



Annual Review 2009-2010



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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:

- 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 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

The recent economic downturn, global financial crisis, and the rising cost of living all seem to generate uncertainty in the future. Add to that the apparent increasing frequency and intensity of natural disaster and we are left with a potent and worrying mix. The potential for the housing crisis to become personal sometimes seems to be closer. So maybe the affordability and access to housing is perhaps more of an issue for us all. There's nowhere where this is truer than at Habitat for Humanity. Housing as a key to income generation – livelihoods – health – security – are intricately connected. At Habitat for Humanity we want to see a world where everyone has a safe, decent place to live. Why? Put quite simply, because home is the most important place in the world.

Home is far more than a place of shelter. Not just a place to keep us warm, not just a protection from the wind and rain. Our homes reflect the very essence of who we are and how we define ourselves. They can create or deny opportunity, where we put down roots and form memories.

They are where we enjoy happy times and suffer sadness. The home is the very foundation of life; the place from which we all fulfil our potential.

Safe, decent homes are key to development, but they are also key to recovery and to life itself. When disaster strikes, as it did in Haiti, building back homes is a vital step in the reconstruction of lives. The earthquake devastated the lives of hundreds of thousands of Haitians and made a huge impact in our media. The newspapers were full of tent cities and rubble-strewn streets. Getting stuck in rebuilding a decent home is a turning point for many families on the road to long-term recovery. Yet so often today's emergency shelter becomes tomorrow's slum. This year we made a commitment to do our best within the resources we had available to prevent this happening in Haiti, and so we worked to create a variety of pathways to permanent housing. To achieve this we began to foster an unprecedented level of collaboration with other non governmental organisations and local communities.



All around the world we have been working to make decent homes a reality. Thousands of miles from Haiti, in Macedonia we have been helping families to access decent water supplies so that home is safe from water-borne diseases. In Sub-Saharan Africa, and soon in Cambodia, we're helping orphans and vulnerable children to access the homes that protect them from further illness and homelessness.

Thanks to the support of donors, volunteers and partnerships with other organisations we were able to serve 74,960 families last year with a safe, decent home. This is a real cause for celebration.

Whatever life throws at us, the home ought to be the place where we are safe from all kinds of harm. Together with our homepartners, local communities, partner organisations, volunteers and supporters we are building a world where home is the place it ought to be.

Ian Walkden

Programme overview

Global Village – Volunteering with us

Between July 2009 and June 2010 more than 400 individuals, from churches, corporate partners, community groups, families and friends took up the challenge of building in partnership with Habitat for Humanity. Teams of volunteers took part in Global village challenges in locations from Argentina and Armenia to Zambia. The volunteers helped to mix cement, lay bricks, tile roofs and paint walls alongside the homeowners who will eventually live in the homes that they helped to build.

“As a team leader my challenge was to tell our volunteers that they’re there, not because the locals can’t do the building job, but to encourage and participate. We wanted to give encouragement, not create dependence.”

Volunteer to Ghana.





Healthy homes, water and sanitation

There are many needs and problems associated with poverty housing. A home without access to sanitation and water is just as significant a danger to health and community recovery as a house with crumbling walls or an insect-infested roof. Many of Habitat for Humanity's projects include an element of water and sanitation.

In the Former Yugoslav Republic of Macedonia nearly a quarter of rural communities have no access to clean water. Residents draw water from wells located dangerously close to septic tanks or hazardous factories, and many homes lack proper toilet and washing facilities. Habitat for Humanity Macedonia's water and sanitation project in partnership with the microfinance institution Mozhnosti served 142 families, connecting homes to potable running water and sanitation pipelines.

Disaster reconstruction – Building back better

Habitat for Humanity helps to support the victims of disaster around the world. As a global movement, Habitat for Humanity is committed to ending poverty housing and homelessness, and this includes those affected by natural disasters. Habitat for Humanity's role is to provide dedicated, long-term assistance and to help people rebuild once immediate aid has been provided. Our crucial work is ensuring that temporary shelters do not become tomorrow's slums.

