

**HARMONI 2019**

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**REGISTERED NUMBER:** R0000316 (Northern Ireland)

**CHARITY COMMISSION for NORTHERN IRELAND REGISTRATION NUMBER:** 101731

| <b>CONTENTS</b>                                | <b>PAGE</b>    |
|--|----------------|
| <b>Company Information .....</b>               | <b>2</b>       |
| <b>Report of the Directors .....</b>           | <b>3 – 17</b>  |
| <b>Report of the Independent Auditor .....</b> | <b>18 - 20</b> |
| <b>Statement of Financial Activities .....</b> | <b>21</b>      |
| <b>Balance Sheet .....</b>                     | <b>22</b>      |
| <b>Statement of Cashflows .....</b>            | <b>23</b>      |
| <b>Notes to the Financial Statements .....</b> | <b>24 – 37</b> |

**HARMONI 2019**

**COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**DIRECTORS:**

Mr Paul Archer (Appointed Chairman from 28<sup>th</sup> March 2023)  
Mr D McIlhagger BSc, FIAE (Deputy Chair)  
Mr Brian Lavery  
Mr P Regan  
Mr Paul Collins  
Mrs Hannah Irwin  
Mrs Elaine Colgan (resigned 28<sup>th</sup> November 2023)  
Ms Amira Graham (resigned 27<sup>th</sup> November 2023)  
Dr Joanne Drew (appointed 12<sup>th</sup> February 2024)  
Mr Robert Lyle (appointed 12<sup>th</sup> February 2024)  
Mrs Elizabeth Mary Kerr (appointed 1<sup>st</sup> March 2024)

---

**SECRETARY:**

Mr S A Humphries

---

**REGISTERED OFFICE:**

39 Downshire Road  
Bangor  
Co Down  
BT20 3RD

---

**REGISTRAR OF COMPANIES NUMBER:**

R0000316 (Northern Ireland)

---

**CHARITY COMMISSION NORTHERN IRELAND NUMBER:**

101731

---

**AUDITORS:**

Baker Tilly Mooney Moore  
17 Clarendon Road  
Clarendon Dock  
Belfast  
BT1 3BG

---

**BANKERS:**

Northern Bank Limited  
t/a Danske Bank  
Donegall Sq West  
Belfast  
BT1 6JS

---

**INVESTMENT ADVISORS:**

Evelyn Partners  
The Ewart  
3 Bedford St  
Belfast  
BT2 7EP

---

**SOLICITORS:**

Cleaver Fulton & Rankin  
50 Bedford Street  
Belfast  
BT2 7FW

---

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023  
FORWARD**

---

I am pleased to present on behalf of the Trustees of HarmonI 2019 the annual report and accounts for the year 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023. This marks my first full year in office as Chair for the organisation.

I am indebted to my colleagues on the Board for their interest and commitment to guide the work of HarmonI. I am equally indebted to the CEO and the executive team for their efforts in what continues to be very changeable circumstances, not least of all financially. We like most charitable organisations are at the mercy of single year budget allocations from our key statutory commissioners, this can make long term decision making and planning difficult.

Notwithstanding we have a long and we believe mutually positive relationship with both the South Eastern Health and Social Care Trust (SEHSCT) and the Northern Ireland Housing Executive (NIHE) and we acknowledge their continuing engagement and contracting of services with us.

When we commenced the financial year the budget expectations were extremely challenging. I am however delighted to note the in-year uplifts which were more realistic than we could budget for. We understand that both the Department of Health through the SEHSCT and the Department for Communities through the NIHE recognise that our sectors have for many years experienced significant compression with costs rising faster than incomes. We want to acknowledge that recognition and while we again note the budget issues The Stormont Assembly has to juggle, we do hope the momentum in this area can be maintained.

That in no way detracts from the efforts of the executive team in HarmonI who navigate those financially challenging waters routinely. The one key element throughout the 145 years of this charity's existence has been noted as one of tenacity in the face of uncertainty and we can certainly see that from the Board to the front-line staff.

Those front-line colleagues deliver services to our client groups in equally but very different challenges daily. So, on behalf of the Board, I want to thank our front-line colleagues who alongside their colleagues in the support elements such as administration, HR, and finance form part of what has become a very well-oiled and effective delivery system. A system which has at its heart the beneficiaries and their needs.

Our CEO regularly reminds us all that the only reason HarmonI exists is that we have clients who need us, clients who live with multiple disabilities or societal disadvantages, clients who place their trust in us. To those clients whether they come from Stricklands Care Village, or the Men's Hostel at Utility Street I say thank you once again for trusting us to support and care for your needs.

As I close this element of the report, I would pick out one particularly encouraging indicator which was initiated during 2023. The Board agreed to rekindle our development processes and start prospecting for a next stage of service delivery. Undoubtedly it will take some time from inception to delivery but every journey begins with the first step, all of which is a response to our core mantra, "To do more for More!"



*Paul Archer - Chairman*

## HARMONI 2019

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023 STRUCTURE, GOVERNANCE AND MANAGEMENT

---

#### Governing Document

The legal entity name was changed on 8<sup>th</sup> January 2019 from NIID to HARMONI 2019 Trading as HarmonI.

HARMONI 2019 has its origins in late 19<sup>th</sup> century Belfast. It was incorporated on 19<sup>th</sup> July 1906 as a charitable Company limited by guarantee and not having a share capital. The objects and powers of HARMONI 2019 are set out in the Memorandum of Association, and the Company is governed under its Articles of Association, as updated in 2014 and registered on 28<sup>th</sup> March 2014. In the event of the Company being wound up Members are required to contribute an amount not exceeding £1.00.

HARMONI 2019 is on the Northern Ireland Charity Register, registration number 101731. Since registration, the Director Trustees have embarked and maintained periodic specific training along with the Management team to understand fully the implications, responsibilities and expectations of HARMONI 2019, the Trustees and the Management who operate under delegated authority.

In September 2023 we initiated a review of our current articles steered by a working group from the Board and supported by our legal advisors at Cleaver Fulton and Rankin we aim to complete this exercise in early 2024. The scope of that work is limited to an updating and refreshing exercise.

#### Directors:

#### Recruitment and appointment of directors

Under the requirements of the Articles of Association as revised in March 2014, the directors are trustees of the charity and are known as Members of Council. From that revision date, Director Trustees serve for 4 years dated from the first AGM at which they are voted in, they are eligible to serve up to three terms of four years at which point they must retire. The date cycle is from their first AGM to their fourth AGM.

| Name of Director Trustee            | Appointment Date  | Expected term end AGM date                                   |
|-------------------------------------|---|--|
| Archer, Paul (Chair)                | 28 <sup>th</sup> March 2023                                   | 1 <sup>st</sup> term chair June 2026                         |
| McIlhagger, David<br>(Deputy Chair) | 30 <sup>th</sup> June 2010 (NED)<br>Chair May 2014 – Dec 2020 | Appointed Deputy Chair 1 <sup>st</sup> Jan 2020<br>June 2026 |
| Reagan, Peter                       | 29 <sup>th</sup> October 2014                                 | June 2027  |
| Lavery, Brian                       | 18 <sup>th</sup> May 2020                                     | June 2024  |
| Irwin, Hannah                       | 15 <sup>th</sup> June 2020                                    | June 2024  |
| Collins, Paul                       | 15 <sup>th</sup> June 2020                                    | June 2024  |
| Colgan, Elaine                      | 28 <sup>th</sup> July 2021                                    | Resigned 28 <sup>th</sup> November 2023                      |
| Graham, Amira                       | 5 <sup>th</sup> November 2021                                 | Resigned 27 <sup>th</sup> November 2023                      |
| Drew, Joanne                        | 12 <sup>th</sup> February 2024                                | June 2028  |
| Lyle, Robert                        | 12 <sup>th</sup> February 2024                                | June 2028  |
| Kerr, Elizabeth Mary                | 1 <sup>st</sup> March 2024                                    | June 2028  |

## HARMONI 2019

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023 STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

---

#### *Director Trustees during reporting period*

No Member of the Board of Director Trustees had a beneficial interest in any contract with HARMONI 2019 during the year.

#### Succession Planning:

Harmoni continues to manage the need for succession in the following manner:

- 1: Trustee appointments are phased in so far as possible so as not to risk a significant number of multiple Trustees ending their tenure simultaneously.
- 2: From 1<sup>st</sup> January 2020 the board of trustees have created a deputy chair role to ensure that in the event of the chair being unavailable there remains a line of consistency in the charity governance.
- 3: The Chair of the Finance and General Purposes Committee is generally not the chair of the full board to ensure a degree of separation and independence.

#### *Trustee induction and training*

Trustees are aware of the practical work of HARMONI 2019 at the hostel in Belfast and Strickland's Care Village in Bangor. New trustees are expected to attend an information session to familiarise themselves with how HARMONI 2019 operates. These are jointly led by the Chair of the Board and the Chief Executive of HARMONI 2019 and cover the following:

- The obligations of the Trustee Directors
- The Articles of Association
- The financial position as set out in the latest published accounts
- Future plans and objectives

New trustees receive copies of the Articles of Association, the latest financial statements, the current strategic plan and a copy of the Code of Good Governance produced by NICVA. They then meet the CEO and undertake a half day induction process to provide information on the charity function.

