



Company number 02250706

Charity number 1117014

# **International Youth Hostel Federation (Operating as Hostelling International)**

## **Annual Report and Financial Statements for the Year Ended 31 December 2024**

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Email: [info@hihostels.com](mailto:info@hihostels.com) | [www.hihostels.com](http://www.hihostels.com)  
Registered Charity (in England & Wales) No. 1117014 | Company No. 02250706**

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# **REPORT OF THE BOARD OF TRUSTEES**

## **ABOUT HOSTELLING INTERNATIONAL**

International Youth Hostel Federation (operating as Hostelling International and referred to throughout this report as “HI” or “IYHF”) is a registered charity and non-governmental, not-for-profit organisation representing fifty six Member Associations (MAs) from all over the world. It is one of the world’s largest youth membership organisations and it is recognised by UNESCO (United Nations Educational Scientific and Cultural Organisation).

HI is the only global network of Youth Hostel Associations. Its nearly 2.8 million member travellers have a choice of over 2,500 hostels worldwide, all of which work with a set of internationally assured quality standards. HI’s membership savings programme also gives access to thousands of travel-related savings.

### **The history of Hostelling International**

The concept of hostelling was founded in Germany by Richard Schirrmann, a school teacher, in 1909. He came up with the idea of a network of youth hostels when he and his students were caught in a thunderstorm during an excursion and were offered accommodation in a school. The first official youth hostel opened in Burg Altena in 1912, after which the youth hostel movement grew rapidly. By the summer of 1931 there were 12 Youth Hostel Associations in Europe, operating a total of 2,600 hostels. The International Youth Hostel Federation was founded at the first International Conference in Amsterdam, the Netherlands, in 1932 where Richard Schirrmann was elected the first President.

### **Objects**

The purpose of the charity is defined by our charitable object:

“To promote the education of all young people of all nations, but especially young people of limited means, by encouraging in them a greater knowledge, love and care of the countryside and an appreciation of the cultural values of towns and cities in all parts of the world, and as ancillary thereto to provide hostels or other accommodation in which there shall be no distinction of origins, nationality, colour, religion, sex, class, or political opinions and thereby to develop a better understanding of other people, both at home and abroad.”

In other words: we exist to give young people the chance to discover the world, its cultures and fellow people in order to build a more understanding, tolerant, peaceful, environmentally considerate world.

## **OBJECTIVES AND ACTIVITIES**

HI achieves its mission through its international programmes, Member Associations, and hostels. The HI network has fifty six Member Associations with over 2,500 hostels, ensuring there is a safe, low-cost base from which young people can explore the world.

HI promotes sustainable hostelling and offers to its Member Associations the HI-Q&S (quality and standards) programme, which seeks to optimise the customer experience and continuous improvement of hostel operations.

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

Our website [www.hihostels.com](http://www.hihostels.com) is a content and inspiration hub, signposting travellers to hostels in our network that offer an affordable and sustainable way of travelling internationally.

The Board of Trustees continue to have due regard to the Charity Commission in England and Wales's guidance on public benefit. Through careful management of HI membership income, hihostels.com income and existing funds, HI provides a public benefit by promoting and facilitating international travel for young people through programmes and safe, affordable and sustainable youth hostels.

### VISION AND STRATEGY

In 2024 the HI Strategy working group proposed a strategic plan for the network for the period 2025-28, which was presented in draft to the members at the 55<sup>th</sup> conference in September 2024.

United by a common mission with our MAs, HI will work to achieve our goals of financial sustainability, strengthening the Global Federation and putting 'Purpose First', with strategic priorities as outlined in the table below.

<b>GOALS:</b>	<b>Financial Sustainability</b>	<b>Strengthen the Global Federation</b>	<b>Purpose First</b>
<b>STRATEGIC PRIORITIES:</b>	Transform our funding model	Expand presence in destinations and engagement	Re-invigorate Global Programmes
	Diversify and optimise revenue streams	Stabilise Global Federation	Empower and Educate Youth in Sustainable Travel
	Re-define our product offering	Foster a customer-centric and data-oriented organisation	Elevate our Global Brand

Key cross-cutting initiatives that will enable us to achieve these goals, include:

- Brand and Digital Transformation
- Rethinking International Individual Membership
- Federation Expansion (Board-led)
- Creation of an International Youth Panel (Board-led)
- Social Impact

The key drivers that will be necessary to ensure successful delivery of the strategy and a stronger Federation are, amongst others; collaboration, digital transformation, innovation, collective social impact, a focus on young people, and a customer centric approach.

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

### ACHIEVEMENTS AND PERFORMANCE IN 2024

Prior to communication of the updated strategy in September 2024, HI continued to progress the previous transition strategy that was presented at Conference 2022 by the Strategy Working Group. Strategic projects and actions undertaken by the HI office, Board and Member Associations collectively contributed to one of the following three pillars:

- **Recovery & Renewal**

This strategic area presented a set of priorities designed to help Member Associations and the HI office collaborate to recover faster from the COVID-19 pandemic and position the federation to strengthen its role in the travel sector and the delivery of our mission in ways valued by young people, particularly 18 to 30-year-olds seeking to travel.

- **Brand with a Social Mission (Purposeful Brand)**

This strategic area presented a set of priorities designed to harness the true potential of the HI brand and showcase a strong brand with a recognized social mission that appeals to young people, whilst remaining 'open to all'.

- **Organisational Services that Increase HI's Social Impact**

This strategic area established the priorities for services offered within the HI Federation that support the ability to deliver its mission and achieve a measurable social impact. It includes services that enable HI to operate as a charitable organization, and optional services that involve additional fees or commissions to cover their costs.

The Strategy WG met regularly to advance on the key strategic areas during 2024 and made good progress, especially, regarding Brand and Digital Transformation.

In 2024, HI operated its activities under two main teams; Network and Impact, and Brand and Digital Transformation. Achievements of each team are discussed below.

### NETWORK AND IMPACT

HI continued to support the global network by facilitating frequent communication and regional calls, organising events, offering leadership and guidance in sustainable hostelling practices, a framework for global programmes, and facilitating the strategic working groups and Board projects.

#### **Federation expansion**

A new category of membership was established in 2024, *Friends of HI*, giving more flexibility to allow different types of organisations and single hostels to join the network under different conditions in destinations where there are currently no hostels. In 2024, we welcomed a cohort of hostels in Italy under the umbrella organisation CIAO AMICO and five licensed hostels in New Zealand following the closure of YHA New Zealand.

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

### Sustainability

Sustainability remains one of HI's core values and area of expertise. HI is actively involved in helping our industry moving forward with the 2030 Sustainable Goals Agenda and is part of the Global Tourism Plastics Initiative and signed the Glasgow Declaration.

In 2024, we developed and launched our *Diversity, Equity, Inclusion, and Belonging* (DEIB) policy outlining our commitment, values and culture in all aspects of our operations, including accommodations, services, interactions with staff, customers and members, Member Associations, and partners.

A Social Impact working group was created to focus efforts on measuring, reporting and leveraging our network wide impact on people, community and places.

Our global programmes continued with the celebration of the UN International Day of Peace on 21 September with our *Say Hi For Peace* programme with engagement from 20 MAs, 4 partners, over 60 events across the network and a social media reach of over 50k in the wider hostelling community.

In 2024, 12 MAs participated in the *HI-Connect* programme with 40 host hostels/Head offices. A total of 23 participants experienced the mobility programme gaining a deeper understanding and appreciation of a different culture as well as HI's mission, values and goals, learn new skills or enhance existing ones, and share best practices, innovative ideas, and successful strategies with their colleagues from different parts of the world.

Our MAs and hostels continued to organise programmes for the hostel guests, with hundreds of activities (structured or unstructured) across the network offering opportunities to young people of all means to explore the world and meet new people. Examples of programmes include international exchange programmes, volunteering, civil service, clean-ups, shared meals, free tours and movie nights.

