



habitat &  
humanisme

# H&H FINANCIALS 2023

September 2024

## The Habitat et Humanisme Movement comprises:

**1** Federation with accredited charity status, bringing together:

**59** non-profits covering  
**87** departements

**1** non-profit in Belgium  
and **1** non-profit in Luxembourg

**2** socially responsible property companies

**10** AIVS (socially responsible letting agencies)

For 39 years, Habitat et Humanisme has been working to combat the exclusion and isolation of people in difficulty by promoting access to housing, integration and social connection.

### Habitat et Humanisme's mission is to :

- ▶ enable people with limited resources, who are at risk because of their social situation, age, disability or health, to access a housing solution adapted to their situation and resources,
- ▶ contribute to inclusive city living, with a focus on housing in balanced neighbourhoods,
- ▶ offer personalised or group support to encourage new social connections and integration.

To fulfil its role, Habitat et Humanisme's activities are organised into 3 branches: supported housing, nursing and care homes, emergency and refugee accommodation

# FINANCIAL REPORT

## 2023

The figures are taken from the combined financial statements of the Habitat et Humanisme Movement. They describe the activities, income and net assets of the various organisations that enable Habitat et Humanisme to implement its mission to support vulnerable people.

The Movement chiefly comprises around 60 local non-profits, the Habitat et Humanisme Soins non-profit, 10 social housing agencies, a federation and 2 property companies.

These financial statements have been audited without reserve by the Statutory Auditor, Acti Conseil. The full financial report is available on request and can be consulted at [www.habitat-humanisme.org](http://www.habitat-humanisme.org).

## BUSINESS MODEL

The combined financial statements highlight the two main, highly complementary economic models of the Movement's structures: the model applied by the property companies, which produce housing and residence centres for dependent elderly people; and the model applied by local Habitat et Humanisme non-profits and by the Habitat et Humanisme Soins non-profit.

The model is also underpinned by the commitment of 6 000 volunteers who provide a large part of the support for the individuals and families housed, as well as projects to source new housing, oversee refurbishments, raise funds, and more.

## HOW DOES HABITAT ET HUMANISME FUND ITS WORK?

### Production of housing and senior care homes

To fund their housing and senior care home\* purchase and renovation operations, the State-accredited Habitat et Humanisme and EHD property companies receive subsidies and long-term loans, as well as equity contributions. These are built up through capital increases. These funds collected from the public constitute social investments of which the shareholders retain ownership.

In addition, the property companies receive rents on the housing they produce. These are contractual rents and daily rates (for senior care homes), which enable them to repay the loans taken out from Caisse des Dépôts and banks.

### Socially responsible landlords

Habitat et Humanisme calls on rental accommodation landlords to entrust their properties to it. This accommodation is then managed either through a management mandate via a social housing agency\*\* or through direct subletting. Rent is collected and paid to the landlords.

### Support

Within the H&H Movement, 3,508 volunteers are involved in supporting people housed in its accommodation (excluding senior care homes). They volunteer alongside 517 employees.

The costs inherent in providing this support (salaries, training, travel, etc.) are covered by subsidies, sponsorship and funds raised from the public (donations, etc.).

### Medical and social welfare facilities

The medical and social welfare facilities receive allowances for accommodation, care and dependency from their supervisory authorities, département local authorities and regional health agencies. They also receive fees from residents.

### Emergency and refugee accommodation

Emergency and refugee centres and facilities are funded by French State grants and by funds raised from the public.

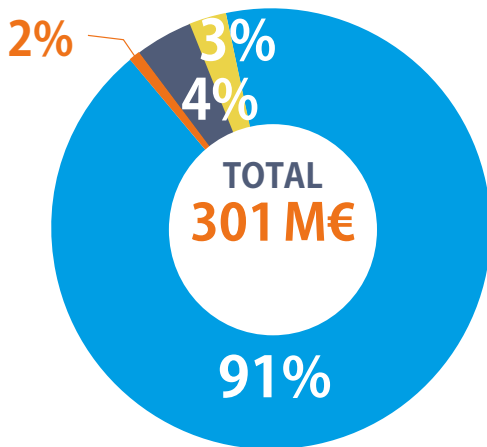
### Operations, communication and fundraising

These costs are mainly covered by funds raised from the public: donations, membership fees, public-interest savings schemes, and sponsorship.