To ensure that trustees have up to date knowledge regarding charity management issues and the impact of changes in the public sector it is expected that trustees will have the opportunity to attend suitable training and information events. The CEO disseminates all regulatory guidance to trustees as it is received by the charity.

#### **Risk management**

The Board of Director Trustees continues to review the major risks to which HARMONI 2019 is exposed. The risk management strategy for HARMONI 2019 is one which seeks to identify risks and mitigate or manage those risks. It is not designed to remove all risk as to do so is in itself a risk which could render the organisation impotent. The risk framework seeks to firstly identify the organisational risk appetite, over a range from low, medium or high appetite.

The Board of Trustees receive regular updates to the risk register. This process allows the board to see pertinent corporate risks, these risks are categorised with probability and impact scores as High, Medium or Low risk. This measurement is designed to identify risks that require immediate attention and mitigation, and those that need attention, but are less immediate.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023**  
**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

---

Each risk is then identified with a risk owner and a mitigation plan narrative provided. Each update of the register identifies new risks and changes in the previous risks due to the effects of the planned mitigation or other external circumstances.

The core risks for 2023 were identified as:

**Budget Delivery:** At the outset of the year armed with limited knowledge on any possible uplift potential from our core statutory partners for the services delivered, the budget presented as a worst-case scenario was a significant deficit. As ever the CEO and executive team produced a mitigation plan to identify key activity and tasks to minimise this risk. We are glad to report that due to an improvement in employed staff resources compared to the agency potential budgeted coupled with significantly better than expected uplifts from The Trust and NIHE we returned a positive surplus result for the underlying business of the charity.

**Funding Compression:** On the income side as a result of no uplift for many years from Supporting People coupled with historic low increments from the Trust for services delivered the income increments required to meet the spiralling costs had no degree of certainty. On the cost side between the greater than inflation rises for National Living Wage which impacts 90% of our workforce and continued increase in overall costs such as energy the year continued to be one in which the compression reality continued.

**Staff resources:** As we started the 2023 year we had noted a small increment in employment for staff particularly in our Stricklands care Village. That continued for the first quarter of 2023 which eased the need for agency. However, that plateaued into quarter 2 and 3 of the year leaving us with a need to still call on agency. One mitigation we have initiated in the year is to ensure we have a negotiated position with the funders particularly where a new client is involved as we now are asking for the Trust to fund staffing levels at agency plus a central contribution rate until we secure our own staff. We have also again attempted to re-engage with the Trust in respect to rebalancing some of our clients care hour baselines whose contracted hours required have outstripped the care hours contracted.

Procedures are in place to ensure compliance with health and safety of staff, suppliers, volunteers, clients and visitors to the Hostel and Strickland's Care Village.

## **HARMONI 2019**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023 STRUCTURE, GOVERNANCE & MANAGEMENT (continued)**

---

#### ***Organisational structure***

The Board schedules four meetings a year and is responsible for the strategic direction and policy of HARMONI 2019. The Trustees come from a variety of professional backgrounds relevant to the work of HARMONI 2019.

The Finance and General Purposes Committee meets a week prior to the Board and recorded four meetings in 2023. This continues to include the Annual Report and Accounts presentation to the committee by the Auditors.

The development committee, which is a project-based committee, did not meet in 2023 due to there being no relevant business before the committee.

Responsibility for operations management is delegated to the Chief Executive.

#### **Governance:**

The Board will formally meet a minimum of 3 times in the year to take care of the ordinary business of the charity and its governance requirements. The board also receives a detailed sub report on Health and Safety, Safeguarding and Deprivation of Liberty issues if any have arisen.

They will meet at other times for special topics meetings as and when required. The Sub Committee of the Finance and General Purposes Committee will normally meet one week in advance of each formal board. The Development Committee will meet as required to meet the needs of the project timeline.

#### **Corporate Oversight:**

The Senior Management Team meets regularly to ensure the management of the main corporate needs are being met. A key element of this discussion will be the budgets, actuals, and variances we are experiencing and what controls or changes we need to effect in order to keep the organisation on track. We will also review progress in respect to recruitment and retention for our services.

#### **Corporate Management:**

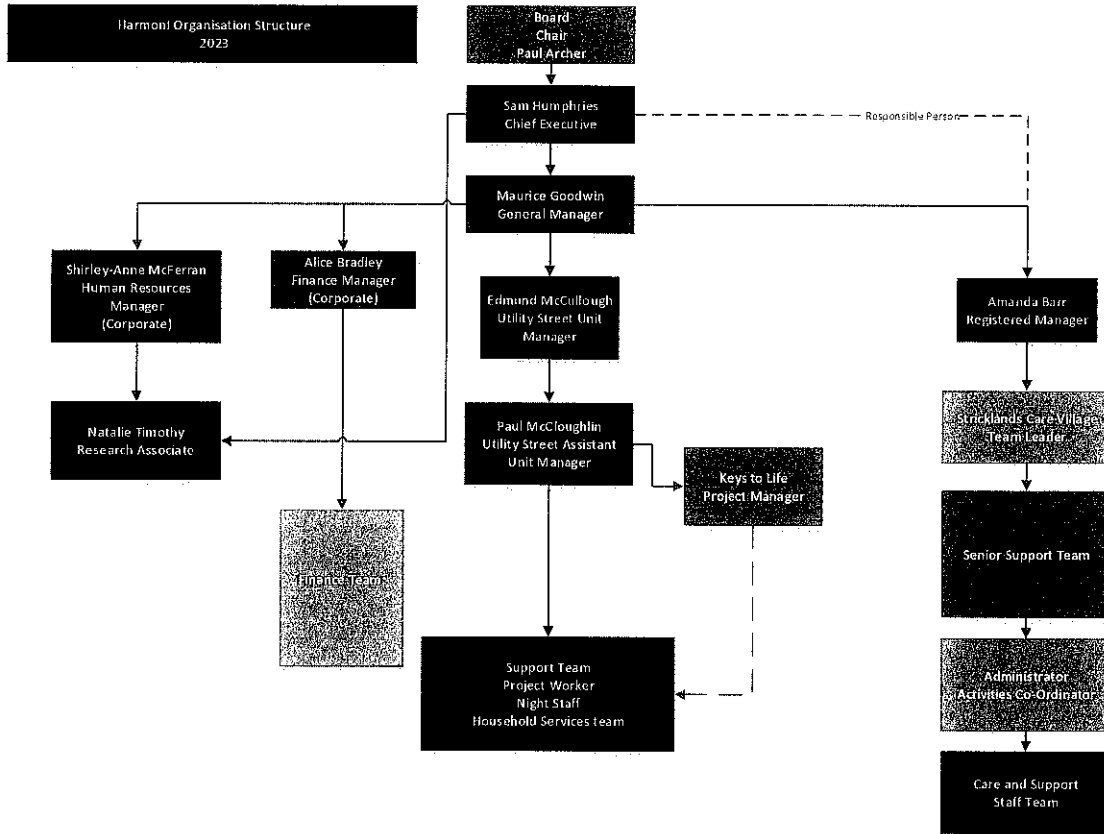
The Unit Managers will meet with members of the Senior Team as required to review the performance of the overall business with specific input from the unit heads. These discussions include the regulatory and compliance elements from the funders and commissioners of the services and also key safeguarding issues.

#### **Operations Management:**

A member of the Senior Team meets their direct line management team as needed to review and discuss operational issues and take any operational decisions arising.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023  
STRUCTURE, GOVERNANCE & MANAGEMENT (continued)**

The operational organisation structure:



**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023  
STRUCTURE, GOVERNANCE & MANAGEMENT (continued)**

---

**Related parties**

HARMONI 2019 did not have any dealings during 2021 with any companies or other organisations in which any of the directors have an interest.

**OBJECTIVES AND ACTIVITIES**

The principal objects, as updated, of HARMONI 2019 are to: -

- To relieve poverty, illness, sickness and suffering of people who are in need by reason of sickness, disability, poverty or social and economic circumstance ('the beneficiaries).
- To advance the interests of beneficiaries by all means including, but not limited to, their closer integration into wider society.
- In the interests of social welfare to provide or assist in the provision of supported housing facilities or other services, such as nursing care or domiciliary care, which improve the conditions of life of the beneficiaries and provide or assist in the provision of respite care or other support for carers of the beneficiaries.
- To advance the education of the beneficiaries and educate and raise awareness among the public of issues pertaining to social welfare and people with disabilities.
- To relieve sickness and poverty of elderly disabled sick or injured persons and their carers by offering assistance to enable those in need to secure respite care.
- Such other exclusively charitable purposes according to the law of Northern Ireland for the beneficiaries as the Trustees may from time to time decide.

Strickland's Care Village located in Bangor provides accommodation in thirty-three separate units for those individuals living with a disability and needing support and care at various levels depending on assessed need.