### Quality

The *HI-Standards for Values, Facilities and Operations* remain the backbone of the Sustainable hostelling concept and our vision of what a hostel experience should be. They are unique to us and ensure each guest gets the best possible experience. All HI hostels must fulfil them and are verified every three years by self-assessment.

We have continued to monitor the overall guest satisfaction of the HI network with our partner ReviewPro and have been pleased to see our Global Review Index increased by 0.4% to reach 82.9%.

We have also continued to develop the software partnership with FORM, our digital platform for audits and self-assessments for both HI-Standards and HI-Q&S.

Thanks to our members, the criteria for HI-Q&S is currently translated and available online in nine languages: Arabic, English, Finnish, French, German (partial), Italian, Portuguese, Romanian and Spanish, whilst the criteria for HI Standards is currently available in English and Italian.

## **REPORT OF THE BOARD OF TRUSTEES (CONTINUED)**

We have continued advancing our HI-Q&S programme by auditing and certifying or recertifying hostels in Finland, Qatar and Switzerland. In 2024 we had a total of 331 contracted hostels in 29 MAs; 105 HI-Q certified, 179 HI-Q&S certified and 64 (contracted and in progress).

### **Network events**

Critical for communication and strong relationships in the network, face to face meetings are important events organised by HI each year. In 2024, the network met on several occasions, at the European Regional Conference (ERC) was organised by EUFED (European Union Federation of Youth Hostel Associations) in Portugal in March to gather the Presidents and CEOs of our European MAs. Several Board Members of HI, together with our CEO, were in attendance.

In September 2024, HI held its 55<sup>th</sup> International Conference and General Meeting in Berlin, Germany, in a youth hostel for the first time. In attendance, we had 50 delegates and 11 observers in person, and 5 delegates online, as well as 8 members of HI Staff, 8 HI Board members in person and 1 HI Board member online. The work sessions covered major governance decisions for the future of the federation, election of Board members and more operational topics around Brand, Digital Transformation and Social impact.

### **Individual Membership**

The HI membership programme continued to benefit approximately 2.8 million travellers across the globe with each member association offering discounts at a national level and international discounts offered by partners of HI. With their membership travellers get access to member rates in all HI hostels and travel related discounts. HI continued to sell digital memberships on [hihostels.com](https://hihostels.com).

### **Partnerships**

HI collaborates with charitable organisations, youth groups, educational institutions, and like-minded global brands to advance sustainable tourism initiatives.

We are an Affiliate Member of UNWTO (United Nations World Tourism Organization) and a recognised organisation within UNESCO (United Nations Educational, Scientific and Cultural Organization). We are members of the World Youth Student & Educational (WYSE) Travel Confederation. Through WYSE, which brings together key stakeholders in the youth travel sector and provides access to a global network, events, and focused research, we actively engage in industry dialogues. We have attended one of their industry events STAY WYSE, fostering connections with stakeholders and exploring potential partnerships.

In 2024, we successfully maintained global partnerships with 10 global brands aligned with our values and mission, enriching travel experiences for our guests and diversifying revenue streams for the HI network.

## **REPORT OF THE BOARD OF TRUSTEES (CONTINUED)**

### **BRAND & DIGITAL TRANSFORMATION**

2024 has seen significant progress across Brand and Digital Transformation. We conducted a robust tender process and appointed an agency to support with the research and development of our digital strategy, evolved brand framework and visual identity. The eight month project did an important job, pulling together the thoughts and views of the network and ratifying those against market conditions. We have used customer insight to develop a cohesive forward-looking strategy which will form the basis of our collective next steps and decisions around data and commercial agreements across the network.

In collaboration with the Brand Working Group and in consultation with the network we have now signed off our new visual identity and brand framework. We are continuing to work together to agree a roll out plan that suits the network and drives our collective ambition to raise awareness of our mission, and reposition ourselves as the pioneering network that is as relevant in 2025 as it was at our formation almost 100 years ago.

A sub team of the strategy working group has been set up to help advance digital transformation, which remains a priority in 2025.

The hihostels.com website continues to showcase hostels across the IYHF network, inspire our travellers to explore the world, provide content on experiences and sustainable travel, and help travellers find their ideal destination hostel by optimising our search widget. The HI website sends member travellers directly to our Member Associations' own websites for booking but still offers the opportunity for our travellers to purchase IYHF membership directly from HI. Hostels are featured on the hihostels.com website with individual pages linking to the Member Association's website and booking engine, where available. This website is being reviewed for its ongoing effectiveness as part of the transformation programme and our 2025 strategy will be looking at the best way to modernise its function in keeping with our strategic goals.

### **Marketing**

Strategic marketing efforts have resulted in a 27% year-over-year increase in website traffic, playing a key role in driving overall growth and user engagement. Newsletter subscriptions have also risen by 7.6%, bringing the total audience to 24,267 active subscribers. Our email open rate has increased by 36% and our unsubscribe rate is down by 21%.

In 2024 social media performance showed positive momentum, with Instagram growing by 20.8%, becoming a key driver of audience engagement and content reach. While Facebook saw slight decline in reach (1.1%) it enjoyed an 8% increase in content interaction. 2025 will see a focus on TikTok as we look to launch our evolved brand framework and speak to a younger demographic.

We have relied on organic content and owned channels this year, maintaining our position and learning about our audience as we prepare to evolve our marketing strategy in the months ahead, to align with our strategic goals.



## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

We are particularly proud of our global content huddle, a space facilitated by HI for Network Content Creators to meet monthly, exchange ideas and collaborate on projects. It is now a vibrant community of creators working to support each other in the digital arena. We have focused on amplifying community messages and showcasing the social impact work being done across the network as well as promoting the spaces across the network that serve our mission. As we move into 2025 and beyond, we are excited by the opportunity this gives us to shine a light on HI and the communities we serve.

### GOVERNANCE AND ADMINISTRATION

#### Articles of Association

At the Conference in September 2024, a resolution to change the charity's Articles of Association was adopted. The Articles were updated at Conference to clarify and modernise governance for the organisation. A summary of the changes to the Articles can be proved on request and the revised Articles are publicly available on the Companies House website

The updated Articles of Association were filed with Companies House on 16 October 2024.

#### Board of Trustees

Hostelling International is a registered charity and company limited by guarantee with no share capital, managed by a Board of Trustees. The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The Board of Trustees is comprised of up to nine members elected from candidates proposed by HI's Member Associations. Board members serve 4-year terms on a staggered basis meaning that normally only half of the Board seats come up for re-election at each biennial International Conference. The President must stand for election at every International Conference.

The following trustees served on the date this Annual Report was signed, or during the reporting period:

Name (Nationality)	Position	Period of office
Abdusalam El Elarabi Abuehmaera (Libya)	Member	Throughout
Alan Bourne (UK)	Treasurer	Throughout
Hussain Ali Alhababi (Qatar)	Member	Throughout
Miguel Perestrello (Portugal)	Vice President	Throughout
Nicole Sandoval (USA)	Member	Throughout
Sanni Viirto (Finland)	Member	Throughout
Sergio Montoya Ruiz De Angulo (Spain)	Member	Resigned 28 September 2024

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

Stephan Kurmann (Switzerland)	President	Throughout
Uwe Boehm (Germany)	Vice President	Throughout
Tom De Bruyckere (Belgium)	Member	Appointed 28 September 2024

Throughout 2024 and until the date of signing, the executive team was led by CEO Brianda Lopez.

### Board of Trustees Selection Process

Board members are usually current or former trustees or a CEO of a Member Association and are required to be nominated to stand for election by either the Member Association of which they are an individual member or no less than ten other Member Associations. Elections for trustees (including the four officer positions of President, two Vice-Presidents and Treasurer) are held at the biennial conference in accordance with our Articles of Association and Rules of Procedure for Conferences. Each Trustee can serve up to 8 years on the Board - 2 terms of four years – although in specific circumstances a further two years is possible. Anyone who takes on the role of President can serve as a trustee for up to an additional 6 years (3 terms of 2 years each).