\* French EHPADs [Etablissement d'Hébergement pour Personnes Agées Dépendantes].

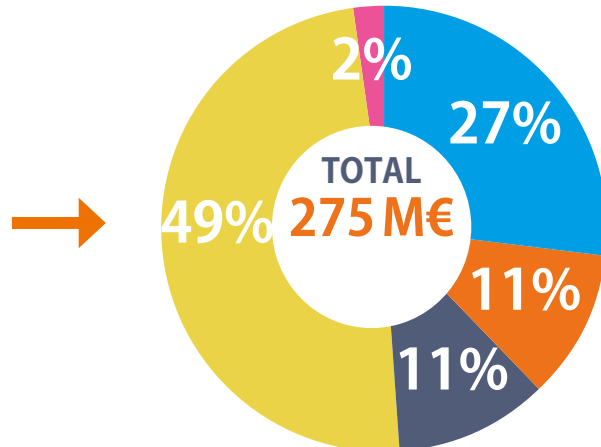
\*\* French AIVS [Agence Immobilière à Vocation Sociale].

## EXPENSES BY USE



- Public-interest missions and carryforwards
- Fundraising costs
- Operating costs
- Others

## OF WHICH PUBLIC-INTEREST MISSIONS (268) AND CARRYFORWARDS (6)



- Access to housing for families
- Housing support for individuals and migrants
- Support in collective housing
- Housing and care for senior citizens
- Carryforwards on bequests and donations

**Total expenses increased from €282.4 million to €301.4 million.**

**Public-interest missions** and carryforwards amounted to €274.9 million i.e. 91% of total expenses, breaking down as follows:

- ▶ **Access to housing for families (excluding collective housing): 72.7 M€.** These are the expenses incurred by the property companies and the social agencies to produce and use new and existing housing to help people in difficulty to access decent accommodation.
- ▶ **Support in individual housing and accommodation for migrants: €30.4 million.** This includes expenditure related to volunteers helping families with social integration and costs related to emergency sheltering in hotels.
- ▶ **Support for people in collective housing: €31.3 M€.**
- ▶ **Housing and care for senior citizens: €133.8 million.** This corresponds to all expenses incurred in senior care homes.
- ▶ **Carryforwards on bequests and donations: €6.7 million.**

These amounts do not include voluntary contributions in kind, valued at €14.1 million of which €11.3 million in time spent by the 6000 volunteers, €1.8 million in skills sponsorship and €0.9 million in services in kind.

**Fundraising costs amounted to €4.9 million**, or 1% of total expenses. They enabled the Movement to perform capital increases for €31.7 million and to raise €22.2 million from the public (including carryforwards), i.e., €53.9 million overall. They represent 9.1% of the funds collected.

**Operating costs amounted to €12.5 million**, i.e., 4% of expenses. They mainly comprise expenses for general management, communications, administrative and financial management and IT, which are necessary for the Movement to run smoothly.

**Other uses of funds** comprise additions to provisions, corporate income tax and allocations to dedicated funds.

These expenses by use do not include the €65.5 million in property investments made by the property companies, which represent part of the Movement's missions.

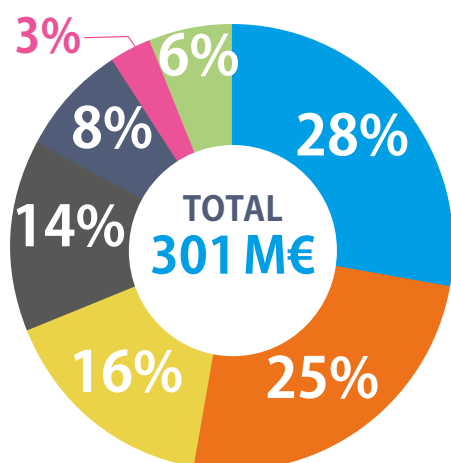
**In summary, at 91% the increased income continued to be mostly used for public-interest missions.**

