

**BUILDING HOMES.  
REBUILDING LIVES.**



Together,  
we **build.**



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# A MESSAGE FROM OUR CEO AND CHAIR

## Welcome to our annual report for 2021/2022.

The importance of home is universal - and that's why so many people continue to be inspired by Habitat for Humanity's mission.

Through gifts of time, talent, and generous donations, we've raised walls, repaired roofs, provided access to clean water, and secured land rights for vulnerable families.

## We've built homes, and we've helped rebuild lives.

The year, however, was not without its challenges. As we navigated our way out of the pandemic's restrictions and final lockdowns, we found ourselves faced with the largest refugee crisis since the Second World War.

Millions fled Ukraine to seek shelter away from the devastating violence and destruction; if ever a reminder was needed of the importance of a home in keeping people safe, this was it.

**As an organisation that passionately believes that homes should be safe havens for all, seeing people forced to flee their homes and communities is a tragedy.**

We take enormous pride, however, in the incredible response of our donors to this

crisis, and the unrelenting commitment to our mission displayed by our colleagues in Ukraine's neighbouring countries who worked - and continue to work - incredibly hard to support refugees from this conflict.

**Despite the challenges in 2021/22, we reached an incredible 376,588 people in nine countries around the world.**

The support of our partners, donors, volunteers, team leaders, and staff all around the world carries us forward to ensure we can continue our mission of creating a world where every family, in every community, has the foundation we all need - a safe, stable home.



Nicola Barclay - Chair



Tum Kazunga - CEO

# Thank you!

As we celebrate our impact over the last 12 months, we would like to say a very special thank you to our incredible supporters and donors who continue to share our vision and champion our mission.

To our colleagues around the globe, our staff in Great Britain, and our trustees, we thank you for your dedication and commitment.

To our fantastic team of volunteers and team leaders, we thank you for your continued patience as we work towards relaunching our overseas volunteering opportunities over the coming months.

**With your support, every year, we are changing thousands of lives for the better.**  
**Thank you.**

## Just some of our achievements in 2021/22 included:



Supporting thousands of refugees fleeing war torn Ukraine into safe housing



Working with communities in Zambia to establish financial literacy groups



Continuing our empty spaces renovation programme in Britain



Building homes and accessible toilets for vulnerable families in Malawi



# OBJECTIVES, PURPOSE, AND KEY ACTIVITIES

## About us

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.

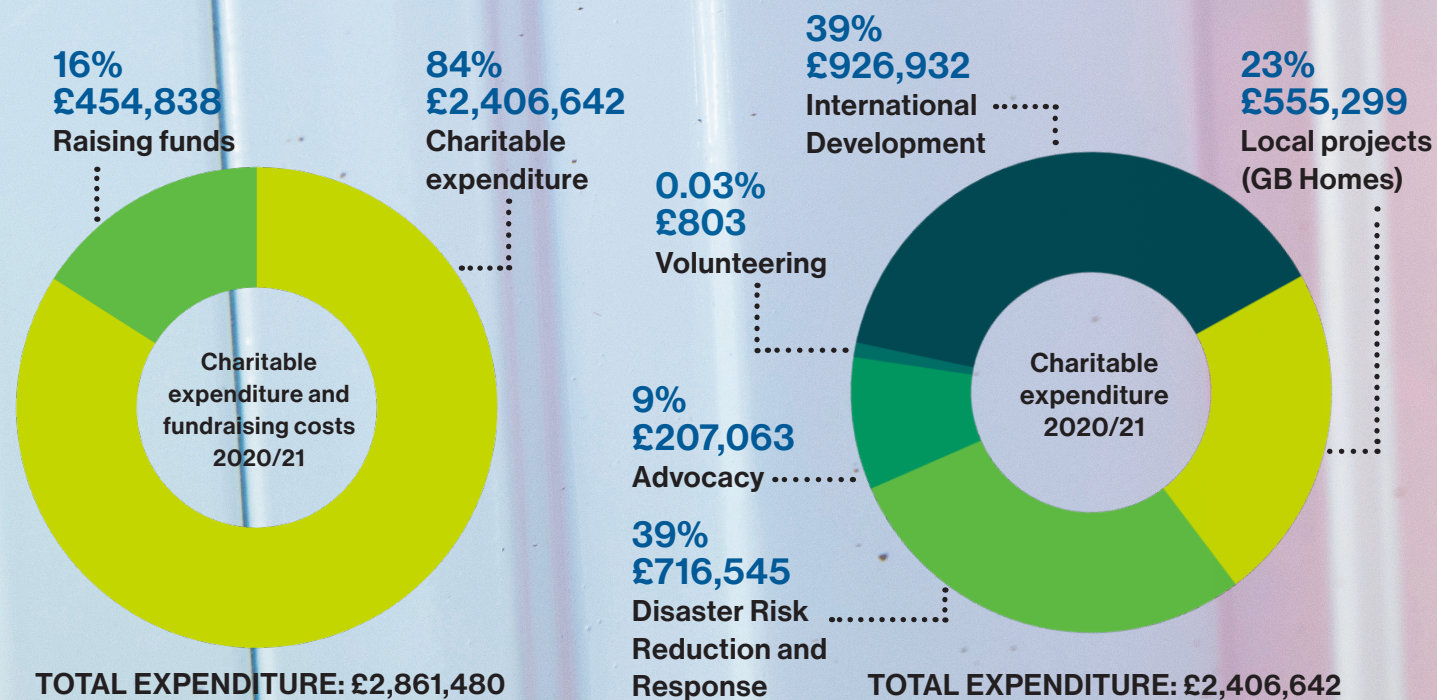
The work carried out by Habitat for Humanity Great Britain is done so in accordance with the charity's purpose, for the public benefit with regard to the Charity Commission's public benefit guidance, and in accordance with the general framework for trustee decision-making.

We are a member of Habitat for Humanity International, a federated global housing charity that works in over 60 countries. For the year ending June 2022, the global federation as a whole helped over 7.1 million people build or improve their homes. Since 1976, Habitat for Humanity has helped more than 46 million people.

## Our key activities include:

-  INTERNATIONAL DEVELOPMENT
-  LOCAL PROJECTS IN GREAT BRITAIN
-  ADVOCACY AND CAMPAIGNING
-  DISASTER RISK REDUCTION AND RESPONSE

## How we spent our money:



## Our values



**WE BELIEVE IN ACCOUNTABILITY**  
we treat every partner with transparency and honesty



**WE PUT BELIEF INTO ACTION**  
with courage, passion, and drive, we find practical solutions



**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





# OUR IMPACT IN 2021/22

In 2021/22, Habitat for Humanity international helped over 7.1 million people build or improve the place they call home. Habitat for Humanity Great Britain reached over 370,000 people in 9 countries through 14 programmes varying from disaster response, to community training groups, to home building. Our work contributes to the United Nation's Sustainable Development Goals (SDGs) recognising that ending poverty must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - an ethos at the heart of Habitat for Humanity's work since our founding over 40 years ago.



**ROMANIA, POLAND, AND HUNGARY**  
**957 people helped**  
Responding to the refugee crisis following Russia's invasion of Ukraine



**GREAT BRITAIN AND POLAND**  
**12 people helped**  
Repurposing empty spaces and turning them into decent homes for people at risk of homelessness



**ZAMBIA**  
**81,000 people helped**  
Facilitating access to safe, secure land and establishing community savings groups



**ETHIOPIA**  
**920 people helped**  
Slum housing regeneration and health projects for vulnerable families in Addis Ababa



**NEPAL**  
**289,905 people helped**  
Establishing microfinance projects for marginalised women and youth engagement projects



**CAMBODIA**  
**194 people helped**  
Building decent homes and clean water supplies



**INDIA**  
**3,600 people helped**  
Responding to the COVID-19 crisis by funding emergency care centres





# OUR YEAR

As a humanitarian organisation focused on long-term development and poverty alleviation, our mission is to build a safe environment where families and communities can thrive. Through our dedicated teams around the world, and with the unwavering support of our donors, we're continuing to make an impact and change thousands of lives.

Alongside our usual programmes of improving homes for families in poverty, in our financial year 2021/22 we were met with an unprecedented challenge.

