

HARMONI 2019

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

REGISTERED NUMBER: R0000316 (Northern Ireland)

CHARITY COMMISSION for NORTHERN IRELAND REGISTRATION NUMBER: 101731

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HARMONI 2019

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2024

DIRECTORS:

Mr Paul Archer (Appointed Chairman from 28th March 2023)
Mr D Mellhagger BSc, FIAE (Deputy Chair)
Mr Brian Lavery
Mr P Regan
Mr Paul Collins
Mrs Hannah Irwin
Dr Joanne Drew (appointed 12th February 2024)
Mr Robert Lyle (appointed 12th February 2024)
Mrs Elizabeth Mary Kerr (appointed 1st 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 2024
FORWARD**

I am pleased to present on behalf of the Trustees of HarmonI 2019 the annual report and accounts for the year 1st January 2024 to 31st December 2024.

I once again would acknowledge my indebtedness to my colleagues on the Board for their interest and commitment to guide the work of HarmonI. 2024 was a reflection of the inherent complexities in a service such as ours and I am thankful to the CEO and the executive team for their dedication and comprehensive information sharing which informs the work of the board.

I would once again acknowledge and thank 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. I would also like to express our appreciation for the work of the DOH/HSCNI Strategic Planning and Performance Group (SPPG). Over these past number of years, we have noted a greater access to the strategic policy and performance group who are showing a very refreshing realism in the setting of key policies and strategies, especially as they reflect the increased costs on us as the independent charity sector in the delivery of services under contract to the DOH and Trusts.

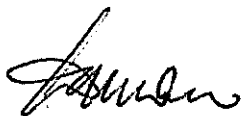
As with each passing year, our financial year commenced with limited understanding of any potential uplifts, but the now more recurrent process with the DOH/SPPG allowed us to be part of the discussion from early on. Particularly through the work of the Association for Real Change here in Northern Ireland who have fostered more and more opportunities for us as a small provider to be at the table when key discussions are working through. So, I would place on record our thanks to Leslie-Anne Newton for facilitating and encouraging that.

Our CEO stepped down from the board of Homeless Connect in 2024 after 3 years of service on that board in order to focus on our development planning here at HarmonI. We acknowledge the excellent work Homeless Connect do as they seek to represent the providers of Homeless services as a membership organisation.

The development discussion culminated in a significant strategy paper for the board to reflect upon which was delivered in November 2024. That set the scene for a strategy day being convened in 2025 at the end of January. It is safe to say that I and the board are excited at the prospects before us and most significantly the opportunity to do more for more. I am especially delighted that our development strategy has two major opportunities for us to pursue both for the Stricklands Care Village and our Homelessness intervention work in Belfast. It has been many years since we have been in such a strong position to consider both service elements at the same time. 2025 will be a pivotal year in the future strategy decision-making processes.

Finally, as the only reason we exist is because we have people who need our services, I would again place on record our appreciation to the clients who have trusted us to provide care and support to them. That work is only possible because of a dedicated team of individuals who operate on the front lines daily. To our colleagues in the front lines of management, supervision and service delivery we say thank you for your service.

I look forward to 2025 when our current strategic plan comes to an end and our new plan is developed. I have little doubt it will stretch us financially, operationally and strategically, but stretch us it must as we aspire to do more for more!



Paul Archer - Chairman

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024
STRUCTURE, GOVERNANCE AND MANAGEMENT**

Governing Document

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

HARMONI 2019 has its origins in late 19th century Belfast. It was incorporated on 19th July 1906 as a charitable Company limited by guarantee and not having 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 28th 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.

As identified in the 2023 report we concluded the review and update of our articles of association. None of the changes were regulated alterations.

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 th March 2023	1 st term chair June 2026
McIlhagger, David (Deputy Chair)	30 th June 2010 (NED) Chair May 2014 – Dec 2020	Appointed Deputy Chair 1 st Jan 2020 June 2026
Reagan, Peter	29 th October 2014	June 2027
Lavery, Brian	18 th May 2020	June 2028
Irwin, Hannah	15 th June 2020	June 2028
Collins, Paul	15 th June 2020	June 2028
Drew, Joanne	12 th February 2024	June 2028
Lyle, Robert	12 th February 2024	June 2028
Kerr, Elizabeth Mary	1 st March 2024	June 2028

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024
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 1st 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 will disseminate details of any such events as they become available. The CEO also 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 2024
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 2024 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 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: We are pleased to report that due to the realism at work through the SPPG over the last number of years we have noted an improvement in the uplift percentages as it is recognised that the true full recovery costs of care delivery which has been outsourced by trusts to charitable entities such as Harmoni needs addressing. In 2024 the NIHE also made an improved contribution, one which was very welcome but regrettably not one which has as yet received the same recurrent realism. To that end our risk profile for funding compression was for the first time in a number of years improved significantly.

