

HABITAT FOR HUMANITY (IRELAND)
(A Company Limited by Guarantee and not having a Share Capital)

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2011

**HABITAT FOR HUMANITY (IRELAND)
FINANCIAL STATEMENTS**

YEAR ENDED 30 JUNE 2011

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MANAGEMENT INFORMATION

DETAILED INCOME AND EXPENDITURE ACCOUNT

**HABITAT FOR HUMANITY (IRELAND)
FINANCIAL STATEMENTS**

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Patrick Linders (Resigned 31 December 2011)
Paul Linders
James Byrne
Peter Johnston
Claire McCormack (Appointed 09/05/2011)
Don Haszczyn (Appointed 23/09/2011)
Kim Nolan (Appointed 04/02/2012)
Vinnie Cunningham (Appointed 04/02/2012)
Alf Desire (Appointed 04/02/2012)
Michael McKiernan (Appointed 04/02/2012)

SECRETARY

Patrick Linders

EXECUTIVE DIRECTOR

Karen Kennedy

CHARITY NUMBER

CHY15187

AUDITORS

Ormsby & Rhodes
Chartered Accountants
Registered Auditors
9 Clare Street
Dublin 2

BANKERS

Allied Irish Bank plc
24 Arran Quay
Dublin 7

BUSINESS ADDRESS

Quadrant House
Chapelizod
Dublin 20

SOLICITORS

CCK Law Firm
66 Fitzwilliam Square
Dublin 2

COMPANY NUMBER

362823

HABITAT FOR HUMANITY (IRELAND)

DIRECTORS REPORT

FOR THE YEAR ENDED 30 JUNE 2011

The directors present their report and the audited financial statements for the year ended 30 June 2011.

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2009. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company is an affiliate of Habitat for Humanity International, an international non-profit housing organisation which aims to eliminate poverty housing by building simple, decent, affordable homes as well as making decent housing a matter of conscience and action. Habitat for Humanity Ireland works to achieve these aims both at home and abroad.

HFH Ireland's aim is to offer homeownership to those in need in Ireland and around the world. We view access to a simple, decent, affordable home as being the cornerstone to poverty reduction. We have witnessed the impact decent shelter has on a family's overall health and well-being; from children who do better in school, to parents who are inspired to get more training and find better livelihoods. We understand the generational change that begins when a family feels secure at home and can begin to build long-term assets.

HFH Ireland's focus locally is to offer homeownership to low income families. HFH Ireland specifically targets the thousands of people on the Dublin City Council housing lists who now reside in substandard accommodation. The company renovates derelict and abandoned homes using the labour of homeowners and volunteers, as well as trade professionals. The homeowners repay a small mortgage in accordance with their financial situation.

HFH Ireland's 'A Brush With Kindness' programme refurbishes other Irish non-profits housing facilities for vulnerable groups in Dublin. This initiative allows us to serve the community in Dublin more broadly while providing our volunteers and corporate sponsors an opportunity to work with us in helping those most in need in Ireland.

HFH Ireland's focus internationally is to work in partnership with HFH around the world to build and renovate houses for families in need of safe, durable structures using volunteer labour, and donations of land and materials.

HABITAT FOR HUMANITY (IRELAND)

DIRECTORS REPORT

FOR THE YEAR ENDED 30 JUNE 2011

We have a strong partnership with HFH Zambia and support their orphaned and vulnerable children (OVC) project in partnership with Irish Aid. This project aims to protect and provide shelter for OVC and to strengthen HIV/AIDS prevention, care and support in the community.

HFH Ireland also runs a Development Education programme in our partner schools to educate students on the effect poverty housing has on people's lives in Ireland and around the world.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors regard the principal risks and uncertainties affecting the company as follows:

- the ability to generate sufficient incoming resources, particularly during an economic downturn;
- the timing of receipt of incoming resources; and
- the effect of these risks and uncertainties on the company's capacity to continue and expand its charitable activities.

The Board continually strives to minimise the adverse effects of these risks and uncertainties in a number of ways, including:

- regular Board meetings;
- enlarging the composition of the Board with particular emphasis on income generation;
- review of monthly management accounts and cash flow information;
- taking appropriate decisions and action in relation to income and costs on foot of these reviews.

RESULTS FOR THE YEAR

The results for the year are set out in Page 10 of the financial statements. The directors note that incoming resources decreased by €192,201 compared to the previous year and expenditure on direct charitable expenditure by €175,010 and are concerned that the present economic downturn may adversely impact the company's ability to generate income in the short to medium term.