**Russia's invasion of Ukraine on 24 February 2022 sparked the fastest movement of refugees since the Second World War.**

To date, a total of 6.3 million refugees from Ukraine have fled and sought refuge in neighbouring countries.

As the world's largest shelter charity, we were deeply moved to see this unfold, and immediately deployed our

expertise to assist in Ukraine's bordering countries.

From our decades of experience, we know first-hand the importance of housing as part of any long-term response to support refugees, and so we are continuing to develop plans that focus on both the immediate and longer-term steps to support displaced families.

Alongside our response to this emergency, we have thankfully been able to ensure that the rest of our housing programmes remain unaffected, helping to meet the shelter needs of people in 9 countries around the world.



Thanks to an ever-growing digital supporter base, we were able to launch an emergency appeal online to raise funds to support our teams with the Ukraine refugee response effort across Europe.



## one vision

of a world where everyone has a decent place to live

### 376,588 people



who we helped to build or improve the place they call home - a 53% increase on FY21

### 9 countries



where we've worked on building, renovation, sanitation, and advocacy projects

### 655,793

views of our webpages



over

### £2.9 million



pounds raised to support our work

### 28,000

followers across our social media channels



### over 30 coalition partners

working alongside us to prevent homelessness through our empty space renovation programme



### 33%

open rate for our fundraising emails (sector average is 20%)



### 6%

increase in new email subscribers

### 1,400



hours of our YouTube videos watched

### 41%



increase in our LinkedIn followers







Since Russia's invasion, over 6.3 million people from Ukraine have sought refuge across Europe.

# IN SAFE HANDS

Russia's invasion of Ukraine sparked the fastest movement of refugees since the Second World War, surpassing even the 2011 Syria crisis, which saw a million people flee their homes within three months – it took just a week for the same number to leave Ukraine.

As the world's largest shelter charity, we had to act immediately.

**Having been a key pilot partner of our Empty Spaces to Homes programme, Habitat for Humanity Poland, had already demonstrated the efficacy of the programme, and established research about the scale of the empty space conversion opportunity before the invasion of Ukraine.**

Our programme's supporting research and pilot data have been identified as a key Habitat for Humanity strategic response to the refugee crisis in Poland and beyond, and highlighted as a key recommendation in the Polish Union of Metropolises white paper *'The Challenges of Systemic Support for Refugees at Local and National Level'* in May 2022.

Our 'Empty Spaces' programme, which turns disused, empty retail or housing space into practical accommodation for vulnerable groups, demonstrates huge potential in meeting the longer-term needs of displaced families from this conflict and other disasters in the future.

We will continue to share our experience in this area with our colleagues overseas, as well as support with other fundraising resources where possible.

So far, it's estimated that over 32,000 refugees from Ukraine have been supported by Habitat for Humanity's response. Thousands more have also been helped via the Habitat for

Humanity information desk in Warsaw East Transit Station. Being part of a network of Habitat for Humanity offices all around the world is crucial to our impact as an organisation, and we are humbled to have been able to assist our colleagues on the ground with such a tremendous task. Safe, reliable shelter is the foundation from which families can rebuild their lives, and we will continue to do all that we can through 2022/23 to help families on their journey back to home.

In February 2022, we watched with dismay the distressing situation of millions of people fleeing their homes to escape the violence in Ukraine. Habitat for Humanity Great Britain joined colleagues across our network in calling for an immediate end to the violence.

**Watching people being forced from their homes, and seeing lives and houses destroyed, goes against everything that Habitat for Humanity stands for.**

As an organisation with a strong presence in Ukraine's neighbouring countries, Habitat for Humanity began responding to the resulting refugee crisis by

helping displaced families with shelter and other emergency needs at Ukraine's border with Romania and Hungary.



Items such as mobile phone chargers, electric heaters, and sleeping bags were handed out to offer some immediate assistance to refugees.

Help was also provided in major cities such as Warsaw, Poland; Bucharest, Romania; and Budapest, Hungary.

In Great Britain, we knew our response would have to evolve rapidly in order to support our colleagues on the ground, and so our team quickly launched an emergency fundraising campaign.

The response from our supporters, social media followers, along with new and existing corporate partners, was truly incredible, raising over £589,000 - including £300,000 from an anonymous donor, over £160,000 from existing corporate partners, over £40,000 from trusts and foundations, and over £60,000 from our individual supporters.

**Habitat for Humanity Great Britain supports victims of natural disasters and conflicts all around the world with a focus on supporting displaced people on their journey into long-term shelter. Our 'Pathways to Permanence' approach underpins all of our emergency response work, which we adapt to tackle the challenges posed by each disaster.**



Training communities at risk of natural disasters in making their homes more disaster resilient.



Delivering emergency aid and assistance to support families fleeing disaster.



Building temporary shelters whilst more permanent housing is found or assisting with repair work.



Providing our expertise in housing construction to disaster-affected areas to assist with reconstruction.



Continually seeking innovative ways to address the housing need, such as disaster resilient homes.



# MARINA'S STORY

“ This apartment is our real home now. We feel very safe here. I’m thankful Habitat for Humanity exists. ”

Marina (pictured) is just one of the 32,000 people who Habitat for Humanity has helped since the outbreak of violence in Ukraine. Safe, reliable shelter is the foundation from which families can rebuild their lives and here, Marina explains the vital impact our disaster response work is having on her and her children.

“ We couldn’t understand what was happening, we knew there were Russian troops at the borders, but we didn’t expect things to escalate.

**I fled with my children, and like all mothers, we simply want our children to stay alive.**

We left our personal belongings behind. The main thing for us was to escape.

On the day we left, it was the first time I saw my husband cry. We didn’t know if we’d ever see each other again. The children cried. We all cried.

It was awful. The children keep saying, “Let’s go home, let’s return to Daddy”.

Finding out about Habitat for Humanity was some miracle. When we entered the flat in Warsaw for the first time, it seemed to us that here was a place where we can now sleep in peace, without being woken by sirens in the middle of the night. Without having to sit in the hallway for three hours in a row because that was the only safe place in our flat in Ukraine when the sirens sounded.

My children had a good night’s sleep for the first time. We felt that we had finally found a home. I am grateful we have a roof over our heads and that my children live in safety.

I’ve got used to living here now. I can spend time with my girls going to the local parks and looking at nature. If I’m spending time with my kids and not thinking about what’s going on back home, then I feel good. The apartment is our real home now. We feel very safe here. I’m thankful Habitat for Humanity exists. ”







## GROWING HOME

In Cambodia, over a quarter of the country's population lives in poverty.

Poor quality housing, along with a lack of access to clean water and sanitation, particularly in rural areas, means millions of families are faced with unhealthy and unsanitary living conditions every single day.



Through our partnership with the property management company, Touchstone, we have been working with vulnerable families in the Siem Reap Province of Cambodia.

**The three year project, which reached completion in February 2022, was tasked with building self-reliance and resilience through holistic support of our beneficiaries.**

As part of the Touchstone-funded work, our colleagues at Habitat for Humanity Cambodia worked alongside the Human Resource and Rural Economic Development Organisation - a non-governmental organisation in Cambodia that works to alleviate poverty and help rural communities create sustainable futures.

Our combined expertise and resources have meant that not only do our home partners receive housing and sanitation support, but they have additionally been provided with agricultural training to introduce the community to the concept of home-based gardening.

Salao and her husband (pictured above with their children) received a new home and agricultural training via the project.

**Salao says, "Before we could not earn well, and have a good home to come to, now we feel a lot more content calling this our new home. I have learned to choose good seeds, and how to build our home-based garden. Now, we have planted various kinds of vegetables... beans, pumpkins, and melons. Sometimes, we even get to share our plants with our relatives".**

In 2021/22, the project supported almost 200 people in Cambodia, and we are delighted that this programme of work has been extended into 2022/23 to help more families build decent homes and thriving communities.

Nepal is among the least developed countries in the world, with 25% of its population living below the international poverty line. In the rural and semi-urban areas where Habitat for Humanity work, most families live on insecure day wages from working as farm or construction labourers.

Data from World Bank shows that women in developing countries are 20% less likely than men to have an account at a formal financial institution.

Many women in Nepal do not have secure rights to their own homes. Although the government of Nepal promotes gender equality in its property laws, the rights of a married woman to claim her husband's property remain unclear unless her name is registered in the title.

