



Annual Review 2007-2008



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Habitat for Humanity's vision is a world where everyone has a safe, decent and appropriate place to live. We aim to eliminate poverty housing and homelessness from the face of the earth.

Our mission:

- 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 on earth.

National Director's statement

Our 07/08 Annual Review marks the completion of our Tsunami reconstruction and regeneration programme. It seems such a long time ago doesn't it? But just because it's no longer in the news doesn't mean that organisations like Habitat for Humanity haven't still been hard at work. So much attention was given to the destruction of Aceh for example. I'm sure you remember the terrifying images. Relatively little attention is ever given to the more difficult story... the story of reconstruction and the economic, political, social and technical challenges of organisations that were willing to do the long term hard graft and take on the challenge to rebuild. Permanent reconstruction following a disaster like the Tsunami can never be a quick fix. 'Building back better' was our goal and building back better in India, Indonesia, Sri Lanka and Thailand is what we have done.

If I were given just three words to sum up our work in 2007/8 they would be innovation, breadth and depth. The Habitat for Humanity programme is being adapted and re-interpreted by our community-based organisations from the subsidised affordable housing and homeownership schemes at the "top end" of need to work with more people in critical and urgent need. While we never abandon our core principles that put local community groups at the heart of decision making and the emphasis on self help with home partners, we have also found that when we support creative thinking in our leadership at grass roots level we facilitate powerful change. Ultimately we serve more people with deeper needs while still providing them with safe, decent, appropriate places to live. Our work has more variety in it than ever before.

The programme with child-led families orphaned and left vulnerable by HIV/AIDS in Southern Africa and with the



Dalit communities in cities like Bangalore, India are both examples of how the development of the home can act as a platform for all aspects of human development, including health, education and enterprise. By working with partners in an holistic approach housing acts as a key catalyst to breaking the cycle of dependency created by poverty.

Our work continues to grow. The HIV/AIDS shelter programme is expanding and we are doing more renovation and repair, particularly in Eastern Europe where the emphasis on "winterisation" and energy efficiency is so important. Finally we are continuing the adaptation of the micro enterprise model into housing by offering affordable short term housing repair and reconstruction loans to help our homepartners bring their houses up to habitable standard. What a privilege it is to be part of this great movement.

Ian Walkden

Global Village – Volunteering with us

2008 saw hundreds of individuals, corporate partners, churches and community groups take up the challenge of building in partnership with Habitat for Humanity. Across locations as diverse as Romania, Bangladesh, Kenya and Chile, more than 750 volunteers took part in Global Village challenges, mixing cement, laying bricks, tiling roofs and painting walls alongside the home partners that will live in the houses the volunteers helped to build.

We look forward to the coming year, in which volunteers will travel to Nepal where they will build houses using bamboo; and to Mozambique where they will build a well-designed and culturally sensitive house which is the core element in the country's OVC (Orphans and Vulnerable Children) project to help AIDS orphans build new lives.

“I have loved every second of this trip and it has been more than I ever expected. It’s a very strange but amazing experience to know that when you have left the house you helped build will still be there and providing a home for people who need it the most.”
Volunteer to South Africa.





Healthy homes, water and sanitation

Habitat for Humanity recognizes the broad spectrum of needs. Access to decent sanitation is as significant a danger to health and community recovery as damp walls or a leaking roof. Habitat for Humanity has taken on many water and sanitation projects, such as 'Dry Diverting Toilets' in Kyrgyzstan.

Inadequate toilet facilities have led to the poisoning of many underground sources of water, widespread disease and the ruining of land for agriculture. Habitat for Humanity hopes to remove this problem and boost the partner families' income by converting human waste into sanitised fertiliser to increase the yield of their crop.

Disaster reconstruction

Habitat for Humanity is involved in supporting the victims of disasters around the world. Habitat for Humanity's role is to be there for the long haul and help people rebuild after immediate aid has been provided. This is crucial if today's temporary shelters are not to become the slums of tomorrow. We have numerous programmes worldwide dedicated to long-term disaster reconstruction.

One such programme operates in Bangladesh. After the massive devastation caused by Cyclone Sidr, Habitat for

Humanity supported the immediate international response by providing sanitation facilities in the form of 480 toilets in key areas. This significant contribution was augmented by a team of engineers from a range of disciplines, sent in a partnership with Arup Cause and led by an Arup architect. The team worked with our staff in Bangladesh, leading to improvements in house and programme design in Habitat for Humanity's long-term reconstruction effort that followed the relief work.