The directors also note a decrease in the company's reserves of €113,975 compared to the previous year-end and the need to address a deficit in unrestricted reserves of (€17,199).

REVIEW OF ACTIVITIES FOR THE YEAR

Local Renovation Programme

During FY11, HFH Ireland developed strong partnerships with Dublin City Council, local government authorities and local communities. The majority of our efforts this year were in partnering with Dublin City Council to renovate four derelict homes in Inchicore, Dublin 8. Once completed, not only will low income families have the opportunity to become first time homeowners but the community will be regenerated as the derelict properties were often the scene of anti-social behaviour.

In recent months we have welcomed corporate partners onsite including Wells Fargo, Citi Group, Salesforce, Goldman Sachs and Vodafone. Other high profile corporates have expressed interest in volunteering days and we look forward to welcoming them onsite in FY12.

While the process has been delayed due to the economic climate in Ireland and the increased difficulties in getting approved for a mortgage, we are in the final stages of the family selection process with Dublin City Council. Once finalised, these families will see their lives completely transformed as they move out of cramped, inadequate accommodation and into their new home.

HABITAT FOR HUMANITY (IRELAND)

DIRECTORS REPORT

FOR THE YEAR ENDED 30 JUNE 2011

A Brush with Kindness Programme

In FY11 HFH Ireland began, and in some cases further developed, partnerships with other Irish non-profits based in Dublin who have housing facilities for their vulnerable clients that are in need of repair. These organisations include St. Michael's House, St. Vincent de Paul, the Peter McVerry Trust, Cluid Housing, Daughters of Charity and Don Bosco.

We also successfully built relationships with donors and foundations who have pledged €75,000 to support this programme.

The process of acquiring the first BWK project was delayed due to the current economic climate; our partner non-profits were struggling to deliver basic services thereby being unable to allocate resources to support construction work. However towards the end of the year, we made great progress in finalising a project and hope to launch it early in FY12.

Global Village Programme

HFH Ireland continued to support the international house building efforts of Habitat for Humanity International through the thriving Global Village sending programme. This programme recruits, trains and sends volunteer teams overseas, to build homes in solidarity with local people and communities in Africa, the Middle East, Europe, Central Asia and Latin America. HFH Ireland volunteers built homes for 1-2 weeks, alongside homeowners, local professionals and other volunteers.

We are delighted to report another very successful year with the physical completion of 38 houses and the supply of funds to build a further 64. This means that Irish teams have built a total of 102 homes around the world in just 12 months and raised over €747,000 within Ireland to support these efforts

The Global Village programme continues to further our message of service and learning, promote the purposes of Habitat for Humanity and foster awareness of the chronic need for simple decent homes in the minds of the Irish people who travel with us, and everyone with whom they come in contact.

Between 2007 and 2010 HFH Ireland partnered with Irish Aid to sponsor HFH Zambia's Orphans and Vulnerable Children project. The project finished in November 2010 after 285 Orphans and Vulnerable Children and their families were moved into simple, decent affordable homes and over 600 caregivers were trained in HIV/AIDS prevention, care and treatment.

HFH Ireland looks forward to continuing to support HFH Zambia on this project through our Global Village programme and we intend to apply for another Irish Aid grant once the next funding round is announced.

Development Education Programme

HFH Ireland's Development Education programme continued to be delivered in our supporter schools in FY11. Transition Year students engaged in a twelve week interactive course which sought to increase their awareness of global justice issues.

This programme was also offered to our supporter school teams who were travelling on Global Village trips. Over two days the teams became aware of the poverty issues they will encounter while in country and were encouraged to look at the bigger issues which relate to them and how they as global citizens can challenge them.

Other activities

Throughout FY11, HFH Ireland placed an emphasis on engaging with the Irish public to build its brand.

- The Local Renovation Programme was launched in December 2010 by the CEO of the American Chamber of Commerce. Representatives from Dublin City Council, the US Embassy and the local community were in attendance. The event received coverage on page 6 of the Irish Times the following day.