The €25.3 million raised from the public was used to fund:

- ▶ Initiatives completed in 2023 for €13.9 million and initiatives scheduled for completion in the next few years for €5.3 million (allocations to dedicated funds). 77% of expenditure is therefore allocated to public-interest missions.
- ▶ Fundraising costs and expenses on bequests and donations of €2.4 million, or 9% of the total. To be noted that these expenses include costs related to the capital raised by two property companies, which amounts are not reported in the income statement.
- ▶ Operating costs of €3.4 million, or 13% of the total.
- ▶ The balance was carried forward.

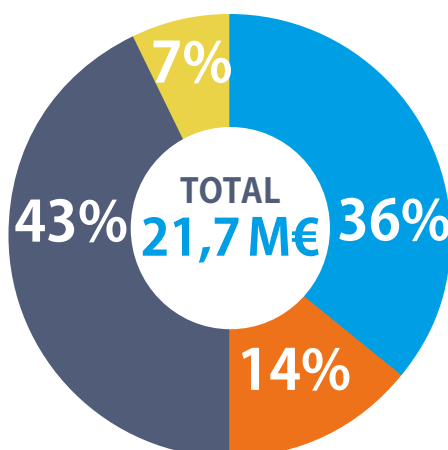
**In conclusion, the funds raised from the public are mostly being used the year they are received, in accordance with the Movement provisions and reserves policy.**

## INCOME BY SOURCE



- Medical and social allowances and refugee allowances
- Medical and social accomodation
- Rents
- Subsidies
- Funds raised from the public and carryforwards
- Financial and non-recurring income
- Other income

## OF WHICH FUNDS RAISED FROM THE PUBLIC AND CARRYFORWARDS



- Gifts
- Sponsorship
- Bequests and donations (including carryforwards)
- Public-interest savings schemes

Total income rose from €283 million to €301 million, reflecting an increase in the Movement's activities.

Income in funds raised from the public amounted to €22.2 million. Including carryforwards of bequests and donations for €1.5 million, this income amounts to €23.7 million and represents 8% of total income. This good performance testifies to people's loyal support for the Habitat et Humanisme Movement. To better understand the effort made by supporters, an additional €31.7 million in capital increases carried out by the two property companies should also be taken into account.

Income not related to funds raised from the public reached €140.4 million, or 47% of total income. This amount includes the accommodation contributions made by the residents of the medical and social centres (€74.6 million) and rent paid by the tenants of accommodation (€48.2 million). All tenants and residents pay a small rent, which engages their sense of responsibility as tenants. Other income (€8.2 million), financial income (€5.8 million) and non-recurring income (€3.3 million) make up the balance.

Subsidies and other public assistance amounted to €126.4 million, 42% of total income. These comprise subsidies received from the French State and local authorities (€42.6 million), mainly to fund support for people, the social activities of boarding houses, and investments in the real estate property companies. Medical and social allowances (€71 million), also paid by the State and local authorities, help cover the care and dependency expenses of residents in centre for frail or dependent elderly people with limited resources.

Refugee allowances (€12.8 million) cover the costs of emergency and refugee accomodation centers.

Reversals of provisions and expense transfers amounted to €6.4 million.

The use of dedicated funds (€4.1 million) corresponds to the amounts committed during the year that were recorded in the previous year as dedicated funds.

EN K€	TOTAL	
	2023	2022
VOLUNTARY CONTRIBUTIONS FROM THE PUBLIC	14 083	14 437
Volunteering	11 324	10 792
Skills sponsorship	1 810	2 384
Services and donations in kind	949	1 261

## VOLUNTARY CONTRIBUTIONS IN KIND

Voluntary contributions amounting to €14.1 million are essential to the Movement's business model.

They comprise volunteers' time, skills sponsorship and services provided free of charge.

# CONDENSED STATEMENT OF FINANCIAL POSITION

## ASSETS

The increase of €73 million in non-current assets is due to the property received as bequests pending use and the real estate investments made in social housing and nursing homes.