The Belfast hostel provides emergency accommodation for fifty-nine men experiencing homelessness with one room specifically renovated for men with disabilities. The men are supported and encouraged to improve their situation by taking the necessary steps to move on to training opportunities and employment, and to permanent accommodation. There is close cooperation with the statutory authorities and the Northern Ireland Housing Executive.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023**  
**STRATEGIC REPORT: ACHIEVEMENT & PERFORMANCE**

---

**STRATEGIC REPORT**

**Achievements and Performance**

• ***Organisational:***

A significant achievement organisationally for 2023 was the ability to reverse the potential deficit to a surplus. This was derived from some 15 mitigation actions by the Executive coupled with better-than-expected increases from the Trust. There was also a fully unexpected increment in Supporting People funding, the first in 16 years.

The second and for a mission driven organisation such as Harmoni 2019 equally as important was the Social Return on Investment outcome. Once again, we were provided access to the Social Value Engine Exercise operated by Work West through grant support of North Down and Ards Social Enterprise Support Fund. We are grateful to the council for this support.

That exercise showed that as an organisation for every £1 invested we returned £3.15 in social and economic value. We have always believed as a charitable organisation we added value to people living with a disability or societal disadvantage, this measure helps to provide a metric to confirm that.

• ***Stricklands Care Village:***

2023 was a year in which we experienced the loss of a number of our long-term clients. One client required nursing care which is outside our service delivery capability. Then in the last quarter of the year we lost two of our oldest residents who passed away in November and December. It was through these challenging days for staff that the quality of the values based recruitment and retention strategies showed their worth, coupled with the professional training our staff receive annually we were able to see a stoicism in our front line staff as they dealt with the loss but set aside their personal feelings to continue to deliver to the remaining clients.

We have been able to refocus our attempts to provide greater one to one time with our clients as we attempted to be more focussed on their wants and aspirations this year without the hangover of Covid limitations. This showed in the contentment expressed by our clients. We were also pleasantly surprised when the Social Value Engine return showed us that our staff had delivered over 33,000 support sessions across the year.

Our maintenance programme continues to ensure the clients homes are maintained to the high standards we aspire to for them.

Stricklands Care Village again received a positive RQIA report in 2023 following an unannounced inspection with just one procedural improvement suggestion.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023**  
**STRATEGIC REPORT: ACHIEVEMENT & PERFORMANCE (continued)**

---

• *Utility Street Hostel:*

This year some 206 men were supported to exit homelessness through the work of the Hostel. It should be more but due to the wider system silting up as people experiencing homelessness having reduced move on options due to higher rents particularly in the private rented sector, our clients were staying longer.

In spite of this, 65 men were supported through a combination of the day-to-day support activity of our front-line support staff and the direct support activity of Keys to Life.

Our Keys to life programme which was funded for three years by the National Lottery Community Fund drew to a close. We want to acknowledge and thank the National Lottery for their enabling funding.

The outcomes for the programme are impressive especially when one considers the transient nature of our client group and the impact of Covid on what was a socialisation-based programme:

- Over 80 men took part (target was 96) with 60% achieving an award certificate or an accreditation.
- 30 men took part in activities outside the hostel.
- 45 men attended skills courses some achieving multiple certificates.
- 21 men completed employment preparation training.
- 20 men undertook a Wellness programme with 9 staying the course to the end.
- 12 men achieved a food hygiene programme and award.
- 30 men undertook TEFL courses. As their primary language was not English this Teaching English and Foreign Language course was very popular.
- 9 men achieved awards in OCN level 2 for Healthy living.
- 6 men built the sensory garden in Bangor.
- 12 men took part in the Toolbox programme to learn new skills for maintenance and repair of household-based items.

**Public Benefit**

The directors confirm that they have had due regard for the guidance produced on Public Benefit by the Charity Commission for Northern Ireland, and are pleased to report that during 2023 they have continued to meet the Public Benefit requirement as follows:

The core activity for HARMONI 2019 is the relief of poverty, illness, sickness and suffering to those living with sickness, disability, poverty or social circumstances. All our engagement activities have been with individuals from one or a range of these groups. The organisation has sought to revive these impacts firstly by providing suitable and appropriate accommodation, be that in Supported Independent living or Hostel provision. The organisation sees that provision as the start of our service intervention.

From that point forward, we seek to create a person-centred provision that is cognisant of the individual's need. Many of our residents and service users have those needs identified through professional assessment, either from the health care trusts or other social services. For others it is the skill and experience of the support staff which assists the individual to articulate those needs.

## HARMONI 2019

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023 STRATEGIC REPORT : ACHIEVEMENT & PERFORMANCE (continued)

---

Our core model remains accommodation-based care and support, subject to the service engagement. We continue to believe that the most important element for all our clients remains ensuring a safe and secure place to live. This delivers consistency in what has for some of our clients been a chaotic life to date.

Those for whom the need is centred on personal care are provided a bespoke care and support daily living plan which centres around their personal needs. This is achieved in conjunction with the South East Health Trust care management teams to ensure the assessed needs are met. Next of kin and family provide valuable input to those requirements in the care plan development stage. Further supports are designed which enable the client to live as independently as they wish or are capable of. All these plans are subject to regular review and updating as circumstances change.

Those for whom support is the core focus of our engagement will receive a personal support plan which aims to assist them in achieving their short-term goals which are aimed at delivering a longer term goal, in the case of our clients in Utility street this is independent living in a place of their choosing.

For many of our service users the reality is that their experience with HARMONI 2019 is about small steps and personal capacity / capability building. Many of our residents and families have seen a marked improvement in the individuals' engagement and socialisation skills and their ability to communicate their wants and needs personally.

HARMONI 2019 works closely with multiple statutory bodies to ensure we plan for and deliver suitable and successful outcomes for each and every one of our service users. This joined up approach ensures that the overall public benefit is delivered where service users have longevity and consistency and therefore tend not to move between other agencies or service provisions.

## HARMONI 2019

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023 FINANCIAL REVIEW

---

HARMONI 2019 is a unique organisation, not least because of the diverse nature of the service users but also because of the blended funding sources for our service delivery. Harmoni is very grateful to the Northern Ireland Housing Executive and the South-Eastern Health and Social Care Trust, being the principal funders of these activities.

The directors note that there is a total Net Income for 2023 of £199,159, compared to Net Expenditure of £98,199 in 2022.

The directors also note that the charity remains in positive position in terms of generation of a surplus from operating activities. 2023 saw Net Income from Operational Activities of £77,357, with a figure of £91,926 reflected in 2022.

The main points of note are –

- Incoming Resources have increased by £72,343 (1.99%)
  - Increase in investment income of £7,318 (Increase of 5.22 %).
  - Increase in income from charitable activities of £64,500 (Increase of 1.84%). Much of this increase relates to inflationary uplifts Harmoni received in respect of some funding streams.
- Expenditure has increased by £86,912 (2.45%)
  - Increase in expenditure on charitable activities of £79,973 (2.29%). Costs continued to increase across all departments and expense types, with further increases in utility costs, insurance and food. Increased recruitment did however mean that we were able to reduce agency costs even in the face of rising national living wage levels.

In 2023 the organisation saw a gain on the revaluation of investment assets of £121,802. This relates to the value of current asset investments (gain on revaluation of £66,802) and the revaluation on fixed asset investments meant an uplift in the value of the properties held of £55,000.

The net effect of these movements is that the charity returned a Net Income figure of £199,159 in 2023.

This gives reserves carried forward on the balance sheet at the end of the year comprising Restricted Funds carried forward of £65,414 (2022: £161,759) and Unrestricted Funds of £6,870,625 (2021: £6,575,121). The Unrestricted funds carried forward comprise Investment Revaluation Reserves of £1,893,039 and General Funds of £4,977,586.

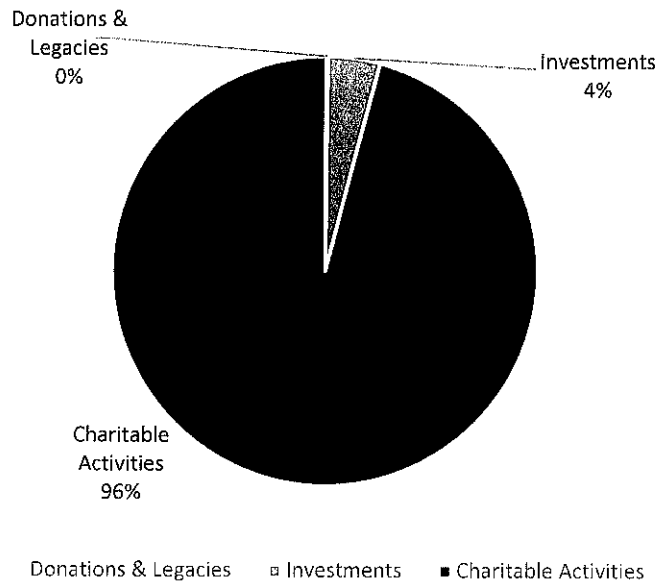
The balance sheet of the charity remains strong, with current assets, including current asset investments, comfortably exceeding current liabilities by £3,149,686.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023**  
**FINANCIAL REVIEW (continued)**

