



**Habitat for Humanity**<sup>®</sup>  
Great Britain



**Group Financial Statements**  
**2013 - 2014**

# Welcome

Last year, as ever, we remained focussed on our vision of a world where everyone has a safe and decent place to live. With the generous support of our supporters we were able to contribute to the global Habitat for Humanity effort which helped 3 million people out of poverty housing, across some of the world's most deprived communities.

The privilege of being involved with a charity that meets the needs of real people is hearing their stories, and seeing the impact on their lives.

For the past few years we have been working with our sister organisation in Cambodia on housing for people infected or affected by HIV/AIDS. We asked some of the beneficiaries to complete this sentence and were surprised with some of the responses:

Norn Nook, 13: *"My house means a good smelling and dry place to study with no fear of being bitten by a hungry mouse while sleeping."*

Mehn Opeun, 43: *"My future house means being able to start a business at home and not collect garbage anymore."*

Norn Arth, 48: *"My house means space and having a toilet in the house not living inside a cramped public toilet."*

This project, funded by the Elton John Aids Foundation, the Jersey Overseas Aid Commission and more recently by Towerbrook Capital Partners, is clearly having an impact! It is what drives us to develop our work, and to ensure we have the biggest impact that we possibly can on eliminating housing poverty from the face of the earth.

The board and staff are incredibly grateful for our supporters, partners, a wide range of organisations

and numerous individuals who have supported the mission financially, both here in Great Britain and

Overseas, and enabled us to make an impact on the lives of so many in housing poverty. Others have gone on to support us practically by volunteering and fundraising, again both in Great Britain and abroad.

We have developed our strategy through to 2018 and during the year have been putting in the building blocks to achieve growth. This has included hiring new staff, moving the office closer to our markets, and developing an investment plan with Habitat for Humanity International.

We hope that this report gives you an engaging and detailed summary of what we did in 2013 / 14. We are



**Stewart Baseley, Chairman**

in a time of opportunity and we look forward to continuing to work with all our supporters to end housing poverty and to play a full part in seeing a world where everyone has a safe and decent place to live.

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**Cover Picture:** *Norn Arth, washing clothes at her new Habitat for Humanity home in Cambodia.*

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## **Registered Office:**

Habitat for Humanity Great Britain  
10 The Grove  
Slough  
Berkshire SL1 2QP

A registered charity, Charity No. 1043641 and Company Limited by Guarantee, Registration No. 3012626



# People reached

Habitat for Humanity globally works in more than **70 countries**.

**People reached directly** over the year, when combining the efforts of all Habitat for Humanity country programmes, we **reached 1.6 million people** (more than 300,000 families) through **home construction, rehabilitation and repairs** or by increased access to improved shelter through **products and services**.

**Since our founding in 1976**, Habitat for Humanity has helped more than **5 million people** (over 1 million families) to have a safer place to sleep at night and a foundation on which to build better lives.

**People Served Indirectly** in addition to the 1.6 million people served directly last year, **another 1.6 million** people now have the potential to improve their housing conditions through a wide range of indirect services — from **training** in construction and **financial management** to **advocacy** efforts that change policies and systems to allow more access to shelter solutions.

In all, with the help of our generous donors and partners, coupled with the hands and hearts of more than **2 million volunteers**, Habitat and its supporters touched the lives of more than **3.2 million people** in the past year.



*Responding to the Haiti Earthquake in Léogâne. The response has included housing, enterprise development, community development and facilities. Community participation is a key feature of programme success.*

# Our principal aims

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.

## Achievements

During 2013 / 14, in spite of many challenges relating to restructuring the organisation in Great Britain, we have had a very successful year in terms of the people we have been able to support with their housing needs as well as fundraising.

### Our contribution to the global people reached numbers\*:

Disaster response	81,599
Orphans and Vulnerable Groups	910
Water and Sanitation	8,310
Building resilience to disasters	2,870
People in poverty housing	875
Advocacy	3,787
<b>Total</b>	<b>98,342</b>

\* Based on 5 members per household

We reach people overseas through fundraising and providing programmatic support.

We currently reach people in the UK through practical building projects that assist people in housing need, into decent homes.

### Fundraising

Our main organisational focus is to fundraise to support the elimination of housing poverty worldwide. As can be seen from the numbers of people reached, this means that our fundraising has impacted on the lives of real people living in poverty housing, and has helped them towards a decent place that they can call home.

Our total fundraising increased by 35% over the previous year and the funds that we sent overseas for charitable activities increased by 64%.

### International Programme Support

While Habitat for Humanity Great Britain does not take direct responsibility for delivering programmes (managed through sister organisations), it does however, add considerable value through project selection, project design, project monitoring, evaluating and measuring impact.

We are fully engaged in several "Communities of Practice" across the network and have a particular focus on extending professional knowledge, currently through two very experienced and widely respected PhD students at University College London.

Throughout the year 43 projects were managed.

### International Volunteering

During the year, 204 people participated in our international volunteering programme and in the process, £381,380 was sent overseas in the form of volunteer donations, a decrease of 38% over the previous year.

### Great Britain volunteering

During the year 736 volunteers were hosted on projects in London. This generated an income over the year of £79,444.

### Appointment of a Chief Executive Officer

The Board appointed Rebecca Martin as Chief Executive Officer in September 2013. Previously Rebecca had been a board member, but resigned from the board prior to taking up the new post, following an open recruitment process. Rebecca stepped down from her position effective January 2015. The board has recently appointed David Malutinok as its Chief Management Advisor for the interim period, during which the recruitment of a permanent Chief Executive Officer will be undertaken.

### Reorganising to provide the platform for growth

Following a fundraising review the board concluded that a restructuring was necessary. This would require changing the staffing mix and relocating closer to our markets:

1. Changes to the staff mix to increase the number of staff directly focussed on fundraising. This process began in July 2013 when nine posts were made redundant, with two people successfully applying for other posts within the organisation.
2. Moving closer to our markets in terms of talent and potential partners. This move was facilitated by the offer of free office space in Slough by COINS Global. We began the move to



## Director's Report - contd.

Slough in May 2014 and completed the move in September 2014.

