

MAKING A DIFFERENCE THROUGH SHELTER

Trustees' Annual Report and financial statements
for the year ended 30 June 2019



Habitat
for Humanity®
Great Britain

Side-by-side

TOGETHER, WE BUILD.

PARTNERSHIP

Unified

SUPPORT

Teamwork

AS ONE

United

Collaboration

We are Habitat for Humanity.

We believe everyone has the right to live in a decent home that will keep them safe, secure, and warm.

We stand with the most vulnerable to build decent and affordable houses that help give families and communities a pathway out of poverty.

Building a world where everyone has a safe place to call home will take all of us. By working together, we can all play a part and we can all make a difference.



We put belief into action:

with courage, passion, and drive,
we find practical solutions.



We believe in accountability:

we treat every partner with
transparency and honesty.



We believe in self-reliance:

we place integrity and mutual respect
at the heart of everything we do.



We believe in collaboration:

we deliver on our mission through
partnership.



We believe in continuous improvement:

we focus on learning, sustainability, and innovation to
exceed expectations.

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**MESSAGE
FROM THE
CHAIR AND CEO**

Message from the Chair and CEO

OUR YEAR



Programmes supported in
10 COUNTRIES



People helped
72,750



277 volunteers to
14 countries



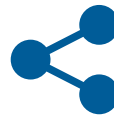
421 volunteers to
projects in Britain



469,228
visits to our website



215,000 views of our
You Tube channel



over
13,000
engagements with our digital content

Developing partnerships is how we can make a greater impact

Last year was a year of growth, building on what had been a challenging year, and ensuring that the exciting opportunities that opened to us were fully realised.

We're especially proud that we increased our impact, meaning over 70,000 individuals around the world benefited from our projects, many of them benefitting from the security that a new home provides.

But our work goes far beyond building homes, important though that is. Projects in Guatemala, Myanmar, Ethiopia, Cambodia, Cote d'Ivoire, Malawi, Philippines, Lebanon, Uganda and Great Britain saw us deliver a range of projects, from improving water and sanitation and providing access to housing micro-finance, through to

raising awareness of the issues related to poverty housing. On the fundraising front, we are grateful to our numerous partners for their support. In particular, our partnership with the Financial Times was a great success. Not only did their generous readers donate over £180,000, but the articles and videos they shared about our global programmes showcased Habitat for Humanity to millions of people around the world. We were also delighted to raise over £13,000 from a BBC Radio 4 Appeal slot, with one of our long-standing volunteers narrating our appeal.

The year also saw us address a number of challenges. We continued to work with Habitat for Humanity International to strengthen our safeguarding systems and policies, ensuring that the people who need our help most are

safe. However, while donations rose significantly during the year, we still face significant hurdles in our efforts to increase our unrestricted reserves and strengthen our long-term sustainability.

Indeed, looking forward, the fundraising landscape looks increasingly difficult, as long-held assumptions no longer hold true. For example, the demographic changes we are seeing mean that new charity supporters have very different expectations and requirements, and the rise of contracting and corporate funding all mean that we need to respond and take advantage of these changes.

As such, we have begun to develop a new strategy to take us up to 2025. The strategy review will look very closely at how we increase our impact, both internationally and in the UK, and ensure that we leverage much more effectively the talent and opportunities that exist across Habitat's global operations.

After all, as our theme of "partnership" for this year's annual report shows, it is only by developing deep and innovative partnerships, using the skills and talents of our staff and volunteers, that we will meet our goal of a decent home for everyone.

At the time of originally completing this report in March 2020, the coronavirus pandemic was taking hold around the world, forcing us to take stock of its impact on our operations in this report. As with many charities, the pandemic will unfortunately have a large impact on HFHGB.

Our volunteering programmes are currently suspended, and we are also seeing reductions in our income from corporate and institutional funding (we have more detailed financial information in the Fundraising Overview on Page 27). We are mitigating the financial impact of the virus as much as we can, but there is uncertainty around the length and severity of its impact on the charity.

Most importantly, due to lockdown and physical distancing policies that have been adopted globally, the virus is impacting the ability of our colleagues on the ground to deliver our programmes. Where we can, we are providing support to families and communities affected by the

coronavirus pandemic, and we are patiently waiting to re-start our projects again as soon as possible. Our thoughts and prayers are with the families and communities we serve around the world, our volunteers and our staff.



Ian Whitehead
Chair



Tum Kazunga
CEO





STRATEGIC REPORT

Strategic Report

ABOUT HFHGB – OUR OBJECTIVES, PURPOSE AND KEY ACTIVITIES

Habitat for Humanity Great Britain is a member of Habitat for Humanity International, a federated global housing charity that works in approximately 70 countries. Our vision is of a world where everyone has a decent place to live.

Our principal objective is to alleviate poverty by helping people who live in substandard housing access better living conditions. We believe that a home is so much more than just a roof and four walls. It also means providing a family with access to clean water and sanitation, or security of tenure, or even opportunities to grow a livelihood. When this is in place, a home gives a family dignity, comfort, and security, and a future they can shape for themselves. It gives children a safe place where they can study and play. Home is more than just a place to live – it's central to all aspects of life.

The work carried out by Habitat for Humanity Great Britain is done so in accordance with the charity's purpose, for the public benefit with regard to the Charity Commission's public benefit guidance and in accordance with the general framework for trustee decision making.

Our key activities

In 2018/19, we spent £400,000 on raising funds and £2.4 million on four charitable activities. These are:



Disaster Risk Reduction and Response

we help communities prepare for, and recover from, disasters.



International Development

we help individuals, families, and communities find a pathway out of poverty.



Volunteering

we send volunteers overseas to help build houses alongside the families who will live there, and we also use volunteers locally to help us deliver our local projects.

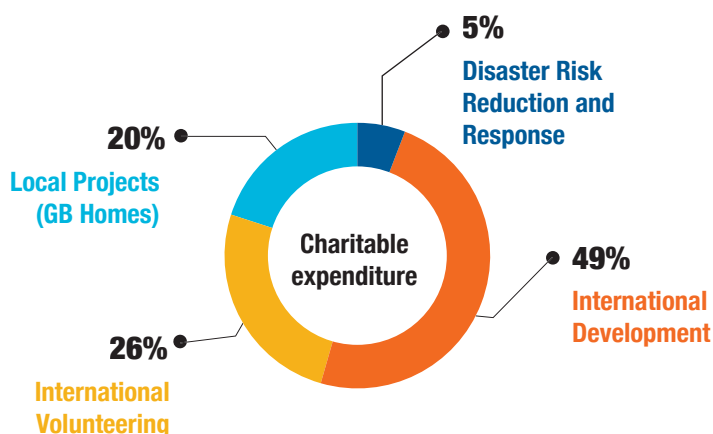
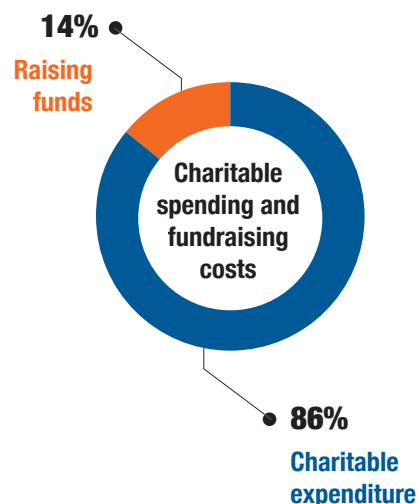


Local Projects and Volunteering

through our subsidiary Habitat for Humanity (GB) Homes, we build and refurbish accommodation for vulnerable groups.

What we spent our money on 2018/19

In 2018/19, 14% of our funds were spent on administration, governance, and fundraising, with 86% of our expenditure supporting our charitable activities.