Staff resources: We like all providers in the sector need to be exceptionally agile and imaginative in the recruitment of suitable staff to provide front-line care and support. This has been the situation for many years and while there is talk at Stormont of making Health and Social care and real living wage employment option with recurrent funding from the DOH/ SPPG/ Trusts that aspiration has yet to be realised. Notwithstanding the aforementioned we at Harmoni have been able to maintain our recruitment at levels significantly better than some of our peer organisations. For Stricklands Care village our percentage staff vacancy rate averaged 9.9% (22% in the wider sector) while for Utility Street it remained stubbornly high at 26.5%. Early indications for 2025 show the rate in Utility Street improving to 13.6% while Stricklands Care village is showing signs of a slight improvement to 9.3%.

Cyber Risk: We were encouraged by our insurance partners to add cyber risk as a key risk item. This had led us to reevaluate our internal network architecture, our use of cloud based storage and software and the provision of our Firewall and protective technologies. This led us in 2024 to appoint a new provider following a select list EOI exercise, who has updated all our aging internal and external-facing equipment and protocols.

The risk registered is augmented at each board meeting with a full CEO report showing key Strategic, Director and Operational detail alongside a stand-alone report on Health and Safety and any anonymised Safeguarding issues or Deprivation of Liberty issues which would be pertinent for the Trustees to be aware of.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024
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, reconvened three times in 2024 as discussions in respect to the future development opportunities were restarted in earnest.

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:

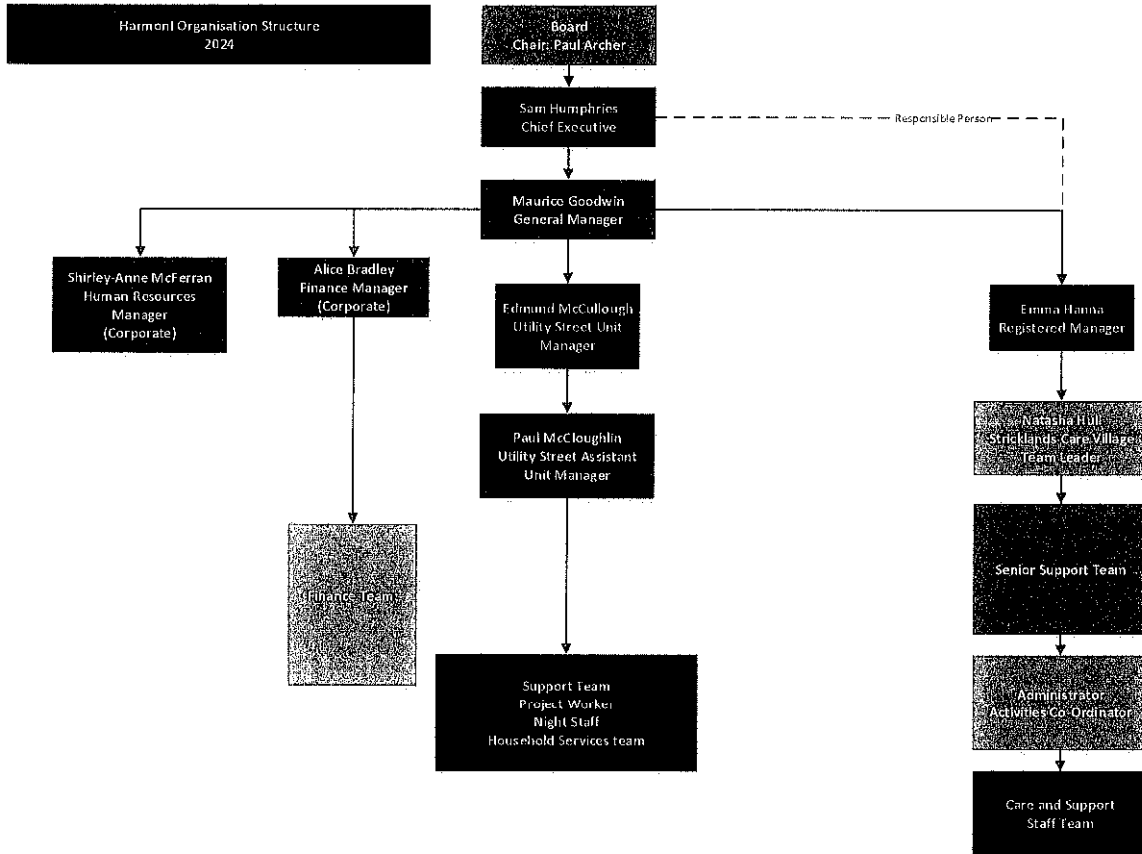
The Unit Managers will meet with members of the Senior Team as required to review the performance of the overall business with specific input from the unit heads. These discussions include the regulatory and compliance elements from the funders and commissioners of the services and also key safeguarding 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 2024
STRUCTURE, GOVERNANCE & MANAGEMENT (continued)**

The operational organisation structure:



Related parties

HARMONI 2019 did not have any dealings during 2024 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 2024
STRATEGIC REPORT: ACHIEVEMENT & PERFORMANCE

STRATEGIC REPORT

Achievements and Performance

• Organisational:

A significant achievement organisationally for 2024 was the ability to reverse the potential deficit to a surplus. This was derived from a series of mitigation actions by the Executive coupled with better-than-expected increases from the Trust and NIHE.