Recruitment for senior positions began in the financial year for three senior positions (Supporter Engagement, Marketing and Strategic Partnerships) and other staff were recruited in an ongoing process to shape a more focussed, target led and productive team.

The restructuring cost £41,521 in terms of staff redundancy payments and £21,000 for consultancy relating to the finance upgrade. The restructuring will also lead to savings in excess of £100,000 in rent, rates and office servicing costs over the 2014/15 financial year.

### Strategic Development

Throughout the winter we focussed on developing a new Strategic Plan and Business Plan which will take us to June 2018. The plan feeds into the Habitat for Humanity International strategic plan covering the same period, and contains ambitious yet realistic growth targets.

The plans were adopted in February 2014.

### Finance Development

Laying the foundations for growth has been supported by a move to a new accountancy package (Sun 6) which is used by many strategic partners in the Habitat network.

This provides a common platform for measuring financial performance, reporting within the Habitat network and sharing financial data.

### Relationship with Habitat for Humanity International

In Nov 2013 the Board approved a new Affiliation Agreement with Habitat for Humanity International. This will provide the ongoing basis for a successful partnership, which allows for Habitat for Humanity International to invest in our strategy to develop fundraising capability.

### Domestic Focus

Following the successful creation of Habitat for Humanity GB (Homes) as the operating company of Habitat for Humanity Great Britain in June 2012, Liverpool Habitat for Humanity did not feel it was in its best interests to become part of Habitat for Humanity GB (Homes) and as a result a disaffiliation from Habitat for Humanity Great Britain was agreed. Liverpool Habitat for Humanity became a completely independent charity and adopted a new name to reflect this. This process was completed in November 2013.

### Habitat for Humanity GB (Homes)

Thirteen homes were completed in Banbury, Oxfordshire and these units are housing local people in housing need. In London two units used to house vulnerable women, who are rebuilding their lives following traumatic events, were refurbished. We also undertook the regular maintenance and improvement for an adventure playground that serves disabled children in Lambeth and assisted 3 of providers of emergency accommodation to improve their facilities.



*The joys of childhood. Children playing in front of their 'Habitat' homes.*

## Case Study

In the *Achievements* section we talked about the numbers reached through our work. This case study looks at the impact of one family in the *Orphans and Vulnerable Groups* row and seeks to give an insight on the impact that decent housing has had on just one family.

**Habitat for Humanity Great Britain began funding a project for people affected/infected with HIV/AIDS in 2009 with funding from the Elton John Aids Foundation and the Jersey Overseas Aid Commission. The project is still continuing with funding from Towerbrook Capital Partners.**

**Because the beneficiaries are in such extreme poverty, the project provides housing and support with 100% subsidy.**

Kar Serey lives with his wife and four children. They have two sons who are 6 and 8 years and two daughters who are 12 and 15 years. They received a new brick house, land, water and electricity. His family had been in their new house for one year and five months at the time of the impact interview.

### Life before

“Before support from Habitat we rented a house which was very small (3m x 4m), too cramped to house six family members and no possessions. I paid \$25 a month on rent. It was very stressful to afford rent and food costs and to send the children to school. When we were ill we needed to use business capital and rent money for medical bills. We borrowed money and it was difficult to pay it back. One child didn't go to school and the other children only went when we could afford to send them or were well enough to attend; they were always getting sick. My eldest daughter had to leave school to take care of me and my wife and to look after the youngest children when we were ill. We had no friends as people knew we had HIV/ AIDs and were looked down upon because of the house in which we lived.

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*Typical housing for project beneficiaries – insecure, plastic sheeting for roof, too low for an adult to stand, no toilet or cooking facilities..*

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### Life after

“We now have many friends; more than 100 are house proud and get respect for having a house. We have no rent to pay so I can focus on earning money. I have bought a newer motor to sell fish and haven't needed to borrow money; selling fish is just enough. We are saving to improve the house and have already built a kitchen but my dream is to plaster and paint the outside of the house. We used to have nothing but now we have a house, good beds, a sideboard, a TV and a fan. We can use electricity and clean water freely because of the reduction in costs. Good ventilation, light and a private toilet mean we are seldom sick.

### The future

“Before, the future for the family was hopeless and it made me blind. I had no dream for a house - we did not even have one bed; just living one day at a time. I didn't think about the children, school was not a priority, I just thought about the rent fee. Three of the children now go to school and if the income stays balanced or increases I want all the children to graduate from university. **Everything is changed since we live here; we are relaxed, hopeful and happy. I have lots of ideas to earn money - if I am strong enough, I can do anything.**”





## Financial Review

Financial data in this section relates both to the performance of the charity and the Group, including HFHGB (Homes).

Total income for the Group was £3.9m (2013: £2.7m), 93% (2013: 98%) of which came from grants and donations to the charity. This represents an increase in charitable income of 42% from the previous year.

During the year, contributions to the Group were received from: individuals (£0.4m), churches and civic groups (£17k), companies (£0.3m), statutory, foundations, organisations and institutions (£0.6m), and income associated with the international volunteering programme (£0.4m). Other income was received from gift aid recovery (£56k), Gifts in Kind (£20k) and interest (£3k). Grants from Habitat for Humanity International amounted to £150k (2013: £143k).

The total Group charitable expenditure in the year was £3.4m (2013: £2.6m).

International programme expenditure included grants to other HFH projects totalling £2.0m (2013:

£1.2m). These grants enabled us to achieve our beneficial family numbers on page 2. In addition to these grants, other direct project expenditure of £0.3m (2013: £0.4m) related to our 'Global Village' programme.

Other costs of the Group include the delivery of charitable activities, fundraising and governance amounting to £1.6m (2013: £1.6m).

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 to governance activities. In total the employment costs of the Group were £0.8m (2013: £1.1m) and represent 21% (2013: 34%) of total expenditure in the year.