When massive earthquakes struck Haiti and Chile at the beginning of 2010, Habitat for Humanity quickly made a commitment to help the people to rebuild, and to rebuild better. The phased strategy included transitional shelter kits which provided immediate protection, but which could be converted into a safe, decent, permanent home. Our commitment to building back better, according to international building standards, is vital in reducing the vulnerability of people living in disaster prone areas.



Habitat for Humanity transitional shelters in Haiti

Programme overview: Come closer

Microfinance

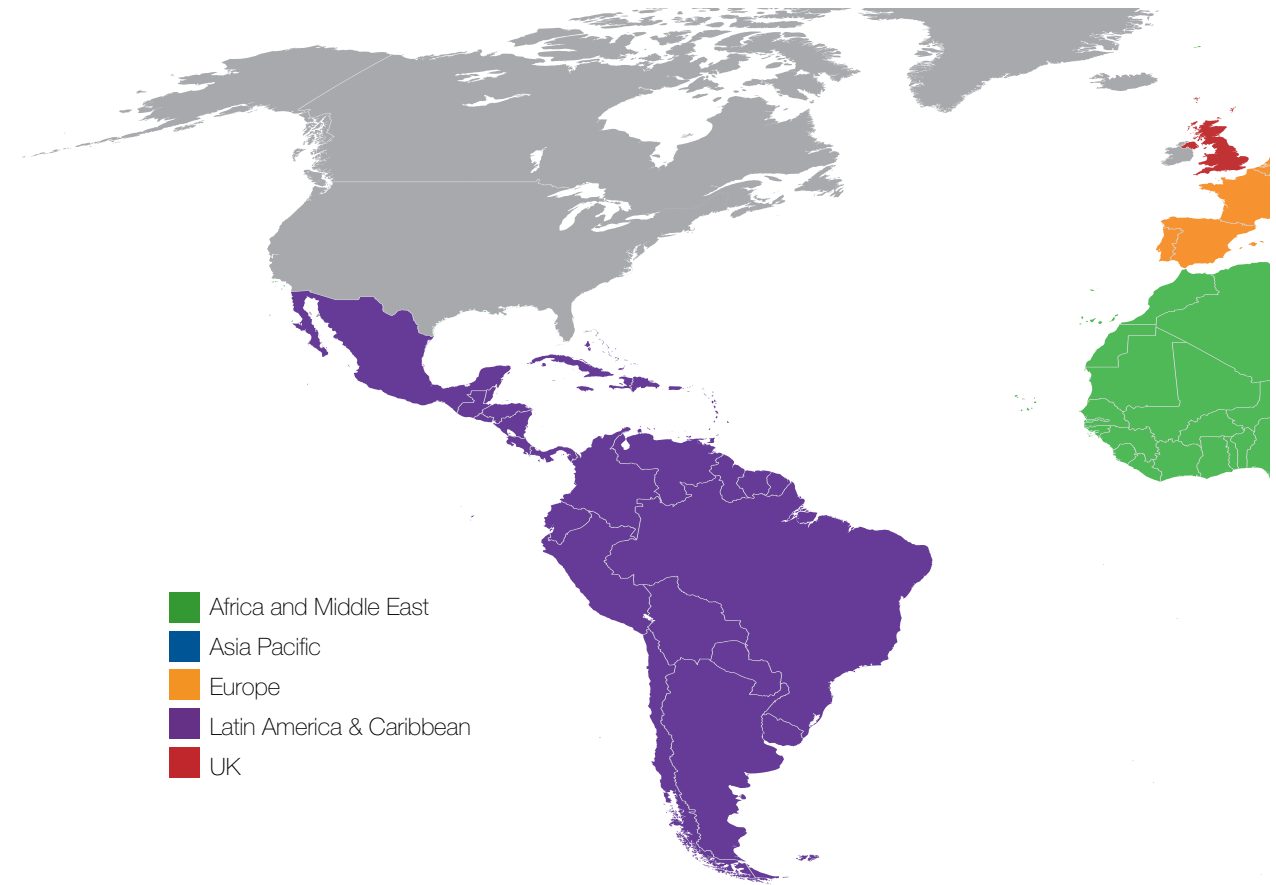
Drought, economic hardship and rural unemployment in Senegal are driving a widespread migration to the capital city of Dakar. As is often the case, many families are able to access land, but lack the funds to complete the houses they begin. This leaves the families living in dangerous, unsanitary, half-completed houses.