Over the past 2 years we have received two very generous bequests, one from a previous tenant and one individual whose historical connection to the charity is unclear. Their generosity as a reflection of the good standing which the charity has held for them has enabled us to utilise some of the financial gift to carry out some much-needed improvements for the clients facilities in Bangor and Belfast.

• Stricklands Care Village:

2024 was a key challenge for the care village management as our Registered manager, Amanda Barr had decided to pursue other career options for the future. We express our gratitude to her for the work she did in the care village. The process of replacing Amanda was challenging with numerous false starts but mercifully we were able to recruit a new Registered Manager, Emma Hanna joined in in July 2024 and comes with a wealth of experience in our sector. It would also be remiss if we did not reflect our appreciation to the Team Leader Natasha Hull who alongside the CEO, HR Manager and Senior Support staff managed the service to an excellent standard in the vacancy. Something that was reflected in the RQIA unannounced inspection where no improvements were required.

The client losses in late 2023 remained unfilled during the most of 2024. Work is ongoing and we are expected to return to full occupancy levels by Q3 2025.

Our maintenance programme continues to ensure the clients homes are maintained to the high standards we aspire to for them. As mentioned above the bequests allowed us to carry out some key maintenance upgrades to clients properties to ensure their safe living standards remained as high as possible.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024
STRATEGIC REPORT: ACHIEVEMENT & PERFORMANCE (continued)

• ***Utility Street Hostel:***

With the ending of our Keys to Life programme in late 2023 we have been working across 2024 to identify a suitable engagement piece to meet the needs of our clients in the Hostel.

In 2024 we received 328 referrals, due to the silting of the system and fewer options for move on we were only able to take 81 of those referrals, so in total 132 men utilised the service. Times have changed and we have noted a significant slowdown in turnover where the number of clients with a successful outcome of move on into a tenancy has halved, in 2024 we recorded 46 successful outcomes.

This is largely due to the grinding to a halt of new affordable and suitable accommodation availability in the NI marketplace. Private tenancies have reduced as landlords pursue more financially beneficial tenancies not linked to housing benefit. Public housing through Housing Associations has reduced significantly from the expected 3000+ units in 2024 to 450. This is linked to a range of issues from service utilities being over capacity in some areas stalling new builds, to grants from NIHE for new Social Housing builds being limited due to overall budget constraints.

The silver lining to this scenario however has been a new drive by the Harmoni executive to become part of the solution to the housing need. We are therefore working up into 2025 a new approach which we hope will see Harmoni become a landlord in the future and provide housing directly to our clients who are ready to leave Utility Street. This audacious goal will be a multi-year project, but we are determined to assist our clients move on.

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 2024 STRATEGIC REPORT : ACHIEVEMENT & PERFORMANCE (continued)

Our core model remains accommodation-based care and support, subject to 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 with 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 support is designed to 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 2024 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 2024 of £762,630, compared to Net Income of £199,159 in 2023.

The directors also note that the charity remains in positive position in terms of generation of a surplus from operating activities. 2024 saw Net Income from Operational Activities of £579,812, with a figure of £77,357 reflected in 2023.

The main points of note are –

- Incoming Resources have increased by £496,557 (13.4%)
 - Increase in legacies and donations income of £456,908 (No legacies received in 2023; two different legacies received in 2024).
 - Increase in investment income of £4,842 (Increase of 3.3 %).
 - Increase in income from charitable activities of £34,807 (Increase of 0.98%). Much of this increase relates to inflationary uplifts Harmoni received in respect of some funding streams.
- Expenditure has decreased by £5,898 (0.16%)
 - Increase in investment management costs of £17,759 (34%) in respect of refurbishment costs of one of the apartments in the investment property held at Derryvolgie Mews.
 - Decrease in expenditure on charitable activities of £23,657 (0.66%). Costs continued to increase across all departments and expense types, with significant increases in wages and salaries (NLW increase of 9.7%) and repairs. But also, in the year there was a significant reduction in agency costs as the overall support/care requirement reduced to the number of voids on site. In addition, 2024 had no costs related to the Keys to Life programme at Utility St Hostel.

In 2024 the organisation saw a gain on the revaluation of investment assets of £182,818. This relates to the value of current asset investments (gain on revaluation of £82,818) and the revaluation on fixed asset investments meant an uplift in the value of the properties held of £100,000.

The net effect of these movements is that the charity returned a Net Income figure of £762,630 in 2024.