To protect married women from being evicted from their marital property in the event of separation, divorce, or their husbands' deaths, Habitat for Humanity promotes the joint registration of both husbands' and wives' names in property titles or any occupancy rights documents issued by the government.

**Additionally, Habitat for Humanity Great Britain has been working closely with our colleagues in Nepal on a financial inclusion project for women, which works to provide financial literacy training**

The four-year project, which began in August 2020, is generously funded by Jersey Overseas Aid and has so far helped 289,878 people like Patani (pictured below). Patani is a resident of Katahari-4 where she lives with her husband, Sitaram.

The couple work as daily labourers in Biratnagar. Before constructing their new home, they were living in a house consisting of one room, with a mud floor, bamboo wall, and thatched roof. They had no toilet and were using public hand-pump water for drinking.

By working with microfinance institutions like Jeevan Bikas (JBS), who allow microfinance institutions to design housing loan products, the project helps



## BUILDING RESILIENCE



low-income families access loans to assist with building or improving their homes.

Patani's first loan from JBS was £31.25, and she has since completed four loan cycles. More recently, Patani has taken out a loan of £1,250 to construct a safe, new home. She and her husband now have a three room house with brick walls and a decent roof.

**Patani says, "In our new house, we no longer fear snakes getting through the holes in the walls, rainwater leaking from the roof, or our food stocks getting damaged during the storms".**

Families like Patani's are now able to have greater security, higher resilience to natural disasters, and more opportunities for home-based livelihoods such as small businesses. These loans play an essential role in building a place for families to thrive and in reducing the social and health risks of poor living standards.

None of this vital work would have been possible without the support of Jersey Overseas Aid, and we extend our deepest gratitude to them, as well as our colleagues in Nepal who have formed crucial partnerships with organisations such as JBS.



# FUNDRAISING, CAMPAIGNING, AND VOLUNTEERING

The Charity's income during the year ended 30th June 2022 was £2,950,500, 75% up from the £1,684,500 in year ended June 2021.

## PHILANTHROPY, TRUSTS AND FOUNDATIONS

In the last Annual Review, we shared our plans to invest in income generation and to recruit a Head of Philanthropy, Trusts and Foundations to grow our funding opportunities in this area.

We are delighted to have appointed Jemma Chambers to this role in January 2022 – Jemma brings a wealth of fundraising experience, with over 20 years in the sector, most recently spending six years with an international development charity.

This additional resource will enable us to develop our income from both Trusts and Foundations whose objectives fit with our work, and from individuals who wish to make personally significant gifts.

**We have already seen growth as a result of this strategy, and are excited to be progressing some really promising relationships with individuals and funders who want to invest in Habitat's mission – both overseas and here in Britain.**



In the next year, we will build on these relationships further, and are establishing Funding Circles, enabling donors making significant investments to get more involved in our work and engage with projects.

There are some amazing innovations in housing solutions taking place across the Habitat for Humanity network, and increasingly supporters and funders are interested in making a difference in more sustainable and long-term ways.

We are exciting to be going on this journey together with our major funders and exploring how philanthropic partnerships can be transformational in increasing our impact.



## INDIVIDUAL GIVING AND DIGITAL

As we navigated our way out of lockdowns and restrictions imposed by the COVID-19 pandemic, our individual donors continued to ardently support our work.

This support was particularly evident following the launch of our Ukraine response appeal, which saw us receive our largest number of interactions with posts on our social media pages, as well as the highest email open rates to fundraising emails we have ever received at almost 40%.

**This passionate engagement with our fundraising communications resulted in restricted funds of over £35,000 yielding an extremely positive return on investment as all fundraising was carried out internally using low-cost digital resources.**

The momentum carried through to our springtime appeal which saw an additional £18,000 of unrestricted funds raised.

In addition to the unforeseen events in Ukraine, we continued building upon the solid support of our donorbase through our usual calendar of communications and mailings.

Our twice-yearly *Zikomo* newsletter continues to be warmly received by supporters, and our busy calendar of email communications is helping us

to increase familiarity with and awareness of our work with our donors.

We were delighted to have the continued support of COINS

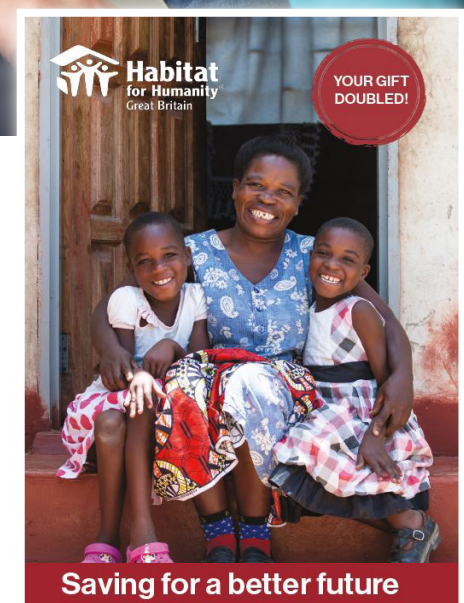
*Foundation* who generously match-funded our Christmas appeal for the third consecutive year - an incentive that continues to be very well received by our donors.

Our legacy fundraising work continues to develop with a consistent programme of communications, as well as a renewed digital strategy to promote gifts in Wills to our donors.

We will be working on a new legacy strategy throughout 2022/23, with a view to encouraging our supporters to consider legacy giving as an important and impactful way to support our work.

We are continuing to develop and review our website to maximise traffic and ensure the most user-friendly experience.

We have also been promoting a variety of digital fundraising initiatives, such as e-cards, Gaming for Good, and Give as You Live.







## CORPORATE PARTNERSHIPS

We are incredibly proud to partner with many organisations who give to us financially, donate their time, expertise, and passion to help us provide decent housing both here in the UK and globally.

We entered into our second year of our partnership with M&G supporting our Empty Spaces to Homes programme in London, Scotland, and Poland. Over the last year M&G employees have volunteered as individuals and as teams to help us with the early demolition work on our London properties that are being refurbishing into social housing for young people leaving the care system- ratcheting up over 200 hours of construction work in the UK.

In Poland, M&G support enabled us to refurbish six apartments in Warsaw, providing vital social housing for 12 people.

Through the Empty Spaces to Homes model and research funded by M&G, we are looking to increase housing stock in Poland, which has become even more critical as those needing social housing has increased since the Ukraine crisis began in February.

We are also in the process of developing a mobile app to help identify opportunities to repurpose empty spaces. The application will serve as a one stop shop for identifying empty spaces across the UK. The idea behind the application is to essentially use the power of the crowd to pull together a database of empty spaces, and influence people who can use this tool to identify and make an argument for better use of empty spaces.

We are pleased that Blackstone is partnering with us to be a part of the solution to the global undersupply of rental housing.

In addition to financial support for our Empty Spaces to Homes programme in London, it was fantastic to have teams from Blackstone volunteer and be directly involved in our construction work.

We are proud that Lloyds chose to extend its partnership with us by supporting our programme work in Ethiopia. Together, we are building community resilience to protect communities against flood hazards in Addis Ababa, Ethiopia. Lloyds has been a key partner over the years, supporting our programme work both in the UK and globally, and we are excited to partner with them to continue to support programmatic work in Southern and Eastern Africa.

**We are deeply grateful for the generosity of our partners who gave to our Ukraine response appeal. We would like to thank M&G, Paprika, Miller Homes, Lloyds, Towerbrook, and Rolls Royce for their support.**



## CAMPAIGNING AND ADVOCACY

Our campaigning and advocacy initiatives work to advance systemic approaches to ensure that everyone's right to access decent, affordable housing becomes a reality.

**Our strategy includes influencing public opinion and encouraging decision-makers to adopt policies and practices that shape housing and communities.**

In Zambia, we work to advocate for vulnerable women who may face significant challenges in securing the rights to their land and homes. After being widowed, some may even find themselves homeless as their in-laws lay claim to their property and possessions through the practice of "widow inheritance". Born out of a traditional custom designed to maintain assets and income through the generations, and to provide a safety net for women who become widows at a young age, the practice of widow inheritance sees women remarrying a male relative of her late husband, often his brother.

Unfortunately for too many women, especially those who are most vulnerable, this practice is simply a channel to reclaim property and as such, the widow loses all the rights to her property and assets.