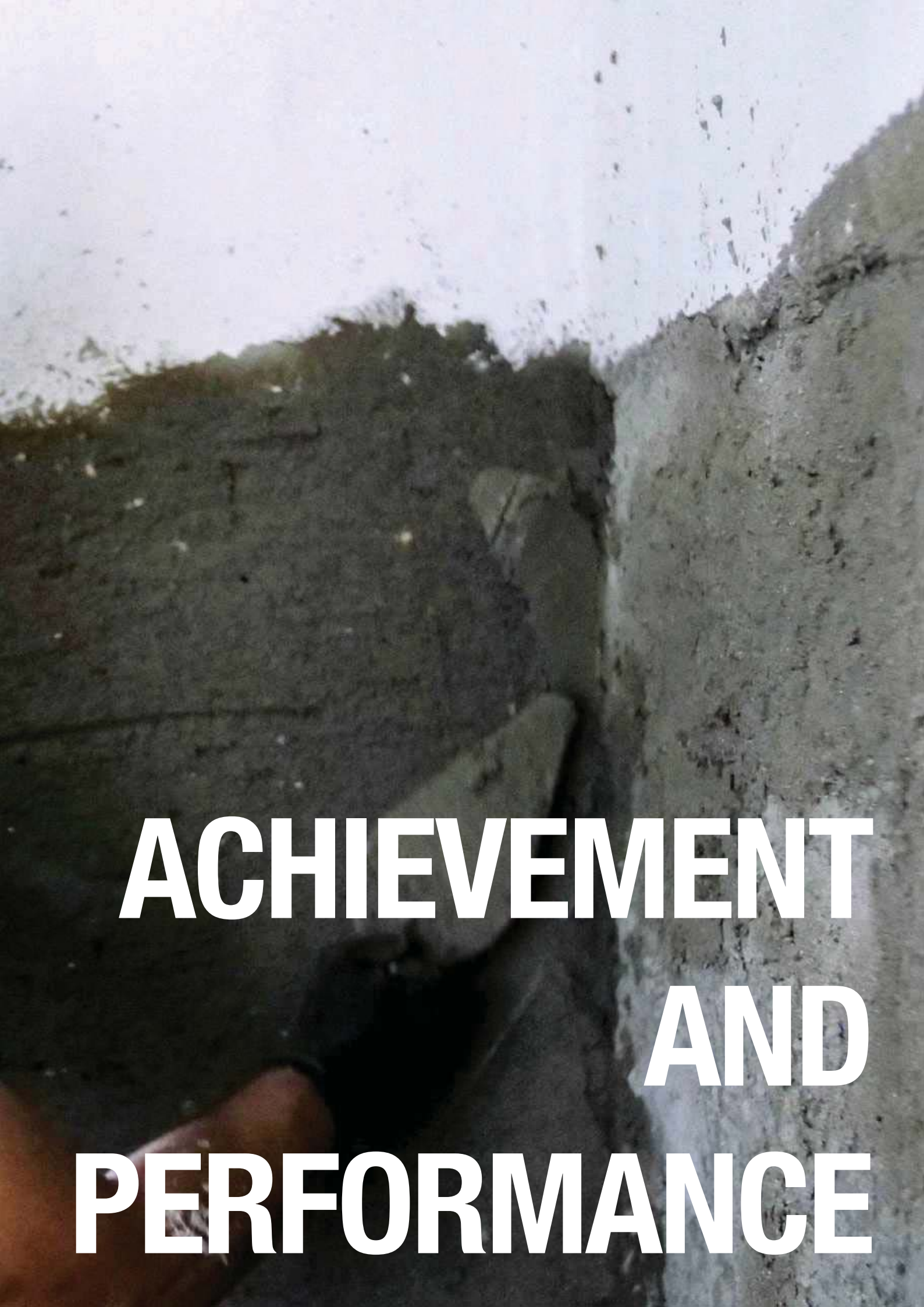




Our principal objective is to alleviate poverty by helping people who live in substandard housing access better living conditions.



Together,
we build



ACHIEVEMENT AND PERFORMANCE

ACHIEVEMENT AND PERFORMANCE

Goal 1 – Increase our unrestricted income

We want to increase unrestricted income up to £1.5m to support important and long-term programmes in the UK and overseas.

Unrestricted funds are down by 14% to £1.53m from 1.79m in 2018/19.

Goal 2 – Increase the scale and impact of our overseas programmes

We want to increase direct funding for overseas programmes to £3.3m to allow us to make a significant impact.

Restricted funds are up by 59% to £1.21m from £763k in 2018/19.

Goal 3 – Increase the number of volunteers

We want to increase the number of volunteers travelling overseas to work on our projects to over 400.

International volunteer recruitment is up almost 50% on last year, to 277 volunteers. We also welcomed almost 400 volunteers from a wide variety of corporate partners to assist community-based projects in Britain.

To help achieve our global vision, we are continuing to make good progress, particularly on the first and third goals. However, the second goal is particularly challenging and is unlikely to be achievable. Opportunities for increasing restricted funds are becoming more difficult, forcing us to rethink our strategy in the coming year.

Impact through partnership

An important component of our performance in financial year 2018-2019 (FY19) is down to successful collaboration with partners and generous donors, while developing closer relationships with Habitat's innovative global offices.

Many of our donors support our work on a regular basis or phase their gifts over several years. This helps us plan for our future, knowing we can match our lifechanging projects to the specific objectives of these trusts, partnerships, and other large donors.

Leaving no one behind

While we believe that everyone deserves a decent place to call home, a key focus for our work is helping the poorest and most vulnerable benefit from the impact that a home provides. Though many millions of people around the world can afford to make small investments toward a new home, we must never forget that equally millions of people don't even earn 50 pence per day, and it is those people that we should not forget, and not leave behind. Our projects supporting the most vulnerable are based on the Sustainable Development Goals (SDGs).

Our projects are all linked to the SDGs

What are the Sustainable Development Goals?

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

The 17 SDGs are integrated—that is, they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

How does housing contribute to the SDGs?

Existing research and extensive analysis of all 169 SDG targets and their indicators show that housing is a driver for achieving five of the Sustainable Development Goals and contributes to a further 11.

It also shows that housing and housing processes are contributors to the rest of the SDGs.

UN-HABITAT's definition for adequate housing includes water and sanitation; design, including adequate space and durable construction; and secure tenure. Adequate housing drives basic services and slum preservation and upgrading.

Ethiopia: Housing and health for vulnerable families in Addis Ababa



Cote d'Ivoire: Water and sanitation services in the Belier Region



Malawi: Sanitation in schools and help for vulnerable children



Cambodia: Constructing and renovating homes, and sanitation projects



Myanmar: Resilient home for vulnerable maritime communities



Philippines: Child focused community projects



Lebanon: Housing assistance for Syrian refugees



Guatemala: Disaster response project



Uganda: Scaling microfinance



Tackling sanitation issues in Malawi


Over 1 billion people globally do not have access to improved water supply sources and about **2 million people** die every year due to diarrheal diseases, most of them children less than 5 years of age.

We believe our Water and Sanitation programmes are essential to help turn a house into a healthy home and schools into healthy environments where children can begin to really thrive.

Funding from **The Jersey Overseas Aid (JOA)** is helping us to improve water and sanitation across schools in Malawi.

Liwiro Junior Primary school is among the 10 schools we are helping under the JOA project. The school was established in 2015 but with no toilets or hygiene facilities, the children were at serious risk of disease.

We began working with the school to build a toilet block and a borehole for water. Additionally, five teachers have been trained to advocate for school hygiene and sanitation.



Over the three-year partnership, our project with JOA in Malawi will help over 6,500 people.

'School sanitation has greatly improved. Our enrolment this year has increased, and we expect more pupils at the school. We are very grateful to Habitat for Humanity.'

Paul Valleta, Headteacher, Liwiro Junior Primary School.

'Today even the community surrounding my school rely on this borehole. This area is very hot and having a school without water was a great

problem. We are very happy and thankful to Habitat for Humanity.'

Village headman, Chindoko.

Today, Liwiro Junior Primary school boasts a good borehole, decent toilets, and improved sanitation.

This year **404 pupils** enrolled, with a further **50 children** due to join next year.



Helping Guatemala rebuild

On 3 June 2018, Guatemala's *Volcán de Fuego* erupted. With almost 200 lives lost, many still missing, and over 3,000 people evacuated, it was the most catastrophic eruption in Guatemala since the 1920s.

Displaced by the tragedy, Ana and her niece, Stephany (6), lived in several shelters until they found out about our Disaster Response programme funded through a partnership with generous Guatemalan donors who we approached for support. After an initial assessment to see how we could help, we began work on building their new home.

'I built together with the volunteers and donors. It was a really fun experience. I feel very happy and content now, at peace. In the future, I'm planning to have a garden with a fence. The house is cool and enjoyable – we can escape from the hot weather. Thank you all.'

By giving the communities the means to rebuild, we have been able to support, empower, and work with families in building recovery shelter and housing solutions.



Our long-term goal is to support disaster-affected families and communities in achieving permanent durable homes.



Addressing the housing need in Britain

Whilst many people associate our work with overseas projects, we also know that our skills and experience mean we can make a positive contribution in Great Britain too. With homelessness rising sharply across the country, we've embarked on a mission to renovate and refurbish empty houses, disused church buildings, and empty retail spaces into decent homes for vulnerable groups.

We have started our first pilot project with London Borough of Barking and Dagenham to bring under-utilised or empty space above retail premises into use as social housing. We see this partnership and mode of working as

being repeatable across many sites and locations where public bodies own underused space and need residential accommodation to fulfil their statutory obligations.



Cities and towns across the UK contain empty and under-utilised spaces that can be converted into affordable social housing.

Partnering globally to change lives

Towards the end of our financial year, we were delighted to assist Habitat for Humanity Zambia with a successful grant application to Comic Relief. The grant will provide Habitat for Humanity Zambia with funds of over **£750,000** focusing on projects to secure land and safe homes in Makulu, Kabwe.

The partnership will result in:

- Over 25,000 people educated about land and housing rights
- A further 1,500 training groups established with 15,000

members trained in advocacy and issues around land rights

- 6,000 people educated in financial resilience with increased access to saving schemes
- 30% of the whole of Makulu's population granted land occupancy certificates

Working with our international colleagues on projects such as this helps to drastically upscale their work, capacity, and impact.



By working together, sharing resources and knowledge, we can change the lives of more and more people struggling in housing poverty.





**FUNDRAISING,
VOLUNTEERING,
AND CAMPAIGNING**

FUNDRAISING OVERVIEW

Our income during 2018/19 was up 50% on 2017/18 to £2,409,101, an increase of £800,372. Following a difficult prior year in fundraising, we have been working hard on implementing plans to tackle the challenges and make the most of exciting opportunities for fundraising growth. At the start of the year, we set an ambitious target of £2.9 million and whilst our overall income fell short of this by over £0.2m, we are pleased with the substantial growth in income in a challenging fundraising landscape. We plan to build on this foundation.

We are very grateful for the support we have received this year from grant makers, trusts, foundations, international offices, corporate partners, volunteers and individual donors. This is helping us to strive towards a world where everyone has a decent place to call 'home'.

