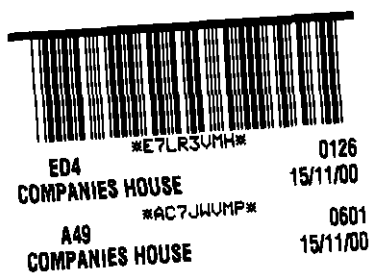


3012626

**HABITAT FOR HUMANITY  
GREAT BRITAIN**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2000**



# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2000**

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Company Registration Number:	3012626
Charity Registration Number:	1043641
Registered Office:	11 Parsons Street Banbury Oxon OX16 5LW
Directors:	Very Revd M Bunker Mr J M B Eddison Mr L Johnson Mr P W Kegg Revd G M Anderson Mr D S Haszczyń
Secretary:	Mr D C Stapleton
Patrons:	HRH The Duke of Gloucester KG GCVO Prof G Ashworth The Rt Revd M Baughen Mr A Burt The Revd A Campolo The Revd S Chalke Mr S Hughes MP Ms A Sarkis Mrs E Storkey The Revd D Tidball
Bankers:	National Westminster Bank Plc
Auditors:	Grant Thornton Registered Auditors Chartered Accountants

**HABITAT FOR HUMANITY GREAT BRITAIN**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2000**

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<b>INDEX</b>	<b>PAGE</b>
Report of the directors	1 - 4
Report of the auditors	5
Accounting policies	6 - 8
Statement of financial activities	9
Income and expenditure account	10
Balance sheet	11
Notes to the financial statements	12 - 16

# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **DIRECTORS REPORT**

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The Directors present their report together with financial statements for the year ended 31 March 2000.

### **Principal activities**

The company's principal activities are to fulfil its charitable objects " by working in partnership with God and people everywhere, from all walks of life, to develop communities with all people in need by building and renovating houses so that there are decent houses in decent communities in which they can live and grow in all that God intended ". This includes Resource Development, Community Group Development, Promotional and Educational Support and Administration. A certificate of charitable status has been issued to the company by the Charity Commissioners.

### **Organisation**

The directors meet 8 times a year and hold 2 Board retreats annually to review company strategy and Board development issues.

The day to day running of the company is carried out from the Registered Office and is delegated through the National Director and his senior staff team including the Community Development Director and the Resource Development Director. During the year a Programme Support Manager was recruited (July 1999) to replace the Programme Resource Director who had been seconded from Habitat for Humanity International. For the period April – December Habitat for Humanity International also seconded a Project Manager to assist with the development of a Staff and Volunteer Human Resources policy.

In September 1999 the company moved offices to the new address.

### **Business and Financial Review**

Progress with the development of the two existing affiliated Habitat for Humanity Community Groups was disappointing during the year. Difficulties in achieving fund-raising targets to fund the approved house-building projects in Southwark and Banbury caused these projects to be delayed into the financial year 2000/2001. Governance and management issues arose between the company and the affiliated HFH Community Group companies.

Development of new Community Groups in Birmingham, Cardiff and Eastbourne has progressed well but the process for creating the local capacity to manage house-building projects has proved slower than planned. Work with the group in Glasgow was stopped following a mid-year review.

The Board adopted a revised plan to reduce the number of Community Groups it could support to five and to seek to develop an improved governance and management structure to provide a more efficient and effective project management system.

The Board recognised the need to secure a stronger funding base in order to support both the Resource development and Community development at the national and local level together with house-building projects.

# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **DIRECTORS REPORT**

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In the year, total income grew by 65% with increased grants from the Department of the Environment, Transport and the Regions (£137,500) and from Habitat for Humanity International (£167,258). Donations improved significantly with contributions from individuals (£35,340), Churches (£6,800), Companies (£81,220) and Trusts (£41,823).

Gift in Kind donations reduced when in September donated office space was vacated and there was a reduction in the values of seconded personnel.

A further £105,464 was raised as project income of which £24,387 was to support Habitat for Humanity International Global Village programmes to South Africa and Mexico, £4,549 a grant from the Department for International Development for HFHI's work in El Salvador. A further £75,848 was granted from Habitat for Humanity International for direct marketing development.

In the year, grants of £216,671 were made to affiliated Habitat for Humanity Community Groups in Britain £174,466, and to Habitat for Humanity International £42,205.

In April 1999, the Rt. Hon. Hilary Armstrong MP, Minister for Housing and Local Government, was guest of honour who together with the Rt. Revd. Colin Buchanan Bishop of Woolwich participated in the dedication service for the first houses produced by Southwark Habitat for Humanity.