### Trustee Induction and Training

An induction session is normally provided for new trustees shortly after they are elected. Ad hoc training for all or selected trustees is put in place from time to time e.g. during 2024 the Board were given training regarding promoting Diversity, Equality, Inclusion, and Belonging.

### Organisational and Board Evaluation

The Charity continues to work towards complying as far as is practical with the Charity Governance Code. At the beginning of 2021 the Board undertook a comprehensive exercise to establish the extent to which HI was following the Code and where improvements were possible. The study confirmed that HI had made considerable progress over recent years with implementing good practice. The key areas which were highlighted as requiring further work were: finalising a new network strategic plan which better emphasised HI's charitable purpose; modernising HI's Board election process to improve its ability to attract trustees with the right skills/expertise and diversity to lead the organisation effectively; and consolidating/establishing good communication channels with the Member Associations. The trustees also undertook a self-assessment of how well the Board was functioning. This concluded that the Board had become much better focused and more effective since the 2020 conference. The key issue raised was the poor diversity represented by Board membership, e.g. only one female trustee and a shortage of younger voices. This was improved by the 2022 elections and is also being addressed by a 'Diversity and Inclusivity' working group as part of the 'HI Aims' project. Other highlighted issues such as a lack of informal discussion and the length of meetings resulted from the move to holding most meetings by video-call. A follow up board evaluation will be conducted in 2025 so that progress can be monitored.

## **REPORT OF THE BOARD OF TRUSTEES (CONTINUED)**

### **Responsibilities of the Board of Trustees**

The role of the Board is governance rather than management. Governance focuses on the wider issues of the organisation and the establishment and monitoring of policy and strategic direction.

The Board works closely in partnership with the CEO to ensure that HI's goals are achieved.

The Board may require the CEO to propose new strategies or revise existing strategies for the Board's consideration. Upon approval from the Board, the CEO develops implementation plans and takes the necessary steps to action them. The Board meets on a regular basis to examine progress reports and supervise performance.

The Board gives direction for the overall operations of HI but is not directly responsible for the day-to-day operations of the organisation - this is the task of the CEO. The Board, however, has the ultimate responsibility for the sound management and financial security of HI.

The Board approves the annual budget prior to the beginning of every financial year and sets a delegation of authority regarding limits on expenditure, contracts etc.

### **Trustees' Indemnity Insurance**

The charitable company has purchased insurance for the trustees and officers of the charity against liability arising from wrongful acts in relation to the charity. The cost of this insurance is not separately available.

### **Key Management Personnel Remuneration**

The key management personnel of the charity comprise the Board of Trustees and the CEO. The Trustees do not receive remuneration. The CEO's remuneration is set by the Board and from time to time they take advice from external recruitment agencies regarding whether that remuneration remains appropriate. The Board does not have a formal remuneration policy. The setting of the pay and conditions of the staff, other than for the CEO, is delegated to the CEO within the constraints of the annual budget and HR policy.

### **Organisational Structure**

At the date of signing, HI has twelve employees of which eight work part-time. This amounts to 9 full-time equivalents. At the head of the team is the CEO.

All staff work remotely from home but meet virtually at least once a week and are brought together for physical team meetings twice a year.

### **Risk Management**

HI's Risk Management Policy highlights that risk, and its management, is a critical part of the daily operations of HI's business. The Policy requires HI to identify and assess risks, maintain a risk register, and manage and review those risks as part of day-to-day operations. The Board of Trustees are to undertake a full review of the Key Risk Register at least annually.

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

The key risks for HI identified in May 2025 were:

### Strategic Risk

- Inability to unify the Federation around the HI Strategy and sustainable business model
- Insufficient influence and limited capabilities of the IYHF Network to cope with current and future climate change
- Failure to provide sufficient value to Member Associations and end customers.

### Governance Risk

- Existing Governance arrangements of HI and/or its Member Associations restrict HI's efficiency in making decisions on behalf of the organisation
- Where domestic MA laws, values and standards differ from those of HI; terms of MA agreements and penalties are challenging to enforce

### Operational Risk

- Cyber-attack or IT Failure at HI or critical third-party providers.
- Data risk (emerging) of future IYHF ecosystem and HI booking engine and membership sales portal

### Financial Risk

- Major disruption to international travel (e.g. pandemic) or external environment outside HI's control.

The Board is actively looking at ways to mitigate the identified risks through its strategic and operational plans.

### Gratitude

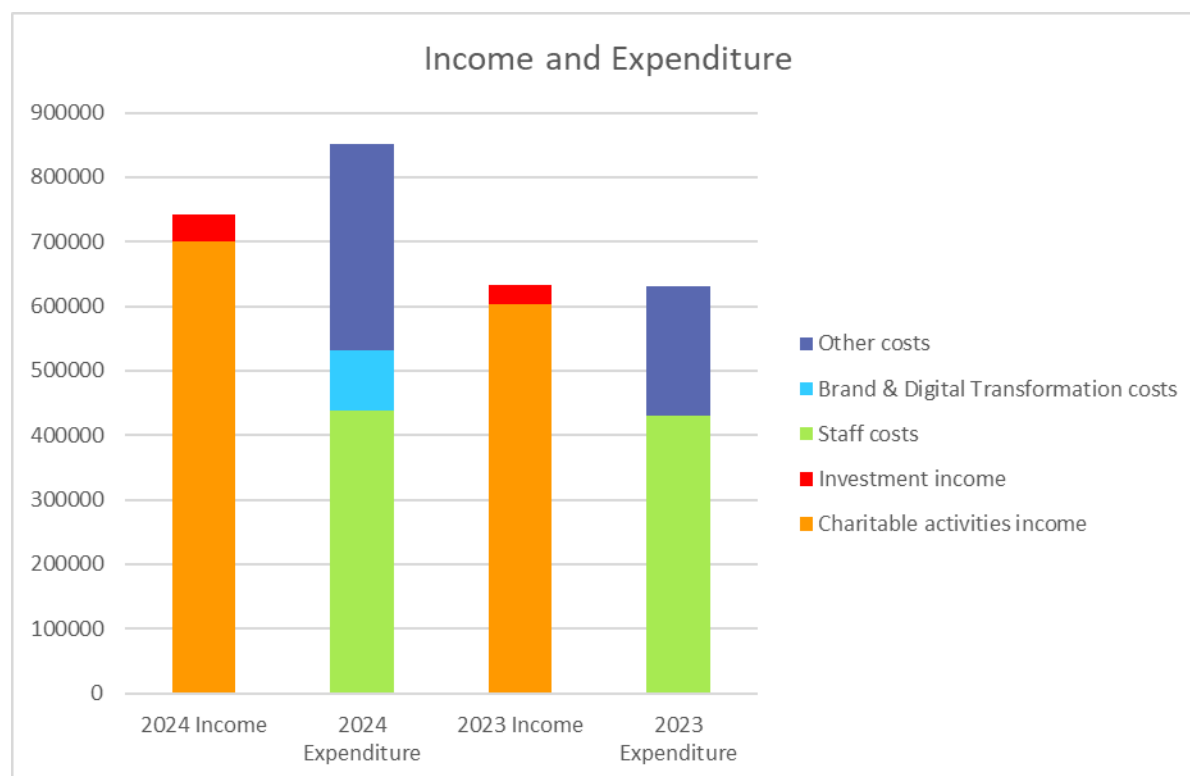
The Board would like to take this opportunity to express its thanks to all the volunteers and professionals involved in the international hostelling movement, both those who serve on Member Association Boards of Trustees and those who help with hostel activities. Without their support and assistance, the work to deliver the mission of this global organisation could not take place.

Particular thanks go to our Member, Hostelling International Norge whose staff carried out HI Quality and Sustainability audits following training provided by HI staff. Three days of staff time was donated by HI Norge, the value of this time is estimated as £520 (2023: two weeks estimated value: £1,594).