Programme overview: Come closer

Leveraging local support for housing

In Costa Rica, Habitat for Humanity is working in partnership with local groups in dire need of support, such as families headed by single women, the disabled, elderly and immigrant families.

Habitat for Humanity is partnering with these groups and with the Costa Rican government to make up the social deficit in the funding to enable these families to meet the requirements for government grants. Through a combination of training, loans and building, Habitat for Humanity provides the leverage that draws in government support, making a huge difference to the 1850 families on this project.

Land tenure – The right to stay

Across the developing world a fundamental issue facing the housing sector is that of secure land tenure. In Latin America and the Caribbean, over 65% of the region's population is denied access to formal markets, making it impossible to buy, build, sell, improve their homes. The current housing shortage in the Latin American and Caribbean region is estimated at 40 million units. In 2008, HFH developed a project in Guyana which selected families unlikely to qualify for a commercial bank loan and living in poverty housing, to construct new homes. The project also impacted 92 families through provision of skills training in the Building and Training Centre (BTC), enabling them to improve their own housing situation little by little, meeting quality standards and mitigating against natural disasters and to use these skills to gain employment in the construction arena.



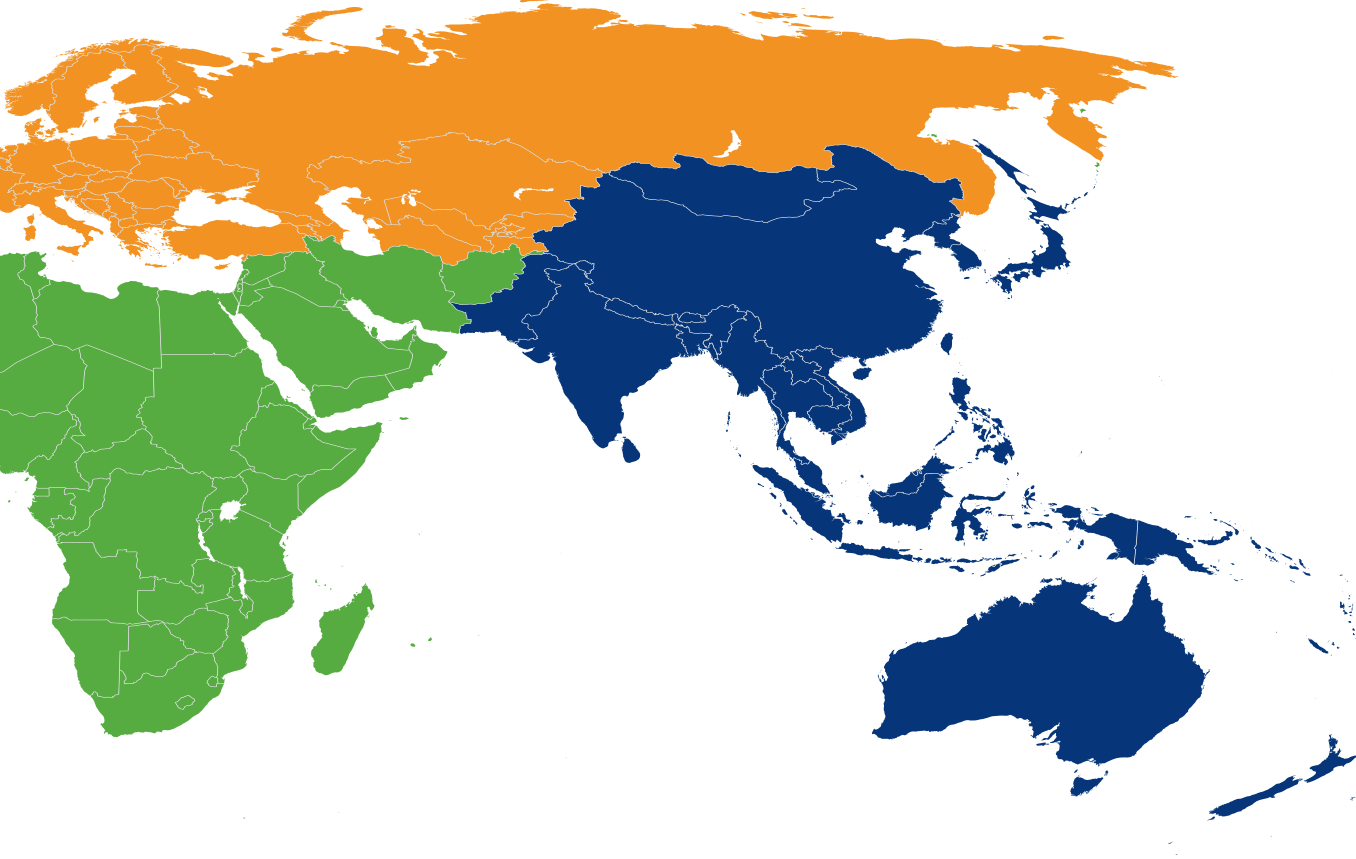
Sheltering Orphans and Vulnerable Children (OVC)