The company's assets are held to further its charitable objectives. As at the 30<sup>th</sup> June 2014, the Charity held net assets totalling £0.8m (2013: £0.9m). The assets of the Group totalled £2.2m at 30<sup>th</sup> June 2014 (2013: £2.3m).



*Ethiopia- Azeb Girma (9) is doing her homework. She dreams of becoming a doctor now she can finally attend school. With the provision of space and an electric light, students can study at home, do homework and begin to dream of a future that would simply be unobtainable in a crowded shack with just an unhealthy paraffin lamp for light.*

## Fundraising

Financial data in this section relates both to the performance of the charity and the Group, including HFHGB (Homes).

Total income for the Group in the year was £3.9m (2013: £2.7m).

Total income for the charity in the year was £3.4m (2013: £2.6m). The main factors contributing to the 31% increase were a 91% increase in grant and institutional income, and a 152% increase in individual giving which is attributable mainly to a substantial legacy received in the year offset partly by a decrease in donations.

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

We would like to thank the following organisations, as without their significant contribution, we would not have been able to help people with housing needs, both at home and overseas:

Home Builders Federation, JATO Dynamics, Jersey Overseas Aid Commission, Linda & Gordon Bonnyman Trust, London Stock Exchange Group plc, MD Insurance Services Ltd, Nednil Ltd, NHBC, Nottingham Community Housing Association, Open Gate Trust, Orwell Housing Association Limited, Ove Arup Partnership, Schroder Investment

Management, Shanly Foundation, Speedyhire Plc, St Erkenwald's Church Barking, St Judes Community Project and Kettering Foodbank, The Beatrice Laing Trust, The Clara E Burgess Charity, The Grace Trust, The Hillier Trust, The Persson Charitable Trust, The Royal High School Edinburgh, The Tisbury Telegraph Trust, Towerbrook Capital Partners, TUUT Charitable Trust, Vitol Charitable Foundation, Wells Fargo Securities International Limited, and Westerman Homes.

In addition the following organisations supported work in Great Britain:

Barclays plc, Wells Fargo, Genworth Foundation, Brentwood School, Caterham School, Ove Arup, Cisco, Goldman Sachs, EDF Energy, Bloomberg, American School in London, MBIA, Acenden, Everything Everywhere, GE Capital, Faurecia, NBC, GE Capital, Metlife, Neuberger Bermann, Rackspace, and Hazel Burns.

Finally, we would like to express our appreciation to the thousands 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.



*Raising funds for Habitat for Humanity in the Royal Parks Half Marathon.*



## Our aims for 2014/15

We aim for growth in order to serve more of 1.6 billion people living in poverty housing. 2014/15 will see the rollout of our development strategy.

In 2013/14 Habitat for Humanity Great Britain assisted 98,342 people with their housing needs. Our aim in 2014/15 is to increase this number by 20% (excluding the Disaster Response, as disasters by their nature are unpredictable).

### The building blocks are in place

The office move was fully completed in early September 2014. The new staff leadership is in place and all key staff recruitment will be finalised by November 2014. The Strategic Plan and Business plan are now being "operationalised."

The aim is to develop a diversity of fundraising streams that are maximised for Habitat for Humanity, to become the second largest donor, programmes internationally, and as such will make a significant contribution to the international vision of a world where everyone has a safe and decent place to live.

#### 1. **Strategic Partnerships and Corporate.**

Led by a Director of Strategic Partnerships, this team is developing key corporate and strategic relationships.

##### Strategic Partnerships Aim:

To develop high value, long term partnerships with both corporate and high value individual donors that are truly mutually beneficial for all parties and deliver real impact for our cause.

#### 2. **Marketing.**

Focussed on a small sum regular giving led by a Head of Direct Marketing, this team is working with colleagues in the US to develop vital and effective marketing programmes.

##### Marketing Aim:

To increase the number of regular givers supporting the charity's international work and achieve market level supporter retention.

#### 3. **Volunteering.**

Led by the Head of Volunteering, the aim is to develop a more impactful programme both on the volunteers and the mission of Habitat for Humanity.

##### Volunteering Aim:

- To progress depth in the volunteering programme so that 40+ volunteers go on to become Habitat for Humanity Ambassadors, advocating for decent housing, raising funds and mobilising other volunteers;
- To improve our domestic volunteering programme to raise awareness of Habitat for Humanity and poverty housing; and
- To developing campaigns to promote volunteering opportunities and in so doing, create a 'cradle to grave' strategy.

#### 4. **Programme Department.**

Led by a Director of Programme and is focussing on large institutional donors as well as providing a grant management service and support to other teams.

##### Programme Aim:

To work with implementing countries to select, develop and monitor viable, scalable projects that have the greatest impact on beneficiaries, and appeal to our donors.

#### 5. **Finance.**

The Finance Team currently led by a Finance Manager is now bedding in the new Sun6 financial package.

##### Finance Aim:

To provide efficient financial service to an expanding organisation, financially coordinated with the wider Habitat network, and provide a financial service to all other teams.

### Habitat for Humanity GB (Homes)

The subsidiary charity, Habitat for Humanity GB (Homes), is looking to continue using their skills and expertise to bring underused buildings back into use as housing. They will also continue to provide support for affordable housing projects to be developed in partnership with groups that own property and wish to see these buildings being used to house people in need.

## Director's Report - *contd.*

### Risk Assessment, Reserves and Funding

#### Risk Assessment

On a periodic basis the directors review, with management, the major risks the charity faces. This is achieved through a risk register review process and 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. Normal policy is for the organisation to maintain sufficient unrestricted cash to cover ongoing costs in the near term and to build up a reserve fund to help meet obligations in the event of material adverse conditions.

In addition, management systems and internal financial controls are in place to mitigate financial risks. During uncertain economic conditions we continue to review our business risks.

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). These are also monitored regularly by management and Board subcommittees.

#### Reserves Policy

The directors have reviewed our need for reserves in line with the Charity Commission

guidelines. The normal policy is to hold unrestricted reserves to protect against the risks of shortfalls in cash balances due to uncertainties in the timing of fundraising opportunities for unrestricted funds.