### Finance

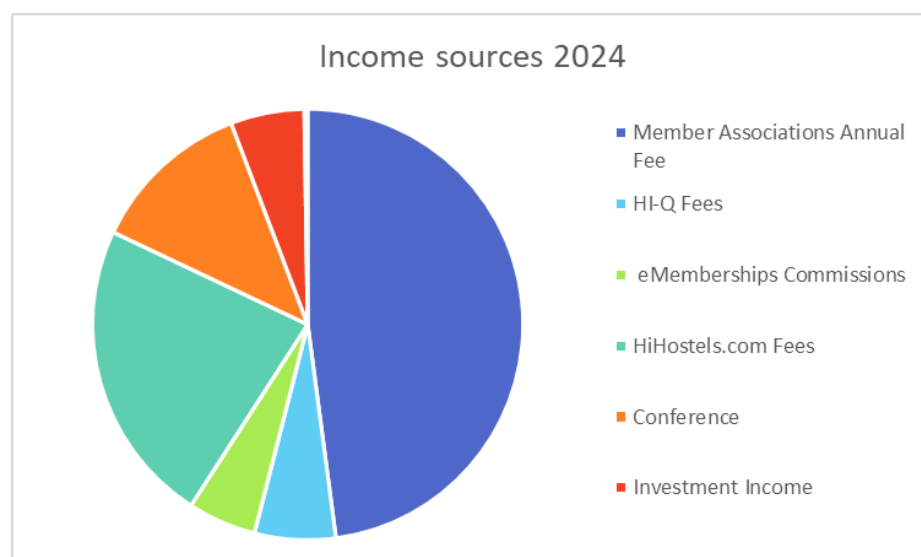
In 2024, the net result before investment gains was a loss of £108,649 (2023: gain £1,342). Income increased year on year by £108,068 (17%) but expenditure increased by £218,859 (35%). Both the income and expenditure increases reflect the offsetting income and costs incurred for the Conference held in Berlin in September 2024. Additionally, expenditure increased in 2024 by £92,094 to cover Brand & Digital Transformation project costs.

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)



The gains on investment assets of £109,902 (2023: £58,720) meant that the closing net result was a surplus of £1,253 (2023: £60,062). The gains seen on investments towards the end of 2024 reflected increasing confidence in corporate markets. This result means that HI's reserves marginally increased from £1,559,471 to £1,560,724.

89% of Income (2023: 88%) is represented by fees invoiced to Member Associations for various programmes: Annual Membership, HI-Q, Conference and Hihostels.com. The balance came from eMembership commissions and investments.



## **REPORT OF THE BOARD OF TRUSTEES (CONTINUED)**

Of the Annual Membership fees invoiced in 2024, 92% (2023: 90%) had been paid by the year end. For other fees invoiced to Member Associations in 2024, 95% was recovered by the year end (2023: 98%).

Total debts owed by Member Associations had been falling from 2021 onwards but in 2024 there was an increase with a corresponding increase in bad debt provision. Of the outstanding debts, two thirds were invoiced before 2024.

### **Fundraising**

HI has not engaged in any fundraising activities, or with any professional fund-raisers.

The Charity is not registered with the Fundraising Regulator, did not receive any complaints during the year, and does not interact with vulnerable people through its fundraising activities.

### **Investment Policy**

Most of the fees billed to Member Associations are paid within the first few months of the year while spending is fairly evenly spread throughout the year. This pattern leads to cash surpluses during the middle part of the year which are placed on short term fixed deposits with HSBC to earn interest.

Most of our reserves are held within funds managed by Brewin Dolphin. As at the end of 2024, £1,491,518 (2023 £1,353,850 ) was invested with 74% held in equities (62% in 2023), 16% in bonds (17% in 2023), and 10% in a mix of other investment types (21% in 2023). Hostelling International's investment policy seeks to maintain purchasing power and achieve long-term capital growth of UK inflation (RPI) plus 3% while operating with an average/moderate risk (Brewin Dolphin category 6) tolerance.

In accordance with our mission to build a more understanding, tolerant, peaceful, and environmentally considerate world described on page 3, HI's investment policy seeks to be culturally and ethically sensitive and as such screens out investment in certain types of companies whose activities conflict with HI's objects and the environmental principles of HI's Sustainability Charter. This policy precludes direct investment in companies that generate more than 10% of revenues from tobacco, alcohol, nuclear energy, pornography or armaments.

The yield from dividends and interest earned from our Brewin Dolphin holdings in 2024 amounted to £34,261 (£28,161 in 2023).

### **Reserves Policy**

The total funds of the charity at 31 December 2024 were £1,560,724 (2023 £1,559,471), of which restricted funds amounted to £12,565 (2023 £12,975).

HI's Reserves Policy specifies both minimum and maximum levels of "free reserves" which the organisation should aim to stay within. Free Reserves are defined as our unrestricted funds less tangible fixed assets. The lower threshold is set as being the annual operating expenditure – a level deemed to be sufficient to withstand the occurrence of any of HI's high-risk scenarios as documented in its risk

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

register. The worst-case financial modelling surrounding the effects of the pandemic undertaken at the beginning of 2021 gave us a benchmark. The upper threshold is set at twice the annual operating expenditure and aims to signal the point at which HI may be accumulating reserves unnecessarily and hence missing opportunities to deliver public benefit in accordance with its mission.

Based on the 2024 budget, the policy set our upper reserves threshold at £1.38m and the lower threshold at £692k. At the 2024 year-end, our free reserves stood at £1.5m and hence 12% above the upper threshold set by the reserves policy. In 2024, the Board has approved expenditure of up to £100,000 to progress HI's Brand and Digital Transformation Project and continues to review opportunities that would bring HI's reserves below the upper threshold.

HI aims to set and achieve a balanced budget each year. We then rely on the capital growth of our investments over the medium to longer term to at least match inflation to maintain the real value of our reserves and this was achieved in 2024.

### Going Concern

In order to confirm that HI is a going concern, the Board has considered what could happen to its reserves if a 'worst-case' scenario materialised. HI's risk register states our key financial risk is a "major disruption to international travel (e.g. pandemic) or external environment outside HI's control". Our recent experience of the Covid19 pandemic helpfully gives us a benchmark for what could happen as well as pointing to what we might do differently in similar circumstances. Cashflow modelling revealed that even under worst-case conditions, HI would remain a going concern for the foreseeable future.

The Trustees are satisfied they have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future and that the use of the going concern basis of accounting is appropriate in preparing the annual financial statements. The trustees do not consider liquidity to be a material financial risk as the charitable company has sufficient funds, represented by accessible fixed term cash deposits, or investments managed by Brewin Dolphin that can be made available to HI with one week's written notice should received income from members be substantially lower than expected. Accordingly, the Charity is not aware of any material uncertainties that exist over its ability to continue as a going concern.

### Plans for the Future

The Board considers HI's mission and values highly relevant in light of the increasing threats posed by climate change, global political and ideological divisions, and declining mental health among youth. HI aims to address these challenges by connecting local communities, young people, and youth organizations while implementing the Sustainable Development Goals. This underscores the necessity for a new strategy adapted to current conditions to safeguard HI and its network and ensure a positive future for hostelling.

HI has revised its previous transition strategy towards a more transformational approach designed to offer value to HI and the Federation. To achieve financial sustainability and strengthen the Federation centred around our purpose, key initiatives must be prioritized to transform the future landscape over

## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

the coming years. This transformation involves collaboration with Members and external organizations to take effective steps for future generations.

In 2025, efforts will intensify to deliver definitive outcomes on our Brand and Digital Transformation Project, creating a roadmap for future priorities around digital and branding aimed at benefiting HI and our members with a customer-centric view.