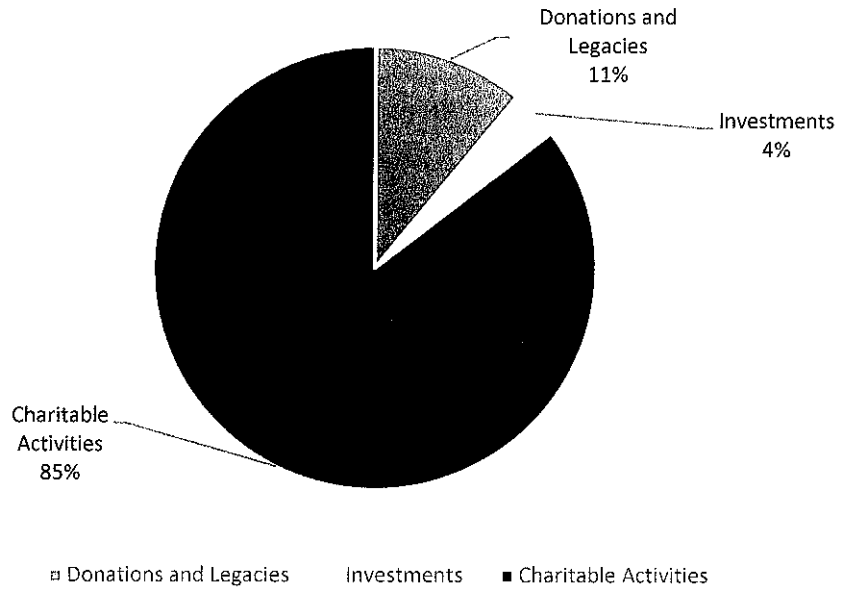
This gives reserves carried forward on the balance sheet at the end of the year comprising Restricted Funds carried forward of £59,752 (2023: £65,414) and Unrestricted Funds of £7,638,917 (2023: £6,870,625). The Unrestricted funds carried forward comprise Investment Revaluation Reserves of £2,075,857 and General Funds of £5,563,060.

The balance sheet of the charity remains strong, with current assets, including current asset investments, comfortably exceeding current liabilities by £3,766,921.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024
FINANCIAL REVIEW (continued)

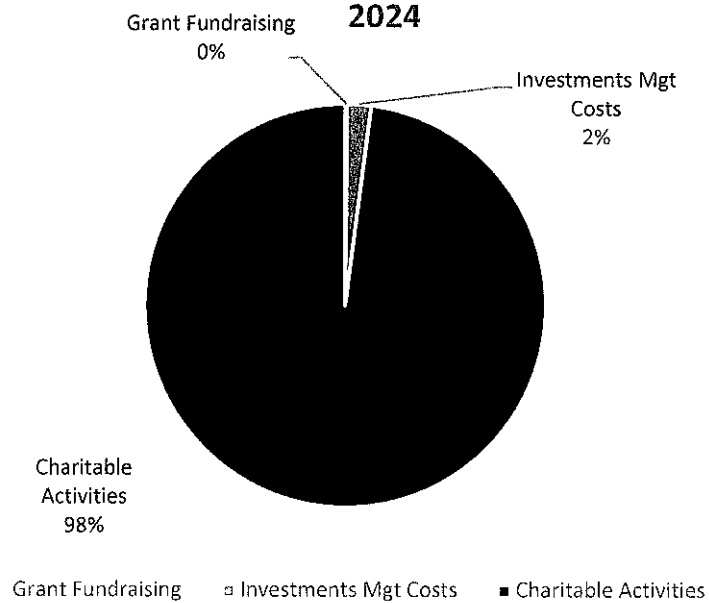
During the year, our income came from the following sources:

Income for the year ended 31 December 2024



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 2024



REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024

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 service 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 £2.4m because this represents functional, operational assets within the organisation that could not be realised quickly, restricted reserves of £0.059m which have restrictions placed over the use of funds by the individual funders, and the investment property value of £1.635m which is used as mortgage security for the original long-term loan. After excluding the fixed asset fund this leaves free reserves of £3.58m.

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

Throughout 2024 we prepared a study on potential diversification on the Bangor site. This diversification was to determine if it would be feasible for HarmonI to build and operate a day service for clients both on site and those who are housed externally to HarmonI.

We carried out background research into the requirements and the needs. Armed with a belief in the data that a real need existed in our locale, we engaged our architect to produce a scheme and a costing. We then reviewed that scheme using a simple gearing concept to determine the minimum and maximum build cost parameters we would use for our business case modelling. Regrettably when we reviewed a business case on the data it was clear that such a service while desirable would not be financially viable. In reality the costs to build the property could not be met from within the financial delivery model making the risk too high for the charity. Further the local trust were not of the belief that their funding parameters would expand to provide the per person funding required for clients with disabilities.

As a result, and in the absence of any major funding streams for capital build, the Trustees regrettably shelved the idea.

In Nov 2024 the CEO produced an options review paper which the board met to carry out a deep dive into in January 2025. As a result, the Trustees have agreed to take the first tentative steps towards the development of the 12 apartments from the original Care village scheme and secure planning permission for those.

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

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

The legacy provided by our two bequests received in 2024, it is now and always has been our desire to honour the generosity of individuals who have been touched by the work of the charity in the past, by ensuring that those legacies are used to maximise the services to the clients we serve.

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 2024 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 2024 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.