Corporates, trusts, and foundations

In our 2018/19 financial year, our projects across the world continued to be supported through existing partnerships and new support. These partnerships include:

- Jersey Overseas Aid (JOA) for a School WASH project in Malawi
- Sailors Society for a project in Myanmar to support vulnerable seafaring communities
- Stitching TCC Foundation for a Child Focused Community project in the Philippines
- TowerBrook Foundation for the Urban Slum Upgrade Project in Addis Ababa Ethiopia
- The COINS Foundation for the same Urban Slum Upgrade Project in Addis Ababa Ethiopia
- Embrace the Middle East for several projects in Lebanon
- Guernsey Overseas Aid Commission for WASH projects in Uganda and Côte d'Ivoire.

While the funding received from our partners was short of our target, the improved performance over the previous year was a result of improved scoping of funding opportunities and better collaboration with Habitat National Offices overseas.

Making an impact with the Financial Times

Every year the Financial Times partners with a selected charity for its seasonal appeal to increase awareness of a cause through dedicated editorial coverage and we were thrilled to be chosen as their charity for 2018.

The partnership enhanced our ability to highlight issues around housing poverty whilst recruiting new donors, raising our profile, and spreading the word about our work. We received donations from new supporters all across the world and also 'reactivated' some of our existing donors. In total 1,164 donations were made raising a commendable £185,000. We also received an additional £17,000 from staff at the Financial Times through their own fundraising activities.

Our corporate partner, the *Hilti Foundation* kindly agreed to match donations to the *Financial Times* appeal and our own Christmas appeal. Since 2012, the *Hilti Foundation* has helped us support more than 1,370,000 people around the world.

We are grateful to have been given such wonderful opportunities to raise funds and our profile. In the years ahead, we hope to secure more valuable partnerships such as these to continue working towards a world free from housing poverty.





FUNDRAISING OVERVIEW

Individuals

We continue to be hugely grateful to our individual supporters who remain committed to supporting our work through our appeals, regular giving, and legacies. With the introduction of General Data Protection Regulations (25 May 2018) we had to reassess how we communicate with our supporters. However, our remaining supporter base is engaged with our work and their fantastic support this year has meant our income is 70% higher than forecast, particularly boosted by our Christmas appeal which performed at over 143% of the original budget. Overall, Individual income is up by 14% to £412,000.

Legacy income is a growing proportion of our Individual income. We continue to receive a number of legacies from supporters and are humbled by the generosity of one supporter in particular who has bequeathed their entire house to us and we are currently awaiting the Grant of Probate. We aim to increase legacy income over the longer-term with the launch of new legacy marketing initiatives.

We were delighted to be selected for a BBC Radio 4 Appeal which was broadcast on 21 April 2019. The appeal highlighted our work helping Syrian refugees in camps in Lebanon and was read by our long-term supporter and volunteer Jan Eldred who has volunteered abroad 20 times! It raised a total of £13,200.





FUNDRAISING OVERVIEW

International volunteering

With a packed year of 17 builds in 10 counties, our volunteering programme saw 277 volunteers help build homes for families from Mexico to Romania, Zambia to Brazil. Our volunteers amassed an incredible 9,695 hours of work.

Total income for our volunteering programme was £618,000, a 77% increase on last year's income. The substantial growth was provided mainly by volunteers from a number of our corporate partners, who have demonstrated a high level of support to help us tackle housing poverty.

This year's partnership Build with *Miller Homes* – raised £64,500 and our partnership with *Aon* raised £94,000.

Campaigning

Our campaigning work in 2018/19 saw us continue our *Cities for All* campaign - a collaboration of 14 pan-European partners, funded by the European Union. Our goal is to raise awareness of issues related to our work such as land rights, gender equality, urbanisation and social inclusion.

Throughout the campaign we have published blog articles, posted on social media, emailed newsletters, and shared videos to highlight problems of extreme housing poverty; from land rights in Recife, Brazil to the plight of refugee women in Lebanon.

During the year, we also benefited from the opportunity to run a 30-second advert for free in cinemas nationwide thanks to Digital Cinema Media. The advert, which ran between 11th January and 7th March 2019, featured the story of Amira, a refugee from Syria who fled the conflict to Lebanon with her children where we've been upgrading homes in refugee camps. The advert was an excellent opportunity to spread the word about our work and was viewed an estimated 3.9 million times.

<https://www.habitatforhumanity.org.uk/amira>



Digital

Our online presence is pivotal in attracting new donors, building relationships with current supporters, and spreading the word about our work. Our website is an important channel to provide information about our work and our social media platforms play an important part in engaging with our donors. In FY19, our website received 469,000 visits, a 112% increase on the previous year.

We continue to build our relationships with individual supporters via our e-communications through regular email newsletters and appeals. We are constantly reviewing these e-communications to test and examine ways of increasing the open and click-through rate. Currently our e-newsletter has an average open rate of over 30%, compared to the industry average is 25%. We will continue to invest in wider digital activities with a focus on the user experience of prospective volunteers.

Habitat for Humanity Great Britain (Homes) income

HFHGB (Homes) had a deficit of £113,750 for the year, compared to a surplus of £97,279 in the previous year. The result for the year reflects specific challenges experienced in the year, in particular the delay in receiving rental income from the Quaker Meeting House, Tunbridge Wells. There were also delays in completing the East Street project due to unforeseen construction issues.

Impact of coronavirus

As we were about to file these accounts, the impact of the coronavirus on our income was unfortunately becoming clear, so we paused publication in order to share some of those preliminary impacts here. The crisis will have a negative effect on our global volunteering programme, leading to a 50% reduction of income in the current years (2019/20) budget, and we do not envisage any income from this income stream in the next financial year. Additionally, income from our corporate, foundation, and institutional partners has also been impacted, and we have adjusted our budgets accordingly, depending on the nature of contracts and stage of the fundraising process. This has led to reductions in our projected cash flow, leading trustees and management to consider a number of cost-saving and other measures, to mitigate impact.



FUTURE PLANS

In the coming financial year, we will continue to explore opportunities that enhance our sustainability and expand our impact. To do this, we will focus on five key areas.

New strategy

We will finalise our new strategy to take us to 2025. The heart of this strategy will focus on building collaborations and partnerships to enable us to triple our income and impact. The strategy will align closely with the new strategic direction being undertaken by Habitat for Humanity International, leveraging the opportunities provided by our global footprint and expertise.

Local projects

While our main objectives will be to support projects in Africa and Asia, we plan to expand our work in Great Britain. We will work to find partners who can help us scale up our model of social housing in London and further afield, such as in the North East and possibly Scotland.

Transformational partnerships

Having a greater impact on those who need our help most will require us to raise more funds. While we are looking to increase our number of partners, it is also important that we increase the amount of support that each of our institutional and corporate partners provide, alongside a focus on multi-year partnerships.

Volunteering

Our volunteering opportunities will help us raise awareness of our work and to develop new supporters and advocates. A key challenge is to expand our international volunteering programme when the reality is that numbers fluctuate each year. We will be looking at new initiatives and partners, such as universities and their students.

Legacy fundraising

Legacy fundraising continues to grow in importance. Following the completion of our Gift in Will strategy, over the coming year we will finalise our first legacy pack and roll out a campaign to our existing supporters. We will also revamp our legacy fundraising webpages to align with our new marketing strategy.









STRUCTURE AND GOVERNANCE

STRUCTURE AND GOVERNANCE

Our purpose

Our principal purpose is to alleviate poverty by helping people who live in substandard housing access decent, affordable homes. Across the world, one in five people live in sub-standard housing and our mission is to do everything we can to address this inequality. We believe that a home is so much more than just a roof and four walls. It gives a family dignity, comfort, security, and a future they can shape for themselves. It gives children a safe place where they can study and play. Home is more than just a place to live, it's central to all aspects of life. The work carried out by Habitat for Humanity GB is done so in accordance with the charity's purpose, for the public benefit with regard to the Charity Commission's public benefit guidance and in accordance with the general framework for trustee decision making.

Trustee recruitment

The trustees recruit new members to the Board in accordance with the needs of the charity. Nominations are voted on by the full Board. New members are provided with information on the organisation and with a personal briefing from the Chief Executive. All trustees are encouraged to join Global Village build trips to familiarise themselves with the overseas operational work of the global Habitat for Humanity network. There is currently no fixed term for trustees but this is under review by the Board. The day to day operation of Habitat for Humanity GB is delegated to the Chief Executive Officer, Tum Kazunga, who was appointed in March 2018, and the Senior Leadership Team. The organisation is a charitable company limited by guarantee, incorporated on the 18th of January 1995 and registered as a charity on 25th of January 1995. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in NOTE 7 to the accounts.

Related parties and relationships with other organisations

Habitat for Humanity GB (Homes) took on the role of managing and developing all domestic building projects in Great Britain in 2012. Habitat for Humanity GB (Homes) is a subsidiary of Habitat for Humanity GB. However, it remains a separate charity with its distinct set of charitable objectives. The consolidated Group financials present the combined income, expenditure and funds for both Habitat for Humanity GB and Habitat for Humanity GB (Homes) net of intra-group transactions. Habitat for Humanity GB is a member of the Habitat for Humanity International network which has its headquarters in Atlanta, Georgia, USA. Details of the related party transactions are disclosed in NOTE 17 to the accounts.