The focus will be on seven strategic pillars:

- HI as a brand which stands for something
- An obsession with customer lifetime value
- Additional revenue generation through dynamic pricing
- Best in class, tailored booking engine
- A reimagined relationship with MAs
- Integrated digital marketing
- Value through data

To implement these pillars, we will collaborate with an external digital agency to identify the right steps for the future in conjunction with our Members. Simultaneously, our new vision may require the evolution, evaluation, and potential replacement of some of our current services and partnerships to ensure alignment with this vision.

Overall, this new strategy will require several years to complete, but 2025 will be a pivotal year to lay the necessary foundations for this vision to become a reality.

The strategy is complemented by a number of Board Projects that are being progressed by Working Groups led by Board members, as follows:

- **HI Aims:** Under the HI values, this project focuses to advance and provide clarification and understanding around Diversity, Equity, Inclusion and Belonging (DEIB) and to create a policy and key targets in this area. This includes progressing the objective of launching a Youth Panel.
- **Re-engage with MA Presidents:** The purpose of this project is to re-engage Presidents from our MAs worldwide, fostering a collaborative environment to discuss and address international issues related to our Federation. This initiative aims to enhance understanding, support, and development of youth tourism.
- **Federation Expansion and Membership Concept:** A project to explore innovative ways to expand our Federation, both geographically and through our membership categories, while adhering to HI's core values, mission and operational principles. This includes examining potential adjustments to membership fees, voting rights and the governance model.
- **HI Registered Office:** A project to address a Conference motion to investigate the benefits and disadvantages surrounding moving the registered address of Hostelling International from the United Kingdom into the European Union.



## REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

- Modernising Governance – Identifying changes to HI's governance documents aimed at streamlining the organisation's strategic decision making processes.
- HI Europe Committee - The HI Europe Committee exists to promote the charitable objects of the IYHF from a European perspective. It represents the interests of the MAs within Europe, whilst respecting the best interest of HI, and organises the annual European Regional Conference.

The Board believes that the new strategy will help HI and the network to evolve and strengthen together as a federation, in an innovative and collaborative way. We continue the journey that will help HI navigate the unpredictable, whilst laying the foundations for a stronger, more relevant, inspirational organisation.

The Report of the Board of Trustees was approved and signed on behalf of the Board by



**Stephan Kurmann**  
President

16 July 2025



**Alan Bourne**  
Treasurer

16 July 2025

## TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of International Youth Hostel Federation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF INTERNATIONAL YOUTH HOSTEL FEDERATION**

## **Independent Examiner's Report to the Trustees of INTERNATIONAL YOUTH HOSTEL FEDERATION ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2024.

### **Responsibilities and Basis of Report**

As the Trustees of the company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for Independent Examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act') and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent Examiner's Statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than the requirement that the accounts give a true and fair view which is not a matter considered as part of an Independent Examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)).

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL YOUTH HOSTEL FEDERATION (CONTINUED)**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Rachel Doyle

Dated: 16/07/2025

ACA DChA

MHA  
Chartered Accountants  
MHA House  
Charter Court  
Swansea Enterprise Park  
Swansea  
SA7 9FS

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership registered in England and Wales (registered number OC312313).

# FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024 (INCLUDING THE INCOME & EXPENDITURE ACCOUNT)

		Unrestricted	Restricted	Total	(Note 18) Total
		Funds	Funds	Funds	Funds
	Note	2024	2024	2024	2023
		£	£	£	£
<b>INCOME FROM:</b>					
Donations		33	526	559	1,290
Grants received		-	-	-	-
Charitable activities	3	701,360	-	701,360	598,577
Other trading activities		(1,041)	-	(1,041)	2,382
Investment income	2	41,139	-	41,139	30,900
Other income		-	-	-	-
<b>Total Income</b>		<u>741,491</u>	<u>526</u>	<u>742,017</u>	<u>633,149</u>
<b>EXPENDITURE ON:</b>					
Raising funds		(381)	-	(381)	805
Investment management costs		8,283	-	8,283	7,983
Charitable activities					
Network & Brand	4	539,343	936	540,279	443,897
Web Services	4	302,485	-	302,485	179,122
<b>Total Resources Expended</b>		<u>849,730</u>	<u>936</u>	<u>850,666</u>	<u>631,807</u>
Net income before investment gains / (losses)		(108,239)	(410)	(108,649)	1,342
Net gains / (losses) on investment assets	8	109,902	-	109,902	58,720
<b>NET MOVEMENT IN FUNDS</b>		<u>1,663</u>	<u>(410)</u>	<u>1,253</u>	<u>60,062</u>
Total funds brought forward	13, 14	<u>1,546,496</u>	<u>12,975</u>	<u>1,559,471</u>	<u>1,499,409</u>
Total funds carried forward	13, 14	<u><u>1,548,159</u></u>	<u><u>12,565</u></u>	<u><u>1,560,724</u></u>	<u><u>1,559,471</u></u>

All operations are classed as continuing.

The notes on pages 24 to 35 form part of these financial statements.

## BALANCE SHEET AS AT 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> £	<u>2023</u> £
<b>FIXED ASSETS</b>			
Tangible fixed assets	9	3,860	21,440
Investments	8	1,491,519	1,353,850
Total Fixed Assets		1,495,379	1,375,290
<b>CURRENT ASSETS</b>			
Stock		2,745	2,363
Debtors	10	77,952	73,322
Cash held for investment	11	12,098	15,231
Cash at bank and in hand	11	128,016	197,083
Total Current Assets		220,811	287,999
<b>CREDITORS:</b> Amounts falling due within one year	12	155,466	103,818
<b>NET CURRENT ASSETS</b>		65,345	184,181
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,560,724	1,559,471
<b>TOTAL NET ASSETS</b>		1,560,724	1,559,471
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted funds			
General fund	13	1,548,159	1,546,496
Restricted funds	13	12,565	12,975
		1,560,724	1,559,471

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

- For the year ending 31 December 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised for issue on behalf of the Board of Hostelling International (Company number: 02250706) by



Stephan Kurmann, President  
Approved by the Board of Trustees on 16<sup>th</sup> July 2025



Alan Bourne, Treasurer

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>2024</u> £	<u>2023</u> £
<b>Net cash flows from operating activities</b>	(84,201)	(152,310)
<b>Cash flows from investing activities:</b>		
Investment income received	41,139	30,900
Proceeds from sales of fixed assets	-	-
Purchase of property, plant and equipment	(1,371)	(4,213)
Proceeds from sale of investments	405,139	525,153
Purchase of investments	(432,906)	(1,341,906)
<b>Net cash flows from investing activities</b>	<u>12,001</u>	<u>(790,066)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	(72,200)	(942,376)
<b>Cash and cash equivalents at beginning of year</b>	212,314	1,154,690
<b>Cash and cash equivalents at the end of the year</b>	<u>140,114</u>	<u>212,314</u>
<b>Being:</b>		
Cash held for investment	12,098	15,231
Cash at bank and in hand	<u>128,016</u>	<u>197,083</u>
	<u>140,114</u>	<u>212,314</u>

### Reconciliation of net expenditure to net cash flow from operating activities

	<u>2024</u> £	<u>2023</u> £
<b>Net expenditure as per the statement of financial activities</b>	1,253	60,062
<b>Adjustments for:</b>		
Depreciation charges	18,576	23,595
Loss on disposal of fixed assets	375	-
Gains on investments	(109,902)	(58,720)
Dividends, interest and rents from investments	(41,139)	(30,900)
(Increase)/decrease in stocks	(382)	806
(Increase) / decrease in debtors	(4,630)	12,470
Increase / (decrease) in creditors	51,648	(159,623)
<b>Net cash flows from operating activities</b>	<u>(84,201)</u>	<u>(152,310)</u>

The Charity did not have any net debt at either the current or prior year end and as such is not disclosing an analysis of movements in net debt table.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. PRINCIPAL ACCOUNTING POLICIES

Hostelling International, a public benefit entity, is registered in England & Wales as a private company limited by guarantee, not having share capital. The charity is a registered charity. The registered office is given on page 36.