In previous years the directors had established a reserves policy to reach a level of 6 months operating costs, reviewed annually and built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable activities. From 2010/11 the directors delayed this objective for a period as the organisation pursues growth in public fundraising. We ended the 2013/14 financial year with reserves of £59,751 (2013 -£78,215).

The directors have reviewed the charity's activities, financial position and risk management policies together with the factors likely to affect future development. They have concluded that it is reasonable to expect the charity to have adequate resources to continue in operational existence for the foreseeable future. Accordingly the going concern basis of accounting continues to be adopted in preparing the financial statements.

#### 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.



*Trainees working on a Habitat for Humanity GB (Homes) project in Banbury.*



## Director's Report - *contd.*

### Trustees, advisors and key details

**Royal Patron:** HRH The Duke of Gloucester KG GCVO

**Board of Patrons:** Prof Graham Ashworth  
Rabbi Rt Hon Lord Jonathan Sacks Kt  
The Rt Hon Alistair Burt MP  
The Rt Hon Simon Hughes MP  
Mr Michael J Kirkwood CMG  
Mr Terry Waite CBE

**Trustees/Directors:** Mr Stewart Baseley (Chairman)  
Mr Duncan Berry (resigned 4 September 2013)  
Ms Adrienne Carr  
Mr Greg Foster (appointed 4 September 2013)  
Mr Gordon Holmes (Hon. Treasurer)  
Mr Stephen Howard (resigned 26 November 2013)  
Mr Leonard Johnson (resigned 26 November 2013)  
Mrs Rebecca Martin (resigned 4 September 2013)  
Miss Susan Revell (Deputy Chair)  
Mr Larry Sullivan  
Mr Simon Thomas  
Mr Garry Von Lehmden  
Mr Ian Whitehead

**Secretary:** Mr David Stapleton (retired September 2014)

**Chief Executive Officer:** Mrs Rebecca Martin (until January 2015)

**Advisor to the Trustees:** Mr David Malutinok, (Chief Management Advisor, from March 2015)

**Bankers:** National Westminster Bank Plc  
Bridge Street  
Banbury  
OX16 5JS

**Auditors:** Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
3140 Rowan Place  
John Smith Drive  
Oxford Business Park South  
Oxford  
OX4 2WB

**Registered Office:** Habitat for Humanity Great Britain  
10 The Grove  
Slough  
Berkshire SL1 1QP

A registered Charity, no. 1043641. Company Limited by Guarantee no. 3012626. The company has no share capital and is limited by guarantee. The members' liability is limited to a maximum of £1 each.

## Director's Report - *contd.*

### Directors' Responsibilities for the Financial Statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

The directors confirm that:

- so far as each director is 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 as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

### 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 Stewart Baseley**  
Chairman

11th March 2015



# 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 2014 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2014 and of the group's and the parent charitable

company's incoming resources and application of resources, including the group's and the parent 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.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records or 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies exemption from the requirement to prepare a strategic report.

Grant Thornton UK LLP

## Mahmood Ramji

Director, Audit  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants,  
Oxford

13 March 2015

# 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.

In accordance with section 397 of the Charity SORP 2005, and section 408 of the Companies Act 2006, the charity has not prepared a separate Statement of Financial Activities for the Charity.

## Consolidation

HFHGB (Homes), formerly Southwark Habitat for Humanity, is regarded as a subsidiary undertaking by virtue of the Charity being the entity's sole member and its ability to direct and control HFHGB (Homes). The financial statements consolidate the results of HFHGB (Homes) with effect from the date that control was established, 30 June 2012.

## 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 distribution by the company are recognised only when distributed
- assets received for resale are recognised, where practicable, when receivable or

otherwise when sold

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.

## 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 attributable to the governance 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 as appropriate. The basis of apportionment is explained in Note 4 and Note 6. In Summary:

- Governance costs are costs associated with the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Governance costs include 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.



## Principle Accounting Policies – Contd.

### 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.

### 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 7.

### 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.

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 £1,000, 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.

### Programme related investments

Programme related investments are stated at cost price at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on repayments and disposals.

### 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.

# Group Statement of Financial Activities

(Incorporating an income and expenditure account and a statement of recognised gains and losses)

Group	Notes	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary Income:					
- Grants and donations	1	1,509,063	2,087,848	3,596,911	2,670,839
Total Voluntary income		1,509,063	2,087,848	3,596,911	2,670,839
Investment Income		2,767	-	2,767	6,018
Incoming resources from charitable activities	2	270,518	-	270,518	49,397
Other incoming resources		-	-	-	1,562
<b>Total incoming resources</b>	3	<b>1,782,348</b>	<b>2,087,848</b>	<b>3,870,196</b>	<b>2,727,816</b>
<b>Resources Expended</b>					
<b>Costs of generating funds:</b>					
Costs of generating voluntary income	4	366,062	-	366,062	461,749
Charitable activities	5	1,202,991	2,188,538	3,391,529	2,588,151
Governance costs		230,290	-	230,290	152,417
<b>Total resources expended</b>	6	<b>1,799,343</b>	<b>2,188,538</b>	<b>3,987,881</b>	<b>3,202,317</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(16,995)</b>	<b>(100,690)</b>	<b>(117,685)</b>	<b>(474,501)</b>
<b>Transfers</b>		<b>(1,784)</b>	<b>1,784</b>	<b>-</b>	<b>-</b>
<b>Net income/(outgoing) resource before transfers</b>		<b>(18,779)</b>	<b>(98,906)</b>	<b>(117,685)</b>	<b>(474,501)</b>
<b>Total funds brought forward at 1 July 2013</b>		<b>1,238,419</b>	<b>1,015,388</b>	<b>2,253,807</b>	<b>2,728,308</b>
<b>Total funds carried forward at 30 June 2014</b>	13	<b>1,219,640</b>	<b>916,482</b>	<b>2,136,122</b>	<b>2,253,807</b>