HABITAT FOR HUMANITY (IRELAND)

DIRECTORS REPORT

FOR THE YEAR ENDED 30 JUNE 2011

- HFH Ireland was involved in the volunteer reality television series 'Do the Right Thing'. One episode was filmed on project in Zambia and was viewed by 150,000 people. As a result of our involvement, the Executive Director was interviewed on national and local radio stations, including Newstalk and LMFM.
- Popular TV personality Bas Ashmawy travelled on a Global Village trip to Egypt with five of his friends in November. This received positive national media coverage, including on his 2FM weekend breakfast show.
- Dragons' Den entrepreneur, Bobby Kerr, travelled to Zambia in April with 10 of his industry peers. Advertisements promoting the trip were aired on Newstalk and Bobby did a live national radio interview while in country.
- Rugby commentator Brent Pope set up the Brent Pope Rugby Legends Foundation with HFH Ireland. The Foundation aims to send former Irish national rugby players to build houses alongside families in need around the globe over the next three years.

The Foundation was launched in the Aviva Stadium in May 2011 with members of the media, our leading corporate supporters and partner schools present. In June former Irish international, Malcolm O'Kelly travelled with Brent to Zambia to build in partnership with the local community. A documentary maker, photographer and journalist travelled with the team and it received coverage in the national media (broadcast and print) during and after the event

A documentary is due to be broadcast about the trip in FY12 and the Foundation is working to get more high profile former rugby players and volunteers on board for next year's trip.

- HFH Ireland continued to place particular emphasis on increasing its online presence through the development of a website and utilisation of social media. The numbers of fans on Facebook and followers on Twitter more than doubled and hits to our website continue to grow.
- HFH Ireland also sought to engage with the political system and on numerous occasions was in correspondence with the Government Ministers for Trade and Development, Housing and Sport. We were also in regular contact with the Lord Mayor of Dublin and the TDs and councillors relating to our local renovation programme.

HFH Ireland depends on the generosity of others to fulfil its mission and goals both in Ireland and abroad. These accomplishments are not possible without the continued contribution of both donations and also volunteers from, among others, the Dept. of Foreign Affairs, Clancourt Management, Bank of America, Goldman Sachs, CitiGroup, Salesforce, Vodafone, Wells Fargo, Snap, Mediaware and the PA Foundation.

HFH Ireland values and recognises the very positive contribution made by our many individual volunteers and supporters.

HABITAT FOR HUMANITY (IRELAND)

DIRECTORS REPORT

FOR THE YEAR ENDED 30 JUNE 2011

DIRECTORS

On 9 May 2011 Claire McCormack was appointed a director of the company
On 23 September 2011 Don Haszczyn was appointed a director of the company.
On 4 February 2012 Kim Nolan was appointed a director of the company.
On 4 February 2012 Vinnie Cunningham was appointed a director of the company.
On 4 February 2012 Alf Desire was appointed a director of the company.
On 4 February 2012 Michael McKiernan was appointed a director of the company.

POST BALANCE SHEET EVENTS

There were no post balance sheet events which require disclosure.

FUTURE DEVELOPMENTS

The main activities of the company remain unchanged and the directors anticipate that any future developments would relate to these activities.

BOOKS OF ACCOUNT

The measures taken by the directors to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the involvement of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at Quadrant House, Chapelizod, Dublin 20.

AUDITORS

Ormsby & Rhodes have expressed their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

TAXATION STATUS

The company is exempt from the corporation tax due to its charitable status.

On behalf of the Board

Paul Linders

Peter Johnston

Directors

12 March 2012

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HABITAT FOR HUMANITY (IRELAND)

We have audited the financial statements on pages 10 to 22 for the year ended 30 June 2011 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 13 & 14.

Respective responsibilities of directors and auditors

As described in the statement of directors responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Companies Acts, 1963 to 2009. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HABITAT FOR HUMANITY (IRELAND)

Opinion

In our opinion the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 30 June 2011 and of its deficit and cash flows for the year then ended and have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2009.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 3 to 7 is consistent with the financial statements.

Geoffrey Lewis

Geoffrey Lewis (Senior statutory auditor)
for and on behalf of Ormsby & Rhodes
Chartered Accountants and Statutory Auditor
12 March 2012

9 Clare Street
Dublin 2

Habitat for Humanity (Ireland)