- a) **Financial Statements** The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP)” applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), as updated, effective from 1 January 2019, the Charities Act 2011; and the Companies Act 2006.

The principal accounting policies are set out below and remain consistent under the new framework from the previous year.

Hostelling International has a wholly owned subsidiary, Hostelling International Trading Limited, which has remained dormant since its incorporation and as such the accounts have not been prepared on consolidated basis.

The financial statements have been presented in Sterling and all figures have been rounded to the nearest pound.

- b) **Going concern** These financial statements have been prepared on the going concern basis. The Trustees have performed a robust analysis of forecast future cash flows for the period up to the end of December 2026, which the Trustees consider to be the realistic foreseeable future, taking into account the potential impact on the business of possible future scenarios. This analysis also considered the effectiveness of available measures to assist in mitigating the impact. Based on these assessments and realistic worst-case scenarios and having regard to the liquid resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts. Further details of this assessment can be found on page 15 of the Trustees report.
- c) **Fixed Assets** Fixed assets are stated at cost less any impairment. Depreciation is calculated by reference to the cost or valuation of fixed assets at rates considered appropriate, having regard to the expected lives of the fixed assets.
- Website development costs in excess of £500 are capitalised at cost and depreciated in equal annual instalments over 2 years.
  - Office equipment costing more than £500 is capitalised at cost and depreciated in equal annual instalments over 4 years.
- d) **Stocks** Stocks are valued at the lower of cost or net realisable value.
- e) **Foreign Currencies** Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Income and expenditure in foreign currencies are recorded at the exchange rate ruling at the date of the transaction.
- f) **Pension Costs** The charitable company’s contributions to employees’ defined contribution schemes are charged to the Statement of Financial Activity for the year in which they are payable to the scheme.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

g) **Fund Accounting** Funds are accounted for as follows:

- Restricted funds are used for specific purposes laid down by the donor. Expenditure for these purposes is charged to the fund.
- Unrestricted funds are other incoming resources received or generated for expenditure on the general objectives of the charitable company.
- Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

h) **Myclimate funding** As part of HI's sustainability activities, part of the voluntary donation received to offset the carbon footprint of the traveller is paid over directly to myclimate who invest in sustainability projects. Both income and expense are recognised in respect of this transaction.

i) **Investments** Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities, if the shares are publicly traded or their fair value can otherwise be measured reliably. As investments are continuously revalued there are no realised gains or losses recorded. Investment income is accounted for in the period in which the charitable company is entitled to receipt. Cash held within the investment fund is considered for available use and is included within cash. The investment in the subsidiary is held at cost.

j) **Programme Related Investments** Loans are made at arm's length to Member Associations to support key hostel projects. Interest is charged at commercial rates and recognised as income when received.

k) **Resources Expended** Resources expended, including termination payments, are accounted for on an accruals basis. Expenditure is apportioned to activity categories, based on headcount. In 2020, HI rebranded its activities under two umbrella headings; Network and Brand, and Web Services, to better reflect the key focus areas for the restructured organisations.

l) **Resources** are allocated between:

- Expenditure on supporting Member Associations in their delivery of the mission
- Expenditure on maintaining and developing our Web Services, including hihostels.com, digital membership and affiliate products for Member Associations
- Expenditure incurred in the governance, management and administration of the charity is allocated to the above categories on a per capita basis (see Note 4). No such costs are currently allocated to grants or raising funds on the grounds of materiality. Governance expenditure includes costs associated with Board of Trustees' Meetings, Officers' Meetings, biennial international conference, annual report and independent examination.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### m) **Income**

Income from donations includes:

- Voluntary carbon offset donations to the HI Sustainability and MyClimate funds by event participants at the time of registration, which are recognised when the event fee invoice is raised.
- Other donations and legacies, which are recognised when it is probable that the income will be received

Income from charitable activities includes:

- Fees from Member Associations in return for Membership, promotion of their hostels on hihostels.com and attendance at the International Conference and other events, which are accounted for on a receivable basis.
- Revenue from the hihostels.com website (commissions on the sale of eMemberships), which is recognised when the membership is purchased.

Income from other trading activities includes sales of welcome stamps and other merchandise to Member Associations, which is accounted for on a receivable basis.

Income from investments is recognised when receivable.

#### n) **Leases** Leases are classified as finance leases whenever the terms of the lease transfer substantially all risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation on a straight-line basis as there is an immaterial difference to using the effective interest method (which achieves a constant rate of interest on the remaining balance of the liability). Finance charges are deducted in measuring income and expenditure. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Payments made under operating leases are recognised in the Statement of Financial Activities on straight line basis over the term of the lease.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

- o) **Taxation** As a registered charity, Hostelling International is exempt from taxation on its income and gains falling due within part 11 of the Corporation Taxation Act 2010 and s256 Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable purposes. No tax charge has arisen in the year ended 31 December 2024.
- p) **Grants** Grants payable from the Sustainability Fund are recognised in the Statement of Financial Activities when awarded and communicated to the recipient.
- q) **Financial instruments** The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:
- *Debtors* – trade and other debtors (including accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 10. Prepayments are not financial instruments.
  - *Cash at bank* – is classified as a basic financial instrument and is measured at face value.
  - *Liabilities* – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in note 12. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver services rather than cash or another financial instrument.
- r) **Critical accounting judgements and key sources of estimation uncertainty** In the application of the charitable company's accounting policies described above the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees are not aware of any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.
- s) **Donated professional services** are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. INVESTMENT INCOME

	<u>2024</u>	<u>2023</u>
	£	£
Dividends on listed equities	22,836	19,005
Interest on listed securities	11,425	9,156
Interest on other interest-bearing accounts	6,878	2,739
	<u>41,139</u>	<u>30,900</u>

### 3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>2024</u>	<u>2023</u>
	£	£
Membership Fees	355,465	340,841
Booking Revenue	-	-
Other fees from members	343,556	251,990
Other income	2,339	5,746
	<u>701,360</u>	<u>598,577</u>

Attributable to geographical markets outside the UK	626,314	526,509
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### 4. RESOURCES EXPENDED – CHARITABLE ACTIVITIES & SUPPORT COSTS

	<b>Direct</b>	<b>Support</b>	<b>Total</b>	<b>Direct</b>	<b>Support</b>	<b>Total</b>
	Costs	Costs	£	Costs	Costs	£
	£	£		£	£	
Network & Brand						
Grants awarded	-	-	-	-	-	-
Staff costs	152,410	99,279	251,689	169,018	142,067	311,085
Facilities & equipment	876	6,554	7,430	58	7,721	7,779
Professional services	93,644	17,344	110,988	-	14,368	14,368
Travel & subsistence	78,774	7,154	85,928	18,087	12,967	31,054
Depreciation	-	938	938	-	839	839
Other	25,004	58,302	83,306	38,531	40,241	78,772
Total Network & Brand	<u>350,708</u>	<u>189,571</u>	<u>540,279</u>	<u>225,694</u>	<u>218,203</u>	<u>443,897</u>
Web Services						
Staff costs	117,327	69,496	186,823	80,211	38,477	118,688
Facilities and equipment	202	4,587	4,789	-	2,091	2,091
Professional services	-	12,140	12,140	54	3,891	3,945
Travel and subsistence	2,755	5,008	7,763	735	3,512	4,247
Depreciation	16,982	656	17,638	22,529	227	22,756
Other	32,520	40,812	73,332	16,496	10,899	27,395
Total Web Services	<u>169,786</u>	<u>132,699</u>	<u>302,485</u>	<u>120,025</u>	<u>59,097</u>	<u>179,122</u>
Total expenditure on charitable activities	<u>520,494</u>	<u>322,270</u>	<u>842,764</u>	<u>345,719</u>	<u>277,300</u>	<u>623,019</u>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4. RESOURCES EXPENDED – CHARITABLE ACTIVITIES & SUPPORT COSTS (CONTINUED)

Analysis of Support Costs

	2024			2023		
	Network & Brand £	Web Services £	Total £	Network & Brand £	Web Services £	Total £
Governance	4,833	3,383	8,216	10,147	2,748	12,895
Management	49,352	34,546	83,898	69,071	18,707	87,778
Finance, IT, HR	133,662	93,563	227,225	135,012	36,566	171,578
Facilities costs	1,724	1,207	2,931	3,973	1,076	5,049
	<u>189,571</u>	<u>132,699</u>	<u>322,270</u>	<u>218,203</u>	<u>59,097</u>	<u>277,300</u>

Support costs are allocated pro rata on the basis of full-time equivalent headcount.