Our work advocates for the protection of the most vulnerable women from this form of exploitation by ensuring that their rights are protected through both our campaigning work and our community study groups.

At these groups, residents improve their financial literacy and learn how to save, with the ultimate goal of securing their land through purchasing a land occupancy licence.



Through our work with colleagues at Habitat for Humanity Zambia, we have established 'change agents' like Joyce (pictured) — influential community leaders who are helping to spread the word about our work amongst residents.

**"Through the study groups, we are helping to change things. We are making a difference. When you don't have land documents, a lot of bad things can happen - but when you do have secure documents, a lot of good things can. The groups help the community across generations - when we are no longer here, our children will be protected," says Joyce**

## VOLUNTEERING

Our 'Global Village' volunteering programme remained on hold throughout 2021/22 and we continue to evaluate whether we will be able to relaunch the programme in future. In 2022/23 we will trial some overseas builds with some of our corporate partners and also offer teams of 15 or more individuals the opportunity to build with us. In Great Britain, teams of volunteers from our corporate partners have helped us on a variety of projects which you can read more about on pages 22 -23.







## OUR WORK IN GREAT BRITAIN

**After the challenges of the pandemic, when we were forced to stop work on our construction projects for close to 2 years, 2021/22 saw us get back into a rhythm of building again with our partners.**

The majority of our efforts in this area are in East London, in partnership with Barking and Dagenham Council. These projects form the flagship part of our 'Empty Spaces to Homes' programme which has now gathered significant momentum, with a Coalition of over 30 organisations committed to supporting its expansion.

This is being coordinated in partnership with Habitat for Humanity Poland, who are adopting a similar approach in Warsaw and surrounding areas. The aim is to look at institutionally-owned empty property and seek to bring whatever is suitable back into use as affordable move-on accommodation for vulnerable groups who are in vulnerable housing circumstances.

In Dagenham, this has been for young people leaving the statutory care system and looking to build a new life in a secure and communal home. These flats convert space above shops to provide large bedrooms with en-suites, a modern open-plan living, kitchen, and dining room, and a convenient location close to public transport and amenities.

The pilot project we completed in Barking Town

Centre has housed three young people since late 2019, and we completed another 3-bed flat in Dagenham in June 2022. We now have a further pipeline of homes identified with the council which can create up to a further 17 bed spaces.

We are looking to expand this work alongside our ongoing consultancy work, which is also having a greater impact through projects like Kingsley Hall in Becontree. We have worked with this church and community centre over many years to take redevelopment plans through from inception to completion.

This half-acre site in East London has provided amazing care and facilities for the community since the 1930s, during the inter-war expansion of London housing. However, it was needing major investment and creative thinking about how to consolidate and reprovide 21st Century facilities for the needs of future generations.

HFHGB provided Project Management services throughout, and took on elements of the construction as well. The project brought in a significant grant from the Greater London Authority, and from other well-known funders.

The new 'Livewell' Centre opened this summer and has been very well received. It has the first public roof garden in Dagenham, a dance studio with sprung floor, and an dynamic new café area

at ground floor providing much more access and footfall for the Centre.

In Stoke Newington, we received some excellent volunteering support from corporate partners, including P&G who provided generous donations towards the project at Claudia Jones Organisation (CJO), which has enabled us to progress with further phases of refurbishment work with their offices, meeting spaces, and garden area.

CJO supports and empowers women and families of African Caribbean heritage, providing culturally sensitive services that meet their needs.

In Kennington, we continue to support Oasisplay, who have taken on the former Charlie Chaplin Adventure Playground site on the edge of Kennington Park.

Our team has provided two complementary forms of support to this inclusive play charity: volunteering to carry out repairs and maintenance for the adventure playground, and consultancy (supported by a corporate grant from SEI) to develop the detailed feasibility and planning stages of longer-term improvements to the site. This has involved community consultation and fantastic pro-bono support from PRP Architects and other consultants.

In May this year, we said a fond farewell to Gareth Hepworth who had been CEO of our GB Homes

operation since 2011, and Operations Manager before that – his total service was over 17 years and he will be much missed.

David Clare, formerly Business Development Manager in the team, took on an Acting CEO position and has been able to transition successfully into that role.

Even closer collaboration operationally between the delivery team and the fundraising and communications team is strengthening our UK offer and building the current programme to have even more impact.

Plans continue to expand our work around empty spaces conversion, consultancy with churches and supporting charities, all via continued volunteering on site for our corporate partners. It looks set to be an exciting year of expansion of these activities ahead.



# FUTURE PLANS

We have exciting plans to drive growth across many areas of our work so that we can continue to provide innovative programmes around the world. With a new global campaign, the potential development of a retail presence, and plans to raise our profile with media coverage, we are diversifying and expanding with a view to making an even bigger impact.



## WORK IN BRITAIN

We are looking to grow our impact in Great Britain. As families struggle with the cost of living crisis, we know that our expertise can help. We will be developing new programmes that allow us to scale impact to support more people.



## VOLUNTEERING RELAUNCH

Habitat for Humanity Great Britain will initially only send volunteers to one organisational region (Poland, Romania and Jordan) while systems and processes are finalised for a wider global relaunch.



## NEW GLOBAL CAMPAIGN

We continue to progress towards our next global advocacy campaign, 'Home Equals', which aims to increase equitable access to adequate housing for people living in informal settlements.



## RETAIL PRESENCE

We hope to secure funding to help us launch our first ever retail space, ReStore+; a community retail hub to repurpose furniture, appliances, tools, and building materials, alongside workshops for vulnerable groups.



## MEDIA COVERAGE

We hope to raise our profile over the next few years with a strategic communications plan aimed at delivering increased brand awareness. Additionally, we are supported by an external public relations agency that seeks press coverage opportunities to highlight our work.







# 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, more than 1.8 billion people worldwide lack adequate housing, locking them into a grinding cycle of poverty.

Through our innovative house building projects, home renovation programmes, homelessness prevention, and disaster response work, our vision is to create a world where everyone has a decent place to live.

Habitat for Humanity exists to support people into decent housing where they can thrive with dignity, security, and resilience.

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.

## Trustee recruitment

Our 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.

When possible, trustees are encouraged to join Global Village build trips to familiarise themselves with the overseas operational work of the global Habitat for Humanity network, though currently the programme is still restricted due to the pandemic.

Trustees can serve a maximum of three terms of three years.

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 18th January 1995 and registered as a charity on 25th 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 in the accounts.



## RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

Our 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 team who are engaged in the work of the organisation.

We hold weekly 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 week by video conference call and review the management accounts and cash flow monthly.



**Habitat for Humanity Great Britain is a member of the Habitat for Humanity International network which has its headquarters in Atlanta, Georgia, USA.**



# 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

	2022	2021
Income from:	Total £	Total £
Donations and legacies	738,545	520,500
Charitable activities		
Disaster risk reduction & response	508,380	211,449
Advocacy	407,439	301,000
International Development	908,931	405,856
International Volunteering	7,695	17,865
HFHGB (Homes)	379,390	227,832
Investments	134	53
Other Income	-	-
<b>Total income</b>	<b>2,950,514</b>	<b>1,684,555</b>

Total income for the group in 2021/22 increased by 75% to £2,950,500 (previous year £1,684,500). Charitable activities were the biggest contributors to this income forming 75% of this income, followed by donations and legacies that brought in 25% of the total income.

## CHARITABLE EXPENDITURE

	2022	2021
Expenditure on:	Total £	Total £
Raising funds	454,838	377,159
Charitable activities		
Disaster risk reduction & response	716,545	128,118
Advocacy	207,062	164,493
International Development	926,932	668,792
International Volunteering	803	50,565
HFHGB (Homes)	555,299	355,362
<b>Total expenditure</b>	<b>2,861,479</b>	<b>1,744,489</b>

Charitable expenditure for the group in 2021/22 increased by 39% from £1,744,500 to £2,861,479. The most significant increase was towards our charitable activities which increased by 75% from £1,367,300 the previous year to £2,406,600 for 2021/22.



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 2020 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 carries 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 three 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.

For the year ended 30th June 2022 the free reserves for the group are £247,600. This has grown by 42% from the £174,000 last year. This amount would cover 3.6 months operating costs if the Charity was to run into fundraising and operational difficulties.

