



HOME=LIFE
FIGHT POVERTY. BUILD A HOME.

ANNUAL REVIEW 2011-2012



VIEWS & MISSION STATEMENT

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

- Our Mission:**
- Champion decent housing as a human right.
 - 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 housing. This usually takes the form of a community construction, renovation or new build project.
 - Make housing poverty and homelessness a matter of conscience and action so that it becomes unacceptable in every nation on earth.

CONTENTS

- 3 Chairman's statement
- 4 National Director's statement
- 5 Programme overview
- 9 Financial activities
- 10 Summary of financial statements
- 11 Auditor's statement



CHAIRMAN'S STATEMENT

Having worked in house building throughout my career, including latterly as Executive Chairman of the Home Builders Federation, I appreciate the importance people attach to having a decent home.

I was thus delighted to this year assume the role of Chairman of Habitat for Humanity Great Britain, a charity I have long held dear. Being able to see how Habitat for Humanity benefits its homepartners in Britain and around the world is fantastically rewarding and my first year has been a privilege.

A decent, safe home is not a luxury. It is one of life's essentials and should be available to everyone no matter where in the world they live. That is why I am so proud of the deeply imaginative solutions that Habitat for Humanity provides for people, and their thoughtful and patient application.

Habitat for Humanity works where it matters most, at the heart of local communities in extreme housing need. We help people in the most difficult of circumstances experiencing their darkest moments and allow them to regain their dignity through self-help community based housing projects.

The unstable economic climate we are all experiencing has naturally had some negative impact on the charitable sector. However, despite this during 2011/12 Habitat for Humanity in Great Britain managed to raise £3.2 million, a 16% increase on the previous year. The newly consolidated accounts at year end also show the value of assets acquired from OpCo taking our total incoming group resources for the year to £4.6 million.

We largely maintained our performance across all income streams, with corporate, individual giving and the Global Village Programme (International Volunteering) all recovering a little better.

Our charitable ratios also improved slightly. In the period 82% of our income was spent directly on charitable activity.

In the circumstances, the Board and I believe this to have been a commendable performance by the organisation.

Despite the challenge in raising funds, our support for Habitat for Humanity projects around the world totalled £1.6 million, a small increase on the previous year. As well as the work it does at home,

Habitat for Humanity Great Britain is supporting projects in over 20 countries, such as Bangladesh, Cambodia, Nepal, Haiti, Ethiopia and Tajikistan. We work on a variety of critical housing interventions ranging from community disaster resilience and reconstruction to land tenure and the accessibility of affordable housing finance.

As a result of having restructured the team in the National Office and consolidated our corporate structure to create Habitat for Humanity (Domestic Operations) which manages our projects in Britain, we are now operating more effectively than ever and I am confident in our continued future growth. The consolidated (group) accounts are available for the first time in this review.

In addition, the review summarises how our funds have been allocated and expands on some of the exciting work going on around the Habitat for Humanity world.

The staff of Habitat for Humanity Great Britain, under National Director Ian Walkden, have worked hard to nurture our donor relationships, manage domestic and international volunteering, restructure our



domestic programme, develop fundraising events, monitor the projects we fund and attend to all the many tasks that are necessary for our mission. The Deputy Chair, Susan Revell and I, together with the rest of the Board are deeply appreciative of their unwavering dedication. I would also like to thank the Board and our Patrons for their continued loyalty and support.

Stewart Baseley

NATIONAL DIRECTOR'S STATEMENT

We often say at Habitat for Humanity that poverty housing and homelessness are the 'mark' of poverty. No other issue expresses more clearly where a person has arrived in life's 'pecking order' than where they lay their head at night. Our homes are so much more than a shelter from the wind and rain. Instead, they can define who we are and what we become. Home is the most important place on earth, the place where our identity is forged and the very foundation of life itself. Shacks, slum shelter, inadequate housing and homelessness trap families in poverty for generations. It is Habitat for Humanity's mission to intervene in the cycle of poverty, to stop the wheels turning and to enable families to break free from poverty irreversibly and forever through safe, decent housing.

The focus of Habitat for Humanity is on key catalytic actions that serve the poor in the most meaningful and efficient ways possible. They are:

- 1: Local community capacity building.** Habitat for Humanity works from the "Inside-out". That is, where it matters most, at the very heart of communities in housing need, helping them to respond to their own long term problems by conceiving, designing, planning and managing their own projects.
- 2: Home partner participation and education.** Solutions are simply more

sustainable when those who benefit participate in solving them for themselves and when they are well prepared for the long term.