Statement of Financial Activities for the year ended 30 June 2011

	<u>Notes</u>	Restricted Funds €	Unrestricted Funds €	Total <u>2011</u> €	Total <u>2010</u> €
INCOMING RESOURCES					
Government Grants		67,836	-	67,836	200,035
Voluntary Donations		800,996	134,185	935,181	995,183
Total Incoming Resources	4	868,832	134,185	1,003,017	1,195,218
RESOURCES EXPENDED					
Cost of Charitable Activities	5	1,001,518	-	1,001,518	1,176,528
Cost of Generating Funds	6	32,501	39,544	72,045	33,577
Governance Costs	7	-	43,429	43,429	52,862
Total Resources Expended		1,034,019	82,973	1,116,992	1,262,967
Net outgoing resources- continuing activities		(165,187)	51,212	(113,975)	(67,749)
Total Funds At The Beginning Of Year		316,884	(68,411)	248,473	316,222
Total funds at the end of year	15	151,697	(17,199)	134,498	248,473

There are no recognised gains or losses other than those disclosed above and there have been no discontinued activities or acquisitions in the current or preceding year.

On behalf of the Board

Paul Linders

Peter Johnston

Directors

HABITAT FOR HUMANITY (IRELAND)

BALANCE SHEET

30 JUNE 2011

	<u>Notes</u>	€	€	€	€
		<u>2011</u>		<u>2010</u>	
FIXED ASSETS					
Tangible assets	<i>11</i>		3,375		-
CURRENT ASSETS					
Stocks	<i>12</i>	43,234		-	
Cash at bank and in hand		<u>221,180</u>		<u>439,663</u>	
		264,414		439,663	
CREDITORS: amounts falling due within one year	<i>13</i>	<u>(133,291)</u>		<u>(191,190)</u>	
NET CURRENT ASSETS			<u>131,123</u>		<u>248,473</u>
TOTAL ASSETS			<u><u>134,498</u></u>		<u><u>248,473</u></u>
RESERVES					
Unrestricted reserves	<i>15</i>		(17,199)		(68,411)
Restricted reserves	<i>15</i>		<u>151,697</u>		<u>316,884</u>
TOTAL COMPANY FUNDS			<u><u>134,498</u></u>		<u><u>248,473</u></u>

Approved by the Board on 12 March 2012

Paul Linders

Peter Johnston

Directors

HABITAT FOR HUMANITY (IRELAND)

FINANCIAL STATEMENTS

CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2011

	Notes	2011 €	2010 €
RECONCILIATION OF MOVEMENT IN RESTRICTED AND UNRESTRICTED FUNDS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES			
Net outgoing resources - Restricted Funds		(165,187)	(67,749)
Net incoming resources - Unrestricted Funds		51,212	
Depreciation		3,375	-
Increase in stocks		(43,234)	-
Decrease/(Increase) in creditors		18,190	(9,422)
		<u> </u>	<u> </u>
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		(135,644)	(77,171)
		<u> </u>	<u> </u>

CASH FLOW STATEMENT

Net cash outflow from operating activities		(135,644)	(77,171)
Capital expenditure		(6,750)	-
		<u> </u>	<u> </u>
(Decrease)/Increase in cash in the year		(142,394)	(77,171)
		<u> </u>	<u> </u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS (NOTE 16)

OUTFLOW OF CASH IN THE YEAR		(142,394)	(77,171)
NET FUNDS AT 1 JULY 2010		265,431	342,602
		<u> </u>	<u> </u>
NET FUNDS AT 30 JUNE 2011		123,037	265,431
		<u> </u>	<u> </u>

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2011

1. ACCOUNTING POLICIES

1.1. Accounting convention

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in Ireland.

The financial statements have also been prepared to comply with "Accounting and Reporting by Charities - Statement of Recommended Practice" (Charities SORP) and revised statement of recommended practice issued by Accounting Standard Board in 2005.

1.2. Tangible Fixed Assets and Depreciation

Depreciation is calculated on a straight-line basis at the following rates:

Motor Vehicles	-	50% Straight line per annum
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1.3. Incoming Resources

All categories of income included in the financial statement in the year in which they are receivable. Income is treated as being general unless otherwise specified by the donor, in which case it will be restricted income. The directors review the restricted funds on an annual basis.

Restricted funds represent grants and donations which can only be used for a particular purpose specified by the donors. Funds raised by the participants on Global Village Projects are restricted by designated country. Each participant raises sufficient money to cover flights, accommodation, building supplies towards each project and a small allowance to cover general administration expenses.

1.4. Stock and work in progress

Where the company is building "simple decent affordable housing" in Ireland on donated land from the local authorities, the cost of the building is taken to the balance sheet in so far as these costs are known to be recoverable under the Irish building model. The costs include building materials, labour and on site & administration costs less any monies recovered by way of donations or directly from the families. No costs are incurred for the donated land or the labour from the rehoused families.