## Continuing Operations

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

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



# Balance Sheet

		<u>Group</u>		<u>Charity</u>	
	Notes	2014 £	2013 £	2014 £	2013 £
<b>Fixed Assets</b>					
Tangible fixed assets	9	<b>649,128</b>	534,806	<b>14,831</b>	15,973
Programme Related Investments	10	<b>504,435</b>	557,106	-	-
		<b>1,153,563</b>	1,091,912	<b>14,831</b>	15,973
<b>Current Assets</b>					
Debtors	11	<b>193,535</b>	360,768	<b>106,236</b>	282,193
Cash at bank and in hand		<b>1,247,682</b>	1,036,533	<b>1,150,166</b>	744,203
		<b>1,441,217</b>	1,397,301	<b>1,256,402</b>	1,026,396
<b>Creditors</b>					
Amounts falling due within one year	12	<b>458,658</b>	235,406	<b>425,038</b>	118,063
<b>Net Current Assets</b>		<b>982,559</b>	1,161,895	<b>831,364</b>	908,333
<b>Net Assets</b>		<b>2,136,122</b>	2,253,807	<b>846,195</b>	924,306
<b>Funds</b>					
Unrestricted funds	13	<b>1,219,640</b>	1,238,419	<b>59,751</b>	(78,215)
Restricted funds	13	<b>916,482</b>	1,015,388	<b>786,444</b>	1,002,521
<b>Total Funds</b>		<b>2,136,122</b>	2,253,807	<b>846,195</b>	924,306

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small Companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Directors and were signed on its behalf by:



**S A Baseley**  
Chairman

11<sup>th</sup> March 2015



**Gordon Holmes**  
Hon Treasurer

11<sup>th</sup> March 2015

Company number: 3012626.

Charity number: 1043641

# Notes to the Financial Statements

## 1. Voluntary Income

	Unrestricted £	Restricted £	2014 £	2013 £
Grant income:				
Non-United Kingdom Governmen	-	527,877	<b>527,877</b>	262,496
Habitat for Humanity Internation:	137,334	12,974	<b>150,308</b>	142,802
Department for International Development	-	191,683	<b>191,683</b>	216,947
Christian Aid	-	607,091	<b>607,091</b>	-
Embrace the Middle East	-	82,658	<b>82,658</b>	66,330
Sailor's Society	-	49,082	<b>49,082</b>	-
Cherwell District Council	-	-	-	6,000
Southwark Council	-	35,371	<b>35,371</b>	-
London Stock Exchange Ltd	-	27,000	<b>27,000</b>	-
London Borough of Greenwich	-	25,000	<b>25,000</b>	-
Empty Homes Community Grant	-	115,700	<b>115,700</b>	23,850
	<u>137,334</u>	<u>1,674,436</u>	<u><b>1,811,770</b></u>	<u>718,425</u>
Donation income:				
Individuals	285,495	130,465	<b>415,960</b>	383,269
Churches	5,350	11,962	<b>17,312</b>	48,785
Companies	64,171	203,774	<b>267,945</b>	574,640
Gifts in kind	19,633	-	<b>19,633</b>	52,599
Civic groups	390	-	<b>390</b>	2,035
Legacies	52,817	-	<b>52,817</b>	-
Foundations, Organisations & Institutions	507,049	67,090	<b>574,139</b>	194,183
Gift Aid recovered on donations from individuals	55,444	121	<b>55,565</b>	79,748
	<u>990,349</u>	<u>413,412</u>	<u><b>1,403,761</b></u>	<u>1,335,259</u>
International Volunteering Programme	<u>381,380</u>	<u>-</u>	<u><b>381,380</b></u>	<u>617,155</u>
<b>Total voluntary income</b>	<u><b>1,509,063</b></u>	<u><b>2,087,848</b></u>	<u><b>3,596,911</b></u>	<u><b>2,670,839</b></u>

The gifts in kind relate to archive services donated in the year.

## 2. Incoming resources from charitable activities

	2014 £	2013 £
Volunteer facilitation grants	<b>52,444</b>	28,969
Smaller projects	<b>132,535</b>	11,678
Rental income – Short leasehold properties	<b>85,539</b>	8,750
<b>Total</b>	<u><b>270,518</b></u>	<u>49,397</u>

## Notes to the Financial Statements (Continued).

### 3. Total incoming resources

Income attributable to geographical areas outside the United Kingdom amounted to 36% (2013: 22%).

### 4. Costs of generating voluntary Income

	Unrestricted £	Restricted £	2014 Total £	2013 Total £	Basis of allocation
Fundraising and promotion	41,091	-	<b>41,091</b>	189,347	Direct
Employment costs	220,946	-	<b>220,946</b>	215,667	Staff time
Support costs	104,025	-	<b>104,025</b>	56,735	Direct & Staff time
	<u>366,062</u>	<u>-</u>	<u><b>366,062</b></u>	<u>461,749</u>	

### 5. Charitable activities

	Unrestricted £	Restricted £	2014 Total £	2013 Total £	Basis of allocation
International programme	124,549	1,869,618	<b>1,994,167</b>	1,296,578	Direct
International volunteering programme	347,841	-	<b>347,841</b>	719,846	Direct
Domestic programme	301,557	57,591	<b>359,148</b>	329,790	Direct
Support costs	100,630	-	<b>100,630</b>	-	Direct & Staff time
Advocacy	571,707	-	<b>571,707</b>	241,937	Direct & Staff time
Exceptional costs - relocation	18,036	-	<b>18,036</b>		Staff time
Programme support recoverable*	<u>(261,329)</u>	<u>261,329</u>	<u>-</u>		
Total	<u>1,202,991</u>	<u>2,188,538</u>	<u><b>3,391,529</b></u>	<u>2,588,151</u>	

\* In accordance with the terms agreed with the 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. The above figures represent the change in the amount recoverable from restricted funds between brought forward and carried forward restricted funds.