A further £54,790 was raised in the year towards expenditure in 2000/2001 and is held as deferred income.

The company's assets are held in order to further its charitable objects.

At 31 March 2000, the charity had net assets totalling £30,076.

As the company is growing and developing, the directors have apportioned some expenditure, which had previously all been included in " Management and Administration of the Charity ", to other expenditure types in order to give a more accurate view of the nature of the expenditure and activities of the charity.

### **Intangible income**

During the year, the company was dependent upon Habitat for Humanity International, who provided staff at no cost, and also upon its landlords who provided serviced accommodation at no cost. These were valued at £39,970 and £5,680 respectively.

### **Reserves policy**

At the present time the directors do not expect to retain significant reserves.

### **Funding**

The directors are satisfied that the company's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **DIRECTORS REPORT**

---

### **Directors**

The directors, who are the charity trustees, in office at the end of the year are listed below. All served throughout the year except for Mr G M Anderson and Mr D S Haszczyn who joined the board on 24 May 1999. Mr P J Harbard and Mr A H Maxwell-Wood resigned on 9 December 1999.

Very Revd M Bunker  
Mr J M B Eddison  
Mr L Johnson  
Mr P W Kegg  
Mr G M Anderson  
Mr D S Haszczyn

The company has no share capital and is limited by guarantee. The members' liability is limited to a maximum of £1 each.

### **Directors' responsibilities for the financial statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice 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 company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ascertain its financial position and to ensure that the financial statements comply with the Companies Act 1985, the Charities Act 1993 and regulations there under. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements comply with current statutory requirements and with the charity's governing document.

# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **DIRECTORS REPORT**

---

### **Fixed assets**

The movements in fixed assets are set out in note 8 to the financial statements.

### **Charitable and political contributions**

Donations to charitable organisations amounted to £182,989 (1999 : £59,191)

### **Small company exemption**

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

### **Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



D C Stapleton  
Secretary

Date

*July 13, 2000*

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
HABITAT FOR HUMANITY GREAT BRITAIN**

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We have audited the financial statements on pages 6 to 16 which have been prepared under the accounting policies set out on pages 6 to 8.

**Respective responsibilities of directors and auditors**

As described on page 3 the directors who also act as trustees for the charitable activities of Habitat for Humanity Great Britain are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

**BANBURY**

*July 31, 2000*



# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **ACCOUNTING POLICIES**

### **FOR THE YEAR ENDED 31 MARCH 2000**

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#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and follow the recommendations in the Statement of Recommended Practice : Accounting by Charities (the SORP) issued in October 1995. They have been prepared under the historical cost convention.

The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year.

#### **INCOME**

##### **Donations and gifts**

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the company is entitled are included in the statement of financial activities unless they are incapable of measurement.

Gifts-in-kind are accounted for at the directors' estimate of value to the company or sale value as follows:

- assets received for distribution by the company are recognised only when distributed
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold
- gifts of fixed assets for company use or funds for acquiring fixed assets for company use are accounted for (as restricted funds) immediately on receipt.

Intangible income is valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure. Voluntary help is not included in income.

##### **Grants receivable**

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 MARCH 2000**

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### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

### **Investment income**

Investment income, including associated tax recoveries, is recognised when receivable.

### **EXPENDITURE**

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the company's objectives (direct charitable)
- expenditure incurred directly in the effort to raise voluntary contributions (fund-raising and publicity) and
- expenditure incurred in the management and administration of the company.

Items of expenditure involving more than one cost category are apportioned on the basis of the estimated costs relating to each category as appropriate.

### **Fund accounting**

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the company.

Designated funds are unrestricted funds which have been designated for specific purposes by the directors.

### **Depreciation**

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Equipment            20% per annum

# **HABITAT FOR HUMANITY GREAT BRITAIN**

## **ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 31 MARCH 2000**

---

### **Corporation tax and VAT**

The company has charitable status and is exempt from corporation tax on the income it has received.

The company is not registered for VAT. Accordingly, expenditure in the income and expenditure account includes the relevant VAT.

### **Pension contributions**

The company does not have a pension scheme, but makes contributions to the personal pension schemes of certain employees.