Across 2007-2008, Habitat for Humanity raised the profile on one of the most ambitious projects to date. The project is as emotive as it is tragic. In Africa, an overwhelming proportion of children served in this programme are orphaned and made vulnerable by the HIV/AIDS pandemic.

Habitat for Humanity now shelters hundreds of AIDS Orphans and their carers through sub-Saharan Africa through house-building, legal and inheritance protection, sanitation and social care. There are even apprentice programmes for affected children to learn income-generating skills .



- Africa and Middle East
- Asia Pacific
- Europe
- Latin America & Caribbean
- UK



Local technology – Bamboo housing

Early in 2008, Habitat for Humanity Nepal celebrated its 1500th house made from locally-made and environmentally-friendly bamboo sheeting. Project design showcases Habitat for Humanity's work which regenerated the local economy by enabling local people to set up sustainable businesses crafting bamboo into durable sheets for building. The project also empowered the disadvantaged (in this case, the local self-help group was comprised of women) and created innovative building solutions that had a low impact on the environment.



At home – Liverpool & Southwark

Our new community based housing schemes in London (Peckham) & in Liverpool (Toxteth) both relied heavily on locally generated core funding and on a good supply of enthusiastic volunteer labour in 07/08.

In Peckham, the Star of India apartments are being built in partnership with the Housing Association movement and one is scheduled for completion in February 09.

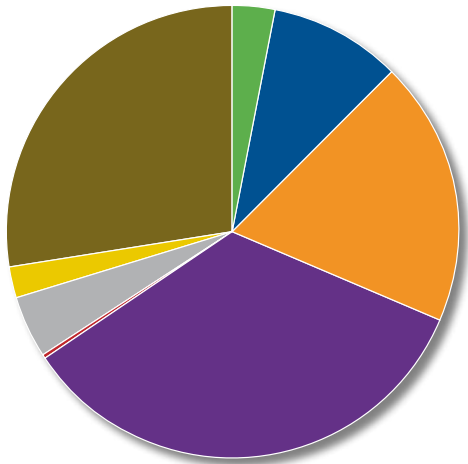
By working with Hexagon Housing we guarantee the homes will remain in the social/affordable housing sector in perpetuity.

We are particularly grateful to Citi, Credit Suisse and HBOS for their assistance in developing The Star of India.

The 3rd house development at the heart of Liverpool's regeneration area is supported by New Heartlands (Housing Market Renewal Initiative) and an example of a local, practical, voluntary sector response to housing outside the traditional means of supply.

Financial activities

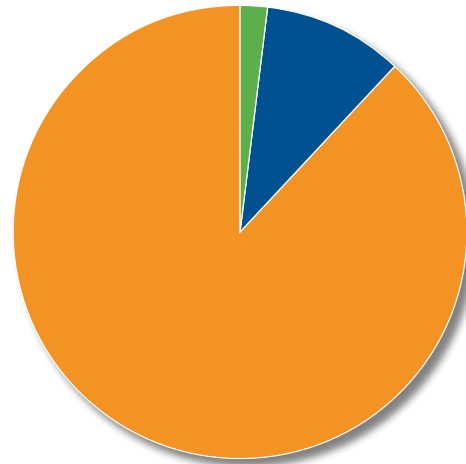
What you gave



2007-08 Income by source

- Individuals & church donations 9.2%
- Corporate donations 19.1%
- Foundations, Institutions, Organisations 34.2%
- Legacy income 0.1%
- Other income 4.4%
- Gifts in kind 2.3%
- Volunteer programmes 27.4%
- HFHI funding 3.3%