## Notes to the Financial Statements (continued)

### 6. Analysis of resources expended

	Costs of generating funds	Charitable activities	Governance	2014 Total	2013 Total	Basis of allocation
	£	£	£	£	£	
Grants to HFH projects	-	1,976,152	-	1,976,152	1,206,683	Direct*
Grants returned	-	(934)	-	(934)	3	Staff time
Int'l project expenses	-	295,465	-	295,465	447,915	Direct*
Domestic project expenses	-	283,721	-	283,721	53,735	Direct*
Project depreciation	-	74,779	-	74,779	8,036	Direct*
Fundraising and promotions	41,091	160,494	-	201,585	311,249	Direct*
Employment costs	220,946	307,286	134,807	663,039	886,141	Staff time
Office costs	68,383	86,299	37,789	192,471	194,100	Staff time
Travel costs	13,120	13,851	7,253	34,224	20,244	Staff time
Training	1,193	1,260	660	3,113	2,089	Staff time
Audit and accountancy	-	-	26,999	26,999	20,868	Governance
Consultancy costs	-	32,615	-	32,615	8,900	Direct*
Recruitment costs	14,326	15,124	7,919	37,369	238	Staff time
Legal and Professional	21	19,384	6,524	25,929	24,604	Governance
Bad Debt expense	358	16,650	-	17,008	2,700	Direct*
Other expenses	368	19,343	511	20,222	20,595	Direct*
Foreign exchange loss / (gain)	-	33,969	-	33,969	(5,783)	Staff time
Bank charges and interest	3,740	3,903	-	7,643	-	Direct*
Exceptional costs - relocation	2,516	52,168	7,828	62,512	-	Staff time/Direct *
	<b>366,062</b>	<b>3,391,529</b>	<b>230,290</b>	<b>3,987,881</b>	<b>3,202,317</b>	

Total resources expended include:	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Auditors remuneration	<b>17,000</b>	15,000
Depreciation: Tangible fixed assets	<b>78,050</b>	20,164
Loss on disposal of tangible fixed assets	<b>13,973</b>	-

\* 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)

### 7. Employee Costs

	<b>2014</b>	2013
	<b>£</b>	£
Wages and salaries	<b>752,897</b>	919,343
Social security costs	<b>68,715</b>	86,059
Pension costs	<b>11,640</b>	41,156
Death in service	<b>3,553</b>	3,611
Relocation costs	<b>730</b>	-
	<hr/> <b>837,535</b> <hr/>	<hr/> 1,050,169 <hr/>

The above 2014 employee costs incorporate £161,363 (2013 – £170,027) of capitalised staff costs within HFHGB (Homes).

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

	<b>2014</b>	2013
	<b>Number</b>	Number
Costs of generating funds	<b>6</b>	7
Charitable activities	<b>16</b>	19
Governance	<b>2</b>	3
	<hr/> <b>24</b> <hr/>	<hr/> 29 <hr/>

During the year no employee received emoluments greater than £60,000.

During the previous year one employee received emoluments between £100,000 and £110,000. Employer contributions to the pension fund of this employee in the previous year amounted to £24,533.

### 8. Payments to Directors and connected persons

During the year the company engaged the consultancy services of Mrs R Martin and was invoiced amounts totalling £13,515 (2013: £5,565). Mrs R Martin was a director of the company at the time but has resigned from this role on 4<sup>th</sup> September 2013. A total of £402 is owing to Mrs R Martin at the year end and is included within creditors.

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 (2013 – none) received reimbursement of travel expenses during the year totalling £1,174 (2013 – £nil).

## Notes to the Financial Statements (continued)

### 9. Tangible Fixed Assets

<b>Group</b>	<b>Fixtures, fittings and equipment £</b>
<b>Cost</b>	
At 1 July 2013	699,893
Additions	206,345
Disposals	(163,043)
	<hr/>
At 30 June 2014	743,195
	<hr/>
<b>Depreciation</b>	
At 1 July 2013	165,087
Charge for the year	78,050
Disposals	(149,070)
	<hr/>
At 30 June 2014	94,067
	<hr/>
<b>Net Book Value</b>	
At 30 June 2014	<u>649,128</u>
At 30 June 2013	<u>534,806</u>
	<hr/>
<b>Charity</b>	<b>Fixtures, fittings and equipment £</b>
<b>Cost</b>	
At 1 July 2013	166,043
Additions	13,413
Disposals	(163,043)
	<hr/>
At 30 June 2014	16,413
	<hr/>
<b>Depreciation</b>	
At 1 July 2013	150,070
Charge for the year	582
Disposals	(149,070)
	<hr/>
At 30 June 2014	1,582
	<hr/>
<b>Net Book Value</b>	
At 30 June 2014	<u>14,831</u>
At 30 June 2013	<u>15,973</u>

The notes form part of these financial statements



## Notes to the Financial Statements (continued)

### 10. Programme Related Investments

	<u>Group</u>		<u>Charity</u>	
	2014	2013	2014	2013
	£	£	£	£
Cost Valuation:				
At 1 July 2013	<b>557,106</b>	638,448	-	-
Repayments	<b>(52,671)</b>	(81,342)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2014	<b>504,435</b>	557,106	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The values stated relate to houses built by HFHGB (Homes) (formerly Southwark Habitat for Humanity (SHFH)) in partnership with low income families which have been sold at cost price with interest free mortgages.

This core activity involves HFHGB (Homes) disposing of assets at less than market value, requiring permission from the Charity Commission.

The Charity Commission has cleared the way for HFHGB (Homes) to sell houses to new homeowners without reference to the Commission.