# HABITAT FOR HUMANITY GREAT BRITAIN

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2000

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2000 £	Total Funds 1999 £
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Grants	2	75,500	229,258	304,758	172,731
Donations (gross) and other income		72,596	92,587	165,183	66,330
Gifts in kind		9,130	36,520	45,650	73,418
Projects		-	105,464	105,464	63,696
<b>Total incoming resources</b>		<u>157,226</u>	<u>463,829</u>	<u>621,055</u>	<u>376,175</u>
<b>Resources expended</b>					
Direct charitable expenditure	3	32,783	334,852	367,635	232,700
Fund raising and publicity	4	28,440	198,575	227,015	114,801
Management and administration of the charity	5	2,924	19,138	22,062	13,008
<b>Total resources expended</b>		<u>64,147</u>	<u>552,565</u>	<u>616,712</u>	<u>360,509</u>
<b>Net incoming resources before transfers</b>		93,079	(88,736)	4,343	15,666
Transfer to restricted fund		<u>(88,736)</u>	<u>88,736</u>	<u>-</u>	<u>-</u>
<b>Net incoming resources for the year</b>		4,343	-	4,343	15,666
Balances brought forward at 1 April 1999		<u>25,733</u>	<u>-</u>	<u>25,733</u>	<u>10,067</u>
<b>Balances carried forward at 31 March 2000</b>		<u><u>30,076</u></u>	<u><u>-</u></u>	<u><u>30,076</u></u>	<u><u>25,733</u></u>

There were no recognised gains or losses other than the surplus for the year.

**HABITAT FOR HUMANITY GREAT BRITAIN**

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2000**

---

	Note	£	2000 £	£	1999 £
Operating income			621,055		376,175
Direct charitable expenditure	3	367,635		232,700	
Fund raising and publicity	4	227,015		114,801	
Management and administration	5	<u>22,062</u>		<u>13,008</u>	
			<u>616,712</u>		<u>360,509</u>
Operating surplus	6		<u>4,343</u>		<u>15,666</u>
Surplus for the year transferred to reserves			<u>4,343</u>		<u>15,666</u>

There were no recognised gains or losses other than the surplus for the year.

The above results relate wholly to continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

# HABITAT FOR HUMANITY GREAT BRITAIN

## BALANCE SHEET

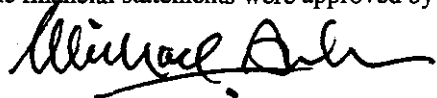
AT 31 MARCH 2000

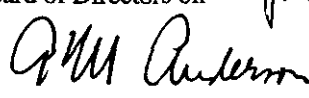
	Note	£	2000 £	£	1999 £
<b>Fixed assets</b>					
Tangible assets	8		21,938		11,505
<b>Current assets</b>					
Debtors	9	376		1,003	
Cash at bank and in hand		120,452		96,267	
		<u>120,828</u>		<u>97,270</u>	
<b>Creditors - amounts falling due within one year</b>	10	<u>112,690</u>		<u>83,042</u>	
Net current assets			<u>8,138</u>		<u>14,228</u>
<b>Total assets less current liabilities</b>			<u>30,076</u>		<u>25,733</u>
<b>Funds</b>					
Unrestricted funds	11		30,076		25,733
Restricted funds	11		-		-
			<u>30,076</u>		<u>25,733</u>

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

The financial statements were approved by the Board of Directors on

July 13, 2000





Directors

# HABITAT FOR HUMANITY GREAT BRITAIN

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2000

#### 1 STATUS OF CHARITY

The Charity is registered under the Companies Act and holds a certificate of charitable status, number 1043641.

#### 2 GRANTS

	2000		1999	
	Unrestricted £	Restricted £	Unrestricted £	Restricted £
Habitat for Humanity International	75,500	91,758	81,821	-
Department of the Environment, Transport and the Regions	-	137,500	-	90,910
	<u>75,500</u>	<u>229,258</u>	<u>81,821</u>	<u>90,910</u>

Additional income received in the year from Habitat for Humanity International amounted to £30,858 (1999: £33,338) which is deferred at 31 March 2000. A total of £54,790 had been received which is deferred income at 31 March 2000 (1999: £53,582).