1.5. Wages and Salaries

Wages and salaries are consistently allocated to Cost of Charitable Activities, Cost of Generating Funds and Governance Costs on the basis of management's estimate of the proportion of time spent by individual staff members on those activities.

1.6. Pensions

The company operates a defined contribution scheme for certain employees. The annual contributions to these schemes are dealt with in the profit and loss account in the year to which they

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

1.7. Government and other grants

Capital grants received are credited to the Statement of Financial Activities over the expected useful life of the assets. Revenue grants are credited to the Statement of Financial Activities for expenditure incurred in the period of receipt, unless particular conditions contained in grant agreements otherwise require.

2. COMPARATIVE FIGURES

The comparative figures have been regrouped on a basis consistent with the current year.

€214,213 has been transferred from Governance Costs (formerly Managing and administering the charity) to Cost of Charitable Activities.

€23,854 has been transferred from Governance Costs (formerly Fundraising and Promotion) to Cost of Generating Funds.

Direct charitable expenditure and Volunteer Travel are now disclosed as Cost of Charitable Activities.

3. NATURE OF THE COMPANY

The company is limited by guarantee and does not have a share capital. The liability of members is limited as defined in the company's Memorandum of Association and shall not exceed €1.27 in the event of a winding up or dissolution of the company.

4. INCOMING RESOURCES

	<u>2011</u>		<u>2010</u>	
	€	€	€	€
General donations from corporate and public	134,185		47,551	
Restricted funds				
- Global Village Projects	704,989		945,832	
- Irish Projects	99,207		1,800	
- OVC Programme - Irish Aid Grant	64,636		200,035	
	<u>868,832</u>		<u>1,147,667</u>	
	<u>1,003,017</u>		<u>1,195,218</u>	

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

5. COST OF CHARITABLE ACTIVITIES

	<u>2011</u>	<u>2010</u>
	€	€
Funds sent overseas	541,237	688,956
Volunteer travel overseas	244,060	270,602
Wages and salaries	164,492	189,176
Monitoring overseas projects	-	2,757
Office costs	37,187	15,378
Staff travel and training	11,167	5,990
Advertising and promotions	-	3,669
Depreciation of motor vehicles	3,375	-
	<u>1,001,518</u>	<u>1,176,528</u>

6. COST OF GENERATING FUNDS

	<u>2011</u>	<u>2010</u>
	€	€
Fundraising, advertising and promotion	42,394	6,054
Wages and salaries	16,229	20,371
Office costs	11,442	3,792
Staff travel and training	1,980	3,360
	<u>72,045</u>	<u>33,577</u>

7. GOVERNANCE COSTS

	<u>2011</u>	<u>2010</u>
	€	€
Wages and salaries	32,404	43,921
Office costs	2,345	564
Staff travel and training	1,364	981
Audit	4,870	4,735
Bank charges	2,446	2,661
	<u>43,429</u>	<u>52,862</u>

8. TAXATION

No tax arises as Habitat for Humanity is a charity.

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

9. STAFF COSTS

Number of employees

The average monthly numbers of employees (including the directors) during the year were:

	<u>2011</u> Number	<u>2010</u> Number
Programme Development	6	6

Employment costs

	<u>2011</u> €	<u>2010</u> €
Wages and salaries	175,874	214,381
Social welfare costs	19,648	21,581
Other pension costs	1,374	2,857
	<u>196,896</u>	<u>238,819</u>

10. PENSION COSTS

The company operates a defined contribution scheme for the benefit of certain employees. The assets of the scheme are separately held from those of the company in independently administered pension funds. Pension costs amounted to €1,374 (2010 - €2,857). The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

11. TANGIBLE ASSETS

	<u>Plant and machinery</u>	<u>Motor vehicles</u>	<u>Total</u>
	€	€	€
Cost			
At 1 July 2010	4,947	-	4,947
Additions	-	6,750	6,750
	<hr/>	<hr/>	<hr/>
At 30 June 2011	4,947	6,750	11,697
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 July 2010	4,947	-	4,947
Charge for the year	-	3,375	3,375
	<hr/>	<hr/>	<hr/>
At 30 June 2011	4,947	3,375	8,322
	<hr/>	<hr/>	<hr/>
Net book values			
At 30 June 2011	-	3,375	3,375
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. STOCKS

	<u>2011</u>	<u>2010</u>
	€	€
Work in progress	83,082	39,848
Provision for work in progress	(39,848)	(39,848)
	<hr/>	<hr/>
	43,234	-
	<hr/> <hr/>	<hr/> <hr/>

Elmdale

Provision has been made against the balance outstanding on the Elmdale project due to the uncertain economic climate prevailing at the balance sheet date. No clients had signed up for the housing and there was no certainty of obtaining mortgage advances for the home owners. The directors have decided to make full provision against the net costs to date pending receipt of mortgage approved eligible applicants.