- 3: Technical assistance.** Habitat for Humanity has created a range of "housing support services" that can be applied from "the centre" and which assist communities running projects to undertake them successfully.

- 4: Housing finance.** The accessibility of fair and affordable housing finance structured to enable the poor to be successful housing borrowers is a key obstacle to sustainable housing. These market based solutions have incredible potential to serve the poor more widely.

- 5: Security of tenure.** Without developing both the legal and economic ability to stay in a home then all the benefits that decent housing can bring are easily lost.

- 6: Construction skills and construction economy.** Construction education, local construction economy and enterprise are drivers of personal, micro and macro-economic development.

- 7: Fully subsidised shelter and disaster reconstruction.** Some circumstances are so severe and a target group so vulnerable and marginalised that only a fully charitable intervention will help end their poverty.



In the context of these critical interventions, this financial year saw the expansion of a series of programmes – the disaster reconstruction efforts in Haiti are ongoing where we continue to build back better. But we also responded to disasters in Vietnam, Philippines, Cambodia, Japan, Nepal and New Zealand. The disaster reconstruction programme is called The "Pathways to Permanence" reflecting the variety of routes needed to help people back into long term shelter.

With the help of the Department for International Development we have also expanded our land tenure and property rights projects in Latin America from Bolivia to Brazil. They both aim to reduce peri-urban and urban poverty for women and vulnerable people. This will be achieved by securing their legal

rights to stay on the land where they have lived informally for many years and increasing the accountability and transparency of land governance so that legal property ownership is an integral part of the plan for cities.

Much closer to home we've created a new corporate structure to deliver all of our domestic projects in Britain and we have seen our own domestic programme flourish with the completion of an extremely successful 11 unit construction and education project in Banbury; the reinvigoration of our affordable housing scheme in Toxteth, Liverpool, which also has a significant training component; the Empty Homes scheme in London; and some innovative partnerships with other community housing and homelessness charities including the American Church in London and the YMCA.

In the last year, with the support of donors, volunteers and partners, Habitat for Humanity Great Britain has been able to make generous grants to the work of Habitat for Humanity across a wide spread of our 'critical interventions'. It is my privilege to thank each and every one of our supporters. I look forward to Habitat for Humanity continuing to intervene in the poverty cycle in the months and years to come, because building homes really does change lives for good.

Ian Walkden



PROGRAMME OVERVIEW

GLOBAL VILLAGE: VOLUNTEERING WITH US

In the last year, hundreds of individuals, corporate partners, churches, schools and community groups took up the challenge to raise money and build a home alongside a family. In locations around the world, from Romania, Ethiopia, Nepal and South Africa, teams of volunteers took part in Global Village challenges, mixing cement, laying bricks, tiling roofs, painting walls and creating healthier homes and communities. These committed volunteers have crossed cultural, geographical and emotional borders in helping a family build themselves out of the most appalling housing conditions.

"Working with Habitat for Humanity has been one of the most enjoyable and rewarding experiences of my life and one, which, without doubt, has benefited and touched the lives of the students within our college"

– George Cowell, Hewens and Rosedale College (South Africa, 2012)

PROGRAMME OVERVIEW

SUBSIDISED SHELTER FOR VULNERABLE PEOPLE

Habitat for Humanity Great Britain continues to help some of the most vulnerable people in the world access decent, subsidised shelter through a number of projects. This year, working alongside the Elton John Aids Foundation, Habitat for Humanity Great Britain has helped 326 families in Cambodia, including those who are affected and infected with HIV/AIDS and Orphans and Vulnerable Children, by organising training and enabling them to have a safe, decent home with access to clean water and proper sanitation. So far 59% of these families now have improved health and 69% have a stable or increased income.

Due to the success of this programme Habitat for Humanity Great Britain has secured a second grant from EJAF allowing an additional 150 families to be helped by December 2012.



DISASTER RESPONSE

When a natural disaster occurs anywhere in the world, Habitat for Humanity is there to support the victims and help with long term reconstruction. We know that when a disaster strikes it is crucial to ensure that temporary shelters put in place during the immediate aid do not become the slums of tomorrow.

To ensure this didn't happen after typhoon Washi (locally known as Sendong) caused havoc in the Philippines in December, Habitat for Humanity embarked on a rehabilitation programme. With generous funding from the Jersey Overseas Aid Commission, shelter repair kits were distributed to help families

repair their damaged houses and allow them to return home as soon as possible. Overall 401 affected families were given repair kits which were unique to each of their situations in order for them to successfully repair the damage.

LAND TENURE AND PROPERTY RIGHTS

The lack of secure land tenure throughout the developing world means that permanent and adequate housing is extremely difficult to find. Without secure tenure, personal safety is fragile and shelter precarious. For women and vulnerable groups, their health and welfare constantly suffers and children are unable to access education.