---

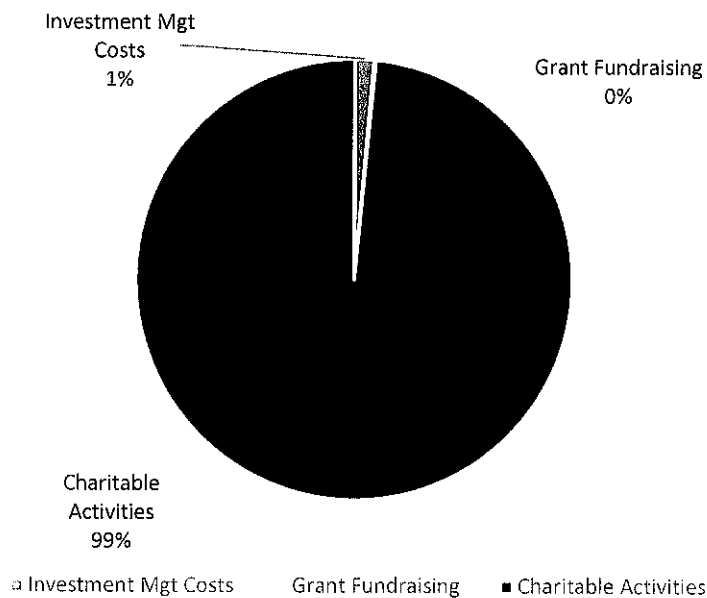
During the year, our income came from the following sources:

**Income for the year ended 31 December 2023**



This income then allowed us to achieve our aims and objectives for the organisation through making the following expenditure:

**Expenditure for the year ended 31 December 2023**



**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**Reserves Policy**

HARMONI 2019 aims to maintain a level of resources that match the needs of the organisation, both now, and in the foreseeable future.

The two main objectives are that –

- a. the available reserves ensure that the activities of the organisation could continue in the face of any unexpected reduction in, or loss of, a particular income stream, while allowing the organisation time to seek alternative funds or restructure/cut costs.
- b. the available reserves allow the organisation to progress with the organisational development plan laid out in the strategic plan 2022-2025.

The Directors assess the risks that HARMONI 2019 could be exposed to, and the appropriate level of reserves that should be maintained.

The current assessment of the target range of free reserves – funds that are freely available to be used for general charitable purposes – held by the company should be 6 months of expenditure, with an additional amount to allow the Board the potential to carry out operations in line with the strategic plan.

In carrying out their assessment of reserves the Directors exclude the fixed asset fund of £2.5m because this represents functional, operational assets within the organisation that could not be realised quickly, restricted reserves of £0.065m which have restrictions placed over the use of funds by the individual funders, and the investment property value of £1.55m which is used as mortgage security for the original long-term loan. After excluding the fixed asset fund this leaves free reserves of £2.84m.

In the strategic plan 2022-2025 the Directors have identified several key projects to investigate. They have also identified the need to build and maintain appropriate reserves to carry out these plans.

This is to ensure that the organisation can grow and develop while maintaining the range of services/activities, and in time the reserves should return to a level equivalent to the equivalent of 6 months running costs.

**Investment Policy**

The Directors have agreed an investment policy within the powers provided to them under the Articles of Association of the organisation. The organisation has a long-established balanced approach towards investment risk, with the need to both protect and grow the charities assets for all service users. Therefore, the Directors define the organisation's expected investment profile to be balanced, with a desire to grow, but also protect the capital invested, whilst providing a useful source of income from dividends.

The Directors wish the portfolio to represent a balanced spread of investments in equities and fixed interest securities and bonds.

The investment portfolio was managed during the year under review by Evelyn and Partners alongside Abrdn (formerly Aberdeen Standard Capital) (on behalf of the Northern Ireland Central Investment Fund for Charities). All are professional investment management companies in good standing and regulated by the Financial Conduct Authority.

As a charity with a strong Evangelical Christian heritage, the ethos of which casts a guiding shadow across the organisation's moral position, the Directors have advised the investment managers that the organisation do not wish to invest in the following:

- Alcohol or tobacco trades
- Arms and munitions trades

The performance of the investment portfolio is monitored regularly by the Directors. In the year under review the investments continued to perform well and in line with objectives, providing a good level of dividend income.

**PLANS FOR FUTURE DEVELOPMENT**

Our 2022 strategic plan was purposely entitled Research, Knowledge, Action. The Trustees understood that future development decisions of either services or facilities needed to be underpinned by solid actionable research.

The Dormant Account fund has enabled Harmoni to have the facility of an in-house research associate and because of their inputs in June 2023 the Trustees were able to approve our first prospecting exercise since 2019. Following a joint research exercise between Queens University Business School and our In-House research associate a position paper was tabled showing that there was a genuine need for day services or day opportunities in our catchment area.

Armed with that market knowledge we agreed to take the next steps and produce an architectural specification and then commission a feasibility study on the possible physical build required to meet the client needs. This study will be presented in early 2024.

We have other aspirations too in respect to our Homelessness intervention services. We have long held aspirations of development at our Donegal Pass site and in early 2023 we were able to meet the proposed area development housing association to see if we could align plans. While not an immediate success the door remains open to future engagement and discussion as they start on their 3-5 year development journey for the area immediately adjacent to our Donegal Pass facility.

Allied to the foregoing we have initiated the idea of a Strategic Fundraising Committee establishment as a committee under the Board to assist us find a means to facilitate and enable our ideas and aspirations and capital capacity to fund those ideas subject to robust business case presentation.

**THANKS AND APPRECIATION**

HARMONI 2019 would like to place on record their thanks and appreciation for:

The continued funding provided by the Health Trusts and the Northern Ireland Housing Executive towards the cost of providing vital services in Strickland's Care Village and the Men's Hostel.

The National Lottery Community Fund for the funding to operate Keys to Life project.

The Dormant Accounts Fund NI for the funding to facilitate the research project.

The Ardbannon Trust who provided grant to help equip the hostel dining facility to update the environment.

Those many organisations and individuals who made donations of money, goods and time to the clients at the Hostel.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)**

---

**FIXED ASSETS**

Details of fixed asset movement in the year are given in note 7 to the financial statements.

Although the market value of the operational property is comfortably in excess of its amortised historic cost, the difference is not felt to be of significance to members.

**FAIR EMPLOYMENT**

The charity is committed to a policy of equal opportunities for all current and future employees. This policy also includes compliance with the Sex Discrimination (NI) Orders 1976 and 1988 and the Disability Discrimination Act 1995. These policies are incorporated into the Equal Opportunity of Employment Guidelines that are adhered to by the charity.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 profit or loss 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.
- 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 Act 2006. 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.

**REPORT AND FINANCIAL STATEMENTS**

This report and financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the Companies Act 2006.

**AUDIT**

The directors have sought to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. Insofar as the board is aware there is no relevant audit information of which the company's auditors are unaware.

**AUDITOR**

The external audit assignment for 2022 and the subsequent 5 years has been awarded to Baker Tilley Mooney Moore after an open competitive bid process.

**ON BEHALF OF THE BOARD:**

SA Humphries - Secretary

Date: 

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HARMONI 2019**

---

### **Opinion**

We have audited the financial statements of HARMONI 2019 (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows 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 charitable company's affairs as at 31 December 2023 and of its 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.

### **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 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 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 Directors 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in Directors' report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HARMONI 2019 (continued)**

---

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the 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.
- 

**Responsibilities of trustees**

As explained more fully in the Directors' responsibilities statement set out on page 17, the Directors (who are also the Trustees of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 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**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, and The Charities Act (Northern Ireland) 2008.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included compliance with Financial Conduct Authority regulation for the UK operating segment and compliance with local legislation for the overseas operating segments.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims;

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HARMONI 2019 (continued)**

---

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing regulatory correspondence;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

We communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Eimear Brown*

Eimear Brown (Senior Statutory Auditor)  
For and on behalf of Baker Tilly Mooney Moore  
Registered Auditor  
17 Clarendon Road  
Clarendon Dock  
Belfast  
BT1 3BG