Despite the challenging year, management is determined to build up these reserves to the level recommended by the trustees.

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.

RENUMERATION POLICY

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 ensure 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 and senior management team 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 on page 56. During the year, the following staff earned more than £60,000.

Year	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-

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 Habitat for Humanity International area office for Europe, Middle East and Africa and the recipient Habitat for Humanity 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 Habitat for Humanity International 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.



# OUR APPROACH TO FUNDRAISING

Ensuring our fundraising is inline with industry standards and codes of practice outlined by the fundraising regulator is an essential part of our approach to fundraising.

Additionally, complete transparency and honesty with our supporters and funding partners is a key part of Habitat for Humanity Great Britain's values and we continually review our approach to ensure we are adhering to best practices.



We review our fundraising practices on an ongoing basis, monitoring them to ensure they are appropriate, cost-effective, and ultimately help us have the best impact for our beneficiaries.

We promise to be clear and honest about how we will communicate with our supporters, treating the public and our donors with the highest standards of transparency and respect, especially when asking them for support.

In 2021/22, Habitat for Humanity GB conducted the majority of our fundraising without external consultants.

We continue to work with a specialist database consultant who provides key support to our work and donor care. We also work with an external mailing house who assist us with print, production, and postage of our mailings.

Montieth & Company, a global communications consultancy, support our work on a pro-bono basis and we thank them for their ongoing support in this area.

We continue to examine opportunities to further develop our digital fundraising streams and are seeking ways to develop a cost-effective but impactful digital fundraising product.

All fundraising activity from corporate partners, individual supporters, digital streams, philanthropy, trusts, foundations, and volunteering is overseen by our Director of Development.

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.

Out of a total of 131,623 communication touchpoints with our supporters, we received no complaints from the public during 2021/22.



We are continuing to monitor General Data Protection Regulations (GDPR) to ensure compliance.

Additionally, we are also monitoring Government proposals to reform data protection legislation under the Data Act.



## 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. 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 trustees 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:

### 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 the donations by 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

### INCOME GENERATION

A key risk continues to be maintaining 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 investment into both corporate and philanthropy fundraising streams, as well as developing a new trusts, foundations, and major donor strategy. We also continue to test ways of acquiring new individual donors in the most cost effective way, together with improving our cost recovery systems in relation to our programmatic work.

### COST OF LIVING CRISIS

The cost of living crisis will undoubtedly have an impact on our donors and staff - as well as the people and communities we serve. We are already seeing the impact across the globe as the cost of some building and construction materials has risen, sometimes adding a 30% increase to planned project budgets. Our Senior Leadership team closely monitor income throughout the year and reforecast where appropriate.

### VOLUNTEER SAFETY

As we look to relaunch some of our overseas volunteering programme we continue to monitor the safety of our teams. Our volunteer work often entails working in environments, such as building sites, that come with increased risk to personal safety. Our volunteering programme is carefully assessed for risk and our volunteer teams will continue to be led by experienced and well-trained Team Leaders, themselves volunteers, who are rigorously trained in risk management and crisis management.

### PROPERTY PIPELINE

Sourcing a pipeline of properties in Britain to expand our work is challenging. It can take a long time to identity and gain permission from leaseholders to convert empty spaces into social housing. We are looking to mitigate this by building deeper relationships with existing partners, developing new partners, and sharing our approach and methodologies with other charities through our toolkit.

## 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 or 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 exploitation, 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 a world where everyone has a decent place to live. Over the past four 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 programmes we have funded, either currently or historically; country programmes 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 programmes and screening of employees and volunteers but also our systems for promoting thorough reporting and transparency.

Capacity has been developed across the entire global network to ensure more robust training and procedures around safeguarding. Safeguarding training forms a key part of the induction process for all staff and trustees. Our network also continued rolling out a safeguarding visualization toolkit to support communities in realizing their rights in preventing sexual exploitation, abuse and harassment by promoting a 'speak up' culture.

In addition to safeguarding cases, Habitat for Humanity Great Britain remains 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 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 TRUSTEES

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 charitable company and group and of the incoming resources and application of resources.

This includes 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 2019 (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.

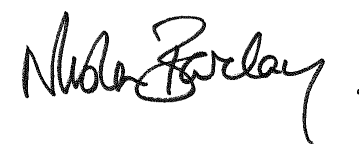
## AUDITORS

Azets 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 13 December 2022 and signed on their behalf by:



Nicola Barclay  
**Chair**

13 December 2022



# AUDITOR'S REPORT

## Independent Auditor's Report to the Trustees and Members of Habitat for Humanity Great Britain

### OPINION

We have audited the financial statements of Habitat for Humanity Great Britain (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2022 which comprise Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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 parent charitable company's affairs as at 30 June 2022, and of the group's incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, 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 and parent charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### OTHER INFORMATION

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

information contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 incorporating the strategic report and the directors' report 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial

statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' 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 parent 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 groups and parent charitable 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 parent charitable 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 regulations made under those Acts.

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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and trustees around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of trustee meetings;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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.

*Azets Audit Services*

Paul Creasey (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services  
Statutory Auditor and Chartered Accountants  
Egham

13 December 2022

Azets Audit Services is eligible to act as an auditor in terms of 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 2022)

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
<b>Income from:</b>							
Donations and legacies	2	508,623	229,922	738,545	515,322	5,178	520,500
Charitable activities							
Disaster risk reduction & response	3	-	508,380	508,380	-	211,449	211,449
Advocacy		-	407,439	407,439	-	301,000	301,000
International Development	3	-	908,931	908,931	-	405,856	405,856
International Volunteering	3	7,695	-	7,695	17,865	-	17,865
HFHGB (Homes)	3	326,040	53,350	379,390	197,326	30,506	227,832
Investments		134	-	134	53	-	53
Other Income	4	-	-	-	-	-	-
<b>Total income</b>		<b>842,492</b>	<b>2,108,022</b>	<b>2,950,514</b>	<b>730,566</b>	<b>953,989</b>	<b>1,684,555</b>
<b>Expenditure on:</b>							
Raising funds	5	421,509	33,329	454,838	366,245	10,914	377,159
Charitable activities							
Disaster risk reduction & response	5	28,831	687,714	716,545	44,819	83,299	128,118
Advocacy	5	39,281	167,782	207,062	44,522	119,971	164,493
International Development	5	97,758	829,174	926,932	158,124	510,668	668,792
International Volunteering	5	803	-	803	48,282	2,283	50,565
HFHGB (Homes)	5	256,319	298,980	555,299	359,988	(4,626)	355,362
<b>Total expenditure</b>		<b>844,500</b>	<b>2,016,979</b>	<b>2,861,479</b>	<b>1,021,980</b>	<b>722,509</b>	<b>1,744,489</b>
<b>Net income / (expenditure) for the year</b>		<b>(2,008)</b>	<b>91,043</b>	<b>89,035</b>	<b>(291,414)</b>	<b>231,479</b>	<b>(59,934)</b>
Transfers between funds		865	(865)	-	46,133	(46,133)	-
<b>Net movement in funds</b>		<b>(1,143)</b>	<b>90,178</b>	<b>89,035</b>	<b>(245,282)</b>	<b>185,346</b>	<b>(59,934)</b>
<b>Reconciliation of funds:</b>							
Funds brought forward		1,235,575	1,026,468	2,262,043	1,480,856	841,121	2,321,977
<b>Total funds carried forward</b>		<b>1,234,432</b>	<b>1,116,646</b>	<b>2,351,078</b>	<b>1,235,575</b>	<b>1,026,468</b>	<b>2,262,043</b>

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 SHEET

As of 30 June 2022

	Note	The Group		The Charity	
		2022	2021	2022	2021
		£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	11	1,070,850	1,096,128	3,527	79
Programme related investments	18	75,160	110,595	-	-
		1,146,010	1,206,723	3,527	79
<b>Current assets:</b>					
Debtors	12	432,800	87,627	310,938	59,802
Cash at bank and in hand		1,446,012	1,724,226	1,334,149	1,595,308
		1,878,812	1,811,853	1,645,087	1,655,110
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	510,245	556,383	376,056	447,803
<b>Net current assets</b>		1,368,567	1,255,470	1,269,031	1,207,307
Creditors: Amounts falling due after more than one year	14	163,500	200,150	31,794	40,833
<b>Total net assets</b>		2,351,077	2,262,043	1,240,764	1,166,553
<b>Funds:</b>					
Restricted income funds	10	1,116,646	1,026,467	983,545	870,698
Unrestricted income funds	10	1,234,431	1,235,575	257,219	295,854
<b>Total funds</b>		2,351,077	2,262,043	1,240,764	1,166,553