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

13. CREDITORS: amounts falling due within one year	<u>2011</u> €	<u>2010</u> €
Bank overdraft	98,143	174,232
Trade creditors	26,282	6,789
PAYE	2,715	5,226
Other creditors	458	708
Accruals	5,693	4,235
	<hr/> 133,291 <hr/>	<hr/> 191,190 <hr/>

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

14. RECONCILIATION OF MOVEMENTS IN FUNDS

	Balance at	Income	Expenditure			Transfers	Balance at
	30 June 2010	Fundraising	-----	-----	-----		30 June 2011
			Training and Programme Development	Team Travel	Sent to Overseas Projects		
	€	€	€	€	€	€	€
Restricted funds							
Global Village							
Bangladesh	55,690	46,855	(12,736)	(22,239)	(57,819)	6,730	16,481
Botswana	-	33,501	(862)	8,902	(17,864)	(420)	5,453
Chile	180	-	-	-	-	-	180
Costa Rica	-	7,684	(43)	(246)	(6,078)	(250)	1,067
El Salvador	33,365	2,945	(1,832)	(281)	(16,198)	(9,306)	8,693
Egypt	-	8,363	(45)	(5,715)	(5,420)	2,817	-
Ethiopia	24,106	18,549	(4,239)	(9,654)	(15,684)	(250)	12,828
Ghana	7,731	6,341	(176)	(937)	(18,121)	(1,170)	(6,332)
Haiti	17,958	1,200	-	-	(19,158)	-	-
Honduras	5,886				(4,883)	157	1,160
Hungary	-	30,137	(8,984)	(6,202)	(18,832)	5,071	1,190
India	-	67,711	(13,699)	(20,895)	(35,368)	(1,520)	(3,770)
Japan		461					461
Madagascar	-	-	-	-	-	792	792
Malawi	15,071	1,169	(198)	(844)	(11,550)	(7,957)	(4,309)
Mozambique	-	7,906	(1,023)	268	(8,887)	(270)	(2,006)
Paraguay	16,206	10,087	(784)	(7,949)	(18,142)	(520)	(1,102)
Romania	735	29,716	(9,657)	(3,316)	(15,274)	(2,083)	121
South Africa	81	11,282	(330)	(93)	(15,786)	880	(3,966)
Thailand	4,915	-	(923)	(74)	(2,779)	(170)	969
Zambia	57,417	359,172	(54,488)	(133,324)	(105,681)	9,380	132,475
Bursary Fund/awaiting country allocation	44,586	61,342	(65,120)	(23,657)	-	(1,911)	15,240
	<u>283,927</u>	<u>704,421</u>	<u>(175,139)</u>	<u>(244,060)</u>	<u>(393,524)</u>	<u>-</u>	<u>175,625</u>

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

14. RECONCILIATION OF MOVEMENTS IN FUNDS (CONTINUED)

	Balance at 30 June 2010	Income Fundraising	Expenditure			Transfers	Balance at 30 June 2011
			Training and Programme Development	Team Travel	Sent to Overseas Projects		
	€	€	€	€	€	€	€
<u>Restricted funds (continued)</u>							
Irish Building Projects	(15,775)	99,207	(73,583)	-	-	-	9,849
OVC Programme	48,732	65,204	-	-	(147,713)	-	(33,777)
Total restricted funds	<u>316,884</u>	<u>868,832</u>	<u>(248,722)</u>	<u>(244,060)</u>	<u>(541,237)</u>	<u>-</u>	<u>151,697</u>
<u>Unrestricted funds</u>							
General	(68,411)	134,185	(82,973)	-	-	-	(17,199)
Total unrestricted funds	<u>(68,411)</u>	<u>134,185</u>	<u>(82,973)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,199)</u>
Total funds	<u>248,473</u>	<u>1,003,017</u>	<u>331,695</u>	<u>244,060</u>	<u>541,237</u>	<u>-</u>	<u>134,498</u>