Current assets, excluding cash and cash equivalents, consist mainly of public project grants receivables.

Available cash is primarily intended to fund committed and ongoing property investments and to deal with possible contingencies within the non-profits.

## LIABILITIES

The increase in shareholders' equity is due to the capital increases subscribed by supporters in the two property companies. Net income for the year is €-0,3 million.

Debt relates to loans obtained by the property companies from Caisse des Dépôts to fund their property projects.

The borrowing rate (share of debt in the statement of financial position) remains stable at 27%.

The financial position remains solid, with equity covering 83% of non-current assets, and the resulting financial indicator paint an encouraging picture of the Movement's future development.

## RESERVE POLICY

Equity mainly represents the counterpart for owned properties. The reserves and retained earnings of the organization correspond to the funds necessary for its ongoing operations (2 months).

The total balance sheet of the organization amounts to €1,260 million and continues to grow due to the expansion of its activities.

ASSETS IN K€	2023	2022	Difference
<b>NON-CURRENT ASSETS</b>	<b>932 230</b>	<b>859 074</b>	<b>73 155</b>
Property, plant and equipment and intangible assets	923 267	849 369	73 898
Long-term financial assets	8 963	9 706	-743
<b>CURRENT ASSETS</b>	<b>328 569</b>	<b>292 854</b>	<b>35 715</b>
Subsidies receivable	55 722	45 744	9 978
Other receivables	76 145	61 701	14 444
Cash and cash equivalents	196 701	185 408	11 293
<b>TOTAL ASSETS</b>	<b>1 260 799</b>	<b>1 151 928</b>	<b>108 870</b>

LIABILITIES IN K€	2023	2022	Ecart
<b>SHAREHOLDERS' EQUITY</b>	<b>585 394</b>	<b>549 952</b>	<b>35 442</b>
Share capital and reserves	585 730	548 984	36 746
Surplus	-335	968	-1 303
Of which Group share	172 767	160 062	12 705
Of which non-Group share	412 626	389 890	22 736
<b>INVESTMENT SUBSIDIES</b>	<b>185 875</b>	<b>171 291</b>	<b>14 584</b>
<b>TOTAL EQUITY</b>	<b>771 269</b>	<b>721 243</b>	<b>50 027</b>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>21 474</b>	<b>19 690</b>	<b>1 783</b>
<b>CARRYFORWARDS AND DEDICATED FUNDS</b>	<b>30 526</b>	<b>25 268</b>	<b>5 258</b>
<b>BOWORRINGS</b>	<b>437 530</b>	<b>385 727</b>	<b>51 803</b>
Borrowings and debts	344 545	292 364	52 181
Other liabilities	92 985	93 363	-378
<b>TOTAL LIABILITIES</b>	<b>1 260 799</b>	<b>1 151 928</b>	<b>108 870</b>

## INVESTMENT POLICY

Cash investments are primarily made in liquid and low-risk assets. Preferred investments include money market mutual funds, savings accounts, and term deposits, which together represent more than 95% of the organization's investments.

## STATEMENT OF CASH FLOWS

The statement of cash flows shows that the Movement generated cash of €10.8 million over the year, reflecting:

- ▶ Positive cash-flows from recurring operations of €20.2 million, generating a net positive cash-flow of €6.6 million, after loans reimbursements. The change in depreciation and provisions is explained by the variation in allocations and reversals of provisions between 2022 and 2023 (for real estate risks, financial investments, dedicated and deferred funds).
- ▶ Funding for real estate operations of €65.5 million from the receipt of loans and investment grants totaling €62.5 million, and capital raised of €31.7 million.
- ▶ A net balance of -€1.9 million from the sale of real estate securities mainly reflecting the difference between the repurchase of Foncière d'Habitat et Humanisme shares from subscribers and their resale to institutional investors.
- ▶ A change in Working Capital Requirement of €22.6 million mainly due to the adjustment of the organization's working capital at the end-of-year operations (negative balance in 2022).