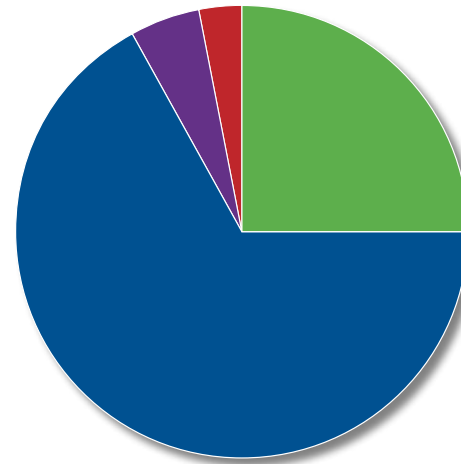
How we spent the money



■ Governance 2%

- Cost of generating funds 10%
- Direct charitable expenditure 88%

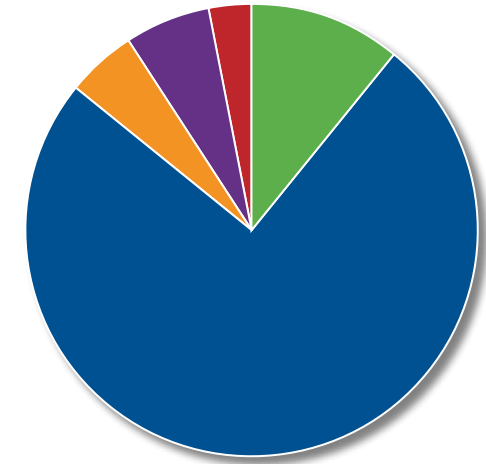
What we spent the money on



Grants Programme 2007-08

- International affordable housing 25%
- Disaster reconstruction & regeneration 67%
- Support for marginalised & vulnerable groups 5%
- Affordable housing at home 3%

Where we sent the money by region



Grants by region 2007-08

- Africa and Middle East 11%
- Asia Pacific 75%
- Europe, Central Asia 5%
- Latin America, Caribbean 6%
- UK 3%

Statement of financial activities

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
	£	£	£	£
Incoming Resources				
Incoming Resources from Generated Funds				
Voluntary Income	1,369,970	3,391,620	4,761,590	5,430,632
Investment Income	<u>86,553</u>	<u>-</u>	<u>86,553</u>	<u>74,659</u>
Total Incoming Resources	1,456,523	3,391,620	4,848,143	5,505,291
Resources Expended				
Costs of Generating Funds:				
Costs of generating voluntary income	479,446	-	479,446	482,682
Charitable Activities	903,446	3,260,586	4,164,032	4,641,719
Governance Costs	<u>86,907</u>	<u>-</u>	<u>86,907</u>	<u>75,655</u>
Total Resources Expended	<u>1,469,799</u>	<u>3,260,586</u>	<u>4,730,385</u>	<u>5,200,056</u>
Net Incoming Resources before Transfers	(13,276)	131,034	117,758	305,235
Transfers	<u>(10,897)</u>	<u>10,897</u>	<u>-</u>	<u>-</u>
Net Income and Expenditure and Movement In Funds	(24,173)	141,931	117,758	305,235
Total Funds Brought Forward at 1 July 2007	679,912	1,488,304	2,168,216	1,862,981
Total Funds Carried Forward at 30 June 2008	<u>655,739</u>	<u>1,630,235</u>	<u>2,285,974</u>	<u>2,168,216</u>

Balance sheet

	2008	2007
	£	£
Fixed Assets		
Tangible assets for use by the charity	33,612	40,496
Current Assets		
Debtors	212,003	105,527
Cash at bank and in hand	<u>2,418,071</u>	<u>2,148,020</u>
	2,630,074	2,253,547
Creditors - Amounts falling due within one year	<u>(207,292)</u>	<u>(125,827)</u>
Net Current Assets	2,422,782	2,127,720
Creditors - Amounts falling due in more than one year	<u>(170,420)</u>	<u>-</u>
Net Assets	<u>2,285,974</u>	<u>2,168,216</u>
Funds		
Unrestricted Funds	655,739	679,912
Restricted Funds	<u>1,630,235</u>	<u>1,488,304</u>
	<u>2,285,974</u>	<u>2,168,216</u>

The information opposite is in summary form and reflects the accounts of Habitat for Humanity Great Britain only. For a detailed analysis of our income and expenditure and a breakdown of funds, please visit our website to download our full audited accounts or call on 01295 264240.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Directors on 10 November 2008.
M J Kirkwood - Director and Chairman
I K Whitehead - Director and Treasurer

Financial Statements for the year ended 30 June 2008.