Date: *21<sup>st</sup> June 2024*

Baker Tilly Mooney Moore is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**HARMONI 2019****(REGISTERED COMPANY NUMBER: R000316)****(REGISTERED NORTHERN IRELAND CHARITY NUMBER: 101731)****STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating the Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|   | Notes              | Restricted<br>Funds | Unrestricted<br>Funds<br>£ | 31.12.2023<br>Total<br>£ | 31.12.2022<br>Total<br>£ |
|---|--------------------|---------------------|----------------------------|--------------------------|--------------------------|
| <b>INCOME &amp; ENDOWMENTS FROM:</b>                        |                    |                     |                            |                          |                          |
| Donations & Legacies  |                    |                     | 4,091                      | 4,091                    | 3,566                    |
| Investments   |                    |                     | 147,311                    | 147,311                  | 139,993                  |
| Charitable Activities                                       |                    | 948,612             | 2,613,364                  | 3,561,976                | 3,497,476                |
| <b>Total Income</b>   | <b>2</b>           | <u>948,612</u>      | <u>2,764,766</u>           | <u>3,713,378</u>         | <u>3,641,035</u>         |
| <b>EXPENDITURE ON:</b>                                      |                    |                     |                            |                          |                          |
| Raising Funds – Investment Management Costs                 |                    |                     | 52,229                     | 52,229                   | 45,290                   |
| Raising Funds – Grant Fundraising                           |                    |                     | 4,320                      | 4,320                    | 4,320                    |
| Charitable Activities                                       |                    | 1,106,303           | 2,473,169                  | 3,579,472                | 3,499,499                |
| <b>Total expenditure</b>                                    | <b>3</b>           | <u>1,106,303</u>    | <u>2,529,718</u>           | <u>3,636,021</u>         | <u>3,549,109</u>         |
| <b>Net (Expenditure)/Income from operational activities</b> |                    | (157,691)           | 235,048                    | 77,357                   | 91,926                   |
| Gain/(Loss) on revaluation of investment assets             | <b>23</b>          | -                   | 121,802                    | 121,802                  | (190,125)                |
| <b>Net (Expenditure)/Income</b>                             |                    | <u>(157,691)</u>    | <u>356,850</u>             | <u>199,159</u>           | <u>(98,199)</u>          |
| <b>Transfer between funds</b>                               | <b>21 &amp; 22</b> | 61,346              | (61,346)                   | -                        | -                        |
| <b>Net movement in Funds</b>                                |                    | <u>(96,345)</u>     | <u>295,504</u>             | <u>199,159</u>           | <u>(98,199)</u>          |
| <b>Reconciliation of Funds:</b>                             |                    |                     |                            |                          |                          |
| <b>Total Funds Brought Forward</b>                          | <b>21 &amp; 22</b> | 161,759             | 6,575,121                  | 6,736,880                | 6,835,079                |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                          | <b>21 &amp; 22</b> | <u>65,414</u>       | <u>6,870,625</u>           | <u>6,936,039</u>         | <u>6,736,880</u>         |

The statement of financial activities includes all gains and losses in the year. All incoming resources expanded derive from continuing activities.

The notes form part of these financial statements.

**HARMONI 2019****(REGISTERED COMPANY NUMBER: R000316)****(REGISTERED NORTHERN IRELAND CHARITY NUMBER: 101731)****BALANCE SHEET****31 DECEMBER 2023**

|  | Notes | 31.12.2023       |                  | 31.12.2022       |                  |
|--|-------|------------------|------------------|------------------|------------------|
|  |       | £                | £                | £                | £                |
| <b>FIXED ASSETS</b>                          |       |                  |                  |                  |                  |
| Tangible assets                              | 7     |                  | 2,484,991        |                  | 2,590,045        |
| Investments                                  | 8     |                  | 1,754,504        |                  | 1,699,504        |
|  |       |                  | <u>4,239,495</u> |                  | <u>4,289,549</u> |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |                  |                  |
| Stock  | 10    | 1,583            |                  | 1,421            |                  |
| Debtors                                      | 11    | 323,655          |                  | 225,116          |                  |
| Investments                                  | 12    | 2,574,446        |                  | 2,234,968        |                  |
| Cash at bank and in hand                     |       | 658,984          |                  | 899,377          |                  |
|  |       | <u>3,558,668</u> |                  | <u>3,360,882</u> |                  |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due within one year          | 13    | <u>408,982</u>   |                  | <u>353,694</u>   |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                  |                  |                  |                  |
|  |       |                  | <u>3,149,686</u> |                  | <u>3,007,188</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  |                  |                  |                  |
|  |       |                  | 7,389,181        |                  | 7,296,737        |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due after more than one year | 14    |                  | <u>(453,142)</u> |                  | <u>(559,857)</u> |
| <b>NET ASSETS</b>                            |       |                  |                  |                  |                  |
|  | 20    |                  | <u>6,936,039</u> |                  | <u>6,736,880</u> |
| <b>THE FUNDS OF THE CHARITY:</b>             |       |                  |                  |                  |                  |
| <b>Restricted Funds</b>                      |       |                  |                  |                  |                  |
|  | 21    |                  | <u>65,414</u>    |                  | <u>161,759</u>   |
| <b>Unrestricted Funds</b>                    |       |                  |                  |                  |                  |
| Revaluation Reserve                          |       |                  | 1,893,039        |                  | 1,771,237        |
| General Fund                                 |       |                  | 4,977,586        |                  | 4,803,884        |
|  | 22    |                  | <u>6,870,625</u> |                  | <u>6,575,121</u> |
|  |       |                  | <u>6,936,039</u> |                  | <u>6,736,880</u> |

The financial statements were authorised for issue by the Board of Directors on .....19/01/24..... and were signed on its behalf by:

.....  
 Director – D McIlhagger

The notes form part of these financial statements.

**HARMONI 2019****STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|   | <b>31.12.2023</b> | <b>31.12.2022</b> |
|---|-------------------|-------------------|
|   | <b>£</b>          | <b>£</b>          |
| <b>Cash generated/ (used) in operating activities</b> – see Note 25 | <b>8,979</b>      | <b>43,968</b>     |
| <b>Cashflows from investing activities</b>                          |                   |                   |
| Purchase of tangible fixed assets                                   | (4,318)           | (7,461)           |
| Purchase of current asset investments                               | (546,838)         | (120,865)         |
| Proceeds from sale of current asset investments                     | 274,162           | 146,575           |
| Investment income   | 72,151            | 65,516            |
| Bank deposit interest   | 101               | -                 |
| Proceeds from disposal of tangible fixed assets                     | -                 | -                 |
| Cash receipts from rentals of investment properties                 | 75,060            | 74,495            |
| <b>Cash (used)/provided by investing activities</b>                 | <b>(129,682)</b>  | <b>158,260</b>    |
| <b>Cashflows from financing activities</b>                          |                   |                   |
| Repayment of bank loan  | (103,917)         | (101,132)         |
| Bank property finance loan interest                                 | (17,629)          | (20,433)          |
| Legacies and Subscriptions  | 1,856             | 3,566             |
| <b>Net cash generated/(used) in financing activities</b>            | <b>(119,690)</b>  | <b>(117,999)</b>  |
| <b>Increase in cash &amp; cash equivalents in the year</b>          | <b>(240,393)</b>  | <b>84,229</b>     |
| Cash & cash equivalents at the beginning of the year                | <b>899,377</b>    | <b>815,148</b>    |
| <b>Cash &amp; cash equivalents at the end of the year</b>           | <b>658,984</b>    | <b>899,377</b>    |
| <b>Analysis of cash &amp; cash equivalents</b>                      |                   |                   |
| Cash at bank and in hand  | 658,984           | 899,377           |
| <b>Total cash &amp; cash equivalents</b>                            | <b>658,984</b>    | <b>899,377</b>    |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of this public benefit entity 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 the Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

**Fund Accounting**

- Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Unrestricted funds include revaluation reserves representing the restatement of investment assets (both fixed and current) at market values.
- Whilst there are none to date, Designated funds are unrestricted funds earmarked by the directors for particular purposes.
- Restricted funds receivable from the Northern Ireland Housing Executive for their Supporting People Programme operating in both Stricklands Bay and the Men's Hostel are subject to restrictions on their expenditure, imposed by the donor.

**Income**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Legacies are accounted for following entitlement. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance – split between Restricted and Unrestricted funds.

**Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Raising funds costs comprise the costs associated with the charity's investment property, current asset investments and the cost of grant applications.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them – split between Restricted and Unrestricted funds.
- Governance costs include those associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 3.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**1. ACCOUNTING POLICIES (continued)**

**Tangible fixed assets (excluding investment property)**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

|                          |                        |
|--------------------------|------------------------|
| Freehold property        | - 2% on cost           |
| Improvements to property | - 15% on cost          |
| Short leasehold          | - 10% on cost          |
| Long leasehold           | - 2% on cost           |
| Fixtures and fittings    | - 10% on cost          |
| Motor vehicles           | - 25% reducing balance |
| Computer equipment       | - 33% on cost          |

The cost of assets comprises purchase price and any installation charges.

**Pensions**

Retirement benefits to certain current employees are provided by a defined contribution pension scheme, under "Auto-Enrolment", whereby the assets are held separately from those of the charity in independently administered funds. The charity contributions are accounted for by charging costs against surpluses as payments accrue.

In addition, unfunded payments are made to certain former employees who were members of the old defined benefit scheme, which is now closed. These are charged as payments are made. The capital cost of continuing these payments, which has not been computed, is not reflected as a liability in the accounts.

The accounting for unfunded pension payments is considered to be an immaterial departure from Financial Reporting Standard 102.

**Operating Leases**

Harmoni classifies the lease of office equipment as operating leases. The title to the equipment remains with the lessor and the equipment is replaced periodically. Rental charges are charged to the SoFA on a straight-line basis over the term of the lease.

**Investment Properties**

Investment properties are initially measured at cost, including transaction costs. Subsequently those investment properties whose fair value can be measured reliably are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are recognised in the revaluation reserve through gains/losses on revaluation of investments in the Statement of Financial Activities.

