or company controlled by the charity.

One trustee received reimbursement of travel expenses totalling £92 during the year. In the year ended 30 June 2009 no trustees received reimbursement for any expenses.

**Habitat for Humanity Great Britain
Company Limited by Guarantee
Financial statements for the year ended 30 June 2010**

Notes to the financial statements (continued)

8 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 July 2009	138,184
Additions	2,325
	<hr/>
At 30 June 2010	140,509
	<hr/>
Depreciation	
At 1 July 2009	89,830
Provided in the period	18,692
	<hr/>
At 30 June 2010	108,522
	<hr/>
Net book amount at 30 June 2010	31,987
	<hr/> <hr/>
Net book amount at 30 June 2009	48,354
	<hr/> <hr/>

9 Debtors

	2010 £	2009 £
Loan to Liverpool Habitat for Humanity	100,000	100,000
Other debtors	95,983	78,727
Prepayments	29,058	26,044
	<hr/>	<hr/>
	225,041	204,771
	<hr/> <hr/>	<hr/> <hr/>

10 Creditors: amounts falling due within one year

	2010 £	2009 £
Social security and other taxes	15,871	17,955
Trade creditors	81,079	72,487
Accruals	25,197	31,426
Habitat for Humanity International loan	251,725	220,716
Deferred grant/donation income	-	55,237
Other creditors	62,802	30,899
	<hr/>	<hr/>
	436,674	428,720
	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements (continued)

11 Creditors: amounts falling due in more than one year

	2010 £	2009 £
Habitat for Humanity International loan	-	229,633

12 Fund movements summary

	Unrestricted funds (note 13) £	Restricted funds (note 14) £	Total funds £
At 1 July 2009	240,369	1,341,319	1,581,688
Incoming resources	1,199,382	2,004,339	3,203,721
Expenditure	(1,097,421)	(1,745,570)	(2,842,991)
Transfers	(61)	61	-
At 30 June 2010	<u>342,269</u>	<u>1,600,149</u>	<u>1,942,418</u>

13 Unrestricted funds

	General undesignated funds £	Designated reserves fund £	Total unrestricted funds £
At 1 July 2009	20,369	220,000	240,369
Incoming resources	1,199,382	-	1,199,382
Expenditure	(1,097,421)	-	(1,097,421)
Transfers	(40,061)	40,000	(61)
At 30 June 2010	<u>82,269</u>	<u>260,000</u>	<u>342,269</u>

General undesignated funds

This fund is available to the directors to apply for the general purposes of the charity as set out in its governing document. The directors are free to use these funds for any of the charity's purposes.

Designated reserves fund

The directors have set aside an amount of £40,000 in the year. This takes the reserve fund to £260,000. This fund was established in 2004/05 to mitigate against operational risks; see reserves policy within the directors' report.

Notes to the financial statements (continued)

14 Restricted funds

	Domestic programme £	International programmes £	Total Restricted funds £
At 1 July 2009	62,612	1,278,707	1,341,319
Incoming resources	81,900	1,924,784	2,006,684
Expenditure	(133,748)	(1,614,167)	(1,747,915)
Transfers	-	61	61
	<u>10,764</u>	<u>1,589,385</u>	<u>1,600,149</u>
At 30 June 2010			

Further breakdown of the reserves held for domestic programme activities:

	At 1 July 2009 £	Incoming resources £	Expenditure £	Transfers £	At 30 June 2010 £
Domestic programme development	57,376	-	(49,023)	-	8,353
Liverpool	4,618	28,150	(32,351)	-	417
London	618	53,750	(52,374)	-	1,994
Total	<u>62,612</u>	<u>81,900</u>	<u>(133,748)</u>	<u>-</u>	<u>10,764</u>

Domestic programme development

The domestic programme development fund represents income and expenditure specifically restricted to the development of HFHGB's domestic programme strategy and the expansion of this programme throughout the country.

Domestic HFH affiliates

The domestic HFH affiliates' funds represent amounts collected on behalf of local affiliated groups. These groups, whilst affiliated to HFHGB, are independent charities. Their aims are to address issues of poverty housing and homelessness in their localities and are consistent with those of HFHGB. In addition to the amounts collected and granted to these groups HFHGB provides programmatic support; the benefits of which are reflected in the accounts of the local affiliates. There are currently active programmes in London and Liverpool. A new project is planned in the market town of Banbury, Oxfordshire where the HFHGB national office is located.