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

15. RESERVES

	<u>Note</u>	Opening Balance €	Charge in Year €	Closing balance €
<u>Restricted Reserves</u>				
Deferred Income				
Global Village		283,927	(108,302)	175,625
OVC Programme		48,732	(82,509)	(33,777)
		<hr/>	<hr/>	<hr/>
		332,659	(190,811)	141,848
Local Programme		(15,775)	25,624	9,849
		<hr/>	<hr/>	<hr/>
Total Restricted Reserves	14	316,884	(165,187)	151,697
<u>Unrestricted Reserves</u>				
General Funds	14	(68,411)	51,212	(17,199)
		<hr/>	<hr/>	<hr/>
Total restricted and unrestricted reserves	14	248,473	(113,975)	134,498
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16. ANALYSIS OF CHANGES IN NET FUNDS

	Opening <u>balance</u> €	Cash <u>flows</u> €	Closing <u>balance</u> €
Cash at bank and in hand	439,663	(218,483)	221,180
Overdrafts	(174,232)	76,089	(98,143)
	<hr/>	<hr/>	<hr/>
	265,431	(142,394)	123,037
	<hr/>	<hr/>	<hr/>
Net funds	265,431	(142,394)	123,037
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17. ULTIMATE CONTROL

Habitat for Humanity is a charity which is under the control of its directors and Habitat for Humanity International.

HABITAT FOR HUMANITY (IRELAND)

NOTES AND ACCOUNTING POLICIES (continued)

FOR THE YEAR ENDED 30 JUNE 2011

18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 12 March 2012.

HABITAT FOR HUMANITY (IRELAND)

Detailed Income & Expenditure Account

YEAR ENDED 30 JUNE 2011

	GLOBAL INITIATIVES VILLAGE WORLDWIDE	INVESTMENTS IN IRELAND	OTHER UNRESTRICTED	2011	2010	
	€	€	€	€	€	
INCOME						
From individuals	670,156	-	100	6,717	676,973	952,985
From companies	10,000	-	87,307	402	97,709	37,488
From government agencies	-	64,636	3,200	-	67,836	200,035
From foundations	-	-	-	-	-	1,800
Re Development Education	-	-	1,500	-	1,500	-
Gifts in kind	13,348	568	7,100	7,384	28,400	2,200
Through HFH International	10,646	-	-	119,398	130,044	710
Exchange rate gain/loss	271	-	-	284	555	-
	<u>704,421</u>	<u>65,204</u>	<u>99,207</u>	<u>134,185</u>	<u>1,003,017</u>	<u>1,195,218</u>
EXPENDITURE						
Wages & salaries						
- Costs from Charitable Activities	104,649	6,404	53,439	-	164,492	189,176
- Cost of Generating Funds	-	-	-	16,229	16,229	20,371
- Governance Costs	-	-	-	32,404	32,404	43,921
Funds sent overseas - expenses	418,386	120,651	-	-	539,037	688,956
Monitoring overseas projects	-	-	-	-	-	2,757
Volunteer travel	235,306	8,754	-	-	244,060	270,602
Promotions	24,763	7,251	487	9,893	42,394	9,723
Office costs						-
- Costs from Charitable Activities	23,730	1,404	12,053	-	37,187	15,378
- Cost of Generating Funds	-	-	-	11,442	11,442	3,792
- Governance Costs	-	-	-	2,345	2,345	564
Staff travel & training						-
- Costs from Charitable Activities	5,889	3,249	2,029	-	11,167	5,990
- Cost of Generating Funds	-	-	-	1,980	1,980	3,360
- Governance Costs	-	-	-	1,364	1,364	981
Re Development Education	-	-	2,200	-	2,200	-
Audit	-	-	-	4,870	4,870	4,735
Bank charges	-	-	-	2,446	2,446	2,661
Depreciation	-	-	3,375	-	3,375	-
	<u>812,723</u>	<u>147,713</u>	<u>73,583</u>	<u>82,973</u>	<u>1,116,992</u>	<u>1,262,967</u>
Net Surplus/(Deficit)	(108,302)	(82,509)	25,624	51,212	(113,975)	(67,749)
Closing Deficit	<u>(108,302)</u>	<u>(82,509)</u>	<u>25,624</u>	<u>51,212</u>	<u>(113,975)</u>	<u>(67,749)</u>