### 5. STAFF COSTS

	<u>2024</u> £	<u>2023</u> £
Gross Salaries	368,797	367,495
Social security costs	32,852	30,276
Pension costs	<u>27,226</u>	<u>23,278</u>
	428,875	421,049
Health costs	5,217	5,138
Other costs associated with employees	<u>4,420</u>	<u>3,586</u>
	<u>438,512</u>	<u>429,773</u>

In 2024 and 2023 no Termination costs were incurred.

	<u>No. in 2024</u>	<u>No. in 2023</u>
<b>Employees whose emoluments were between:</b>		
£60,000 - £70,000	1	1

Contributions paid by Hostelling International into employees' individual pension schemes for the employees whose emoluments were above £60,000 amounted to £5,026 (2023: £4,676).

The key management personnel of the charity comprise the Trustees and the Chief Executive (CEO). The Trustees do not receive remuneration. The CEO's remuneration is set by the Trustees and from time to time they take advice from external recruitment agencies. In 2024 the total remuneration for the CEO during the year was £87,270 (2023: £79,776).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5. STAFF COSTS (CONTINUED)

The number of employees during the year, analysed by function, was:

	<u>No. in 2024</u>		<u>No. in 2023</u>	
	Average No.	Full Time Equivalent	Average No.	Full Time Equivalent
Network & Brand	5	5	6	5
Web Services	4	2	2	1
Support costs including management	4	3	3	2
	13	10	11	8

### 6. TOTAL EXPENDITURE included:

	<u>2024</u>	<u>2023</u>
	£	£
Depreciation	18,576	23,595
Independent Examination	4,596	4,250
Foreign exchange losses	992	8,244
Cost of stock recognised as an expense	(381)	806

### 7. TRUSTEES' EXPENSES

The trustees who served during the year are shown on pages 9 and 10. No trustee received remuneration during 2024 (2023 – Nil). Travel and other expenses reimbursed to the trustees during the year amounted to £5,034 (2023 £6,756). In 2024, 5 trustees received reimbursed expenses (2023: 6).

### 8. INVESTMENTS

	<u>2024</u>	<u>2023</u>
	£	£
<b>Securities</b>		
Fair value at 1 January	1,353,849	478,376
Acquisitions at cost	432,906	1,341,906
Disposals at carrying value	(405,139)	(525,153)
Net gains/(losses) in the year	109,902	58,720
Fair value at 31 December	1,491,518	1,353,849
<b>Investment in Subsidiary</b>		
Share in wholly owned subsidiary (at cost) (note 15)	1	1
Total investments	1,491,519	1,353,850

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 8. INVESTMENTS (CONTINUED)

#### Analysis of investments by type

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bonds	239,848	236,549
Equities	1,106,091	925,915
Other Investments	145,579	191,385
Investment in subsidiary	1	1
	<u>1,491,519</u>	<u>1,353,850</u>

The value of securities shown in the Balance Sheet is the market value at 31 December 2024. The historical costs are shown below:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Historical cost at 31 December	1,365,546	1,297,065
	<u>1,365,546</u>	<u>1,297,065</u>

### 9. TANGIBLE FIXED ASSETS

	<b>Website Development Costs</b>	<b>Office Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Cost or valuation</u></b>			
At 1 January 2024	45,058	14,376	59,434
Additions	-	1,371	1,371
Disposals	-	(2,393)	(2,393)
At 31 December 2024	<u>45,058</u>	<u>13,354</u>	<u>58,412</u>
<b><u>Depreciation</u></b>			
At 1 January 2024	28,075	9,919	37,994
Provided for in year	16,983	1,594	18,577
Disposals	-	(2,019)	(2,019)
At 31 December 2024	<u>45,058</u>	<u>9,494</u>	<u>54,552</u>
<b><u>Net Book Value</u></b>			
At 31 December 2024	<u>-</u>	<u>3,860</u>	<u>3,860</u>
At 31 December 2023	<u>16,983</u>	<u>4,457</u>	<u>21,440</u>

Development costs of the new hihostels.com website that were capitalised in 2022, are being depreciated over a 2 year period.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. DEBTORS

	<u>2024</u>	<u>2023</u>
	£	£
Member Associations	45,065	46,397
Other debtors	14,191	7,936
Prepayments and accrued income	18,696	18,989
	<u>77,952</u>	<u>73,322</u>

### 11. CASH AT BANK AND IN HAND

	<u>2024</u>	<u>2023</u>
	£	£
Cash held for investment	12,098	15,231

	<u>2024</u>	<u>2023</u>
	£	£
Current accounts	127,495	196,531
Petty cash	521	552
	<u>128,016</u>	<u>197,083</u>

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2024</u>	<u>2023</u>
	£	£
Member Associations	65,343	30,249
Trade creditors	40,146	16,009
Amounts owed to subsidiary undertakings	1	1
Other taxes and social security	12,029	7,035
Other creditors and accruals	24,673	37,250
Grant award creditor	13,274	13,274
	<u>155,466</u>	<u>103,818</u>

Included in Other creditors and accruals is a balance of £nil (2023: £nil) relating to CO2 offset donations received, under an agreement with Myclimate. Donations of £936 were paid to Myclimate during the year (2023 £2,664).

The grant award creditor relates to grants awarded but not yet paid from the HI Sustainability restricted fund. Grants are paid on the completion of the project. Further details are shown below.

	<u>2024</u>	<u>2023</u>
	£	£
Grants awarded in 2015: HI Iceland	7,000	7,000
Grants awarded in 2019: YHA Israel	3,085	3,085
Grants awarded in 2020: Hostelling International – Canada	2,126	2,126
Hihostels Brasil	1,063	1,063
	<u>13,274</u>	<u>13,274</u>



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 13. FUNDS

2024	<u>General Fund</u>	<u>Restricted</u>	<u>Total Funds</u>
		<u>Funds</u>	
	£	£	£
Balance at 31 December 2023	1,546,496	12,975	1,559,471
Incoming resources	741,491	526	742,017
Expenditure	(849,730)	(936)	(850,666)
Net gains on investment assets	109,902	-	109,902
Balance at 31 December 2024	<u>1,548,159</u>	<u>12,565</u>	<u>1,560,724</u>

2023	<u>General Fund</u>	<u>Restricted</u>	<u>Total Funds</u>
		<u>Funds</u>	
	£	£	£
Balance at 31 December 2022	1,486,553	12,856	1,499,409
Incoming resources	633,030	119	633,149
Expenditure	(631,807)	-	(631,807)
Net gains on investment assets	58,720	-	58,720
Balance at 31 December 2023	<u>1,546,496</u>	<u>12,975</u>	<u>1,559,471</u>

In 2012, Hostelling International launched the Sustainability Fund on hihostels.com to enable HI customers to make a donation to offset the CO2 of their overnight stay. Part of the donated amount is passed to Myclimate for carbon offsetting projects. The other part of the donation is held within a restricted fund by HI to be expended as grants to Member Associations to support their sustainable projects. No grants were paid during the year (2023: £nil). See note 12.