### 11. Debtors

	<u>Group</u>		<u>Charity</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	<b>42,411</b>	41,372	-	-
Other debtors	<b>92,664</b>	221,614	<b>67,038</b>	187,113
Prepayments	<b>52,907</b>	95,080	<b>39,198</b>	95,080
VAT	<b>6,423</b>	2,702	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>194,405</b>	360,768	<b>106,236</b>	282,193
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### 12. Creditors: amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	<b>35,894</b>	164,426	<b>19,040</b>	81,822
Accruals	<b>68,473</b>	51,435	<b>58,852</b>	24,161
Deferred income	<b>347,146</b>	-	<b>347,146</b>	-
Social security and other taxes	<b>7,145</b>	19,545	-	12,080
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>458,658</b>	235,406	<b>425,038</b>	118,063
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

## Notes to the Financial Statements (continued)

### 13. Fund movements summary

<b>Group</b>	<b>Unrestricted funds (note 14)</b> £	<b>Restricted funds (note 15)</b> £	<b>Total funds</b> £
At 1 July 2013	1,238,419	1,015,388	<b>2,253,807</b>
Incoming resources	1,782,348	2,087,848	<b>3,870,196</b>
Expenditure	(1,799,343)	(2,188,538)	<b>(3,987,881)</b>
Transfers	(1,784)	1,784	-
At 30 June 2014	<b>1,219,640</b>	<b>916,482</b>	<b>2,136,122</b>

  

<b>Charity</b>	<b>Unrestricted funds (note 14)</b> £	<b>Restricted funds (note 15)</b> £	<b>Total funds</b> £
At 1 July 2013	(78,215)	1,002,521	<b>924,306</b>
Incoming resources	1,503,306	1,917,569	<b>3,420,875</b>
Expenditure	(1,363,556)	(2,135,430)	<b>(3,498,986)</b>
Transfers	(1,784)	1,784	-
At 30 June 2014	<b>59,751</b>	<b>786,444</b>	<b>846,195</b>

The transfers in the year represent the release of funds permitted to be spent by the charity in line with its general charitable activities, as agreed with the grant provider and/or donor and therefore no longer held for restricted purposes.

### 14. Unrestricted funds

<b>Group</b>	<b>General Undesignated funds</b> £	<b>Other designated funds</b> £	<b>Total unrestricted funds</b> £
At 1 July 2013	1,238,419	-	<b>1,238,419</b>
Incoming resources	1,782,348	-	<b>1,782,348</b>
Expenditure	(1,799,343)	-	<b>(1,799,343)</b>
Transfers	(1,784)	-	<b>(1,784)</b>
At 30 June 2014	<b>1,219,640</b>	-	<b>1,219,640</b>

## Notes to the Financial Statements (continued)

### 14. Unrestricted funds (continued)

<b>Charity</b>	<b>General Undesignated funds £</b>	<b>Other designated funds £</b>	<b>Total unrestricted funds £</b>
At 1 July 2013	(78,215)	-	(78,215)
Incoming resources	1,503,306	-	1,503,306
Expenditure	(1,363,556)	-	(1,363,556)
Transfers	(1,784)	-	(1,784)
	<hr/>	<hr/>	<hr/>
At 30 June 2014	<b>59,751</b>	<b>-</b>	<b>59,751</b>
	<hr/>	<hr/>	<hr/>

#### 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.

#### Other designated funds

These are funds which at the point of receipt had been classified as unrestricted, but where we had an expectation of a specific usage due to on-going dialogue with donors.

At the year end all donor requirements concerning these funds had been met.

### 15. Restricted funds

<b>Group</b>	<b>Domestic Programmes £</b>	<b>International Programmes £</b>	<b>Total Restricted funds £</b>
At 1 July 2013	53,550	961,838	1,015,388
Incoming resources	203,071	1,884,777	2,087,848
Expenditure	(126,583)	(2,061,955)	(2,188,538)
Transfers	-	1,784	1,784
	<hr/>	<hr/>	<hr/>
At 30 June 2014	130,038	786,444	916,482
	<hr/>	<hr/>	<hr/>

  

<b>Charity</b>	<b>Domestic Programmes £</b>	<b>International Programmes £</b>	<b>Total Restricted funds £</b>
At 1 July 2013	40,683	961,838	<b>1,002,521</b>
Incoming resources	32,792	1,884,777	<b>1,917,569</b>
Expenditure	(73,475)	(2,061,955)	<b>(2,135,430)</b>
Transfers	-	1,784	<b>1,784</b>
	<hr/>	<hr/>	<hr/>
At 30 June 2014	-	786,444	<b>786,444</b>
	<hr/>	<hr/>	<hr/>



## Notes to the Financial Statements (continued)

### 15. Restricted funds (continued)

#### Further breakdown of the reserves held for international programme activities:

Group and Charity	At 1 July 2013 £	Incoming resources £	Expenditure £	Transfers £	At 30 June 2014 £
Elton John AIDS Foundation	31,812	(855)	(30,957)	-	-
DFID Vietnam (CSCF 470)	(1,290)	-	-	1,290	-
DFID Bolivia (CSCF 495)	(48)	69,469	(64,741)	-	4,680
DFID Brazil (CSCF 538)	(28,296)	120,547	(119,650)	-	(27,399)
Christian Aid - Philippines (DFID component code 204351-101)	-	607,091	(640,749)	-	(33,658)
International grants fund	295,319	1,050,955	(803,084)	(5)	543,185
Other International projects	664,341	37,570	(402,774)	499	299,636
<b>Total</b>	<b>961,838</b>	<b>1,884,777</b>	<b>(2,061,955)</b>	<b>1,784</b>	<b>786,444</b>

#### Elton John AIDS Foundation (Cambodia)

This fund represents two sequential projects in Cambodia primarily funded by the Elton John Aids Foundation. Habitat for Humanity is working in partnership with a number of local organisations to deliver shelter solutions to people infected or affected by HIV/AIDS and orphans and vulnerable children. The first project finished and the second project began in the financial year. The expenditure of £30,957 relates to both projects.

#### 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 to '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 project concluded at the end of the previous financial year and the transfer out is to absorb the project overspend against unrestricted funds.

#### 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 DFID (Civil Society Challenge Fund). This five year project, totalling £398,604, commenced in June 2010, and will advocate for gender-responsive laws, policies and regulations, resulting in improved urban land governance.

## Notes to the Financial Statements (continued)

### **Department for International Development (Brazil)**

The 'Secure land tenure for women and vulnerable groups in Brazil' project commenced in July 2011 and is funded by DFID (Civil Society Challenge Fund). Totalling £473,481, over four years, the project aims to reduce urban poverty for women and vulnerable groups in Recife, in the state of Pernambuco by increasing their access to secure land tenure and property.