Management and employees

Habitat for Humanity GB is committed to developing a strong and loyal staff who are engaged in the work of the organisation. We hold monthly team meetings where all members of staff are encouraged to present an update on their progress. We ensure that staff have the opportunity for continued professional development by creating personal development plans and funding relevant training and learning opportunities. The Senior Leadership Team are responsible for the day to day management of the charity. They meet every two weeks and review the management accounts and cash flow analysis monthly.







FINANCIAL REVIEW

FINANCIAL REVIEW

Financial data in this section relates to the consolidated accounts of the Charity and Habitat for Humanity GB (Homes), unless otherwise indicated

Charitable Income	2019 Total £	2018 Total £
Income from:		
Donations and legacies	807,724	736,730
Charitable activities		
Disaster Risk Reduction and Response	-	109,305
International Development	1,063,842	470,635
International Volunteering	606,452	343,130
HFHGB (Homes)	262,150	636,403
Investments	173	3,200
Other Income	5,178	249,343
Total income	2,745,519	2,548,746

Total income for the group in 2018/19 rose by 8% to £2,745,519 (previous year: £2,548,746). While there was an increase of 50% income at the Charity as shown on page 65, there was a decrease of 64% at HFHGB (Homes), our local subsidiary. The major contributors to the increase in charitable income were international development which rose by 126% and international volunteering which rose by 77%.

Charitable Expenditure	2019 Total £	2018 Total £
Income from:		
Donations and legacies	400,468	419,367
Charitable activities		
Disaster Risk Reduction and Response	134,679	504,151
International Development	1,173,431	821,326
International Volunteering	623,014	425,791
HFHGB (Homes)	484,010	876,356
Total income	2,815,602	3,046,991

Charitable expenditure for the group in 2019/18 fell by 8% from £3,046,991 to £2,815,602. Expenditure on international development and international volunteering rose by 43% and 46% respectively. Expenditure on disaster risk reduction and response fell by 73% as limited funds were raised and UK programmes expenditure fell by 45%.

FINANCIAL REVIEW

Staff costs in 2019 for the Group were £875,349 (2018: £921,334). Excluding exceptional items related to staff changes, salaries and pensions increased by 10%.

Reserves Policy

Charity Free reserves are the charity's unrestricted funds that are freely available to spend on any of the charity's purposes. This figure is calculated as total unrestricted funds, excluding fixed assets and designated funds.

The trustees set the target level of reserves for 2019 as six months of the budget for operating costs, which approximately equates to £415,000. This level of reserves was determined based on consideration of the following:

- The Charity is operating in a constantly changing environment. In particular, the current economic and political environment carry risks which the trustees aim to manage appropriately
- In the unexpected event that the Charity ceases to operate as a going concern, a minimum of 3 months of operating costs would be required
- Habitat for Humanity International's Global Village Contingency Policy assesses the level of risk attached to our volunteer programme. It determines the amount of contingency required in case of civil unrest or natural disasters, or to cover events such as currency fluctuations. The trustees consider Habitat for Humanity GB's target reserves level as sufficient in this context
- New fundraising opportunities are developing, and the trustees would like to have the ability to invest in building capacity and resources to leverage these.

At the end of 2019, Habitat for Humanity GB's free reserves were £345,266 (2018: £580,976), a decrease of 41% on the previous year

This amount of reserves is below the level set by the trustee's and it is an important goal of management to build up the reserves back to 6 months of cover. The trustees monitor the level of reserves held on a quarterly basis as part of routine management reporting, which includes the unrestricted fund balance at the end of each quarter. Should the level of reserves fall or be expected to fall below that set in the policy the trustees, in consultation with the

management team, will agree a process for restoring them over time. The restricted fund balances at 30 June 2019 totalled £644,349 (2018: £540,780).

Grant making policy

We make payments to Habitat for Humanity GB (Homes) and to Habitat for Humanity International network members overseas in order to further our charitable activities. In respect of grants to overseas projects, to ensure transparency and proper use, the transfer authorisation process involves three parties: Habitat for Humanity GB, the HFH International area office for Europe, Middle East and Africa (EMEA) and the recipient HFH organisation. Partnership Agreements are established between Habitat for Humanity GB and any implementing partner for all major projects we fund, and the viability and standing of our partner organisations are reviewed during the agreement process and throughout the project cycle by means of our monitoring role. In addition to controls in place within the HFHI network, all grant payments are subject to internal financial controls and Habitat for Humanity GB transfer policies. This helps to ensure an appropriate level of management control is exerted over grants made from unrestricted and restricted funds.

Remuneration policy for key management personnel

Habitat for Humanity GB is acutely aware of the need to be accountable to our supporters and ensure our work is managed to the highest standards. We set competitive salaries which ensures we can attract and retain the best qualified staff who will make the most effective use of resources. We regularly review the ratio of funds spent on staff in the UK to funds spent on programmatic work to confirm that our approach is appropriate and effective. The Executive Committee of the board determines the remuneration package of the Chief Executive by consulting relevant experts and reviewing organisations of similar size. The Executive Committee works with the Chief Executive to review staff salaries and ensure amendments are appropriate for Habitat for Humanity GB salaries to remain competitive, determine pension arrangements and ensure that contractual terms on termination are fair to the individual and the charity. Further information on our salary payments can be found in

FINANCIAL REVIEW

Note 7. During the year, the following staff earned in excess of £60,000.

Year	2019	2018
£60,001 - £70,000		1
£70,001 - £80,000	1	1
£80,001 - £90,000		
£90,001 - £100,000		1

Our approach to fundraising

The public and our supporters expect the highest standards of honesty and transparency when we ask them for support. In 2019 Habitat for Humanity GB conducted the majority of our fundraising without external consultants. We work with an external agency to design our appeals and newsletters, a mailing house to organise the postage of our communications and a company to help us ensure the data we hold of our supporters is maintained and accurate, in compliance with legal requirements.

All fundraising activity is overseen by our Head of Income Generation. Habitat for Humanity GB is registered with the Fundraising Regulator and is committed to complying with the Fundraising Regulator's Code of Fundraising Practice and Fundraising Promise. We received one complaint from the public during 2019, out of a total of 125,714 communication touchpoints with our supporters. The supporter made a complaint to the Information Commissioner's Office (ICO) detailing how they had made three requests via email to be removed from our mailing list but had received no response and continued to be mailed. We could find no trace of any email requesting removal but after investigations we found a message left on our Facebook page requesting removal. This was immediately actioned, and the donor's details removed from our database. We issued an apology and no further action by the ICO was taken.

Managing risks and uncertainties

Habitat for Humanity GB operations are inherently risky. Our finances can be easily affected by change in public sentiment and economic performance, and due to the nature of our charitable activities, the work we deliver

across the world often takes place in countries that are more prone to environmental, societal, and political risk. To help mitigate these risks, on a periodic basis the trustee's review with management the major risks the charity faces. This is achieved through a risk register review process and through our regular board and subcommittee meetings.

Some of the key risks we currently face are:

Income Generation

Fundraising is increasingly difficult, and a key risk is to maintain an adequate level of unrestricted funds. This is monitored quarterly by the trustees and the management team have in place clear plans to help address this risk, including increased corporate partnerships and volunteering, testing ways of acquiring new individual donors, and improving our cost recovery systems in relation to our programmatic work.

Brexit and the economy

The uncertainty surrounding Brexit, and the potential impact on the economy remain a concern. Like for many charities, the health of the economy influences donor behaviour, and individuals tend to give less when concerned about the economy, while companies also tend to pull back on charitable commitments. Some of our fundraising channels, such as international volunteering, require a sustained commitment to fundraising and as such, are more exposed. This risk is harder to mitigate, but we will need to diversify our fundraising base, from an individual and sector perspective.

Volunteer Safety

Our volunteers work on projects in Great Britain and also travel to many countries around the world. This often entails working in environments, such as building sites, that come with increased risk to personal safety. We maintain strict Health and Safety procedures and insurance policies and provide volunteers with comprehensive training before allowing them on site. Our volunteering programme is carefully assessed for risk. Volunteers are led by experienced and well-trained Team Leaders, themselves volunteers, who are rigorously trained in risk management and crisis management.

FINANCIAL REVIEW

Reputational risk

One of our most precious assets is our reputation. The board and management ensure that we have in place policies and process that are explicitly designed to help us deliver our work in a way that ensures the impact our charitable objectives require, as well as to protect our reputation. To mitigate this risk, we prioritise three areas:

1. Financial controls - to properly look after donations from our supporters and partners
2. Corporate partners - we partner with companies whose values and behaviours align with our own
3. Safeguarding processes - to ensure we fulfil all our obligations to beneficiaries, volunteers and the communities where we operate

Our approach to safeguarding

Habitat for Humanity Great Britain is dedicated to helping individuals and families build strength, stability and self-reliance through safe, decent and affordable housing. In keeping with that commitment, we have no tolerance for sexual exploitation, abuse and harassment. Nothing is more important than the welfare of our volunteers, our staff and the people our mission calls on us to serve. We work to prevent sexual abuse and harassment by adhering to safeguarding policies developed in partnership with Habitat for Humanity International. Staff and members of the communities where we work are encouraged to report incidents of abuse or harassment, including through our confidential reporting system MySafeWorkplace. Any staff member who files a report or is a witness providing information related to such a report is protected against retaliation.