Habitat for Humanity provides small loans repayable over a short period of time to allow the families to complete their homes. Beneficiaries use these loans to meet whatever need is their greatest priority. This could be finishing the roof; plastering walls; installing doors, windows and mosquito screens; building latrines or adding rooms. Many similar microfinance programmes are running in countries around the world, allowing Habitat for Humanity to help even more families to access safe, decent living conditions. The project in Senegal has helped over 200 families to transform their lives.

Land tenure and property rights

A fundamental issue facing many vulnerable people across the developing world, especially women, is the right to legally own a property. Without legal ownership people can be forcibly evicted, abused, subjected to property grabbing, ostracised and made homeless.

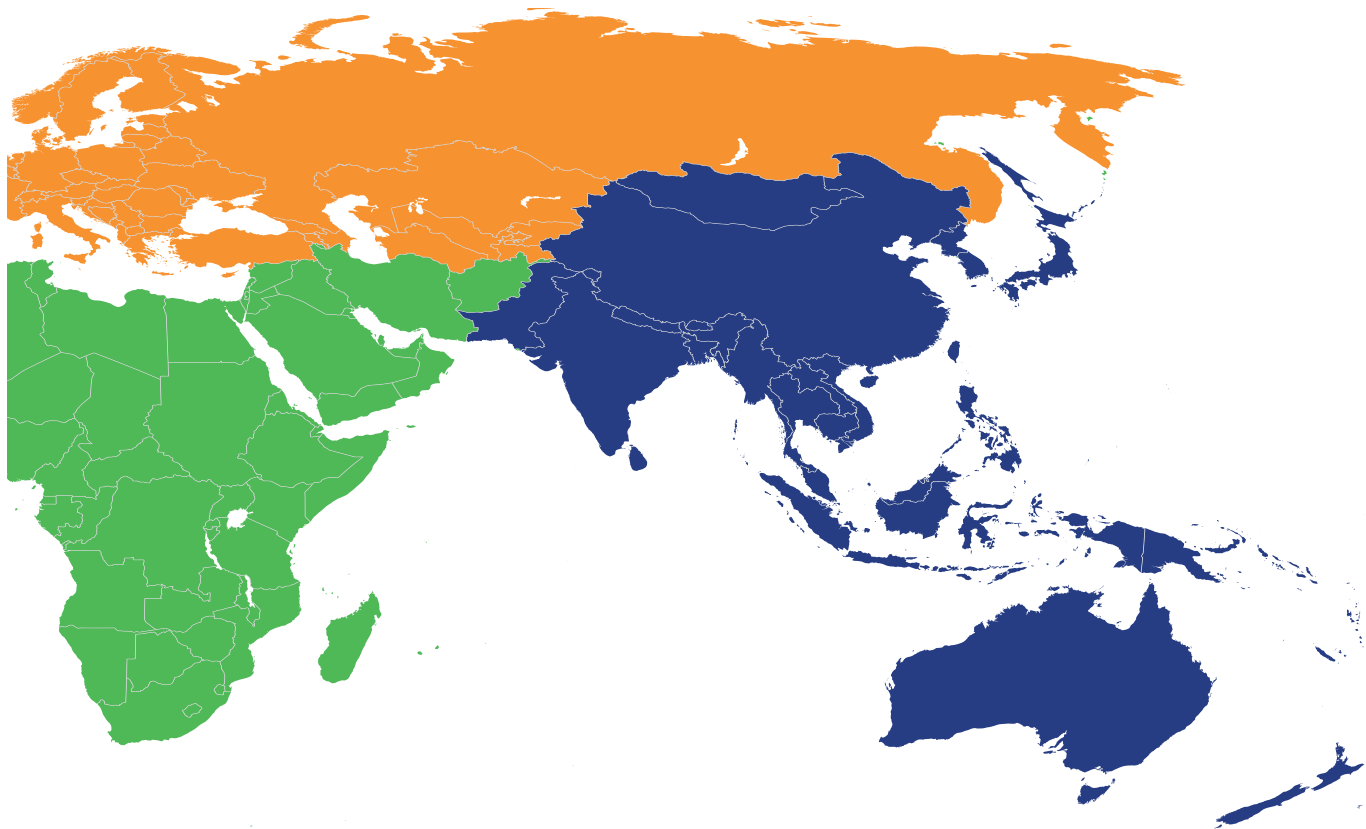
Our projects with orphans and vulnerable children make provision for securing the future of the children in their homes by providing training in inheritance planning. And to protect women's right to own properties, Habitat for Humanity in many countries insists that women are co-signees on mortgage loans. These interventions mean that some of the most vulnerable people can keep the security of their own home.