#### 3 DIRECT CHARITABLE EXPENDITURE

	Unrestricted funds £	Restricted funds £	Total 2000 £	Total 1999 £
Tithe	4,139	-	4,139	2,906
Grant to affiliated Habitat for Humanity groups	-	178,850	178,850	56,285
Projects	-	33,682	33,682	30,842
<b>Community development</b>				
Employment costs	22,569	89,591	112,160	114,335
Training	248	990	1,238	939
Support costs	5,827	31,739	37,566	27,393
	<u>32,783</u>	<u>334,852</u>	<u>367,635</u>	<u>232,700</u>

# HABITAT FOR HUMANITY GREAT BRITAIN

## NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2000

### 4 FUND RAISING AND PUBLICITY

	Unrestricted funds £	Restricted funds £	Total 2000 £	Total 1999 £
Fund raising	108	143	251	10,489
Publicity	4,924	19,696	24,620	3,538
Direct marketing	-	78,407	78,407	34,015
Employment costs	18,521	74,084	92,605	44,347
Support costs	4,887	26,245	31,132	22,412
	<u>28,440</u>	<u>198,575</u>	<u>227,015</u>	<u>114,801</u>

### 5 MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	Unrestricted funds £	Restricted funds £	Total 2000 £	Total 1999 £
Employment costs	2,170	8,614	10,784	8,352
Audit and accountancy	-	3,287	3,287	3,424
Support costs	754	3,826	4,580	1,232
Legal and professional	-	3,411	3,411	-
	<u>2,924</u>	<u>19,138</u>	<u>22,062</u>	<u>13,008</u>

### 6 SURPLUS ON ORDINARY ACTIVITIES

	2000 £	1999 £
The surplus on ordinary activities is stated after:		
Auditors remuneration		
Audit services	1,200	1,175
Non audit services	2,087	2,249
Depreciation and amortisation:		
Tangible fixed assets	<u>4,753</u>	<u>2,577</u>



# HABITAT FOR HUMANITY GREAT BRITAIN

## NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2000

#### 7 EMPLOYEES AND DIRECTORS

	2000 £	1999 £
Wages and salaries included in staff costs during the year were as follows:		
Wages and salaries	155,751	95,686
Social security costs	13,779	8,763
Other pension costs	6,189	4,586
	<u>175,719</u>	<u>109,035</u>

These costs do not include the value of wages and salaries donated by other entities.

The average number of employees during the year was 10 full time employees (1999 : 7 full time employees).

No remuneration was paid in respect of the directors of the company.

1 trustee (1999 : 2) was reimbursed for travel expenses during the year ended 31 March 2000, totalling £41 (1999 : £151).

#### 8 TANGIBLE FIXED ASSETS

	Fixtures, Fittings & Equipment £
Cost	
at 1 April 1999	18,625
Additions	<u>15,186</u>
<b>At 31 March 2000</b>	<b><u>33,811</u></b>
Depreciation	
At 1 April 1999	7,120
Provided in the year	<u>4,753</u>
<b>At 31 March 2000</b>	<b><u>11,873</u></b>
<b>Net book amount at 31 March 2000</b>	<b><u>21,938</u></b>
Net book amount at 31 March 1999	<u>11,505</u>

All tangible fixed assets were used for charitable purposes.

# HABITAT FOR HUMANITY GREAT BRITAIN

## NOTES TO THE FINANCIAL STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2000

### 9 DEBTORS

	2000 £	1999 £
Other debtors and prepayments	<u>376</u>	<u>1,003</u>

### 10 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Taxation and social security	4,268	3,626
Other creditors and accruals	53,632	25,834
Deferred income	54,790	53,582
	<u>112,690</u>	<u>83,042</u>

### 11 FUNDS

	Unrestricted Undesignated £	Restricted Funds £	Total £
1 April 1999	25,733	-	25,733
Surplus/(deficit) for the year	93,079	(88,736)	4,343
Transfers	(88,736)	88,736	-
At 31 March 2000	<u>30,076</u>	<u>-</u>	<u>30,076</u>

The Restricted Fund represents funds held on behalf of prospective Habitat for Humanity Community Groups as well as funds donated for specific Habitat for Humanity International projects in developing countries.

All net assets owned by the charity at 31 March 2000 related to the Unrestricted Undesignated Fund.

### 12 SHARE CAPITAL

The company is a company limited by guarantee and does not have share capital.

### 13 COMMITMENTS

There were no commitments at 31 March 2000 or at 31 March 1999.

**HABITAT FOR HUMANITY GREAT BRITAIN**

**NOTES TO THE FINANCIAL STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2000**

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**14 CONTINGENT LIABILITIES**

There were no contingent liabilities at 31 March 2000 or at 31 March 1999.

**15 RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year. During the year ended 31 March 1999, a medium term non interest bearing loan made by Mr P J Harbard, was repaid on 23 September 1998.

**16 CONTROLLING RELATED PARTY**

The directors believe that they are the controlling related party.