Habitat for Humanity Great Britain remains accountable to the families we partner with as well as the supporters who share our vision of world where everyone has a decent place to live. Over the past two years, in consultation with the wider Habitat for Humanity International network and our regulators, we have worked hard to improve our safeguarding incident reporting systems. As a member of a global federation, we report to the Charity Commission cases of sexual abuse or harassment involving: country

programs we have funded, either currently or historically; country programs where we have sent volunteers; or any UK national across the entire Habitat network. In every case we have reported to date, the Charity Commission has told us they are satisfied with our actions. Even so, we know we must remain vigilant and continue to strengthen not only our training programs and screening of employees and volunteers but also our systems for promoting thorough reporting and transparency. Our ambition is to have a system that provides beneficiaries, supporters and employees with a clear view of reported incidents and, critically, any remedial actions taken."

In addition to safeguarding cases, Habitat for Humanity Great Britain is committed to reporting all serious incidents in the categories defined by the Charity Commission, including allegations regarding cybercrime, fraud, major governance issues or financial loss, and those involving volunteer safety.

Compliance and Legal

We operate in a highly regulated environment and the appropriate management and security of personal data is a key risk. We mitigate this risk by investing in robust and secure systems to manage and store personal data, train staff in the requirements of the new General Data Protection Regulation Law, and to ensure management keep data security as a top priority.

Going Concern

We have set out above a review of financial performance and the charity's reserves position. We believe that we have adequate financial reserves to continue to deliver against our plans and adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue and that new opportunities in the coming year will provide increased funding. The accounts have therefore been prepared on the basis that the charity is a going concern





STATEMENT OF RESPONSIBILITIES OF THE TRUSTEE'S

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEE'S

This annual report includes a director's report, as required by company law.

The trustees (who are also directors of Habitat for Humanity GB for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2015 (FRS 102)
- Make judgments and 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 charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

The company has no share capital and is limited by guarantee. The member's liability is limited to a maximum of £1. Details of our trustees, key management and their advisors are given on page 71.

Auditors

Wilkins Kennedy Audit Services 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.

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415a of the Companies Act 2006.

Preparing the accounts for a small company does not require the preparation of a strategic report. However, much of the typical content of a strategic report is included in the trustees' report.

The trustees' annual report has been approved by the trustees on 14 May 2020 and signed on their behalf by



Ian Whitehead
Chair







AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HABITAT FOR HUMANITY GREAT BRITAIN

Opinion

We have audited the financial statements of Habitat for Humanity Great Britain (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 30 June 2019 and of the group's incoming resources and application of resources, 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that

the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We draw attention to the disclosures relating to the impact of coronavirus since the year-end set out in notes 1w and 24. Our opinion is not modified in this respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such

material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's financial statements are not in agreement with the accounting records and 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HABITAT FOR HUMANITY GREAT BRITAIN

with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Creasey (Senior Statutory Auditor)

For and on behalf of Wilkins Kennedy Audit Services

Statutory Auditor and Accountants

Egham

13 May 2020

Wilkins Kennedy Audit Services is eligible for appointment as auditor by virtue of its eligibility for appointment as auditor of company under section 1212 of the Companies Act 2006.







ACCOUNTS

Consolidated Statement of Financial Activities

(incorporating an income and expenditure account) . For the year ended 30 June 2019

				2019			2018
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	689,196	118,528	807,724	603,843	132,887	736,730
Charitable activities							
Disaster Risk Reduction and Response	3	-	-	-	-	109,305	109,305
International Development	3	-	1,063,842	1,063,842	-	470,635	470,635
International Volunteering	3	606,452	-	606,452	343,130	-	343,130
HFHGB (Homes)	3	231,605	30,545	262,150	585,748	50,655	636,403
Investments	4	173	-	173	3,200	-	3,200
Other Income	4	5,178	-	5,178	249,343	-	249,343
TOTAL INCOME		1,532,604	1,212,915	2,745,519	1,785,264	763,482	2,548,746
Expenditure on:							
Raising funds	5	400,468	-	400,468	419,367	-	419,367
Charitable activities							
Disaster Risk Reduction and Response	5	88,845	45,834	134,679	156,401	347,750	504,151
International Development	5	261,177	912,254	1,173,431	147,138	674,188	821,326
International Volunteering	5	623,014	-	623,014	425,791	-	425,791
HFHGB (Homes)	5	376,816	107,194	484,010	771,093	105,263	876,356
TOTAL EXPENDITURE		1,750,320	1,065,282	2,815,602	1,919,790	1,127,201	3,046,991
Net income / (expenditure) for the year		(217,716)	147,633	(70,083)	(134,526)	(363,719)	(498,245)
Transfers between funds		44,064	(44,064)	-	47,292	(47,292)	-
Net movement in funds		(173,652)	103,569	(70,083)	(87,234)	(411,011)	(498,245)
Reconciliation of funds:							
Funds brought forward		1,623,397	540,780	2,164,177	1,710,631	951,791	2,662,422
TOTAL FUNDS CARRIED FORWARD		1,449,745	644,349	2,094,094	1,623,397	540,780	2,164,177

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 10 of the financial statements.

Balance sheets

As at 30 June 2019

		The Group		The Charity	
		2019	2018	2019	2018
Note	£	£	£	£	£
Fixed assets:					
Tangible assets	11	1,104,480	1,042,420	3,169	8,783
Programme related investments	17	169,945	210,838	-	-
		1,274,425	1,253,258	3,169	8,783
Current assets:					
Debtors	12	288,799	452,080	202,955	313,845
Cash at bank and in hand		1,215,353	829,003	1,104,699	751,808
		1,504,152	1,281,084	1,307,654	1,065,654
Liabilities:					
Creditors: amounts falling due within one year	13	503,592	267,534	401,138	208,420
Net current assets		1,000,560	1,013,550	906,516	857,234
Creditors: Amounts falling due after more than one year	14	180,891	102,631	-	-
Total net assets		2,094,094	2,164,177	909,684	866,017
Funds:					
Restricted income funds	10	644,349	540,780	638,815	532,780
Designated funds		-	-	-	-
General funds		1,449,745	1,623,397	270,869	333,237
Total unrestricted funds		1,449,745	1,623,397	270,869	333,237
Total funds		2,094,094	2,164,177	909,684	866,017

The Financial Statements were approved and authorised for issue by the trustees on tbc 2020 and signed on their behalf by:



Ian Whitehead
Director, Chairman
14 May 2020



Gordon Holmes
Director, Honorary Treasurer
14 May 2020

Company no: 3012626
Charity no: 1043641
Scotland: SCO48638

Consolidated statement of cash flows

For the year ended 30 June 2019

	2019	2018
£	£	£
Cash flows from operating activities		
Net cash used in operating activities (see note below)	390,524	(713,923)
Cash flows from investing activities:		
Dividends, interest and rents from investments	5,662	3,200
Purchase of fixed assets	(146,837)	(607,160)
Proceeds from sale of investments	-	245,950
Repayments of investments	40,893	106,911
Net cash provided by investing activities	(100,282)	(251,099)
Cash flows from financing activities:		
Repayments of borrowing	(13,623)	(13,131)
Financing costs	(4,880)	(4,690)
Cash inflows from new borrowing	100,000	-
Net cash provided by financing activities	81,497	(17,821)
Change in cash and cash equivalents in the year	371,738	(982,843)
Cash and cash equivalents at the beginning of the year	829,004	1,823,272
Change in cash and cash equivalents due to exchange rate movements	14,610	(11,426)
Cash and cash equivalents at the end of the year	1,215,353	829,004
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
	2019	2018
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(70,083)	(498,245)
Depreciation charges	84,776	245,879
Dividends, interest and rent from investments	(5,662)	(3,200)
Interest paid	4,880	4,690
(Profit)/loss on the disposal of fixed assets	-	(245,950)
Foreign exchange loss/(gain)	(14,610)	11,426
(Increase)/decrease in debtors	155,217	(217,841)
Increase/(decrease) in creditors	236,005	(10,682)
Net cash provided by / (used in) operating activities	390,524	(713,923)

All cash and cash equivalents at 30 June 2019 and 30 June 2018 were held as cash at bank and in hand.

1. Accounting policies

a) Basis of preparation

Habitat for Humanity Great Britain is a charitable company limited by guarantee, registered in England and Wales. The registered office is disclosed on page 2. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary HFHGB (Homes) on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities for the charitable company itself is presented in note 25.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from charitable activities includes income from restricted grants, received contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Grants listed under income from charitable activities are undertaken for the charitable purposes of the charity. Income related to International Volunteering is included within the income from charitable activities as HFHGB recognises the obligation to provide volunteer placements upon meeting of fundraising targets by volunteer teams.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income raised by HFHGB (Homes) is retained by the subsidiary and used to further its charitable objects.

The functional and presentational currency of the group is sterling.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance

with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution. On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose

Expenditure on charitable activities includes the costs of delivering services, advocacy and awareness raising undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. The support and governance costs of the subsidiary are allocated directly to the HFH (Homes) charitable activity in the consolidated accounts and therefore no other costs are allocated here.