**Stock**

Stock held relates to food stock held for the kitchen in Men's Hostel. Stock is valued at the lower of cost and net realisable value.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**1. ACCOUNTING POLICIES (continued)**

**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.

**Creditors**

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 are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

Harmoni 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.

**Current asset investments**

Current asset investments are recognised initially at fair value, which is normally the transaction price. Subsequently they are measured at fair value, with changes recognised in the revaluation reserve through gains/losses on revaluation of investments in the Statement of Financial Activities if the investments are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at fair value at the date of acquisition less impairment.

**Judgements and key sources of estimation uncertainty**

The following judgments including those involving estimates have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- (i) Depreciation method and asset useful lives
- (ii) Valuation of properties
- (iii) Impairment of assets

The estimates and assumptions are reviewed on an ongoing basis considering the current and future market conditions.

HARMONI 2019

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

2. INCOME

|                                      | 31.12.2023     | 31.12.2022     |
|--------------------------------------|----------------|----------------|
|                                      | £              | £              |
| <b>Unrestricted Funds:</b>           |                |                |
| <b>Donations and Legacies</b>        |                |                |
| Legacies and donations               | 3,891          | 3,566          |
| Subscriptions – Boys Brigade         | 200            | -              |
| Gift Aid                             | -              | -              |
| Total voluntary income               | <u>4,091</u>   | <u>3,566</u>   |
| <b>Investment Income</b>             |                |                |
| Investment property rents receivable | 75,059         | 74,477         |
| Bank deposit interest receivable     | 101            | -              |
| Current asset investment income      | 72,151         | 65,516         |
| Total Investment Income              | <u>147,311</u> | <u>139,993</u> |

**Income from Activities to further the Charity's objectives:**

|   | Utility<br>Street<br>Men's<br>Hostel | Stricklands<br>Bay | Other         | Total<br>31.12.23 | Total<br>31.12.22 |
|---|--------------------------------------|--------------------|---------------|-------------------|-------------------|
|   | £                                    | £                  | £             | £                 | £                 |
| <b>Unrestricted Funds</b>               |                                      |                    |               |                   |                   |
| Residential receipts                    | 125,457                              | 50,267             | -             | 175,724           | 161,670           |
| Payments from Health Trusts             | -                                    | 1,532,686          | -             | 1,532,686         | 1,518,762         |
| Payments from NIHE re housing           | 622,830                              | 263,512            | -             | 886,342           | 822,847           |
| Private Support Income                  | -                                    | -                  | -             | -                 | -                 |
| SP Covid-19 Funding                     | -                                    | -                  | -             | -                 | 25,016            |
| Other                                   | 2,683                                | 13,479             | 2,450         | 18,612            | 7,925             |
|   | <u>750,970</u>                       | <u>1,859,944</u>   | <u>2,450</u>  | <u>2,613,364</u>  | <u>2,536,220</u>  |
| <b>Restricted Funds</b>                 |                                      |                    |               |                   |                   |
| Payments from NIHE re Supporting People | 462,833                              | 397,376            | -             | 860,209           | 805,498           |
| Private Support Income                  | -                                    | 46,268             | -             | 46,268            | 39,808            |
| Ulster Garden Villages Grant            | -                                    | -                  | -             | -                 | -                 |
| Dormant Accounts NI Fund                | -                                    | -                  | 32,551        | 32,551            | 32,551            |
| National Lottery – Covid-19             | -                                    | -                  | -             | -                 | -                 |
| SP Covid-19 Funding                     | -                                    | -                  | -             | -                 | -                 |
| National Lottery Community Fund         | 3,768                                | -                  | -             | 3,768             | 65,921            |
| Other Restricted Grants                 | 5,816                                | -                  | -             | 5,816             | 17,478            |
|   | <u>472,417</u>                       | <u>443,644</u>     | <u>32,551</u> | <u>948,612</u>    | <u>961,256</u>    |
| <b>TOTAL INCOME</b>                     |                                      |                    |               | <u>3,713,378</u>  | <u>3,641,035</u>  |

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 3. EXPENDITURE (incl. VAT where relevant)

|  | Utility<br>Street<br>Men's<br>Hostel | Stricklands<br>Bay | Other         | Total<br>31.12.23 | Total<br>31.12.22 |
|--|--------------------------------------|--------------------|---------------|-------------------|-------------------|
| <u>Unrestricted Funds</u>                                      | £                                    | £                  | £             | £                 | £                 |
| <b>Costs directly allocated to activities:</b>                 |                                      |                    |               |                   |                   |
| Staff costs  | 297,905                              | 1,179,365          | -             | 1,477,270         | 1,534,038         |
| Depreciation   | 2,540                                | 96,324             | 692           | 99,556            | 69,154            |
| Other  | 340,610                              | 161,939            | 12,397        | 514,946           | 480,061           |
| Loan interest  | -                                    | 15,866             | -             | 15,866            | 19,143            |
| <b>Support Costs allocated by time to activities:</b>          | 72,041                               | 251,573            |               | 323,614           | 284,480           |
| Administration ( <i>incl. staff costs</i> )                    |                                      |                    | -             |                   |                   |
|  | <u>713,096</u>                       | <u>1,705,067</u>   | <u>13,089</u> | <u>2,431,252</u>  | <u>2,386,876</u>  |
| External audit and accountancy – current year                  |                                      |                    |               | 6,600             | 6,000             |
| External audit and accountancy – prior year                    |                                      |                    |               | 600               | -                 |
| Internal audit   |                                      |                    |               | 3,000             | 3,000             |
| Legal and professional   |                                      |                    |               | 31,717            | 13,800            |
|  |                                      |                    |               | <u>41,917</u>     | <u>22,800</u>     |
| <b>Total Unrestricted Expenditure on charitable activities</b> |                                      |                    |               | <u>2,473,169</u>  | <u>2,409,676</u>  |
| <b>Investment Management Costs:</b>                            |                                      |                    |               |                   |                   |
| Re investment property   |                                      |                    |               | 38,590            | 31,299            |
| Re current asset investments                                   |                                      |                    |               | 13,639            | 13,991            |
|  |                                      |                    |               | <u>52,229</u>     | <u>45,290</u>     |
| <b>Grant fundraising costs:</b>                                |                                      |                    |               | <u>4,320</u>      | <u>4,320</u>      |
| <b><u>Restricted Funds</u></b>                                 |                                      |                    |               |                   |                   |
| <b>Costs directly allocated to activities:</b>                 |                                      |                    |               |                   |                   |
|  | Men's<br>Hostel                      | Stricklands<br>Bay | Other         | Total<br>31.12.23 | Total<br>31.12.22 |
| Staff costs  | 382,630                              | 390,496            | 34,981        | 808,107           | 687,406           |
| Depreciation   | 5,824                                | 405                | -             | 6,229             | 37,467            |
| Other  | 102,662                              | 48,708             | 5,043         | 156,413           | 203,639           |
| Loan interest  | -                                    | 1,763              | -             | 1,763             | 1,290             |
| <b>Support Costs allocated by time to activities:</b>          |                                      |                    |               |                   |                   |
| Administration ( <i>incl. staff costs</i> )                    | 65,180                               | 68,611             | -             | 133,791           | 160,021           |
|  | <u>556,296</u>                       | <u>509,983</u>     | <u>40,024</u> | <u>1,106,303</u>  | <u>1,089,823</u>  |
| <b>TOTAL EXPENDITURE</b>                                       |                                      |                    |               | <u>3,636,021</u>  | <u>3,549,109</u>  |

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**4. STAFF COSTS**

|                       | 31.12.2023       | 31.12.2022       |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 2,409,586        | 2,332,857        |
| Social security costs | 172,298          | 164,843          |
| Other pensions costs  | 58,844           | 55,745           |
|                       | <u>2,640,728</u> | <u>2,553,445</u> |

The average monthly number of employees during the year was as follows:

|                      | 31.12.2023 | 31.12.2022 |
|----------------------|------------|------------|
| Administrative staff | 8          | 8          |
| Other staff          | 84         | 79         |
|                      | <u>92</u>  | <u>87</u>  |

Included above is £411,339 (2022: £477,752), which was paid during the year in respect of agency staff.

During 2023, there was one employee with emoluments at the rate between £90,001 and £100,000 (2022: one between £90,001 and £100,000).

Remuneration of the 2 (2022:2) key management personnel in the period was £160,553 (2022: £153,500).