### **Christian Aid – Philippines**

Habitat for Humanity Great Britain responded to Typhoon Haiyan with rapid emergency assistance focussed on affected communities in Samar and Panay Islands. The response was part of a Consortia lead Christian Aid and funded through the Department for International Development's Rapid Response Facility.

Through this Consortia, Habitat for Humanity Great Britain provided or funded 8,350 Shelter Repair Kits to Habitat for Humanity Philippines which were then distributed to families whose houses had been severely damaged or destroyed by the typhoon. This assistance cost a total of £636,269 over the three month life of the project, (November 2013 to February 2014).

The kits containing essential construction materials and tools to enable families to make immediate and durable repairs to their homes and take their first steps towards recovery.

### **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.

## Notes to the Financial Statements (continued)

### 16. Analysis of net assets between funds

<b>Group</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Tangible fixed assets	649,128	-	<b>649,128</b>
Programme related investments	504,435	-	<b>504,435</b>
Current assets	524,735	916,482	<b>1,441,217</b>
Current liabilities	(458,658)	-	<b>(458,658)</b>
	<u>1,219,640</u>	<u>916,482</u>	<u><b>2,136,122</b></u>
 <b>Charity</b>			
Tangible fixed assets	14,831	-	<b>14,831</b>
Current assets	469,958	786,444	<b>1,256,402</b>
Current liabilities	(425,038)	-	<b>(425,038)</b>
	<u>59,751</u>	<u>786,444</u>	<u><b>846,195</b></u>

### 17. Share capital

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

### 18. Contingent liabilities

There were no contingent liabilities as at 30 June 2014 or 30 June 2013.

### 19. Operating lease commitments

At 30 June 2014 the company was committed to making the following payments during the next year in respect of operating leases:

<b>Group</b>	<b>2014 Buildings £</b>	<b>2014 Other £</b>	<b>2013 Buildings £</b>	<b>2013 Other £</b>
Leases which expire within:				
Less than one year	15,375	-	-	-
One to two years	-	1,155	-	4,071
Two to five years	-	2,238	61,500	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
 <b>Charity</b>				
Leases which expire within:				
Less than one year	15,375	-	-	-
One to two years	-	1,155	-	4,071
Two to five years	-	2,238	61,500	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



## Notes to the Financial Statements (continued)

### 20. Subsidiary undertaking

Habitat for Humanity Great Britain (HFHGB) is the Sole Member of HFHGB (Homes). As Sole Member the charitable company controls HFHGB (Homes) as defined by the Charity Statement of Recommended Practice 2005 (SORP) paragraph 388.

The results of HFHGB (Homes) have been consolidated in line with the requirements of the Charity SORP and in accordance with Financial Reporting 2 and the requirements of the Companies Act 2006.

A summary of the results for the year ended 30 June 2014 are set out below:

	<b>2014</b>	2013
	£	£
Voluntary income – grants and donations	<b>211,275</b>	108,120
Investment income	<b>320</b>	3,236
Incoming resources from charitable activities	<b>270,518</b>	49,397
Other income	-	1,562
	<b>482,113</b>	162,315
Costs of generating voluntary income	<b>13,867</b>	11,604
Charitable activities	<b>528,770</b>	270,121
Governance costs	<b>19,733</b>	23,371
	<b>562,370</b>	305,096
Net outgoing resources for the year	<b>(80,257)</b>	(142,781)

The net assets of the subsidiary are set out below:

	<b>2014</b>	2013
	£	£
Tangible fixed assets	<b>1,138,732</b>	1,075,939
Current assets	<b>185,685</b>	412,458
Current liabilities	<b>(33,620)</b>	(117,343)
Net assets	<b>1,290,797</b>	1,371,054
Represented by:		
Unrestricted funds	<b>1,208,309</b>	1,365,054
Restricted funds	<b>82,488</b>	6,000
Total funds	<b>1,290,797</b>	1,371,054

## Notes to the Financial Statements (continued)

### **21. Capital commitments**

There were no capital commitments as at 30 June 2014 or 30 June 2013.

### **22. Related party transactions**

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

### **23. Controlling related party**

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

# Charity Statement of Financial Activities

(Incorporating an income and expenditure account and a statement of recognised gains and losses)

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
<b>Incoming Resources</b>				
<b>Incoming resources from generated funds</b>				
Voluntary Income:				
- Grants and donations	1,500,859	1,917,569	<b>3,418,428</b>	2,614,338
Total Voluntary income	1,500,859	1,917,569	<b>3,418,428</b>	2,614,338
Investment Income	2,447	-	<b>2,447</b>	2,782
<b>Total incoming resources</b>	<b>1,503,306</b>	<b>1,917,569</b>	<b>3,420,875</b>	<b>2,617,120</b>
<b>Resources Expended</b>				
<b>Costs of generating funds:</b>				
Costs of generating voluntary income	352,195	-	<b>352,195</b>	450,145
Charitable activities	800,804	2,135,430	<b>2,936,234</b>	2,376,516
Governance costs	210,557	-	<b>210,557</b>	129,046
<b>Total resources expended</b>	<b>1,363,556</b>	<b>2,135,430</b>	<b>3,498,986</b>	<b>2,955,707</b>
<b>Net incoming/(outgoing) resources before transfers</b>	<b>139,750</b>	<b>(217,861)</b>	<b>(78,111)</b>	<b>(338,587)</b>
<b>Transfers</b>	<b>(1,784)</b>	<b>1,784</b>	<b>-</b>	<b>-</b>
<b>Net income and expenditure and movement in funds</b>	<b>137,966</b>	<b>(216,077)</b>	<b>(78,111)</b>	<b>(338,587)</b>
<b>Total funds brought forward at 1 July 2013</b>	<b>(78,215)</b>	<b>1,002,521</b>	<b>924,306</b>	<b>1,262,893</b>
<b>Total funds carried forward At 30 June 2014</b>	<b>59,751</b>	<b>786,444</b>	<b>846,195</b>	<b>924,306</b>

## Continuing Operations

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

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