In July 2011 Habitat for Humanity Great Britain launched a five year project in Brazil which aims to reduce urban poverty for women and vulnerable groups in Recife, Pernambuco. This will be achieved by increasing their access to secure land tenure and property rights as well as increasing accountability and transparency in land governance in the State of Pernambuco. One year in and a total of 1,700 families have received legal support ensuring their protection from evictions whilst going through the process of gaining secure land tenure and property rights. The end result is that legal property ownership is now recognised and included in the city plan.



AFFORDABLE HOUSING FINANCE

One of the key missing elements to decent housing for many of the world's poor is the access to affordable finance. Mortgage lending, when it exists, is usually only available to people who are well off already, making it impossible for low or very low-income families to make the necessary changes to their homes and break the poverty cycle. Habitat for Humanity is working with existing microfinance organisations to develop specific housing microfinance products and to provide technical expertise when necessary. With access to this support, families are able to build incrementally to quality standards that are resilient to natural disaster.

With help from Embrace the Middle East, Habitat for Humanity has worked in rural Minya, Egypt. The project was aimed at improving the living conditions and health of those affected by the revolution in 2011. By staging housing interventions, a total of 361 families have been able to transform their homes. Due to this success, the project has secured funding for a further year with the potential to increase to three years, meaning that many more families can escape housing poverty.



HEALTHY HOMES – WATER AND SANITATION

With around 1.1 billion people in the world lacking access to improved water supply sources and 2.4 billion with no access to any type of improved sanitation facilities, Habitat for Humanity has been working on a project to support the Government in Vietnam in improving their health and wellbeing standards.

The project was aimed at building the capacity of local communities and government

authorities to understand and be educated on water, sanitation and housing issues. By the end of this project in June 2012 a total of 11 Water and Sanitation Committees in 4 districts have been established to create community involvement in decision making, provide local knowledge in water and sanitation technology (such as bio sand filtration and water testing) and encourage demand for access to clean water, toilets and official land ownership.

PROGRAMME OVERVIEW

EMPTY HOMES

Along with the construction of new build projects, Habitat for Humanity is further developing its programme to repair and refurbish empty and disused properties, bringing them back into use for people with housing needs. Working closely with private homeowners, landlords and local authority empty homes officers to source and refurbish properties, Habitat for Humanity will lease properties for seven years which will then be managed by local housing associations.

With 30,000 homes in London standing empty for six months or more, Habitat for Humanity has been awarded a £566,000 grant for the empty homes programme from the Department of Communities & Local Government. The grant will be used to provide 35 affordable homes in the London area over the next three years. Our first project is in Dagenham which will house three families and is due for completion by the end of the year.



THE MILLER ROAD PROJECT

2012 saw the successful completion of the innovative Miller Road affordable housing project in Banbury which provided work and construction related training for 20 socially disadvantaged young people. Habitat for Humanity piloted a structured programme supporting trainee volunteers towards a recognised qualification (NOCN level 1) in

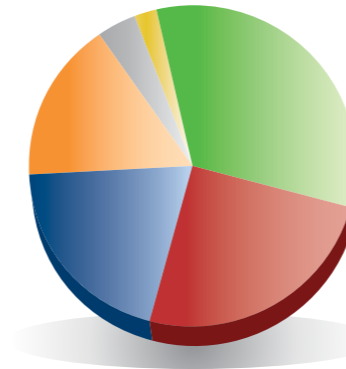
partnership with Cherwell District Council, Oxford & Cherwell Valley College, Connexions and Sanctuary Housing Group.

As well as gaining a formal qualification the trainee volunteer team also received additional help from a life coach which provided them with the basic skills needed to acquire and keep a job.

This included interview techniques, time-keeping, and simply learning how to work with others as a team. The practical hands on scheme was a great success with over 80% of the volunteers moving onto apprenticeships, further education or paid employment, bucking the national trend of high youth unemployment.