**5. INCOME & EXPENDITURE**

Income and expenditure (including VAT, where relevant) are stated after charging (crediting):

|                                  | 31.12.2023 | 31.12.2022 |
|----------------------------------|------------|------------|
|                                  | £          | £          |
| Depreciation - owned assets      | 109,187    | 113,567    |
| Loss on disposal of fixed assets | -          | -          |
| Operating lease costs            | 4,393      | 4,393      |
| External Aud & Accs current year | 6,600      | 6,000      |
| External Aud & Accs prior year   | 600        | -          |
| Internal Audit                   | 3,000      | 3,000      |
| Bank loan interest payable       | 17,629     | 20,433     |
| Income from listed investments   | 72,151     | 65,516     |
| Directors' remuneration          | -          | -          |

**6. TAXATION****Analysis of the tax charge**

Being registered with both HMRC and the Charity Commission for Northern Ireland as a charity, no liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2023, nor for the year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 7. TANGIBLE FIXED ASSETS

|                        | Freehold<br>Property<br>£ | Short<br>Leasehold<br>£ | Long<br>Leasehold<br>£ |
|------------------------|---------------------------|-------------------------|------------------------|
| <b>COST</b>            |                           |                         |                        |
| At January 2023        |                           |                         |                        |
| Additions              | 2,883,318                 | 9,080                   | 1,822,250              |
| Disposals              | -                         | -                       | -                      |
|                        | <u>-</u>                  | <u>-</u>                | <u>-</u>               |
| At 31 December 2023    | <u>2,883,318</u>          | <u>9,080</u>            | <u>1,822,250</u>       |
| <b>DEPRECIATION</b>    |                           |                         |                        |
| At 1 January 2023      |                           |                         |                        |
| Charge for year        | 972,293                   | 9,080                   | 1,188,058              |
| Eliminated on disposal | 58,563                    | -                       | 36,180                 |
|                        | <u>-</u>                  | <u>-</u>                | <u>-</u>               |
| At 31 December 2023    | <u>1,030,856</u>          | <u>9,080</u>            | <u>1,224,238</u>       |
| <b>NET BOOK VALUE</b>  |                           |                         |                        |
| At 31 December 2023    | <u>1,852,462</u>          | <u>-</u>                | <u>598,012</u>         |
| At 31 December 2022    | <u>1,911,025</u>          | <u>-</u>                | <u>634,192</u>         |

## 7. TANGIBLE FIXED ASSETS (continued)

|                        | Fixtures &<br>Fittings | Motor Vehicles<br>£ | Computer<br>Equipment<br>£ | Totals<br>£      |
|------------------------|------------------------|---------------------|----------------------------|------------------|
| <b>COST</b>            |                        |                     |                            |                  |
| At January 2023        |                        |                     |                            |                  |
| Additions              | 237,595                | 9,775               | 25,203                     | 4,987,221        |
| Disposals              | 4,318                  | -                   | -                          | 4,318            |
|                        | <u>(300)</u>           | <u>-</u>            | <u>-</u>                   | <u>(300)</u>     |
| At 31 December 2023    | <u>241,613</u>         | <u>9,775</u>        | <u>25,203</u>              | <u>4,991,239</u> |
| <b>DEPRECIATION</b>    |                        |                     |                            |                  |
| At 1 January 2023      |                        |                     |                            |                  |
| Charge for year        | 203,110                | 7,462               | 17,173                     | 2,397,176        |
| Eliminated on disposal | 9,734                  | 578                 | 4,132                      | 109,187          |
|                        | <u>(115)</u>           | <u>-</u>            | <u>-</u>                   | <u>(115)</u>     |
| At 31 December 2023    | <u>212,729</u>         | <u>8,040</u>        | <u>21,305</u>              | <u>2,506,248</u> |
| <b>NET BOOK VALUE</b>  |                        |                     |                            |                  |
| At 31 December 2023    | <u>28,884</u>          | <u>1,735</u>        | <u>3,898</u>               | <u>2,484,991</u> |
| At 31 December 2022    | <u>34,485</u>          | <u>2,313</u>        | <u>8,030</u>               | <u>2,590,045</u> |

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. FIXED ASSET INVESTMENT PROPERTIES**

Harmoni has two fixed asset property investments and a small ground rental portfolio.

The investment properties at Donegall Pass were revalued at fair open market value as of 9 February 2024 by Frazer Kidd & Partners, Property Consultants. The directors consider this to be a fair estimate of value as of 31 December 2023.

The investment properties at Derryvolgie Mews were revalued at fair open market value as of 9 February 2024 by Frazer Kidd & Partners, Property Consultants. The directors consider this to be a fair estimate of value as of 31 December 2023.

The directors are of the view that no significant change to fair open market value has arisen with the ground rents in 2023 (or 2022). The movement is summarised as follows: -

|                                   | 8 Apartments<br>(Derryvolgie<br>Mews)<br>£ | Other<br>Investment<br>Property<br>£ | Ground<br>Rents<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|-----------------------------------|--|--------------------------------------|----------------------|--------------------|--------------------|
| Value at start of the year        | 1,500,000                                  | 195,000                              | 4,504                | 1,699,504          | 1,649,504          |
| Increase in value during the year | <u>50,000</u>                              | <u>5,000</u>                         | <u>-</u>             | <u>55,000</u>      | <u>50,000</u>      |
| Value at the end of the year      | <u>1,550,000</u>                           | <u>200,000</u>                       | <u>4,504</u>         | <u>1,754,504</u>   | <u>1,699,504</u>   |

As part of its title to Derryvolgie Mews Harmoni holds the only issued voting 'B' share in an apartment management company, Derryvolgie Mews Management Company Limited, incorporated in Northern Ireland to act as a property management company for Harmoni's investment property "Derryvolgie Mews".

4 non-voting 'A' shares in the company have been issued to the owners of the other 4 apartments which were previously sold by Harmoni.

**9. FINANCIAL INSTRUMENTS**

The fair valued carrying amounts of the charity's financial instruments, being debtors, current asset investments, creditors and bank loans, are given in notes 11, 12, 13, 14 and 15.

The only income from the charity's financial instruments is the bank deposit interest receivable and current asset investment income, as disclosed under investment income in note 2.

The only expense associated with the charity's financial instruments is the Stricklands Bay property bank loan interest, as disclosed in note 3.

**10. STOCK**

|                               | 31.12.2023<br>£ | 31.12.2022<br>£ |
|-------------------------------|-----------------|-----------------|
| Kitchen stock at Men's Hostel | <u>1,583</u>    | <u>1,421</u>    |

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | 31.12.2023     | 31.12.2022     |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade Debtors                  | 300,087        | 205,894        |
| Prepayments and accrued income | 23,568         | 19,222         |
|                                | <u>323,655</u> | <u>225,116</u> |

**12. CURRENT ASSET FINANCIAL INVESTMENTS**

|  | 31.12.2023       | 31.12.2022       |
|--|------------------|------------------|
|  | £                | £                |
| At start of year                             | 2,234,968        | 2,500,803        |
| Additions                                    | 546,838          | 120,865          |
| Disposals                                    | (274,162)        | (146,575)        |
| Surplus/(deficit) on disposals – realised    | 6,955            | (31,994)         |
| Unrealised (deficit)/surplus                 | 59,847           | (208,131)        |
| At end of year fair market valuation         | <u>2,574,446</u> | <u>2,234,968</u> |
| Current assets investments comprise:         |                  |                  |
| Listed investments                           | 2,444,175        | 2,111,838        |
| Other investments                            | 130,271          | 123,130          |
|  | <u>2,574,446</u> | <u>2,234,968</u> |
| Historical cost of current asset investments | <u>2,574,446</u> | <u>2,234,968</u> |

The fair value of listed investments is determined by reference to their market value as at the balance sheet date as provided by the Investment Managers Evelyn Partners.

The fair value of the other Investments is measured at a fair value on acquisition less impairment.

The investment management fees in respect of the financial investments for 2023 were £13,639 (2022: £13,991).

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

|                                 | 31.12.2023     | 31.12.2022     |
|---------------------------------|----------------|----------------|
|                                 | £              | £              |
| Bank loans (see note 15)        | 106,715        | 103,917        |
| Trade creditors                 | 95,207         | 72,579         |
| Social security and other taxes | 38,034         | 31,849         |
| Accrued expenses                | 169,026        | 145,349        |
|                                 | <u>408,982</u> | <u>353,694</u> |

**HARMONI 2019****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023****14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                          | 31.12.2023     | 31.12.2022     |
|--------------------------|----------------|----------------|
|                          | £              | £              |
| Bank Loans (see note 15) | <u>453,142</u> | <u>559,857</u> |

The bank loans are secured by a legal mortgage over Harmoni's investment property known as "Derryvolgie Mews".

**15. LOANS**

An analysis of the maturity of loans is given below:

|  | 31.12.2023     | 31.12.2022     |
|--|----------------|----------------|
|  | £              | £              |
| Amounts falling due within one year or on demand:        |                |                |
| Bank loans   | <u>106,715</u> | <u>103,917</u> |
|  | <u>106,715</u> | <u>103,917</u> |
| Amounts falling due between one and two years:           |                |                |
| Bank loans: 1-2 years                                    | <u>109,712</u> | <u>106,715</u> |
| Amounts falling due between two and five years:          |                |                |
| Bank loans: 2-5 years                                    | <u>301,666</u> | <u>338,504</u> |
| Amounts falling due in more than five years:             |                |                |
| Bank loans repayable in more than 5 years by instalments | <u>41,764</u>  | <u>114,638</u> |

Interest is payable on the original bank loan at 2.15% for 10 years. Interest is payable on a second bank loan at 4% for 10 years.