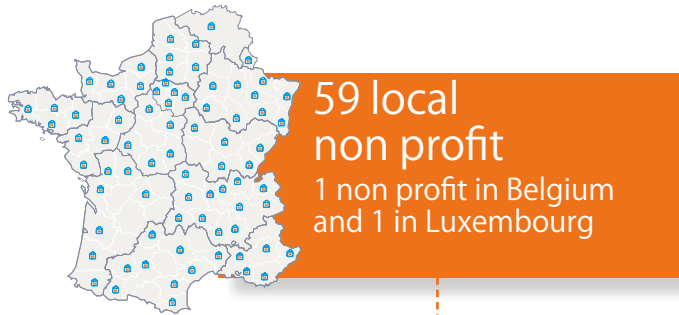
The financial model in place allows the Movement to continue to develop its activities to support the most vulnerable people.

EN K€	2023	2022
<b>CASH SURPLUS</b>	<b>-335</b>	<b>968</b>
<b>DEPRECIATION, AMORTISATION AND PROVISIONS</b>	<b>44 572</b>	<b>52 006</b>
<b>INVESTMENT SUBSIDIES AND PROVISIONS</b>	<b>-23 988</b>	<b>-25 591</b>
<b>CASH FLOWS FROM RECURRING OPERATIONS</b>	<b>20 248</b>	<b>27 383</b>
<b>DISPOSALS OF FINANCIAL ASSETS</b>	<b>7 369</b>	<b>9 268</b>
<b>CAPITAL INCREASES</b>	<b>31 745</b>	<b>34 315</b>
<b>INVESTMENT SUBSIDIES</b>	<b>17 085</b>	<b>13 518</b>
<b>BORROWINGS</b>	<b>45 466</b>	<b>42 142</b>
<b>SOURCES OF FUNDS</b>	<b>121 913</b>	<b>126 625</b>
<b>PROPERTY INVESTMENTS</b>	<b>-65 555</b>	<b>-113 797</b>
<b>FINANCIAL INVESTMENTS</b>	<b>-9 299</b>	<b>-9 654</b>
<b>REPAYMENT OF BORROWINGS</b>	<b>-13 634</b>	<b>-10 799</b>
<b>USES OF FUNDS</b>	<b>-88 488</b>	<b>-134 250</b>
<b>- CHANGE IN WORKING CAPITAL REQUIREMENT</b>	<b>-22 627</b>	<b>19 295</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>10 799</b>	<b>11 670</b>



# ORGANISATION AND GOUVERNANCE

SOCIALLY RESPONSIBLE PROPERTY COMPANIES



La Foncière Habitat et Humanisme property company

Entreprendre pour Humaniser le Dépendance (EHD) property company



10 social housing agencies (AIVS)

Socially responsible home ownership/ property organisations

## 3 BRANCHES OF ACTIVITY



Nursing and care homes



Supported housing



Emergency and refugee accomodation

## KEY FIGURES

31/12/2023

11 314 housing units

56 senior care homes

2 035 emergency and refugee accomodation places

More than 17 000 families and single people housed or sheltered

6 000 volunteers

2 600 employees

## TRANSPARENCY AND CONTROLS

The "Essentials" information is taken from the annual report and the financial statements. The financial statements, including the statement of sources and uses of funds, have been audited by the Statutory Auditor and were approved by the Annual General Meeting on 24 June 2024. They can be consulted on the website [www.habitathumanisme.org](http://www.habitathumanisme.org) or obtained by written request to Habitat et Humanisme, 69 Chemin de Vassieux, 69300 Caluire.

The **Audit Committee** audits several of the Movement's nonprofits and structures each year.

The **Risk Committee** is responsible for the mapping of risks and resolution procedures.

The **Finance Committee** made up of members of the Supervisory Board, is responsible for advising the Board on matters affecting the Group's economic and financial equilibrium and for monitoring the financial issues on which the Board is asked to give its opinion.

**Le Don en Confiance** (Comité de la Charte) oversees the appeal to donations from the public and has awarded the "Don en Confiance" (giving with confidence) label to the Movement after carrying out continuous and independent monitoring of the principles of respect for donors, transparency, efficiency, integrity and objectivity.



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