The Financial Statements were approved and authorised for issue by the trustees on 13 December 2022 and signed on their behalf by:



Nicola Barclay  
Director, Chairman



Gordon Holmes  
Director, Honorary Treasurer

Company no: 3012626  
Charity no: 1043641  
Scotland: SCO48638

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

	2022	2021
	£	£
<b>Cash flows from operating activities</b>		
<b>Net cash provided by (used in) operating activities</b> (see note below)	(265,538)	846,490
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	134	53
Purchase of fixed assets	(47,981)	(25,148)
Proceeds from sale of investments	-	-
Repayments of investments	35,435	31,829
<b>Net cash provided by investing activities</b>	(12,412)	6,734
<b>Cash flows from financing activities:</b>		
Repayments of borrowing	(25,737)	(25,737)
Financing costs	(7,146)	(7,146)
Cash inflows from new borrowing	50,000	50,000
<b>Net cash provided by financing activities</b>	(41,926)	17,117
<b>Change in cash and cash equivalents in the year</b>	(319,876)	870,341
Cash and cash equivalents at the beginning of the year	1,724,226	876,032
Change in cash and cash equivalents due to exchange rate movements	41,662	(22,147)
<b>Cash and cash equivalents at the end of the year</b>	1,446,012	1,724,226
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>		
	2022	2021
	£	£
<b>Net income / (expenditure) for the reporting period</b>		
(as per the statement of financial activities)	89,034	(59,934)
Depreciation charges	73,258	72,762
(Gains)/losses on investments	-	-
Dividends, interest and rent from investments	(134)	(53)
Interest paid	6,182	7,146
(Profit)/loss on the disposal of fixed assets	-	-
Increase (Decrease) in stocks	-	-
Foreign exchange loss/(gain)	(41,662)	22,147
(Increase)/decrease in debtors	(346,316)	609,051
Increase/(decrease) in creditors	(45,900)	195,371
<b>Net cash provided by / (used in) operating activities</b>	(265,538)	846,490

All cash and cash equivalents at 30 June 2022 and 30 June 2021 were held as cash at bank and in hand.

### Analysis of changes in net funds

	1st July 2021	Cashflow	30th June 2022
	£		£
Cash	1,724,226	(278,214)	1,446,012
Loans falling due within one year	(35,823)	(1,238)	(37,061)
Loans falling due after more than one year	(200,150)	36,650	(163,500)
	1,488,253	(242,802)	1,245,451



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 2019) - (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 24.

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 TAX

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	59.66%
Disaster risk reduction and response	5.69%
Advocacy	12.07%
International Development	22.58%

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	51.00%
Disaster risk reduction and response	19.00%
Advocacy	15.00%
International Development	15.00%



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 is 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 expense 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 INVESTEMENTS

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 OF 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

• Empty Homes Project Funding: As part of its primary purpose trading, HFHGB (Homes) enters into commercial contracts with a local authority to undarake renovation work on empty loacal authority properties. Under the existing contract arrangements, HFHGB (Homes) charges 76% of its renovation costs to the local authority which is invoced in arrears in accordance with a value of works calculated by surveyors. Funding for the Empty Homes Project is also raised from corporate donors through the parent charity. This restricted funding is usually received in advance of the renovation work and is used to provide working capital for the project. The accounting policy is to charge the cost of the renovation work to these restricted funds, up to the level of the funds available, notwithstanding that 76% of the costs are recoverable from the local authority. This utilisation of restrcietd funds is deemed a significant judgement becaue donors may have an expectation that their funding would not be utilised to fund a project to the extent that the costs of the project are already funded under a commercial contract. The charity has received legal advice that such an expectation does not give rise to a legal restrcition on the use of the funds.

w) GOING CONCERN

The trustees have reviewed the Group's forecasts and operating plans some of which have been risk weighted to take into account the challenges in the current environment.

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

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Individuals	173,013	-	173,013	195,981
Churches & Civic Groups	2,385	-	2,385	2,601
Companies and Employee Fundraising	114,724	10,000	124,724	79,561
Foundations, Organisations and Institutions	39,890	-	39,890	9,480
Major Donors	28,340	-	28,340	41,600
Legacies	66,517	-	66,517	105,752
HFHI transfers	-	200,000	200,000	-
Gifts in Kind	50,000	-	50,000	51,100
Gift Aid recovered	33,641	9,250	42,891	34,425
Other	113	10,672	10,785	-
	508,623	229,922	738,545	520,500

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	2022 Total	2021 Total
	£	£	£	£
<b>Disaster risk reduction &amp; response:</b>				
COINS Foundation	-	-	-	30,000
M & G Plc	-	-	-	55,850
Miller Homes	-	-	-	25,800
Standard Chartered	-	82,517	82,517	78,170
Rolls Royce	0	29,702	29,702	-
Schutz Engel Trust	0	20,520	20,520	-
Paprika	0	9,000	9,000	-
Other	-	366,641	366,641	21,629
<b>Sub-total for Disaster Risk Reduction and Response</b>	<b>-</b>	<b>508,380</b>	<b>508,380</b>	<b>211,449</b>
<b>Advocacy:</b>				
M & G Plc	-	296,587	296,587	243,000
COINS Foundation	-	-	-	50,000
Blackstone	-	110,152	110,152	-
Other	-	700	700	8,000
<b>Sub-total for Advocacy</b>	<b>-</b>	<b>407,439</b>	<b>407,439</b>	<b>301,000</b>
<b>International Development:</b>				
JOAC	-	244,898	244,898	48,875
Towerbrook	-	108,849	108,849	-
Miller Homes	-	22,500	22,500	-
GOAC	-	-	-	25,000
Touchstone	-	90,431	90,431	-
COIN	-	150,000	150,000	50,000
Stiching TCC Foundation	-	31,225	31,225	-
HFHI Solid Ground	-	-	-	15,583
BBC Radio 4	-	-	-	53
Comic Relief	-	16,751	16,751	18,433
Sailor Society	-	-	-	8,000
Lloyds of London	-	167,481	167,481	143,333
Saffery Read	-	35,520	35,520	47,500
HMRC Job retention scheme	-	-	-	32,604
Other	-	41,276	41,276	16,474
<b>Sub-total for International Development</b>	<b>-</b>	<b>908,931</b>	<b>908,931</b>	<b>405,856</b>
<b>International Volunteering:</b>				
Corporate Teams	7,695	-	7,695	16,166
<b>Sub-total for International Volunteering</b>	<b>7,695</b>	<b>-</b>	<b>7,695</b>	<b>17,865</b>
Rental Income	98,150	-	98,150	82,984
Volunteer Facilitation Grants	10,170	-	10,170	-
WeWork	-	-	-	3,160
Wells Fargo	-	-	-	26,205
Proctor & Gamble	-	-	-	21,539
Whirlpool	-	41,667	41,667	-
Other Grants	-	11,683	11,683	-
Professional Fees	58,379	-	58,379	38,666
Contract Works	153,302	-	153,302	1,254
HMRC Job retention scheme	5,432	-	5,432	54,024
Other income	607	-	607	-
<b>Sub-total for HFHGB HOMES</b>	<b>326,040</b>	<b>53,350</b>	<b>379,390</b>	<b>227,832</b>
<b>Total income from charitable activities</b>	<b>333,735</b>	<b>1,878,100</b>	<b>2,211,835</b>	<b>1,164,003</b>



## 4. OTHER INCOME

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

	Unrestricted	Restricted	2022 Total	2020 Total
	£	£	£	£
Investment income	134	-	134	53
Other Income	-	-	-	-
Other income resources	-	-	-	-
	134	-	134	53