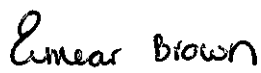
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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 (Senior Statutory Auditor)
For and on behalf of Baker Tilly Mooney Moore
Registered Auditor
17 Clarendon Road
Clarendon Dock
Belfast
BT1 3BG

Date: 29 July 2025

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 2024**

	Notes	Restricted Funds	Unrestricted Funds £	31.12.2024 Total £	31.12.2023 Total £
INCOME & ENDOWMENTS FROM:					
Donations & Legacies		-	460,999	460,999	4,091
Investments		-	152,153	152,153	147,311
Charitable Activities		868,898	2,727,885	3,596,783	3,561,976
Total Income	2	<u>868,898</u>	<u>3,341,037</u>	<u>4,209,935</u>	<u>3,713,378</u>
EXPENDITURE ON:					
Raising Funds – Investment Management Costs		-	69,988	69,988	52,229
Raising Funds – Grant Fundraising		-	4,320	4,320	4,320
Charitable Activities		1,035,976	2,519,839	3,555,815	3,579,472
Total expenditure	3	<u>1,035,976</u>	<u>2,594,147</u>	<u>3,630,123</u>	<u>3,636,021</u>
Net (Expenditure)/Income from operational activities		(167,078)	746,890	579,812	77,357
Gain/(Loss) on revaluation of investment assets	23	-	182,818	182,818	121,802
Net (Expenditure)/Income		<u>(167,078)</u>	<u>929,708</u>	<u>762,630</u>	<u>199,159</u>
Transfer between funds	21 & 22	161,416	(161,416)	-	-
Net movement in Funds		<u>(5,662)</u>	<u>768,292</u>	<u>762,630</u>	<u>199,159</u>
Reconciliation of Funds:					
Total Funds Brought Forward	21 & 22	65,414	6,870,625	6,936,039	6,736,880
TOTAL FUNDS CARRIED FORWARD	21 & 22	<u>59,752</u>	<u>7,638,917</u>	<u>7,698,669</u>	<u>6,936,039</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources expended 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 2024

	Notes	31.12.2024		31.12.2023	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		2,420,674		2,484,991
Investments	8		1,854,504		1,754,504
			<u>4,275,178</u>		<u>4,239,495</u>
CURRENT ASSETS					
Stock	10	2,195		1,583	
Debtors	11	282,570		323,655	
Investments	12	2,903,343		2,574,446	
Cash at bank and in hand		991,019		658,984	
		<u>4,179,127</u>		<u>3,558,668</u>	
CREDITORS					
Amounts falling due within one year	13		<u>412,206</u>		<u>408,982</u>
NET CURRENT ASSETS			<u>3,766,921</u>		<u>3,149,686</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,042,099		7,389,181
CREDITORS					
Amounts falling due after more than one year	14		<u>(343,430)</u>		<u>(453,142)</u>
NET ASSETS			<u>7,698,669</u>		<u>6,936,039</u>
THE FUNDS OF THE CHARITY:					
Restricted Funds			<u>59,752</u>		<u>65,414</u>
Unrestricted Funds					
Revaluation Reserve			2,075,857		1,893,039
General Fund			5,563,060		4,977,586
	22		<u>7,638,917</u>		<u>6,870,625</u>
			<u>7,698,669</u>		<u>6,936,039</u>

The financial statements were authorised for issue by the Board of Directors on 23/6/25 and were signed on its behalf by:

D. McIlhagger
Director – D McIlhagger

The notes form part of these financial statements.

HARMONI 2019

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	31.12.2024	31.12.2023
	£	£
Cash generated/ (used) in operating activities – see Note 25	134,081	8,979
Cashflows from investing activities		
Purchase of tangible fixed assets	(44,435)	(4,318)
Purchase of current asset investments	(1,545,332)	(546,838)
Proceeds from sale of current asset investments	1,299,253	274,162
Investment income	72,784	72,151
Bank deposit interest	2,799	101
Proceeds from disposal of tangible fixed assets	500	-
Cash receipts from rentals of investment properties	76,570	75,060
Cash (used)/provided by investing activities	(137,861)	(129,682)
Cashflows from financing activities		
Repayment of bank loan	(106,715)	(103,917)
Bank property finance loan interest	(14,852)	(17,629)
Legacies and Subscriptions	457,382	1,856
Net cash generated/(used) in financing activities	335,815	(119,690)
Increase in cash & cash equivalents in the year	332,035	(240,393)
Cash & cash equivalents at the beginning of the year	658,984	899,377
Cash & cash equivalents at the end of the year	991,019	658,984
Analysis of cash & cash equivalents		
Cash at bank and in hand	991,019	658,984
Total cash & cash equivalents	991,019	658,984

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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 2024**

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 2024

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

2. INCOME

	31.12.2024	31.12.2023
	£	£
Unrestricted Funds:		
Donations and Legacies		
Legacies and donations	460,199	3,891
Subscriptions – Boys Brigade	800	200
Gift Aid	-	-
Total voluntary income	<u>460,999</u>	<u>4,091</u>
Investment Income		
Investment property rents receivable	76,570	75,059
Bank deposit interest receivable	2,799	101
Current asset investment income	72,784	72,151
Total Investment Income	<u>152,153</u>	<u>147,311</u>