FINANCIAL ACTIVITIES

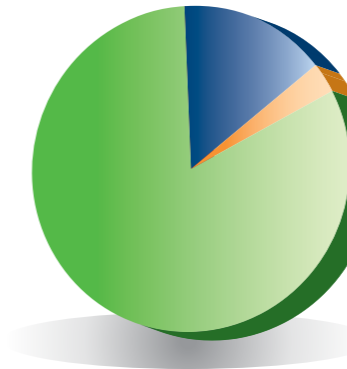
WHAT YOU GAVE



Income by source 2011-12

- 33% – Foundations, Institutions and Organisations
- 25% – Volunteer Programmes
- 20% – Individuals, churches and civic group donations
- 16% – Corporate donations
- 4% – Other income
- 2% – HFHI funding

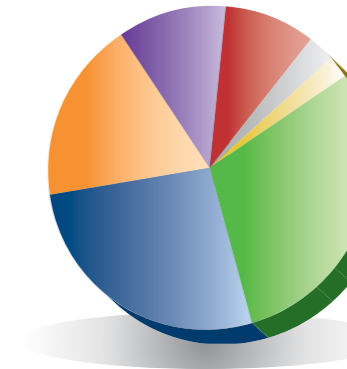
HOW WE SPENT THE MONEY



Expenditure Ratios 2011-12

- 82% – Charitable activities
- 15% – Cost of generating funds
- 3% – Governance

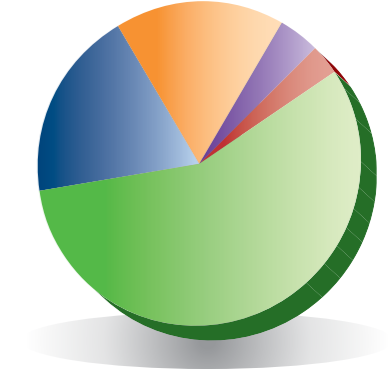
WHAT WE SPENT THE MONEY ON



Grants Programme 2011-12

- 30% – Housing for hard pressed families (incl. Housing finance)
- 27% – Housing for orphans & vulnerable groups
- 18% – Disaster response / reconstruction
- 11% – Land rights security
- 9% – Water, sanitation and hygiene promotion
- 3% – Domestic programme
- 2% – Building disaster resilience

WHERE WE SENT THE MONEY BY REGION



Grants by region 2011-12

- 57% – Asia Pacific
- 19% – Africa & Middle East
- 17% – Latin America & Caribbean
- 4% – Europe & Central Asia
- 3% – United Kingdom

Figures of the HFHGB (Domestic Operations) are consolidated into the financial statements but do not form part of the above charts.

FINANCIAL ACTIVITIES

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 01295 264240.

The auditor has issued an unqualified report on the full financial statements and on the consistency of the Directors' Report with those annual financial statements. Their report on the full financial statements contained no statement under sections 498(2) and 498(3) of the Companies Act 2006.

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

The financial statements were approved by the Directors on 1st November 2012.
S A Baseley – Director and Chairman
D G Berry – Director and Treasurer

Financial Statements for the year ended 30 June 2012.

Registration Number 3012626
Charity Registration Number 1043641

Our full audited accounts can be downloaded via our website or from the Charity Commission.

STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2012	Total 2011
	£	£	£	£
Income				
Incoming resources				
Incoming resources from generated funds				
Voluntary income:				
- Grants and donations	1,475,445	1,685,754	3,161,199	2,714,945
- Value of net assets acquired in HFHGB (Domestic Operations)	1,457,655	7,760	1,465,415	-
Total Voluntary income	2,933,100	1,693,514	4,626,614	2,714,945
Investment income	7,376	-	7,376	9,979
Total incoming resources	2,940,476	1,693,514	4,633,990	2,724,924
<i>Income from HFHGB activities</i>	<i>1,482,821</i>	<i>1,685,754</i>	<i>3,168,575</i>	<i>2,724,924</i>
<i>Value of assets acquired on consolidation</i>	<i>1,457,655</i>	<i>7,760</i>	<i>1,465,415</i>	<i>-</i>
<i>Total incoming resources</i>	<i>2,940,476</i>	<i>1,693,514</i>	<i>4,633,990</i>	<i>2,724,924</i>
Expenditure				
Resources expended				
Costs of generating funds:				
Costs of generating voluntary income	427,105	65,202	492,307	541,358
Charitable activities	1,140,828	1,580,722	2,721,550	2,637,801
Governance costs	90,792	-	90,792	89,216
Total resources expended	1,658,725	1,645,924	3,304,649	3,268,375
Net incoming/(outgoing) resources before transfers	1,281,751	47,590	1,329,341	(543,451)
<i>Net outgoing resources from HFHGB activities</i>	<i>(175,904)</i>	<i>39,830</i>	<i>(136,074)</i>	<i>(543,451)</i>
<i>Value of assets acquired on consolidation</i>	<i>1,457,655</i>	<i>7,760</i>	<i>1,465,415</i>	<i>-</i>
<i>Net incoming/(outgoing) resources before transfers</i>	<i>1,281,751</i>	<i>47,590</i>	<i>1,329,341</i>	<i>(543,451)</i>
Transfers	236,719	(236,719)	-	-
Net income and expenditure and movement in funds	1,518,470	(189,129)	1,329,341	(543,451)
Total funds brought forward at 1 July 2011	(18,754)	1,417,721	1,398,967	1,942,418
Total funds carried forward at 30 June 2012	1,499,716	1,228,592	2,728,308	1,398,967