Registration Number 3012626
Charity Registration Number 1043641



Auditor statement

Statement of the Auditor to the members of Habitat for Humanity Great Britain

We have examined the summary financial statements of Habitat for Humanity Great Britain for the year ended 30 June 2008 which comprises the Statement of Financial Activities and Balance Sheet set out on page 9.

This report is made solely to the company's members, as a body. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor statement on Summary Financial Statements and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company

and the company's members as a body, for our audit work, for this statement, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Review 2007-2008 in accordance with applicable law. Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Annual Review 2007-2008 with the full annual accounts and the directors' report. We also read the other information contained in the Annual Review 2007-2008 and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our work in accordance with Bulletin 1999/6 'The Auditor Statement on the Summary Financial Statement' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statement is consistent with the full annual accounts and the directors' report for the year ended 30 June 2008.

**Grant Thornton UK LLP - Registered Auditor
Chartered Accountants, Oxford**

11 February 2008

Chairman's statement

I'm so proud of the vital work Habitat for Humanity is doing at home and around the world. This year I had the privilege of attending an international strategy meeting of donor and building countries in Europe/Central Asia. The importance of a safe, decent and appropriate place to lay our heads at night was brought home to me afresh and I was honoured to meet some of our leaders from around the world. The home is indeed the place from which we all fulfill our potential and grow. It is a crucial factor in human development. The power, ingenuity and passion behind the local housing response is palpable and our role is to foster and encourage our local leaders to flourish. It is one of the key interventions to assist communities to respond to the housing crisis resulting in greater depth, breadth and innovation in our projects. All necessary attributes to effectively serve the most severe need and harness the power of construction and housing in the regeneration of communities.



I hope you have enjoyed reading about the programmes we support at HFH Great Britain in our Annual Review. May I take this opportunity to thank all those who have helped Habitat for Humanity in so many ways this past year. With the loyal support of our donors, the enthusiastic commitment of our volunteers, the professionalism of our staff team, the passion of our local leadership and the wise counsel of the board we remain at the cutting edge of poverty reduction and sustainable development.

Michael Kirkwood

Patrons

H.R.H. The Duke of Gloucester KG GCVO
Professor Graham Ashworth CBE
The Rt. Rev. Michael Baughen
The Very Rev. Michael Bunker
Alistair Burt MP
The Rev. Dr. Tony Campolo
The Rev. Steve Chalke
W. Roger Haughton
Simon Hughes MP,
The Lord Ouseley of Peckham Rye
Sir Jonathan Sacks – Chief Rabbi
Terry Waite CBE

Liverpool Board of Patrons

The Lord Alton of Liverpool
Gideon Ben-Tovim
Akbar Ali MBE

HFHGB Board of Trustees

Chairman

Michael Kirkwood MD & Country Corporate Officer Citigroup UK

Deputy Chairman

Stephen Howard MD Business in the Community

Treasurer

Ian Whitehead Chief Financial Officer, Berkeley Technologies Group and Co-Founder HFHGB

Company Secretary

David Stapleton Co-Founder HFHGB

Leonard Johnson	Consultant in Education and Training
Don Haszczyń	Vice President, HFHI Europe & Central Asia
Anthony Salz	Executive Vice Chairman Rothschild
Simon Thomas	Lecturer and Teacher
Stewart Wallis	Executive Director, The New Economics Foundation
Stewart Baseley	Executive Chairman Home Builders Federation
Rebecca Liddle	Consultant
Chris Hyman	CEO Serco Plc
Colin Shave	CEO GE Money Home Lending
Michael Coogan	Director General, Council of Mortgage Lenders
Susan Revell	Managing Director, Morgan Stanley (Legal & Compliance)

Habitat for Humanity Great Britain is a Company Limited by Guarantee
Reg. No. 3012626 and a Charity Reg. No. 1043641

The ultimate goal of Habitat for Humanity is to eliminate poverty housing and homelessness from the face of the earth by campaigning for change in the housing system in favour of the vulnerable and building, repairing or renovating safe and decent places to live.

All our actions, projects and campaigns are for the ultimate purpose of putting shelter on the hearts and minds of people in such a powerful way that poverty housing and homelessness become unacceptable in our nations and world.



Habitat for Humanity GB

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www.habitatforhumanity.org.uk

Photos courtesy of: Karen Schermbrucker; Steffan Hacker; Kim MacDonald

Company Limited By Guarantee Registration Number: 3012626

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Members of the Fundraising Standards Board
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