Income from Activities to further the Charity's objectives:

	Utility Street Men's Hostel	Stricklands Bay	Other	Total 31.12.24	Total 31.12.23
	£	£	£	£	£
Unrestricted Funds					
Residential receipts	129,309	56,579	-	185,888	175,724
Payments from Health Trusts	-	1,612,218	-	1,612,218	1,532,686
Payments from NIHE re housing	670,255	246,094	-	916,349	886,342
Private Support Income	-	-	-	-	-
SP Covid-19 Funding	-	-	-	-	-
Other	-	11,731	1,699	13,430	18,612
	<u>799,564</u>	<u>1,926,622</u>	<u>1,699</u>	<u>2,727,885</u>	<u>2,613,364</u>
Restricted Funds					
Payments from NIHE re Supporting People	474,054	322,116	-	796,170	860,209
Private Support Income	-	55,912	-	55,912	46,268
Ulster Garden Villages Grant	-	-	-	-	-
Dormant Accounts NI Fund	-	-	16,276	16,276	32,551
National Lottery – Covid-19	-	-	-	-	-
SP Covid-19 Funding	-	-	-	-	-
National Lottery Community Fund	540	-	-	540	3,768
Other Restricted Grants	-	-	-	-	5,816
	<u>474,594</u>	<u>378,028</u>	<u>16,276</u>	<u>868,898</u>	<u>948,612</u>
TOTAL INCOME				<u>4,209,935</u>	<u>3,713,378</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

3. EXPENDITURE (incl. VAT where relevant)

	Utility Street Men's Hostel	Stricklands Bay	Other	Total 31.12.24	Total 31.12.23
<u>Unrestricted Funds</u>	£	£	£	£	£
Costs directly allocated to activities:					
Staff costs	324,828	1,134,225	-	1,459,053	1,477,270
Depreciation	2,346	95,607	692	98,645	99,556
Other	369,858	221,748	7,546	599,152	514,946
Loan interest	-	13,367	-	13,367	15,866
Support Costs allocated by time to activities:					
Administration (<i>incl. staff costs</i>)	74,028	258,511	-	332,539	323,614
	<u>771,060</u>	<u>1,723,458</u>	<u>8,238</u>	<u>2,502,756</u>	<u>2,431,252</u>
External audit and accountancy – current year				6,600	6,000
External audit and accountancy – prior year				-	600
Internal audit				3,240	3,000
Legal and professional				7,243	31,717
				<u>17,083</u>	<u>41,917</u>
Total Unrestricted Expenditure on charitable activities				<u>2,519,839</u>	<u>2,473,169</u>
Investment Management Costs:					
Re investment property				59,634	38,590
Re current asset investments				10,354	13,639
				<u>69,988</u>	<u>52,229</u>
Grant fundraising costs:				<u>4,320</u>	<u>4,320</u>
 <u>Restricted Funds</u>					
Costs directly allocated to activities:					
	Men's Hostel	Stricklands Bay	Other	Total 31.12.24	Total 31.12.23
Staff costs	365,120	396,894	13,534	775,548	808,107
Depreciation	4,685	405	-	5,090	6,229
Other	65,269	48,576	2,527	116,372	156,413
Loan interest	-	1,485	-	1,485	1,763
Support Costs allocated by time to activities:					
Administration (<i>incl. staff costs</i>)	66,978	70,503	-	137,481	133,791
	<u>502,052</u>	<u>517,863</u>	<u>16,061</u>	<u>1,035,976</u>	<u>1,106,303</u>
TOTAL EXPENDITURE				<u>3,630,123</u>	<u>3,636,021</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

4. STAFF COSTS

	31.12.2024	31.12.2023
	£	£
Wages and salaries	2,356,292	2,409,586
Social security costs	190,049	172,298
Other pensions costs	62,602	58,844
	<u>2,608,943</u>	<u>2,640,728</u>

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

	31.12.2024	31.12.2023
Administrative staff	8	8
Other staff	79	84
	<u>87</u>	<u>92</u>

Included above is £278,670 (2023: £411,339), which was paid during the year in respect of agency staff.

During 2024, there was one employee with emoluments at the rate between £100,001 and £110,000 (2023: one between £90,001 and £100,000).

Remuneration of the 2 (2023:2) key management personnel in the period was £168,272 (2023: £160,553).

5. INCOME & EXPENDITURE

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

	31.12.2024	31.12.2023
	£	£
Depreciation - owned assets	107,987	109,187
Loss on disposal of fixed assets	266	-
Operating lease costs	3,659	4,393
External Aud & Accs current year	6,600	6,600
External Aud & Accs prior year	-	600
Internal Audit	3,240	3,000
Bank loan interest payable	14,852	17,629
Income from listed investments	72,784	72,151
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 2024, nor for the year ended 31 December 2023.