Sheltering orphans and vulnerable children

Towards the end of 2009 – 2010 Habitat for Humanity successfully expanded the programme serving children who are orphaned or made vulnerable by the HIV/AIDS pandemic.

Habitat for Humanity GB helped Habitat for Humanity Cambodia to secure a partnership with the Elton John AIDS Foundation that will see 320 families comprising orphans and vulnerable children provided with safe, decent homes over the next two years. This will allow Habitat for Humanity Cambodia to take its activities to a new level, adding another dimension to the fight against poverty housing.



Local technology

In projects all around the world, Habitat for Humanity seeks to take existing local technology and techniques and enhance them for greater sustainability, durability and efficiency. Habitat for Humanity is working in Ethiopia to improve the kitchens of partner families by providing energy-saving stoves. The traditional way of making fires inside homes to cook can expose the family to harmful smoke inhalation and causes the family to spend precious income on fire wood. Habitat for Humanity's energy-saving stoves, made from sand, cement and fine gravel, are produced locally with simple but appropriate technology and use only half the amount of wood of a traditional fire. This makes a huge difference to the family's wellbeing and economic stability.



At home

Our programme in the UK in 2009 – 2010 was based in two locations, Southwark and Liverpool, and featured four key poverty housing interventions: renovating empty homes; affordable social or rental housing; refurbishing emergency or homeless shelters; and construction training for people not currently in education, employment or formal training schemes.

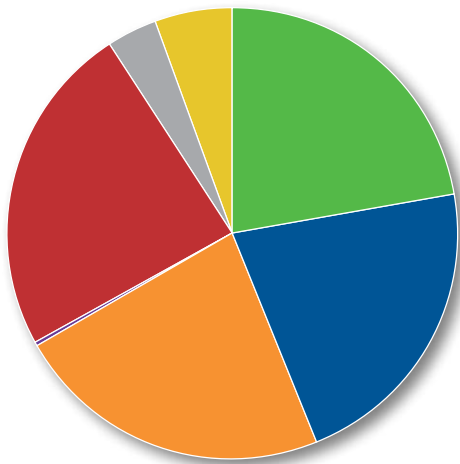
Habitat for Humanity worked with Solace Women's Aid in London to renovate several of their hostels across the city. Solace provides temporary residential accommodation to women and families fleeing domestic violence. With the help of a donation by GE Capital, Habitat for Humanity replaced kitchens and bathrooms at one of Solace's refuges.

At the end of 2009 – 2010 forty students graduated from Habitat for Humanity's unique training course in Liverpool, earning industry-recognised certificates and having learned skills that enable them to pursue employment in the construction sector.

In 2010 – 2011 we will see the development of a key project in on Miller Road in Banbury, Oxfordshire.

Financial activities

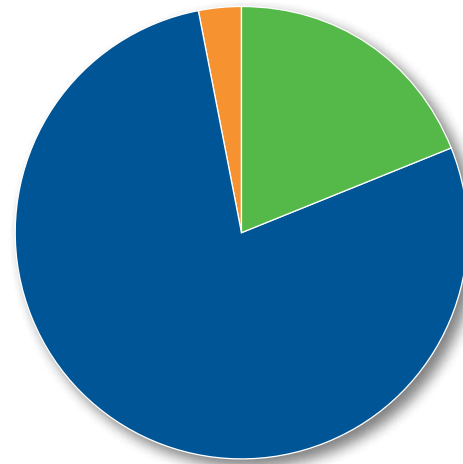
What you gave



Income by source 2009-10

- Individuals, churches and civic group donations 22.4%
- Corporate donations 21.6%
- Foundations, Institutions and Organisations 22.9%
- Legacy income 0.3%
- Volunteer Programmes 23.7%
- HFHI funding 3.6%
- Other income 5.5%