## 5. ANALYSIS OF EXPENDITURE

	Charitable activities							2022 Total	2021 Total	Basis of allocation
	Cost of raising funds	Disaster Risk Reduction and Response	Advocacy	International Development	International Volunteering	HFHGB Homes	Support and governance costs			
	£	£	£	£	£	£	£	£	£	
Staff costs	249,049	30,332	67,925	118,030	-	167,695	147,132	780,163	699,366	Staff time and cost
Recruitment costs	8,520	-	874	874	-	-	10,397	20,665	-	Direct
Training	1,529	-	-	-	-	-	258	1,787	722	Direct
Consultancy costs	14,869	462	981	12,835	-	-	2,253	31,400	25,313	Direct
Grants to HFH Projects	-	663,173	95,000	729,736	-	-	-	1,487,909	612,113	Direct
Grants returned	-	-	-	-	-	-	-	-	-	Direct
International Project expenses	-	-	-	-	-	-	-	-	37,991	Direct
Domestic project expenses	-	-	-	-	-	223,444	-	223,444	(12,355)	Direct
Project depreciation	-	-	-	-	-	72,371	-	72,371	72,521	Direct
Fundraising and promotions	16,376	6,228	6,525	4,528	20	-	1,287	34,964	37,471	Direct and content %
Office costs	31,392	2,993	6,533	11,881	783	28,005	14,594	96,181	81,287	Direct
Travel costs	934	1,302	3,661	1,221	-	-	271	7,389	58	Direct
Audit and accountancy	-	-	-	-	-	-	17,350	17,350	15,410	Direct
Legal and professional	3,014	-	-	-	-	59,286	3,425	65,725	80,999	Direct
Bad debt expense	-	-	-	-	-	(1,683)	-	(1,683)	7,315	Direct
Other expenses	27,406	2,398	5,071	9,489	-	-	11,656	56,021	54,957	Direct
Foreign exchange loss / (gain)	-	-	-	-	-	-	(41,662)	(41,662)	22,147	Direct
Bank charges & interest	455	-	-	-	-	6,182	2,818	9,455	9,173	Direct
Sub-total	353,544	706,888	186,570	888,594	803	555,300	169,779	2,861,479	1,744,489	
Governance costs	9,628	918	1,948	3,644	-	-	(16,138)	-	-	
Support costs	91,665	8,739	18,544	34,692	-	-	(153,641)	-	-	Staff time
Support and governance	101,293	9,657	20,492	38,336	-	-	(169,777)	-	-	
Total expenditure 2022	454,838	716,545	207,062	926,932	803	555,300	-	2,861,479	1,744,489	

	2022	2021
	£	£
Depreciation	73,258	72,762
Auditors' remuneration (excluding VAT)	20,700	12,950
Non-audit services	-	-
Foreign exchange (gains) or losses	(41,662)	22,147
Operating lease expenses	3,095	1,910



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 & Response £	Advocacy £	International Development £	2022 Total £	2021 Total £
Cambodia	-	-	87,911	87,911	24,749
Ethiopia	-	-	253,256	253,256	50,000
India	235,472	-	41,739	277,211	-
Kenya	-	-	11,050	11,050	-
Lebanon	-	-	-	-	79,295
Malawi	-	-	261,928	261,928	135,513
Myanmar	-	-	-	-	8,000
Nepal	-	-	-	-	171,901
Poland	-	-	-	-	97,055
Romania	-	-	29,452	29,452	-
Sri lanka	-	-	44,400	44,400	45,600
Ukraine	427,701	-	-	427,701	-
Zambia	-	50,000	-	50,000	-
UK Projects	-	45,000	-	45,000	-
Total	663,173	95,000	729,736	1,487,909	612,113

7. ANALYSIS OF STAFF COSTS, TRUSTEE RENUMERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	666,052	603,168
Redundancy and termination costs	3,500	5,537
Social security costs	62,765	58,095
Employer's contribution to defined contribution pension schemes	18,935	18,947
Contract labour	36,067	14,693
Total	787,319	700,440
During the year, the following staff earned in excess of £60,000:		
	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-

The total employee benefits including pension contributions of the key management personnel were £372,608 (2021: £342,543).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).



## 8. STAFF NUMBERS

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.

	2022	2021
	No.	No.
Raising funds	5.9	5.0
Advocacy and DR3	1.8	1.0
International Development	2.2	2.7
International Volunteering	-	1.0
HFHGB (Homes)	5.0	5.0
Governance	0.7	0.5
Support	2.1	1.8
	18	17

## 9. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	The Group			The Charity				
			2022	2021			2022	2021
	General unrestricted	Restricted funds	Total funds	Total funds	General unrestricted	Restricted funds	Total funds	Total funds
	£	£	£	£	£	£	£	£
Tangible fixed assets	1,070,850	-	1,070,850	1,096,127	3,527	-	3,527	79
Programme related investments	75,160	-	75,160	110,595	-	-	-	-
Net current assets	251,921	1,116,646	1,368,567	1,255,471	285,486	983,545	1,269,031	1,207,307
Long term liabilities	(163,500)	-	(163,500)	(200,150)	(31,794)	-	(31,794)	40,833
Defined benefit pension asset/(liability)	-	-	-	-	-	-	-	-
Net assets at the end of the year	1,235,575	1,116,646	2,351,077	2,262,043	257,219	983,545	1,240,764	1,166,552

## 10. MOVEMENT IN FUNDS

	At the start of the year	Fund movement	Incoming resources & gains	Outgoing resources & losses	At the end of the year
	£		£	£	£
<b>Restricted funds:</b>					
<b>HFHGB</b>					
Grants over £30,000					
JOAC	7,483	-	244,898	(248,471)	3,910
COINS Foundation	30,000	50,000	150,000	(230,000)	-
Lloyds of London	118,688	(27,666)	167,481	(235,182)	23,321
M & G Plc	400,020	27,666	296,587	(268,327)	455,946
Towerbrook	(956)		108,849	(37,228)	70,666
Blackstone			110,153	(77,131)	33,022
Rolls Royce			29,697	-	29,697
Standard Chartered Fundraiser	74,798		82,517	(157,315)	-
HFHI Investment Agreement	(4,200)		200,000	(47,841)	147,959
Smaller Grants	88,709	7,135	316,556	(326,895)	85,505
Non-reportable donors (restricted donations)	156,156	(58,000)	391,284	(355,920)	133,520
<b>Sub-total for HFHGB</b>	<b>870,698</b>	<b>(865)</b>	<b>2,098,022</b>	<b>(1,984,310)</b>	<b>983,545</b>
<b>HFHGB Homes</b>					
Grants over £30,000					
Tunbridge Wells DC/Society of Friends	-	-	-	-	-
Bank of America	-	-	-	-	-
Smaller Grants	155,770	-	10,000	(32,669)	133,101
<b>Sub-total for HFHGB Homes</b>	<b>155,770</b>	<b>-</b>	<b>10,000</b>	<b>(32,669)</b>	<b>133,101</b>
<b>Total restricted funds</b>	<b>1,026,468</b>	<b>(865)</b>	<b>2,108,022</b>	<b>(2,016,979)</b>	<b>1,116,645</b>
<b>Unrestricted funds:</b>					
<b>HFHGB</b>					
General unrestricted funds	295,854	865	516,339	(555,839)	257,219
<b>HFHGB Homes</b>					
General unrestricted funds	939,721	-	326,153	(288,662)	977,212
<b>Total unrestricted funds</b>	<b>1,235,575</b>	<b>865</b>	<b>842,492</b>	<b>(844,501)</b>	<b>1,234,431</b>
<b>Total funds</b>	<b>2,262,043</b>	<b>-</b>	<b>2,950,514</b>	<b>(2,861,480)</b>	<b>2,351,077</b>

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.