Notes to the financial statements (continued)

14 Restricted funds (continued)

Further breakdown of the reserves held for international programme activities:

	At 1 July 2009	Incoming resources	Expenditure	Transfers	At 30 June 2010
	£	£	£	£	£
Global Village fund	409,765	551,183	(591,644)	-	369,304
Partnership Teams programme fund	187,518	-	(63,254)	(34,436)	89,828
Elton John AIDS Foundation	-	177,912	(58,663)	-	119,249
DFID Vietnam	-	149,893	(147,102)	-	2,791
DFID Bolivia	-	-	(1,519)	-	(1,519)
Sri Lanka Emergency fund	274,872	-	(54,974)	-	219,898
International grants fund	33,295	269,647	(191,761)	(30,899)	80,282
Other international projects	373,257	776,149	(505,250)	65,396	709,552
Total	<u>1,278,707</u>	<u>1,924,784</u>	<u>(1,614,167)</u>	<u>61</u>	<u>1,589,385</u>

'Global Village' international volunteering programme

This fund represents amounts collected to fund the cost of sending volunteers to build houses in Habitat for Humanity projects overseas, to make donations to those and other HFH projects and to develop the Global Village programme.

Partnership Teams programme fund

The fund represents remaining monies held from our, now discontinued, Partnership Teams programme. This programme, delivered in partnership with an external provider of overseas volunteer challenge services, ceased in 2008/09. During the year we continued to support HFH projects in Sri Lanka through grants totalling £60,909 and we hold further funds to support projects in India.

Elton John AIDS Foundation (Cambodia)

In the year HFHGB secured funding from the Elton John AIDS Foundation for a project in Cambodia entitled 'Enhancing HIV and OVC programmes with holistic housing solutions?'. This two year project totalling £610,000 sees Habitat for Humanity working in partnership with a number of organisations to deliver shelter solutions to victims of HIV and orphans and vulnerable children. This fund represents grant income and expenditure during the first year of this project.

Notes to the financial statements (continued)

Department for International Development (Vietnam)

This three year project, funded by DFID (Civil Society Challenge Fund), totalling £454,580, began in July 2009 and is entitled 'Rural Water and Sanitation Capacity Building for Households Affected by Poverty in Vietnam'. The project aims to support the Government of Vietnam in attaining its 'National Target Programme for Rural Water Supply and Sanitation' objectives of improved health and living conditions in rural areas. The expected outcomes of this project are; improved health and wellbeing for marginalised populations living in four of the most impoverished districts in Kien Giang province and increased water, sanitation, hygiene and land use rights awareness for at least 184,000 people. The project will develop the capacity of local communities and government authorities and promote and facilitate active community engagement in decision making processes.

Department for International Development (Bolivia)

The 'Improving Access to Urban Land and Property Rights for Women and Excluded Families in Bolivia' project is funded by funded by DFID (Civil Society Challenge Fund). This five year project, totalling £416,439, commenced in June 2010. The project will; (1) advocate for gender-responsive laws, policies and regulations, resulting in improved urban land governance benefiting at least 300,000 female-headed households and excluded families; (2) organise citizens and civil society (with women as protagonists) to advocate and participate in institutional and non-institutional dialogue with national and municipal authorities; (3) develop tools that support gender responsive urban planning and regularisation and 3,000 low-income women and excluded families (currently living in urban slums) gain secure tenure (individual & collective); and, (4) increase public awareness of urban land and property entitlements amongst the British public. The negative fund balance represents expenditure incurred ahead of receipt of first year funding.

Sri Lanka Emergency Fund

Following an improvement in security after the civil conflict we have begun investigating the possibility of running projects again in the North East of Sri Lanka among the internally displaced people. These people were not able to benefit from emergency funding following the Tsunami of 2004 because of the war. So these are new projects supporting people to access their rights to land, a prerequisite to housing micro finance and therefore secure shelter. These programmes are sensitive and require a measure of ethnic and political harmony. They need significant upfront investment in technical expertise and extensive community consultation to ensure long term success. We are therefore committed to spend a total of £54,974 to fund this activity along with the necessary monitoring, evaluation and shared learning from the programme.

International grants fund

This represents major grant funding for specific projects funded by institutional funders not disclosed separately elsewhere.