**16. SECURED DEBTS**

The following secured debts are included within creditors:

|            | 31.12.2023     | 31.12.2022     |
|------------|----------------|----------------|
|            | £              | £              |
| Bank Loans | <u>559,857</u> | <u>663,774</u> |
|            | <u>559,857</u> | <u>663,774</u> |

The bank borrowings are secured by a legal mortgage over Harmoni's investment property known as "Derryvolgie Mews" and the development at Getgood House.

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**17. PENSION COMMITMENTS**

The company used to operate a defined benefit pension scheme which has now been wound up. The pension obligations under the old scheme are met by purchased annuities. In addition, unfunded payments are made to certain former employees.

The company now operates a defined contribution scheme for certain current employees. The total pension costs for the year were £58,844 (2022: £55,745), comprising pension scheme costs of £58,302 (2022: £54,404) and unfunded pension payments of £542 (2022: £1,341).

**18. TRANSACTIONS WITH DIRECTORS**

No director emoluments were paid during the year (2022 - £Nil)

There were no transactions during the year in which any director or related party had an interest requiring disclosure.

**19. LEGAL STATUS OF HARMONI**

HARMONI 2019 is a company limited by guarantee, not having a share capital.

Harmoni has tax-exempt status with HMRC as a charity and has also been registered as a charity by the Charity Commission for Northern Ireland.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|  | Tangible<br>Fixed<br>Assets<br>£ | Fixed<br>Asset<br>Investments<br>£ | Net<br>Current<br>Assets<br>£ | Long<br>Term<br>Liabilities<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|--|----------------------------------|------------------------------------|-------------------------------|----------------------------------|--------------------|--------------------|
| <b>Unrestricted Funds:</b>   |                                  |                                    |                               |                                  |                    |                    |
| General  | <u>2,454,767</u>                 | <u>1,754,504</u>                   | <u>3,114,496</u>              | <u>(453,142)</u>                 | <u>6,870,625</u>   | <u>6,575,667</u>   |
| <b>Restricted Funds:</b>   |                                  |                                    |                               |                                  |                    |                    |
| NIHE Supporting People -<br>Men's Hostel &<br>Stricklands Care Village | -                                | -                                  |                               | -                                |                    | 34,709             |
| Stricklands Bay – Bangor<br>Benevolent Society                         | -                                | -                                  | 3,728                         | -                                | 3,728              | 4,437              |
| Men's Hostel – NIHE<br>Refurb. Grant 2015                              | 3,775                            |                                    | 23,181                        |                                  | 26,956             | 30,909             |
| National Lottery<br>Community Fund                                     |                                  | -                                  | 3,768                         | -                                | 3,768              | 51,120             |
| Men's Hostel – Awards<br>for All Grant                                 | 706                              | -                                  | 391                           | -                                | 1,097              | 1,286              |
| Men's Hostel – NIHE<br>Refurb. Grant 2018                              | 2,888                            | -                                  | (965)                         | -                                | 1,923              | 1,942              |
| Ulster Garden Villages   | 18,280                           | -                                  | -                             | -                                | 18,280             | 18,685             |
| Stricklands Bay - Awards<br>for All Grant                              | -                                | -                                  | 5,595                         | -                                | 5,595              | 5,595              |
| Dormant Accounts Fund<br>NI  | -                                | -                                  | (185)                         | -                                | (185)              | 7,288              |
| R.U.T.H  | 1,323                            | -                                  | -                             | -                                | 1,323              | 1,911              |
| Belfast City Council –<br>Equipment                                    | 3,252                            | -                                  | (341)                         | -                                | 2,911              | 3,331              |
| Ardbannon Trust  |                                  |                                    | 18                            |                                  | 18                 |                    |
| At the end of year   | <u>2,484,991</u>                 | <u>1,754,504</u>                   | <u>3,149,686</u>              | <u>(453,142)</u>                 | <u>6,936,039</u>   | <u>6,736,880</u>   |

**HARMONI 2019**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**21. MOVEMENTS IN RESTRICTED FUNDS**

|  | At 31 <sup>st</sup><br>December<br>2022 | Net<br>Movements<br>in Funds | Transfer<br>from<br>Unrestricted<br>Funds | At 31 <sup>st</sup><br>December<br>2023 |
|--|---|------------------------------|---|---|
|  | £                                       | £                            | £   | £                                       |
| NIHE Supporting People –<br>Men’s Hostel & Stricklands<br>Care Village | 34,709                                  | (93,513)                     | 58,804                                    | -                                       |
| Stricklands Bay – Bangor<br>Benevolent Society                         | 4,437                                   | (709)                        | -   | 3,728                                   |
| Men’s Hostel – NIHE<br>Refurb. Grant 2015                              | 30,909                                  | (3,953)                      | -   | 26,956                                  |
| Dormant Accounts NI Fund   | 7,288                                   | (7,473)                      | -   | (185)                                   |
| Men’s Hostel – Awards for<br>All Grant                                 | 1,221                                   | (124)                        | -   | 1,097                                   |
| Men’s Hostel – NIHE<br>Refurb Grant 2018                               | 2,553                                   | (630)                        | -   | 1,923                                   |
| National Lottery Community<br>Fund                                     | 51,120                                  | (49,894)                     | 2,542                                     | 3,768                                   |
| Ulster Garden Villages   | 18,685                                  | (405)                        | -   | 18,280                                  |
| Stricklands Bay – Awards for<br>All Grant                              | 5,594                                   | -                            | -   | 5,594                                   |
| R.U.T.H  | 1,911                                   | (588)                        | -   | 1,323                                   |
| B.C.C – Equipment  | 3,332                                   | (420)                        | -   | 2,912                                   |
| Ardbannon Trust  | -                                       | 18                           | -   | 18                                      |
| At the end of year   | <u>161,759</u>                          | <u>(157,691)</u>             | <u>61,346</u>                             | <u>65,414</u>                           |

**22. MOVEMENTS IN UNRESTRICTED FUNDS**

|  | General<br>Fund  | Revaluation<br>Reserves | Total<br>Unrestricted<br>Funds 2023 | Total<br>Unrestricted<br>Funds 2022 |
|--|------------------|-------------------------|-------------------------------------|-------------------------------------|
|  | £                | £                       | £                                   | £                                   |
| At 1 <sup>st</sup> January 2023          | 4,803,884        | 1,771,237               | 6,575,121                           | 6,646,995                           |
| Net Income on Operational<br>Activities  | 235,048          | -                       | 235,048                             | 220,493                             |
| Transfer to restricted funds             | (61,346)         | -                       | (61,346)                            | (102,242)                           |
| Investment revaluation<br>(Losses)/Gains | -                | 121,802                 | 121,802                             | (190,125)                           |
| At 31 <sup>st</sup> December 2023        | <u>4,977,586</u> | <u>1,893,039</u>        | <u>6,870,625</u>                    | <u>6,575,121</u>                    |

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**23. ANALYSIS OF REVALUATION RESERVES**

|                                   | Fixed<br>Asset<br>Investments | Current<br>Asset<br>Investments | Total<br>Investments | Total            |
|-----------------------------------|-------------------------------|---------------------------------|----------------------|------------------|
|                                   | £                             | £                               | £                    | £                |
| At 1 <sup>st</sup> January 2023   | 1,176,218                     | 595,019                         | 1,771,237            | 1,771,237        |
| Net gain/(loss)                   | 55,000                        | 66,802                          | 121,802              | 121,802          |
| At 31 <sup>st</sup> December 2023 | <u>1,231,218</u>              | <u>661,821</u>                  | <u>1,893,039</u>     | <u>1,893,039</u> |

**24. OPERATING LEASE COMMITMENTS**

|   | 2023<br>£    | 2022<br>£    |
|---|--------------|--------------|
| Total future minimum lease payments under non-cancellable operating leases for office equipment are as follows: |              |              |
| Not later than one year   | 2,501        | 4,697        |
| Later than one year and not later than five years   | 1,220        | 3,416        |
| Greater than five years   | -            | 305          |
|   | <u>3,721</u> | <u>8,418</u> |

**25. RECONCILIATION OF MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

|   | 2023<br>£     | 2022<br>£     |
|---|---------------|---------------|
| <b>Net movement in funds</b> – Net income from operational activities, as per Statement of Financial Activities | 77,357        | 91,926        |
| Add back:   |               |               |
| Depreciation charge   | 109,187       | 113,567       |
| Loss/(Profit) on sale of tangible fixed assets  | 185           | -             |
| Bank property finance loan interest payable   | 17,629        | 20,433        |
| Deduct:   |               |               |
| Investment income shown in investing activities   | (72,151)      | (65,516)      |
| Legacies and subscriptions shown in financing   | (1,856)       | (3,566)       |
| Cash receipts from rentals from investment properties   | (75,060)      | (74,495)      |
| Bank deposit interest   | (101)         | -             |
| (Increase) in stock   | (162)         | (462)         |
| (Increase) in debtors   | (98,539)      | (48,358)      |
| Increase in creditors, excluding bank borrowings  | <u>52,490</u> | <u>10,439</u> |
| <b>Net cash generated in operating activities</b> , as per Statement of Cashflows                               | <u>8,979</u>  | <u>43,968</u> |