HARMONI 2019

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Short Leasehold £	Long Leasehold £
COST			
At January 2024	2,883,318	9,080	1,822,250
Additions	-	-	-
Disposals	-	-	-
At 31 December 2024	<u>2,883,318</u>	<u>9,080</u>	<u>1,822,250</u>
DEPRECIATION			
At 1 January 2024	1,030,856	9,080	1,224,238
Charge for year	57,544	-	36,180
Eliminated on disposal	-	-	-
At 31 December 2024	<u>1,088,400</u>	<u>9,080</u>	<u>1,260,418</u>
NET BOOK VALUE			
At 31 December 2024	<u>1,794,918</u>	<u>-</u>	<u>561,832</u>
At 31 December 2023	<u>1,852,462</u>	<u>-</u>	<u>598,012</u>

7. TANGIBLE FIXED ASSETS (continued)

	Fixtures & Fittings	Motor Vehicles £	Computer Equipment £	Totals £
COST				
At January 2024	241,613	9,775	25,203	4,991,239
Additions	17,598	24,540	2,297	44,435
Disposals	(9,230)	(2,800)	(2,231)	(14,261)
At 31 December 2024	<u>249,981</u>	<u>31,515</u>	<u>25,269</u>	<u>5,021,413</u>
DEPRECIATION				
At 1 January 2024	212,729	8,040	21,305	2,506,248
Charge for year	8,861	2,125	3,277	107,987
Eliminated on disposal	(8,952)	(2,313)	(2,231)	(13,496)
At 31 December 2024	<u>212,638</u>	<u>7,852</u>	<u>22,351</u>	<u>2,600,739</u>
NET BOOK VALUE				
At 31 December 2024	<u>37,343</u>	<u>23,663</u>	<u>2,918</u>	<u>2,420,674</u>
At 31 December 2023	<u>28,884</u>	<u>1,735</u>	<u>3,898</u>	<u>2,484,991</u>

HARMONI 2019

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2024

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 4 March 2025 by Frazer Kidd & Partners, Property Consultants. The directors consider this to be a fair estimate of value as of 31 December 2024.

The investment properties at Derryvolgie Mews were revalued at fair open market value as of 4 March 2025 by Frazer Kidd & Partners, Property Consultants. The directors consider this to be a fair estimate of value as of 31 December 2024.

The directors are of the view that no significant change to fair open market value has arisen with the ground rents in 2024 (or 2023). The movement is summarised as follows: -

	8 Apartments (Derryvolgie Mews) £	Other Investment Property £	Ground Rents £	2024 Total £	2023 Total £
Value at start of the year	1,550,000	200,000	4,504	1,754,504	1,699,504
Increase in value during the year	<u>85,000</u>	<u>15,000</u>	<u>-</u>	<u>100,000</u>	<u>55,000</u>
Value at the end of the year	<u>1,635,000</u>	<u>215,000</u>	<u>4,504</u>	<u>1,854,504</u>	<u>1,754,504</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

	31.12.2024 £	31.12.2023 £
Kitchen stock at Men's Hostel	<u>2,195</u>	<u>1,583</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.2024	31.12.2023
	£	£
Trade Debtors	255,397	300,087
Prepayments and accrued income	27,173	23,568
	<u>282,570</u>	<u>323,655</u>

12. CURRENT ASSET FINANCIAL INVESTMENTS

	31.12.2024	31.12.2023
	£	£
At start of year	2,574,446	2,234,968
Additions	1,545,332	546,838
Disposals	(1,299,253)	(274,162)
Surplus/(deficit) on disposals – realised	25,158	6,955
Unrealised (deficit)/surplus	57,660	59,847
At end of year fair market valuation	<u>2,903,343</u>	<u>2,574,446</u>
Current assets investments comprise:		
Listed investments	2,768,633	2,444,175
Other investments	134,710	130,271
	<u>2,903,343</u>	<u>2,574,446</u>
Historical cost of current asset investments	<u>2,799,210</u>	<u>2,527,974</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 2024 were £10,354 (2023: £13,639).

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.2024	31.12.2023
	£	£
Bank loans (see note 15)	109,712	106,715
Trade creditors	103,010	95,207
Social security and other taxes	39,940	38,034
Accrued expenses	159,544	169,026
	<u>412,206</u>	<u>408,982</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

	31.12.2024	31.12.2023
	£	£
Bank Loans (see note 15)	<u>343,430</u>	<u>453,142</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:

	31.12.2024	31.12.2023
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>109,712</u>	<u>106,715</u>
	<u>109,712</u>	<u>106,715</u>
Amounts falling due between one and two years:		
Bank loans: 1-2 years	<u>112,827</u>	<u>109,712</u>
Amounts falling due between two and five years:		
Bank loans: 2-5 years	<u>230,603</u>	<u>301,666</u>
Amounts falling due in more than five years:		
Bank loans repayable in more than 5 years by instalments	<u>-</u>	<u>41,764</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:

	31.12.2024	31.12.2023
	£	£
Bank Loans	<u>453,142</u>	<u>559,857</u>
	<u>453,142</u>	<u>559,857</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 2024**

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 £61,044 (2023: £58,844), comprising pension scheme costs of £59,486 (2023: £58,302) and unfunded pension payments of £1,558 (2023: £542).