Other international projects

This represents restricted donations and grants for international projects and the subsequent transfer of funds to, and support for, HFH projects overseas. Included within this category are significant funds (£444,892) raised through our appeal following the Haitian earthquake in January 2010. This forms part of a much larger response to the disaster by a number of HFH organisations. HFH International's coordinated response is expected to last five years and serve 50,000 families. From its Haiti Disaster Appeal fund HFHGB is initially providing critical interventions in the form of access to professional shelter and programme design services.

Notes to the financial statements (continued)

15 Analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	31,987	–	31,987
Current assets	656,623	1,690,482	2,347,105
Current liabilities	(346,341)	(90,333)	(436,674)
	<u>342,269</u>	<u>1,600,149</u>	<u>1,942,418</u>

16 Share capital

Habitat for Humanity Great Britain is a company limited by guarantee and does not have a share capital.

17 Contingent liabilities

There were no contingent liabilities as at 30 June 2010 or 30 June 2009.

18 Operating lease commitments

At 30 June 2010 the company was committed to making the following payments during the next year in respect of operating leases:

	Buildings £	2010 Other £	Buildings £	2009 Other £
Leases which expire within:				
Two to five years	<u>55,350</u>	<u>4,412</u>	<u>55,350</u>	<u>4,412</u>

19 Capital commitments

There were no capital commitments as at 30 June 2010 or 30 June 2009.

20 Related party transactions

In the prior year a loan of £100,000 was made to Liverpool Habitat for Humanity; no interest is being charged on this loan. At 30 June 2010 this amount was still outstanding and is held within the debtors balance.

Habitat for Humanity Great Britain continues to raise funds to support a number of affiliated Habitat organisations in the United Kingdom and abroad.

21 Controlling related party

The Directors/Trustees believe that they are the controlling related party.

**Habitat for Humanity Great Britain
Company Limited by Guarantee
Financial statements for the year ended 30 June 20**

Management information

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditors' report on pages 28 and 29.**

Detailed Income and Expenditure Account

	Year to 30 June 2010	Year to 30 June 2009
	£	£
Income		
Grants	543,663	159,324
Donations	1,726,498	1,733,659
International volunteering programmes	760,924	975,628
Other	174,981	140,798
	<u>3,206,066</u>	<u>3,009,409</u>
Office expenditure		
Postage	13,748	21,840
Telephone and fax	12,261	15,292
Stationery and publications	3,393	4,018
Subscriptions	3,862	3,144
Photocopying	10,814	8,306
Fund raising and promotion	440,379	626,367
Insurance	1,768	3,904
Other	210	304
Depreciation	18,692	13,642
Accountancy	9,427	9,000
Rent and rates	87,857	97,729
Printing	539	1,545
IT systems and maintenance	24,869	32,637
Office cleaning and maintenance	7,622	12,719
Legal and professional fees	6,879	7,251
Bank charges	7,572	9,248
	<u>(649,892)</u>	<u>(866,946)</u>
Travel		
Hotel	5,629	9,326
Subsistence	1,593	2,477
Train	8,546	8,822
Car rental	4,848	8,894
Car parking	255	673
Taxi	678	770
Mileage	3,997	4,341
Air travel	1,587	9,992
Entertainment	1,797	2,219
Coach/bus	158	325
	<u>(29,088)</u>	<u>(47,839)</u>
Personnel		
Employment costs including staff recruitment, staff training, staff welfare and consultancy	<u>(690,591)</u>	<u>(778,295)</u>
Carried forward	<u>1,836,495</u>	<u>1,316,329</u>

Detailed Income and Expenditure Account (continued)

	Year to 30 June 2010		Year to 30 June 2009	
	£	£	£	£
Brought forward		1,836,495		1,316,329
Other direct charitable expenditure				
Grants to HFH projects (international and domestic)	914,405		1,541,220	
Grants returned	73,676		15,302	
Project expenses (international and domestic)	455,773		497,510	
		<u>(1,443,854)</u>		<u>(2,054,032)</u>
Other income and expenditure				
Loan interest	(16,769)		(12,585)	
Net (loss)/gain on foreign currency transactions	(15,142)		46,002	
		<u>(31,911)</u>		<u>33,417</u>
Surplus/(Deficit) for the year		<u>360,730</u>		<u>(704,286)</u>