## 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
	£	£	£	£	£	£	£	£
<b>Cost</b>								
At the start of the year	80,229	1,352,998	30,160	15,733	27,262	1,506,382	27,262	27,262
Additions in year	58,154	-	-	1,554	4,336	64,043	4,336	4,336
Disposals in year	(16,062)	-	-	-	-	(16,063)	-	-
At the end of the year	122,321	1,352,998	30,160	17,287	31,598	1,554,362	31,598	31,598
<b>Depreciation</b>								
At the start of the year	-	367,792	1,632	13,647	27,183	410,254	27,183	27,183
Charge for the year	-	70,999	102	1,270	887	73,258	887	887
Eliminated on disposal	-	-	-	-	-	-	-	-
At the end of the year	-	438,791	1,734	14,917	28,070	483,512	28,070	28,070
<b>Net book value</b>								
At the end of the year	122,321	914,207	28,426	2,370	3,528	1,070,850	3,528	3,528
At the start of the year	80,229	985,206	28,528	2,086	79	1,096,128	79	79

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

## 12. DEBTORS

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	56,182	15,355	-	-
Other debtors	356,060	57,966	299,668	50,258
Prepayments	16,244	14,306	11,270	9,544
VAT	4,314	-	-	-
	432,800	87,627	310,938	59,802

## 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	32,354	15,343	21,258	6,092
Taxation and social security	22,733	21,217	20,268	11,116
Deferred income	100,000	300,000	100,000	300,000
Accruals	318,097	173,924	225,031	121,428
Loans	37,061	35,823	9,499	9,167
Other creditors	-	10,076	-	-
	510,245	556,383	376,056	447,803

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Loans: balance repayable in 1-5 years	131,301	154,350	31,794	40,833
Loans: balance repayable in more than 5 years	32,199	45,800	-	-
	163,500	200,150	31,794	40,833

**Habitat Homes:** 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 £1,485.06 which include interest charged at a rate of 3.75%. The term of the loan is 9.5 years from the date of drawdown of the loan. In 2019 an additional loan of £100,000 was drawn down, and in 2020 a further £23,500 was drawn down to fund the East Street development. It is repayable over 10 years from the date of completion and interest is chargeable at 3.25%.

**HfHGB:** The loan outstanding here is £41,293 taken under the government's Covid-19 Bounce Back Loan arrangement at a rate of 6.5%



## 15. FINANCIAL INSTRUMENTS

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
<b>Financial assets</b>				
Debt instruments measured at amortised cost:				
Programme related investments	75,160	110,595	-	-
Trade debtors	56,182	15,355	-	-
Other debtors	356,060	57,966	299,668	50,258
	487,402	183,916	299,668	50,258
<b>Financial liabilities</b>				
Measured at amortised cost				
Trade creditors	32,354	15,344	21,258	6,092
Deferred income	100,000	300,000	100,000	300,000
Loans	200,561	235,973	41,293	50,000
Other creditors	318,097	173,924	225,031	121,428
	651,012	725,241	387,582	477,520

## 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	
	2022	2021
	£	£
Less than one year	3,095	1,910
One to five years	2,384	1,433
	5,479	3,343

## 17. RELATED PARTY TRANSACTIONS

£7,435 was received from Gordon Holmes, a trustee and treasurer to the board of trustees. 2021: £25,000

COINS - Constructions Industry Solutions Ltd donated £150,000 in restricted funds. Larry Sullivan (Chairman) and Robert Brown (CEO) of COINS are trustees of HFHGB. 2021: £50,000. The Charity also receives a gift in kind of office space worthy £50,000 from COINS.

£300,000 was received from HFHI as restricted funding for additional capacity needed to deliver on the new strategy. £200,000 of this receipt is recognised as income in FY22 as shown in note 10. £100,000 is booked as deferred income. HFHGB remains an independent UK charity controlled by the Directors/Trustees.

## 18. PROGRAMME RELATED INVESTMENTS

	2022	2021
	£	£
<b>Cost or Valuation</b>		
At 1st July 2021	110,595	110,595
Additional Loans in Year	-	-
Repayments	(35,435)	(31,829)
At 30th June 2022	75,160	78,766
Repayable within one year	32,653	31,828
Repayable in more than one year	42,507	78,767
	75,160	110,595

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 (2021: None).

## 20. CONTINGENT ASSETS OR LIABILITIES

There were no contingent liabilities as at 30 June 2022 (2021: 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 £585,100 (2021: £328,858) and total expenditure for the year was £570,278 (2021: £369,962).

As at 30 June 2022 HFHGB Homes held £310,601 in Restricted Funds (2021: £155,770) and £799,712 in Unrestricted Funds (2021: £952,739).

## 23. HFHGB SINGLE CHARITY SOFA

			2022			2021
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b>Income from:</b>						
Donations and legacies	508,510	219,922	<b>728,432</b>	516,713	-	<b>516,713</b>
Charitable activities						
Disaster risk reduction & response	-	508,380	<b>508,380</b>	-	211,449	<b>211,449</b>
Advocacy	-	407,439	<b>407,439</b>	-	301,000	<b>301,000</b>
International Development	-	908,931	<b>908,931</b>	-	405,856	<b>405,856</b>
International Volunteering	7,695	-	<b>7,695</b>	17,865	-	<b>17,865</b>
HFHGB Homes	-	53,350	<b>53,350</b>	-	50,906	<b>50,906</b>
Investments	134	-	<b>134</b>	53	-	<b>53</b>
<b>Total income</b>	<b>516,339</b>	<b>2,098,022</b>	<b>2,614,361</b>	<b>534,632</b>	<b>969,210</b>	<b>1,503,842</b>
<b>Expenditure on:</b>						
Raising funds	406,518	33,329	<b>439,847</b>	359,027	10,914	<b>369,941</b>
Charitable activities						
Disaster risk reduction & response and Advocacy	28,831	687,714	<b>716,545</b>	44,819	83,299	<b>128,118</b>
Advocacy	39,282	167,782	<b>207,063</b>	44,522	119,971	<b>164,493</b>
International Development	97,758	829,174	<b>926,932</b>	158,124	510,668	<b>668,792</b>
International Volunteering	803	-	<b>803</b>	48,282	2,283	<b>50,565</b>
HFHGB Homes	(17,352)	266,311	<b>248,959</b>	-	127,745	<b>127,745</b>
<b>Total expenditure</b>	<b>555,839</b>	<b>1,984,310</b>	<b>2,540,149</b>	<b>654,773</b>	<b>854,880</b>	<b>1,509,654</b>
<b>Net income / (expenditure) before transfers</b>	(39,500)	113,712	<b>74,212</b>	(120,142)	(186,670)	<b>(5,812)</b>
<b>Transfer between funds</b>	865	(865)		46,133	(46,133)	
<b>Net income / (expenditure) for the year</b>	(38,635)	112,847	<b>74,212</b>	(74,009)	68,197	<b>(5,812)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	295,854	870,698	<b>1,166,552</b>	369,864	802,500	<b>1,172,364</b>
<b>Total funds carried forward</b>	<b>257,219</b>	<b>983,545</b>	<b>1,240,764</b>	295,851	870,699	<b>1,166,552</b>



## REFERENCE AND ADMINISTRATIVE INFORMATION

**COMPANY NUMBER:** 3012626

**CHARITY NUMBER:**

1043641 (England and Wales)

SCO48638 (Scotland)

**REGISTERED OFFICE AND OPERATIONAL**

**ADDRESS:** 11 St Laurence Way, Slough SL1 2EA

**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:

**Nicola Barclay**

Chair

**Mike Freshney**

Vice Chair (resigned 14 March 2022)

**Gordon Holmes**

Treasurer

**Larry Sullivan**

Trustee

**Gary von Lehmden**

Trustee (resigned 23 September 2022)

**Simon Thomas**

Trustee (resigned 19 May 2022)

**Ian Whitehead**

Trustee

**John Brian Clark**

Trustee (resigned 23 September 2022)

**Susan Revell**

Trustee

**Rick Hathaway**

Trustee

**Julien Gagnon**

Trustee

**Robert Brown**

Trustee (appointed 15 April 2022)

**Cynthia Laumuno**

Trustee (appointed 26 September 2022)

**KEY MANAGEMENT PERSONNEL**

**Tum Kazunga**

Chief Executive Officer

**Tessa Kelly**

Director of Development

**Victoria Bakulumpagi**

Director of Finance

**David Clare**

Chief Executive Officer, HFHGB (Homes)  
(appointed 23 May 2022)

**PATRONS**

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

**The Rt. Hon. Alistair Burt MP**

**The Rt. Hon Sir Simon Hughes**

**Terry Waite CBE**

**Michael Kirkwood CMG**

**BANKERS**

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

**SOLICITORS**

Bates Wells, London LLP, 10 Queen Street  
Place, London, EC4R 1BE

**AUDITORS**

Azets Audit Services, Gladstone House, 77-79  
High Street, Egham, TW20 9HY





**Habitat for Humanity Great Britain**

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Tel: 01753 313539

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