Cost of Generating Funds	31.45%
Disaster Risk Reduction and Response	28.33%
International Development	14.35%
International Volunteering	25.87%

Fundraising and promotion costs are apportioned between fundraising and charitable activities either directly or on the basis of the content percentage, measured in the number of pages, occupied by each activity. Website and other digital publicity costs are apportioned based on the website content percentage, measured in the number of pages, occupied by each activity. The average allocations for publicity materials, website and digital are:

Cost of Generating Funds	27.00%
Disaster Risk Reduction and Response	8.00%
International Development	40.50%
International Volunteering	24.50%

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease. Lease incentives are recognised over the lease term on a straight line basis.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Furniture and Fixtures	10 years
Computers and IT equipment	3 years
Other equipment	5 years
Short Term Leasehold Properties	Over Life of Lease

k) Short Term Leases

As part of the empty homes projects, HFHGB (Homes) enters into short term leases with either the local authority or housing association to enable the charity to generate rental income which will fund the cost of the renovation. The cost of the renovation are capitalised and depreciated over the life of the lease to the extent that future rental income will be received. Where the renovation expenditure is funded from grant income, the expenditure is charged to the statement of financial activities.

l) Grant making

Grants payable to other HFH entities are recognised as expenditure when payment is due, in accordance with the terms of the contract (Grant Funded Activities Agreement or Term Sheet). Grant payments that are subject to the recipient fulfilling performance conditions are only accrued when any remaining unfulfilled conditions are outside of the control of HFHGB. For contracts in place at the year-end that include payments to be made in future years, the total of these payments is disclosed in Note 6 to the accounts as future transfers for which the conditions have not been met at the year-end.

m) Investments in subsidiaries

Investments in subsidiaries are recognised at cost.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Employee benefits

Short term employee benefits (including holiday entitlement and other non-monetary benefits) and contributions to defined plans are recognised as an expenses in the period in which they are incurred.

The company recognises an accrual for accumulated annual leave accrued by employees as a result of service rendered in the current period for which employees can carry forward and use within the next year. The accrual is measure at the salary costs of the respective employee in relation to the period of absence.

r) Pensions

HFHGB offers a Group Personal Pension defined contributions scheme to all staff. In line with the relevant staging date, from February 2017, HFHGB implemented changes to this scheme aligning it with the auto enrolment requirements.

s) Foreign currencies

HFHGB holds funds in GBP and USD. The value of USD account balance in GBP is stated at the closing rate at the balance sheet date. Transactions in foreign currencies are translated at the exchange rate ruling at the date of transactions.

t) Programme related investments

Programme related investments are stated at cost price at the balance sheet date. Such investments are subject to review and any diminution in value is charged to the statement of financial activities.

u) Financial instruments

The Group only has financial assets and liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently valued at their settlement value.

v) Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Timing of income recognition
- Carrying value of programme related investments
- Carrying value of short term leasehold properties used as part of the empty homes projects.

w) Going concern

The trustees have reviewed the Group's forecasts and operating plans and taken into account the expected impact on the group's ability to run and deliver volunteering programmes and future income levels caused by coronavirus together with planned cost savings and use of government backed schemes as appropriate. Whilst it is difficult to predict the potential implications on the delivery of the group's social value, its operations and income streams with certainty, on the basis of this analysis, the trustees have a reasonable expectation that the group will have adequate resources to continue in operational existence for the foreseeable future and it is therefore appropriate to adopt the going concern basis of accounting for these financial statements.

2. Income from donations and legacies

			2019	2018
	Unrestricted £	Restricted £	Total £	Total £
Individuals	227,724	18,528	246,252	246,024
Churches & Civic Groups	6,525	-	6,525	7,492
Companies and Employee Fundraising	167,642	-	167,642	101,631
Foundations, Organisations and Institutions	54,775	100,000	154,775	104,555
Legacies	96,019	-	96,019	152,778
HFHI transfers	150	-	150	37,710
Gifts in Kind	50,333	-	50,333	50,000
Gift Aid recovered	86,028	-	86,028	36,540
	689,196	118,528	807,724	736,729

Gifts in kind relate to office rental services donated in the year by Construction Industry Solutions Limited (COINS). Larry Sullivan who is a Director of HFHGB is also the Chairman of Coins.

3. Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
JOAC	-	-	-	95,000
Sailors' Society	-	-	-	14,305
Sub-total for Disaster Risk Reduction and Response	-	-	-	109,305
JOAC	-	179,296	179,296	-
Towerbrook	-	100,355	100,355	112,140
Embrace the Middle East	-	88,582	88,582	79,851
GOAC	-	40,000	40,000	-
Touchstone	-	42,365	42,365	42,049
COIN	-	100,000	100,000	100,000
John Midgley	-	-	-	13,712
Stiching TCC Foundation	-	64,089	64,089	73,327
HFHI Solid Ground	-	26,866	26,866	48,620
Martin Howden	-	29,263	29,263	936
BBC Radio 4	-	12,660	12,660	-
Comic Relief	-	17,218	17,218	-
Financial Times	-	166,150	166,150	-
Sailor Society Myanmar 2019	-	140,654	140,654	-
Other	-	56,343	56,343	-
Sub-total for International Development	-	1,063,842	1,063,842	470,635
Corporate Teams	328,533	-	328,533	190,797
School Teams	18,481	-	18,481	15,958
Open Teams	135,424	-	135,424	136,375
Friends and Family	124,014	-	124,014	-
Sub-total for International Volunteering	606,452	-	606,452	343,130
Rental Income	92,631	-	92,631	56,106
Volunteer Facilitation Grants	14,787	-	14,787	181,815
Other	-	30,545	30,545	3,363
Professional Fees	96,778	-	96,778	112,622
Contract Works	27,409	-	27,409	282,497
Sub-total for HFHGB HOMES	231,605	30,545	262,150	636,403
Total income from charitable activities	838,057	1,094,387	1,932,444	1,559,473

Income from charitable activities includes restricted grants by donor over £30,000. 'Other' includes smaller grants.

4. Other income

			2019	2018
	Unrestricted £	Restricted £	Total £	Total £
Gain on sale of HFHGB (Homes) mortgaged property	-	-	-	245,950
Investment income	5,662	-	5,662	3,200
Other	(311)	-	(311)	3,393
Total other income	5,351	-	5,351	252,543

5. Analysis of expenditure

	Cost of raising funds £	Disaster Risk Reduction and Response £	International Development £	International Volunteering £	HFHGB Homes £	Support and governance costs £	2019 Total £	2018 Total £	Basis of allocation
Staff costs	198,974	39,113	120,591	104,721	203,947	166,074	833,419	884,776	Staff time & cost
Recruitment costs	-	-	-	-	-	1,794	1,794	33,450	Direct
Training	-	-	-	-	-	16,158	16,158	20,870	Direct
Consultancy costs	1,248	951	1,842	1,902	-	8,999	14,942	71,529	Direct
Grants to HFH Projects	-	43,474	838,087	142,372	-	-	1,023,932	843,934	Direct
International Project expenses	-	8,174	50,612	208,830	-	-	267,616	122,979	Direct
Domestic project expenses	-	-	-	-	280,063	-	280,063	645,396	Direct
Fundraising and promotions	46,359	11,518	52,207	64,282	-	-	174,366	115,198	Direct & content %
Office costs	24,959	3,749	15,422	15,003	-	15,863	74,998	74,761	Direct
Travel costs	11,119	158	15,885	5,782	-	2,042	34,987	21,317	Direct
Audit and accountancy	-	-	-	-	-	17,260	17,260	16,732	Direct
Legal and professional	7,181	2,000	749	1,175	-	15,603	26,708	117,742	Direct
Bad debt expense	-	-	-	-	-	-	-	(661)	Direct
Other expenses	17,969	3,657	11,170	13,050	-	13,476	59,321	63,572	Direct
Foreign exchange loss / (gain)	-	-	-	-	-	(14,610)	(14,610)	11,426	Direct
Bank charges and interest	1,730	-	24	650	-	2,243	4,647	3,967	Direct
Sub-total	309,538	112,794	1,106,591	557,767	484,010	244,901	2,815,602	3,046,991	
Governance costs	21,189	5,100	15,575	15,204	-	(57,068)	-		
Support costs	69,741	16,785	51,265	50,043	-	(187,835)	-	-	Staff time
Total expenditure FY19	400,468	134,679	1,173,431	623,014	484,010	-	2,815,602	3,046,991	

	2019	2018
	£	£
Depreciation		
Auditors' remuneration (excluding VAT)	84,776	245,879
Non-audit services	17,260	16,732
Foreign exchange (gains) or losses	-	44
Operating lease expenses	(14,610)	11,426
	2,343	2,104

HFH Homes Support and Governance costs are 100% allocated to Homes' as a charitable activity because they are discreet costs which should not be apportioned using HFHGB's drivers

6. Grants for HFH projects

All transfers were made to the national HFH organisations except those marked * which were made to HFHI as the entity managing the funds on behalf of the country organisation.