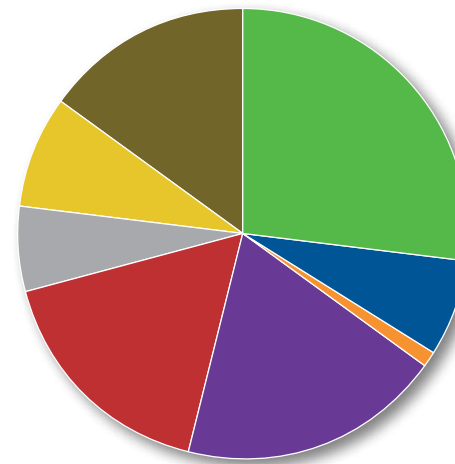
How we spent the money



Expenditure Ratios 2009-10

- Cost of generating funds 19%
- Charitable activities 78%
- Governance 3%

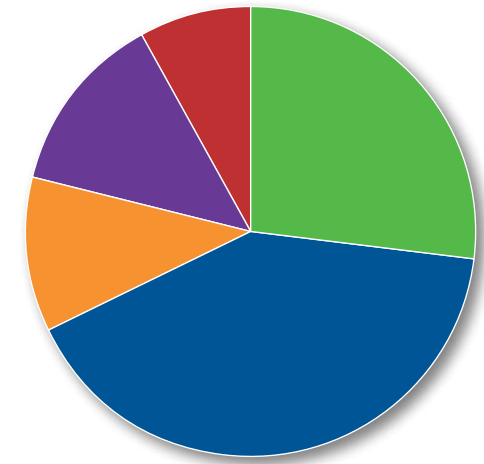
What we spent the money on



Grants Programme 2009-10

- International affordable housing 27%
- HIV, orphans & vulnerable children 7%
- Housing Micro Finance 1%
- Financial Literacy 19%
- Water & Sanitation 17%
- Capacity Development 6%
- Domestic programme 8%
- Disaster reconstruction & regeneration 15%

Where we sent the money by region



Grants by region 2009-10

- Africa and Middle East 27%
- Asia Pacific 41%
- Europe & Central Asia 11%
- Latin America & Caribbean 13%
- UK 8%

Statement of financial activities

	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
<u>Incoming Resources</u>				
Incoming Resources from Generated Funds				
Voluntary Income	1,187,719	2,006,684	3,194,403	2,961,833
Investment Income	<u>11,663</u>	<u>—</u>	<u>11,663</u>	<u>47,576</u>
Total Incoming Resources	1,199,382	2,006,684	3,206,066	3,009,409
<u>Resources Expended</u>				
Costs of Generating Funds:				
Costs of generating voluntary income	548,751	—	548,751	797,242
Charitable Activities	460,736	1,747,915	2,208,651	2,820,613
Governance Costs	<u>87,934</u>	<u>—</u>	<u>87,934</u>	<u>95,840</u>
Total Resources Expended	1,097,421	1,747,915	2,845,336	3,713,695
Net Incoming/(Outgoing) Resources before Transfers	101,961	258,769	360,730	(704,286)
Transfers	<u>(61)</u>	<u>61</u>	<u>—</u>	<u>—</u>
Net Income and Expenditure and Movement in Funds	101,900	258,830	360,730	(704,286)
Total Funds Brought Forward at 1 July 2009	240,369	1,341,319	1,581,688	2,285,974
Total Funds Carried Forward at 30 June 2010	<u>342,269</u>	<u>1,600,149</u>	<u>1,942,418</u>	<u>1,581,688</u>