### 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2024	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total funds</u>
	<u>General</u>		
	£	£	£
Tangible fixed assets	3,860	-	3,860
Investments	1,491,519	-	1,491,519
Current assets	220,811	-	220,811
Current liabilities	(168,031)	12,565	(155,466)
Total net assets	<u>1,548,159</u>	<u>12,565</u>	<u>1,560,724</u>

2023	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total funds</u>
	<u>General</u>		
	£	£	£
Tangible fixed assets	21,440	-	21,440
Investments	1,353,850	-	1,353,850
Current assets	287,999	-	287,999
Current liabilities	(116,793)	12,975	(103,818)
Total net assets	<u>1,546,496</u>	<u>12,975</u>	<u>1,559,471</u>

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **15. RELATED CHARITIES**

#### **International Youth Hostel Federation**

The directors consider that the International Youth Hostel Federation, an unincorporated charity registered with the Charity Commission for England and Wales (number 306038), is a related charity by virtue of the fact that both charities have the same trustees. IYHF is dormant with no transactions during the year (2023 – Nil).

#### **Hostelling International Trading Limited**

Hostelling International Trading Limited (company number 09019564) was registered and incorporated in the UK on 30<sup>th</sup> April 2014 and is a wholly owned subsidiary of Hostelling International. Hostelling International Trading Limited has been dormant since incorporation. The registered office is 7 Bell Yard, London, WC2A 2JR.

### **16. LEGAL STATUS**

The charity is limited by guarantee and has no share capital. Each member's liability is limited to £1.

### **17. RELATED PARTY TRANSACTIONS**

Other than the transactions detailed in notes 5, 7 and 15 above, there were no related party transactions in either year. Transactions with Member Associations that have representatives on the HI Board do not represent related party transactions.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023 (INCLUDING THE INCOME & EXPENDITURE ACCOUNT)

		Unrestricted Funds	Restricted Funds	Total Funds
	<u>Note</u>	<u>2023</u>	<u>2023</u>	<u>2023</u>
		£	£	£
<b>INCOME FROM:</b>				
Donations		1,171	119	1,290
Grants received		-	-	-
Charitable activities	3	598,577	-	598,577
Other trading activities		2,382	-	2,382
Investment income	2	30,900	-	30,900
Other income		-	-	-
Profit on Sale of Property		-	-	-
<b>Total Income</b>		<u>633,030</u>	<u>119</u>	<u>633,149</u>
<b>EXPENDITURE ON:</b>				
Raising funds		805	-	805
Investment management costs		7,983	-	7,983
Charitable activities				
Network & Brand	4	443,897	-	443,897
Web Services	4	179,122	-	179,122
<b>Total Resources Expended</b>		<u>631,807</u>	<u>-</u>	<u>631,807</u>
Net income/(expenditure) before investment gains / (losses)		1,223	119	1,342
Net (losses)/gains on investment assets	8	58,720	-	58,720
<b>NET MOVEMENT IN FUNDS</b>		<u>59,943</u>	<u>119</u>	<u>60,062</u>
Total funds brought forward at 1 January 2023	13, 14	1,486,553	12,856	1,499,409
Total funds carried forward at 31 December 2023	13, 14	<u>1,546,496</u>	<u>12,975</u>	<u>1,559,471</u>

## **REGISTERED OFFICE AND PROFESSIONAL ADVISORS**

### **Registered Office:**

7 Bell Yard  
London  
WC2A 2JR

### **Bankers:**

HSBC  
Howardsgate  
Welwyn Garden City  
Herts  
AL8 6BH

### **Independent Examiners:**

MHA  
MHA House, Charter Court  
Phoenix Way  
Swansea Enterprise Park  
Swansea  
SA7 9FS

### **Investment Bankers:**

RBC Brewin Dolphin  
12 Smithfield Street  
London  
EC1A 9LA

### **Solicitors:**

Russell-Cooke LLP  
2 Putney Hill  
London  
SW15 6AB

### **Trademarks:**

Murgitroyd & Company Limited  
210 Euston Road, Suite 5.04  
London  
NW1 2DA

### **VAT:**

Constable VAT Consultancy  
12 Dedham Vale Business Centre  
Manningtree Road  
Dedham, Essex  
CO7 6BL

## MEMBER ASSOCIATIONS

COUNTRY	ASSOCIATION
ALGERIA	Fédération Algérienne des Auberges de Jeunesse
AUSTRALIA	YHA Australia
AUSTRIA	Österreichischer Jugendherbergsring (ÖEGB)
BAHRAIN	Bahrain Youth Hostels Society
BELGIUM	Les Auberges de Jeunesse (LAJ)
BELGIUM	Vlaamse Jeugdherbergen vzw (VJH)
BOLIVIA	Hostelling International Bolivia
BOSNIA & HERZEGOVINA	Youth Hostel Association of Bosnia and Herzegovina
BRAZIL	HI Hostel Brasil
CANADA	Hostelling International – Canada
CHILE	Asociación Chilena de Albergues Turísticos Juveniles
CHINA	YHA China
CHINESE TAIPEI	Chinese Taipei Youth Hostel Association
CROATIA	Hrvatski Ferijalni i Hostelski Savez (Croatian YHA)
CZECH REPUBLIC	Czech Youth Hostel Association (CZYHA)
DENMARK	DANHOSTEL
EGYPT	Egyptian Youth Hostels Association
ENGLAND & WALES	YHA England & Wales
FINLAND	Suomen Hostellijärjestö – HI Finland
FRANCE	Fédération Unie des Auberges de Jeunesse (FUAJ)
GERMANY	DJH Hauptverband
HONG KONG	Hong Kong Youth Hostels Association
ICELAND	HI Iceland
INDIA	Youth Hostels Association of India
IRELAND (Northern)	Hostelling International-Northern Ireland
IRELAND (Rep of)	An Óige (Irish Youth Hostel Association)
ISRAEL	Israel Youth Hostels Association
ITALY	Associazione Italiana Alberghi per la Gioventù (AIG) (Until May 2024)
JAPAN	Japan Youth Hostels Inc
JORDAN	Jordan Youth Hostels Commission
KOREA (South)	Hostelling International Korea
KUWAIT	Kuwait Youth Hostel Committee
LEBANON	Lebanese Youth Hostels Federation
LIBYA	Libyan Youth Hostel Association
LUXEMBOURG	Centrale des Auberges de Jeunesse Luxembourgeoises
MALAYSIA	HI Malaysia
MALTA	NSTS Hostelling International
MOROCCO	Fédération Royale Marocaine des Auberges de Jeunes
NETHERLANDS	Stayokay
NEW ZEALAND	YHA New Zealand (until December 2024)
NORWAY	Norske Vandrerhjem – HI Norway
PAKISTAN	Pakistan Youth Hostels Association
PHILIPPINES	Youth and Student Hostel Foundation of the Philippines
POLAND	Polskie Towarzystwo Schronisk Młodzieżowych (Polish YHA)
PORTUGAL	MOVIOJEM (Mobilidade Juvenil Cooperativa de interesse Público e Responsabilidade Lda.)
QATAR	Qatar Youth Hostels Association
ROMANIA	Romanian Hostelling - Association for Hiking and Youth Hostels
SAUDI ARABIA	Saudi Arabian Youth Hostels Association

## MEMBER ASSOCIATIONS (CONTINUED)

COUNTRY	ASSOCIATION
SCOTLAND	SYHA Hostelling Scotland
SERBIA	Ferijalni i Hostelski savez Srbije (Youth Hostels Association of Serbia)
SLOVENIA	Popotniško združenje Slovenije (Hostelling International Slovenia)
SPAIN	Red Española de Albergues Juveniles (REAJ)
SUDAN	Sudanese Youth Hostels Association
SWITZERLAND	Schweizer Jugendherbergen
TUNISIA	Association Tunisienne des Auberges de Tourisme de Jeunes
UNITED ARAB EMIRATES	UAE Federation for Youth Hostel & Sports
URUGUAY	Asociación de Alberguistas del Uruguay
USA	Hostelling International USA

## HI Associate Organisations

COUNTRY	ASSOCIATION
GREECE	Greek Youth Hostels Association (until September 2024)