BALANCE SHEET

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Fixed assets				
Tangible assets for use by the charity	59,593	37,662	23,967	37,662
Investments	-	-	-	-
Programme Related Investments	638,448	-	-	-
	698,041	37,662	23,967	37,662
Current assets				
Debtors	370,355	220,220	265,240	220,220
Cash at bank and in hand	1,817,614	1,262,176	1,083,960	1,262,176
	2,187,969	1,482,396	1,349,200	1,482,396
Creditors – amounts falling due within one year	157,702	121,091	110,274	121,091
Net current assets	2,030,267	1,361,305	1,238,926	1,361,305
Net Assets	2,728,308	1,398,967	1,262,893	1,398,967
Funds				
Unrestricted funds	1,499,716	(18,754)	42,061	(18,754)
Restricted funds	1,228,592	1,417,721	1,220,832	1,417,721
	2,728,308	1,398,967	1,262,893	1,398,967

AUDITOR STATEMENT

Independent Auditors Report to the Members of Habitat for Humanity Great Britain

We have examined the summary financial statement of Habitat for Humanity Great Britain for the year ended 30 June 2012 which comprises the Consolidated Statement of Financial Activities and Balance Sheets.

This report is made solely to the company's members, as a body, in accordance with Section 427 of the Companies Act 2006 and the regulations made thereunder. Our 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'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 company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Review 2011-2012 in accordance with United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Annual Review 2011-2012 with the full annual financial statements and its compliance with the relevant requirements of Section 427 of the Companies

Act 2006 and the regulations made thereunder.

We also read the other information contained in the Annual Review 2011-2012 and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

We conducted our work in accordance with Bulletin 2008/3 'The Auditors' Statement on the Summary Financial Statement in the United Kingdom' issued by the Auditing Practices Board. Our report on the company's full annual financial statements describes the basis of our audit opinion on those financial statements and the Directors' Annual Report.

ROYAL PATRON

H.R.H. The Duke of Gloucester KG GCVO

BOARD OF DIRECTORS

Stewart Baseley, Chairman

Susan Revell, Deputy Chairman

Duncan Berry, Treasurer

David Stapleton, Company Secretary & Co-founder of HFHGB

Adrienne Carr, Director (Chair, HFHGB Domestic Operations)

Don Haszczy, Director (Vice President, HFHI Europe & Central Asia)

Stephen Howard, Director

Leonard Johnson, Director

Rev. Dr Shannon Ledbetter, Director (Chair, Liverpool HFH)

Gary von Lehmden, Director

Rebecca Martin, Director

Larry Sullivan, Director

Rev Simon Thomas, Director

Ian Whitehead, Director & Co-founder of HFHGB

BOARD OF PATRONS

Professor Graham Ashworth, CBE, DL

Mr. Alistair Burt MP

Mr. Simon Hughes MP

Mr Michael Kirkwood CMG

Sir Jonathan Sacks - Chief Rabbi

Mr. Terry Waite CBE

The trustees of the charity are the directors and new trustees are selected by internal nomination. The trustees hold responsibility for the recruitment, selection and induction of new Board members, ensuring a diverse board in respect of age, race, gender, skills and experience.

Opinion

In our opinion the summary financial statement is consistent with the full annual financial statements of Habitat for Humanity Great Britain for the year ended 30 June 2012 and complies with the applicable requirements of Section 427 of the Companies Act 2006 and, and regulations made thereunder.

We have not considered the effects of any events between the date on which we signed our report on the full financial statements 1 November 2012 and the date of this statement.

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Habitat for Humanity is building a world where everybody has a safe, decent place to live.

Our vision is a world where nobody needs to live in rundown, dangerous and dirty housing.

We work alongside communities, families, individuals and partners and have to-date helped over 2.5 million people to regain their lives through a permanent and secure home.

Home is the most important place in the world.

Home=Life.



Habitat for Humanity

46 West Bar Street, Banbury, OX16 9RZ

Tel: 01295 264 240 Fax: 01295 264 230

E-mail: supporterservices@habitatforhumanity.org.uk

www.habitatforhumanity.org.uk

Company limited by guarantee registration number 3012626
Charity registration number 1043641



Members of the Fundraising Standards Board
www.frsb.org.uk