Balance sheet

	2010 £	2009 £
Fixed Assets		
Tangible assets for use by the charity	31,987	48,354
Current Assets		
Debtors	225,041	204,771
Cash at bank and in hand	<u>2,122,064</u>	<u>1,986,916</u>
	2,347,105	2,191,687
Creditors - Amounts falling due within one year	<u>436,674</u>	<u>428,720</u>
Net Current Assets	1,910,431	1,762,967
Creditors - Amounts falling due in more than one year	<u>(—)</u>	<u>(229,633)</u>
Net Assets	<u>1,942,418</u>	<u>1,581,688</u>
Funds		
Unrestricted Funds	342,269	240,369
Restricted Funds	<u>1,600,149</u>	<u>1,341,319</u>
	<u>1,942,418</u>	<u>1,581,688</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 08 November 2010. M J Kirkwood – Director and Chairman I K Whitehead – Director and Treasurer

Financial Statements for the year ended 30 June 2010.

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 2010 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 2009 – 2010 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 2009 – 2010 with the full annual accounts and the directors' report. We also read the other information contained in the Annual Review 2009 – 2010 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 2010.

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

April 2011

Chairman's statement

The financial year ending 30th June 2010 has evidenced a credible but challenging year for Habitat for Humanity in Great Britain. Some essential long-term development decisions have been made, and we remain determined to execute on those. Our 5 year plan is aimed at increasing both restricted and unrestricted funds. In 5 years we want to be raising over £5 million annually and some level of investment is required to achieve that. Our charity cost ratios in the period were 19% for direct fundraising expenses, 78% on charitable expenditure and 3% for governance costs. These figures reflect, on the one hand, reduced income owing to a decline in the volunteer programme, corporate income and transfers to projects, and on the other, the investment we are trying to maintain in fundraising and communications. As we build our capacity for the future, the ratios in 2010/11 and beyond are projected to improve.

As ever, the heart of our work is to enable local communities to implement projects which remove barriers to safe, decent housing and create access to permanent housing. We work

alongside local people where it matters most at the heart of communities to help them create and manage their own projects that deliver the mission. We then take all that we learn from one successful project and see if it can be replicated across the HFH network, either regionally or across continents. The result is a diverse range of solutions for a diverse range of housing need, towards achieving a world where everyone has a safe and decent place to call home.

In closing, we can be proud of what we have achieved together in these challenging times. The response to the devastation in Haiti particularly showed me the strength and loyalty of our donors. With this support, the enthusiastic commitment of our volunteers, the dedication of our staff team, the passion of our local leadership and the generously wise counsel of the board, we are maturing as a significant specialist organisation in housing, shelter and human settlement.

Michael J. Kirkwood, CMG



Patrons

H.R.H. The Duke of Gloucester KG GCVO
 Professor Graham Ashworth CBE
 Alistair Burt MP
 Simon Hughes MP
 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 CMG Director, UKFI, Chairman Ondra Partners, Former Head of Citi, (UK-Corporate banking) Deputy Chair PWC Advisory Board

Vice Chairman

Stephen Howard CEO, Business in the Community

Company Secretary

David Stapleton Co-Founder HFHGB

Directors

Stewart Baseley	Executive Chairman and CEO, Home Builders Federation
Don Haszczy	Vice President, HFHI Europe/Central Asia
Leonard Johnson	Self employed
Rebecca Liddle	Self employed
Rev Simon Thomas	Christian Education and Training Consultant
Stewart Wallis OBE	CEO, The New Economics Foundation
Ian Whitehead	Co-founder, HFHGB. CFO St Dunstan's charity.
Susan Revell	Head of Legal & Compliance, Morgan Stanley
Gary von Lehmden	Managing Director, EMEA Head Global Capital and Network Management Group, Citigroup
Adrienne Carr	Chair, Southwark Habitat for Humanity
Rev. Dr Shannon Ledbetter	Chair, Liverpool Habitat for Humanity
Larry Sullivan	Chairman, COINS Global
Duncan Berry	CEO, GE Money Home Lending

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.

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 building, repairing or renovating safe and decent places to live and campaigning for change in the housing system in favour of the vulnerable.

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.



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www.habitatforhumanity.org.uk

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

Company Limited By Guarantee Registration Number: 3012626
Charity Registration Number: 1043641



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