18. TRANSACTIONS WITH DIRECTORS

No director emoluments were paid during the year (2023 - £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 2024

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Fixed Asset Investments £	Net Current Assets £	Long Term Liabilities £	Total 2024 £	Total 2023 £
Unrestricted Funds:						
General	2,391,811	1,854,504	3,736,032	(343,430)	7,638,917	6,870,625
Restricted Funds:						
NIHE Supporting People - Men's Hostel & Stricklands Care Village	-	-	-	-	-	-
Stricklands Bay – Bangor Benevolent Society	-	-	2,981	-	2,981	3,728
Men's Hostel – NIHE Refurb. Grant 2015	1,189	-	23,218	-	24,407	26,956
National Lottery Community Fund	3,391	-	(37)	-	3,354	3,768
Men's Hostel – Awards for All Grant	583	-	390	-	973	1,097
Men's Hostel – NIHE Refurb. Grant 2018	2,258	-	(965)	-	1,293	1,923
Ulster Garden Villages	17,875	-	-	-	17,875	18,280
Stricklands Bay - Awards for All Grant	-	-	5,594	-	5,594	5,595
Dormant Accounts Fund NI	-	-	30	-	30	(185)
R.U.T.H	735	-	-	-	735	1,323
Belfast City Council – Equipment	2,832	-	(340)	-	2,492	2,911
Ardbannon Trust	-	-	18	-	18	18
At the end of year	<u>2,420,674</u>	<u>1,854,504</u>	<u>3,766,921</u>	<u>(343,430)</u>	<u>7,698,669</u>	<u>6,936,039</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

21. MOVEMENTS IN RESTRICTED FUNDS

	At 31 st December 2023	Net Movements in Funds	Transfer from Unrestricted Funds	At 31 st December 2024
	£	£	£	£
NIHE Supporting People – Men’s Hostel & Stricklands Care Village	-	(161,416)	161,416	-
Stricklands Bay – Bangor Benevolent Society	3,728	(747)	-	2,981
Men’s Hostel – NIHE Refurb. Grant 2015	26,956	(2,549)	-	24,407
Dormant Accounts NI Fund	(185)	215	-	30
Men’s Hostel – Awards for All Grant	1,097	(124)	-	973
Men’s Hostel – NIHE Refurb Grant 2018	1,923	(630)	-	1,293
National Lottery Community Fund	3,768	(414)	-	3,354
Ulster Garden Villages	18,280	(405)	-	17,875
Stricklands Bay – Awards for All Grant	5,594	-	-	5,594
R.U.T.H	1,323	(588)	-	735
B.C.C – Equipment	2,912	(420)	-	2,492
Ardbannon Trust	18	-	-	18
At the end of year	<u>65,414</u>	<u>(167,078)</u>	<u>161,416</u>	<u>59,752</u>

22. MOVEMENTS IN UNRESTRICTED FUNDS

	General Fund	Revaluation Reserves	Total Unrestricted Funds 2024	Total Unrestricted Funds 2023
	£	£	£	£
At 1 st January 2024	4,977,586	1,893,039	6,870,625	6,575,121
Net Income on Operational Activities	746,890	-	746,890	235,048
Transfer to restricted funds	(161,416)	-	(161,416)	(61,346)
Investment revaluation (Losses)/Gains	-	182,818	182,818	121,802
At 31 st December 2024	<u>5,563,060</u>	<u>2,075,857</u>	<u>7,638,917</u>	<u>6,870,625</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

23. ANALYSIS OF REVALUATION RESERVES

	Fixed Asset Investments	Current Asset Investments	Total Investments	Total
	£	£	£	£
At 1 st January 2024	1,231,218	661,821	1,893,039	1,893,039
Net gain/(loss)	100,000	82,818	182,818	182,818
At 31 st December 2024	<u>1,331,218</u>	<u>744,639</u>	<u>2,075,857</u>	<u>1,975,857</u>

24. OPERATING LEASE COMMITMENTS

	2024	2023
	£	£
Total future minimum lease payments under non-cancellable operating leases for office equipment are as follows:		
Not later than one year	-	2,501
Later than one year and not later than five years	-	1,220
Greater than five years	-	-
	<u>-</u>	<u>3,721</u>

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

	2024	2023
	£	£
Net movement in funds – Net income from operational activities, as per Statement of Financial Activities	579,812	77,357
Add back:		
Depreciation charge	107,987	109,187
Loss/(Profit) on sale of tangible fixed assets	266	185
Bank property finance loan interest payable	14,852	17,629
Deduct:		
Investment income shown in investing activities	(72,784)	(72,151)
Legacies and subscriptions shown in financing	(457,382)	(1,856)
Cash receipts from rentals from investment properties	(76,570)	(75,060)
Bank deposit interest	(2,799)	(101)
(Increase) in stock	(612)	(162)
(Increase) in debtors	41,085	(98,539)
Increase in creditors, excluding bank borrowings	<u>226</u>	<u>52,490</u>
Net cash generated in operating activities, as per Statement of Cashflows	<u>134,081</u>	<u>8,979</u>