Country/ Region	Disaster Risk Reduction and Response £	International Development £	International Volunteering £	2019 Total £	2018 Total £
Argentina*	-	-	-	-	235
Armenia	-	-	-	-	224
Bangladesh	-	3,000	-	3,000	97,070
Brazil	-	-	9,600	9,600	735
Cambodia	-	42,364	15,466	57,830	40,329
Chile	-	-	-	-	619
Cote D'Ivoire	-	18,000	-	18,000	40,000
Dominican Republic	-	-	5,000	5,000	-
Egypt	-	-	-	-	1,044
Ethiopia	-	134,122	-	134,122	189,019
Europe Central Asia*	-	-	-	-	878
Guatemala	43,474	-	34,592	78,066	-
Guyana	-	-	-	-	68
Haiti	-	-	-	-	610
Hungary*	-	-	-	-	907
India	-	-	13,954	13,954	6,986
Indonesia	-	-	-	-	284
Japan	-	-	-	-	5,459
Jordan	-	-	-	-	5,600
Kyrgyzstan*	-	-	-	-	4,732
Kenya	-	-	7,115	7,115	66,056
Latin America	-	-	-	-	24
Lebanon	-	97,394	-	97,394	90,882
Lesotho*	-	-	-	-	408
Macedonia	-	-	-	-	4,716
Malawi	-	202,430	43,695	246,125	23,613
Mexico	-	-	2,800	2,800	-
Myanmar	-	136,850	-	136,850	-
Nepal	-	45,020	5,600	50,620	43,436
The Philippines	-	124,906	-	124,906	63,740
Romania*	-	-	4,550	4,550	25,755
Tajikistan*	-	-	-	-	77
Tanzania*	-	-	-	-	340
Thailand	-	-	-	-	6,422
Singapore	-	-	-	-	156
South Africa*	-	-	-	-	5,110
Sri Lanka	-	12,000	-	12,000	-
Uganda	-	22,000	-	22,000	118,000
Vietnam	-	-	-	-	-3,600
HFHI - EMEA	-	-	-	-	4,000
Total	43,474	838,087	142,372	1,023,932	843,934

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2019 £	2018 £
Salaries and wages	773,516	800,021
Redundancy and termination costs	-	21,888
Social security costs	79,622	79,672
Employer's contribution to defined contribution pension schemes	22,211	19,754
Total	875,349	921,334
During the year, the following staff earned in excess of £60,000:		
	2019	2018
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1

The total employee benefits including pension contributions of the key management personnel were £390,583 (2018: £315,115).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

No trustees' expenses were incurred or reimbursed this year; (2018: £590).

8. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2019 No.	2018 No.
Raising funds	3.9	3.2
Disaster Risk Reduction and Response	0.9	2.5
International Development	2.9	2.0
International Volunteering	2.8	2.3
HFHGB (Homes)	7.0	7.0
Governance	0.8	0.8
Support	3.2	3.5
	21.5	21.3

9. Analysis of group net assets between funds

	The Group			The Charity				
	General unrestricted £	Restricted funds £	2019 Total funds £	2019 General unrestricted £	General unrestricted £	Restricted funds £	2019 Total funds £	2019 General unrestricted £
Tangible fixed assets	1,104,480	-	1,104,480	1,042,420	3,169	-	3,169	8,783
Programme related investments	169,945	-	169,945	210,838	-	-	-	-
Net current assets	356,211	644,349	1,000,560	1,013,550	267,701	638,815	906,516	857,234
Long term liabilities	(180,891)	-	(180,891)	(102,631)	-	-	-	-
					-	-	-	-
Net assets at the end of the year	1,449,745	644,349	2,094,094	2,164,177	270,870	638,815	909,685	866,017

10. Movements in funds

	At the start of the year £	Fund movement £	Incoming resources & gains £	Outgoing resources & losses £	At the end of the year £
Restricted funds:					
HFHGB					
Grants over £30,000					
JOAC Malawi 2018-2021	-	-	179,296	(181,521)	(2,225)
IIED: UCLP	13,173	(10,813)	-	(2,360)	0.39
Touchstone Malawi 2016	42,049	-	-	(42,049)	-
Christian Aid 1401	4,981	-	-	-	4,981
Towerbrook: Ethiopia	7,860	-	100,355	(7,860)	100,355
Embrace: Lebanon - Palestinian Refugees	20,542	-	88,582	(96,799)	12,325
Coin Ethiopia	-	-	100,000	-	100,000
Financial Times	-	-	166,150	-	166,150
Sailors Society	-	-	140,654	(144,757)	(4,103)
HFHI Solid Ground	28,900	-	26,866	(36,367)	19,399
Smaller Grants	30,604	-	140,223	(85,712)	105,656
Domestic Projects	-	-	44,345	(44,064)	281
Non-reportable donors (restricted donations)	384,671	(33,877)	107,915	(302,172)	148,321
Sub-total for HFHGB	532,780	(44,690)	1,094,386	(943,661)	638,815
HFHGB Homes					
Grants over £30,000	8,000		118,528	(120,994)	
Smaller Grants	8,000	-	118,528	(120,994)	5,534
Sub-total for HFHGB Homes		-			5,534
Total restricted funds	540,780	-44,690	1,212,914	(1,064,655)	644,349
Unrestricted funds:					
HFHGB					
General unrestricted funds	333,237	44,690	1,314,714	(1,377,082)	315,559
HFHGB Homes					
General unrestricted funds	1,290,160	-	217,890	(373,864)	1,134,186
Total unrestricted funds	1,623,397	44,690	1,532,604	(1,750,946)	1,449,745
Total funds	2,164,177	-	2,745,519	(2,815,602)	2,094,094

Grants over £30,000 include multi-year grants; value in the financial year may be lower. 'Domestic Projects' include grants and donations received by HFHGB and restricted to HFHGB Homes. 'Non-reportable donors' include donations restricted to specific countries, themes, or projects.

Transfers from general unrestricted funds to Non-reportable donor funds of £15,213 was made to reconcile statement to SOFA fund balances.

Fund movement to the total of £44,690 (of this £33,877 is from non-reportable restricted funds and £10,813 is the unrestricted element (dms) of the UCLP project that was confirmed by the programme team) was moved from restricted funds to general unrestricted funds to realise direct mission support (dms) or indirect cost recovery.

11. Tangible fixed assets

	The Group						The Charity	
	Assets under Construction £	Short Term Leasehold Properties £	Office, Land & Buildings £	Plant & machinery £	Fixtures, fittings & equipment £	Total £	Fixtures, fittings & equipment £	Total £
Cost								
At the start of the year	83,960	1,575,189	30,160	16,186	27,262	1,732,757	27,262	27,262
Additions in year	146,216	-	-	620	-	146,836	-	-
Disposals in year	-	(429,064)	-	-	-	(429,064)	-	-
Transfers	(6,997)	6,997	-	-	-	-	-	-
At the end of the year	223,179	1,153,122	30,160	16,806	27,262	1,450,529	27,262	27,262
Depreciation								
At the start of the year	-	657,329	1,326	13,204	18,479	690,338	18,479	18,479
Charge for the year	-	77,472	102	1,588	5,614	84,776	5,614	5,614
Eliminated on disposal	-	(429,064)	-	-	-	(429,064)	-	-
At the end of the year	-	305,737	1,428	14,792	24,093	346,050	24,093	24,093
Net book value	-							
At the end of the year	223,179	847,385	28,732	2,014	3,169	1,104,479	3,169	3,169
At the start of the year	83,960	917,861	28,834	2,982	8,783	1,042,420	8,783	8,783

Assets under construction comprise renovations to Short Term Leasehold properties prior to them being available for letting.

12. Debtors

	The Group		The Charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	55,497	60,956	-	-
Other debtors	219,131	364,046	193,197	294,652
Prepayments	14,171	23,194	9,758	19,193
VAT	-	3,884	-	-
	288,799	452,080	202,955	313,845

13. Creditors: amounts falling due within one year

	The Group		The Charity	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	67,644	47,295	14,383	13,456
Taxation and social security	23,026	22,749	16,753	16,918
Accruals	376,298	182,310	356,461	177,497
Loans	22,747	14,630	-	-
Other creditors	13,877	549	13,541	549
	503,592	267,533	401,138	208,420

14. Creditors: amounts falling due after more than one year

	The Group		The Charity	
	2019 £	2018 £	2019 £	2018 £
Loans: balance repayable in 1-5 years	99,398	59,903	-	-
Loans: balance repayable in more than 5 years	81,493	42,728	-	-
	180,891	102,631	-	-

All Creditors: Amounts falling due after more than one year relate to two loans taken by HFHGB Homes to finance charitable building projects. The loans are secured against the assets of HFHGB (Homes) under a fixed and floating charge. The first loan is repayable in monthly instalments of £1,485 which include interest charged at rate of 3.75%. The term of the loan is 9.5 years and 10 years from the date of drawdown of the loan. The second loan of £100,000 was drawn down during the year to fund the East Street Development. It's repayable over 10 years from the date of completion and interest is chargeable at 3.25%

15. Financial Instruments

	The Group		The Charity	
	2019 £	2018 £	2019 £	2018 £
Financial assets				
Debt instruments measured at amortised cost:				
Programme related investments	169,945	210,838	-	-
Trade debtors	55,497	60,956	-	-
Other debtors	219,131	364,046	193,197	294,652
	444,573	635,840	193,197	294,652
Financial liabilities				
Measured at amortised cost				
Trade creditors	67,644	47,295	14,383	13,456
Loans	203,638	117,261	-	-
Other creditors	390,175	182,859	370,002	178,046
	661,457	347,415	384,385	191,502

16. Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment	
	2019 £	2018 £
Less than one year	2,343	2,343
One to five years	5,578	7,921
	7,921	10,264

Note that we have restated the FY18 projection after a correction in the amounts that had been projected for FY2019.

17. Related Party Transactions

During the year related party transactions were as follows:

Towerbrook Capital Partners donated £100,355 in restricted funds and Gordon Holmes the Managing Director of Towerbrook Capital and a trustees of HFHGB donated £25,000.

COINS - Constructions Industry Solutions Ltd donated £100,000 in restricted and £10,000 in unrestricted funds. Larry Sullivan of COINS are trustees of HFHGB.

There's some restricted funding from HFHI as shown in note 10 - this is in regards to a EU funded programme. HFHGB remains an independent UK charity controlled by the Directors/Trustees.

18. Programme Related Investments

	2019 £	2018 £
Cost or Valuation		
At 1 st July 2018	210,838	317,749
Additional Loans in Year	-	-
Repayments	(40,893)	(106,911)
At 30 th June 2019	169,945	210,838
Repayable within one year	35,467	38,837
Repayable in more than one year	134,478	172,001
	169,945	210,838

The values stated relate to houses built by HFHGB (Homes) in partnership with low income families which have been sold at cost price with interest free mortgages. This core activity involves the charity 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 without further reference to the Commission.

19. Capital commitments

At the balance sheet date, the group had no capital commitments (2018: None).

20. Contingent assets or liabilities

There were no contingent liabilities as at 30 June 2019 (2018: None).

21. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22. Subsidiary details

HFHGB (Homes), Registered Office: 93 Gordon Road, London, SE15 3RR, Registered Company No: 03155218, Registered Charity No: 1053213, is a wholly controlled subsidiary of HFHGB. HFHGB (Homes) total income for the year was £380,482 (2018: £987,310) and total expenditure for the year was £494,232 (2018: £890,031). As at 30 June 2019 HFHGB Homes held £5,534 in Restricted Funds (2018: £8,000) and £1,184,409 in Unrestricted Funds (2018: £1,290,160).

23. Prior year adjustments

There were no prior year adjustments.

24. Post balance sheet events

In 2020 the world was shaken with the onset of coronavirus. The trustees have assessed its operational and financial impact on the group in the strategic report on pages 5, 27 and 46 and in the going concern statement at note 1w.

25. HFHGB Single Charity SOFA

	2019			2018		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:						
Donations and legacies	688,973	-	688,973	601,141	30,987	632,128
Charitable activities						
Disaster Risk Reduction and Response	-	-	-	-	109,305	109,305
International Development	-	1,063,842	1,063,842	-	470,636	470,636
International Volunteering	606,452	-	606,452	343,129	-	343,129
HFHGB (Homes)	13,800	30,545	44,345	-	50,655	50,655
Investments	-	-	-	2,875	-	2,875
Other Income	5,489	-	5,489	-	-	-
TOTAL INCOME	1,314,714	1,094,387	2,409,101	947,145	661,583	1,608,729
Expenditure on:						
Raising funds	390,246	-	390,246	404,365	-	404,365
Charitable activities						
Disaster Risk Reduction and Response	88,845	45,834	134,679	156,401	347,750	504,151
International Development	261,177	912,254	1,173,431	147,138	674,188	821,326
International Volunteering	623,014	-	623,014	425,791	-	425,791
HFHGB Homes	13,800	30,264	44,064	(2,036)	50,655	48,619
TOTAL EXPENDITURE	1,377,082	988,352	2,365,434	1,131,659	1,072,593	2,204,252
Net income / (expenditure) before transfers	(62,368)	106,035	43,667	(184,514)	(411,010)	(595,524)
Net income / (expenditure) for the year	(62,368)	106,035	43,667	(184,514)	(411,010)	(595,524)
Net income / (expenditure) before other recognised gains and losses	(62,368)	106,035	43,667	(184,514)	(411,010)	(595,524)
Net movement in funds	(62,368)	106,035	43,667	(184,514)	(411,010)	(595,524)
Reconciliation of funds:						
Total funds brought forward	333,237	532,780	866,017	517,750	943,791	1,461,541
TOTAL FUNDS CARRIED FORWARD	270,869	638,815	909,684	333,236	532,781	866,017

REFERENCE AND ADMINISTRATION INFORMATION

Company number: 3012626
Charity number: 1043641 (England & Wales) SCO48638 (Scotland)

Registered office and operational address:
10 The Grove, Slough, Berkshire, SL1 1QP

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Ian Whitehead,
Chair

Susan Revell,
Vice Chair

Gordon Holmes,
Treasurer

Larry Sullivan

Gary von Lehmden

Simon Thomas

Mike Freshney

Brian Clark

Torre Holmes Nelson
(resigned 25 October 2019)

Nicola Barclay
(appointed 7 January 2020)

Richard Kevin Hathaway
(appointed 7 January 2020)

Key management personnel

Tum Kazunga,
Chief Executive Officer

Tessa Kelly,
Head of Income Generation

Victoria Bakulumpagi,
Head of Finance

Nuwa Serunjogi,
Head of Partnerships and Programmes

Gareth Hepworth,
Chief Executive Officer, Habitat for Humanity GB Homes

David Clare,
Chief Operating Officer, Habitat for Humanity GB Homes

Patrons

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

The Rt. Hon. Alistair Burt MP

The Rt. Hon. Sir Simon Hughes

Rabbi Rt. Hon. Lord Jonathan Sacks Kt

Terry Waite CBE

Michael Kirkwood CMG

Bankers

National Westminster Bank Plc
1 Town Hall Buildings
Bridge Street
Banbury
OX16 5JS

Solicitors

Bates Wells and Braithwaite London LLP 10
10 Queen Street Place
London
EC4R 1BE

Auditors

Wilkins Kennedy Audit Services
Gladstone House
77-79 High Street
Egham
TW20 9HY

THANK YOU!

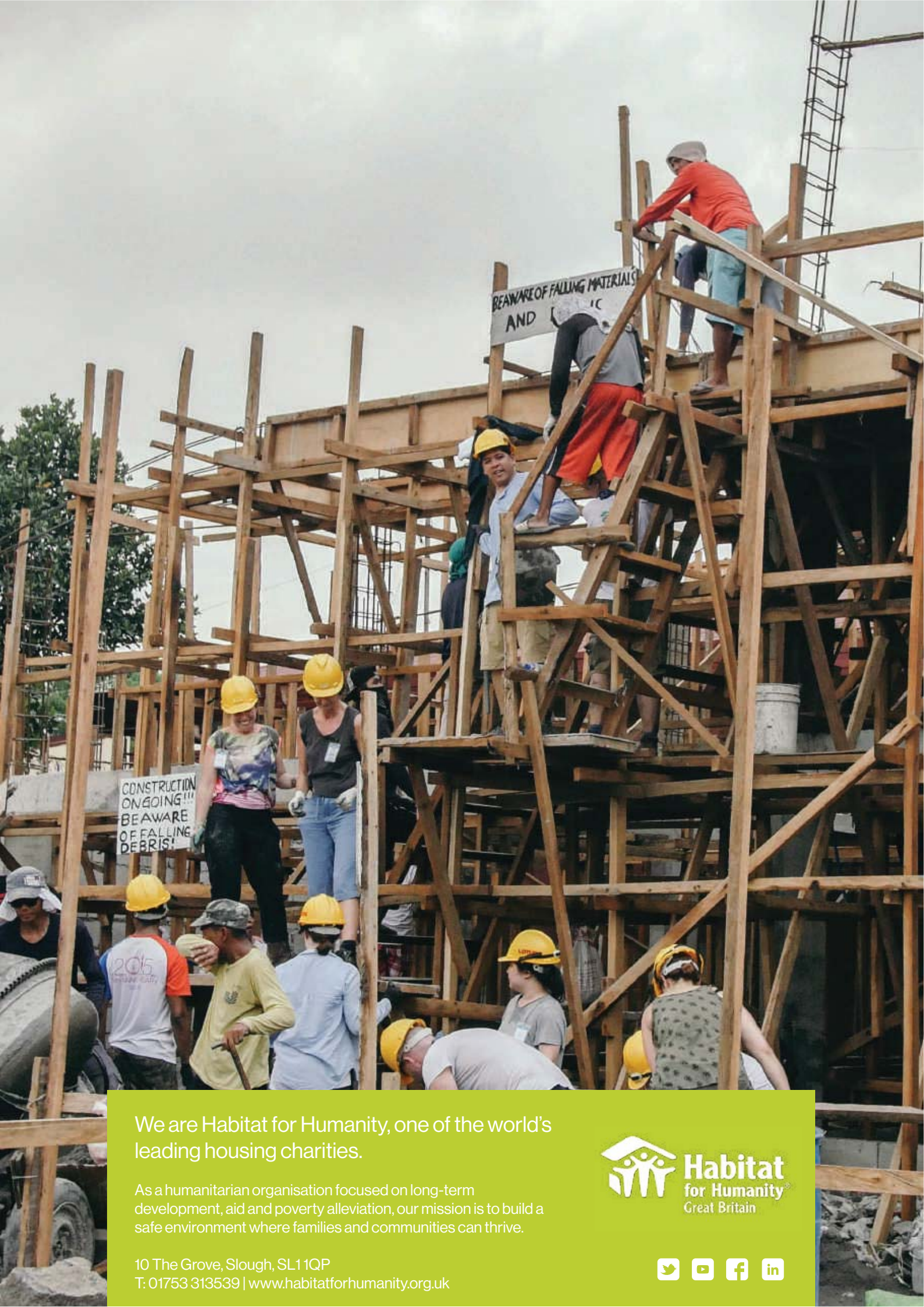
Many of our donors would like to remain unnamed, but we would like to thank the following:

Corporate Partnerships

BOK Construction
COINS
The Hilti Foundation
The Financial Times
The BBC
Johnson Matthey PLC
Miller Homes
Robust Details
Touchstone Corporate Property Services
Towerbrook Capital Partners

Foundations

Embrace the Middle East
Jersey Overseas Aid
Sailor's Society
The COINS Foundation
The TCC Foundation
Towerbrook Foundation



We are Habitat for Humanity, one of the world's leading housing charities.

As a humanitarian organisation focused on long-term development, aid and poverty alleviation, our mission is to build a safe environment where families and communities can thrive.



10 The Grove, Slough, SL1 1QP
T: 01753 313539 | www.habitatforhumanity.org.uk

