

Youth Hostel Association of Northern Ireland Limited

Northern Ireland · Charity number 103612

Details

Known as	Hostelling International Northern Ireland
Status	Received
Registered	2015-10-09
Register	View on the Charity Commission for Northern Ireland register

Contact

Address	Hostelling International Ni 22-32 Donegall Road Belfast BT12 5JN BT12 5JN
Phone	028 9032 4733
Email	office@hini.org.uk
Website	http://www.hini.org.uk/

Activities

Purposes: The Company's objects, as stated in its Memorandum of Association, are: (a) to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside; (b) in the interests of social welfare, to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life.

What the charity does: The advancement of education,Other charitable purposes

How the charity works: Accommodation/housing,Environment/sustainable development/conservation,Grant making,Youth development

Who the charity helps: General public,Men,Women,Youth (14-25 year olds)

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£853,414	£925,212	£0	15

Trustees

Name	Role	Appointed
Bernadette Gray		
Conchuir		
Mrs Anne Cahill		
Tony		

Youth Hostel Association of Northern Ireland Limited

Northern Ireland - Charity number 103612

Accounts

Company registration number: NI001147
Charity registration number: 103612

Youth Hostel Association of Northern Ireland Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Youth Hostel Association of Northern Ireland Limited

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Youth Hostel Association of Northern Ireland Limited

Reference and Administrative Details

Directors	Tony McDonagh Anne Cahill Conchuir MacSiacaïs Bernie Gray
Charity Registration Number	103612
Company Registration Number	NI001147
Registered Office	22 Donegall Road Belfast BT12 5JN
Principal Office	22 Donegall Road Belfast BT12 5JN
Auditor	RBCA Limited Linenhall Exchange 26 Linenhall Street Belfast BT2 8BG
Solicitors:	Cleaver Fulton Rankin . 50 Bedford Street Belfast BT2 7FW
Bankers	Danske Bank North Business Centre 1-2 Broadway Ballymena County Antrim BT43 7AA

Youth Hostel Association of Northern Ireland Limited

Directors' Report

Chairperson's Statement including activities over the previous months and future plans.

As vice chair, I'd like to begin by expressing my gratitude to our CEO for guiding HINI employees and board members through a particularly challenging year. The last 12 months have brought many challenges to the organisation. Still, in equal measure, they have also laid the foundations for a more robust and successful business model as we move forward.

As we begin developing our five-year strategic plan, which will guide us through to 2030, we have taken significant steps to ensure we maximise our assets while investing in necessary modernisation. This move has included stepping back from the management of the Bushmills Hostel, allowing us to concentrate on enhancing our offer through our current hostels in Whitepark Bay and Belfast. We have also had representation at several World and European Youth Hostel events and have invested in our vibrant branding, which has helped modernise our business and promote a clear identity through our presence on social media platforms.

As we enter this new stage in our journey, mindful that there are many obstacles to overcome, such as our £71,798 deficit, we believe we are in a strong position to invest in, expand, and develop our business in line with the demands of our clients and the wider industry. We will continue to prioritise our ongoing work to build our staff team, implement best practices, expand our customer base, strengthen our marketing strategy and, most importantly, embed the systems and processes that will support our development and investment plans over the next 5 years.

A final word of thanks to the HINI staff and the small executive council who have worked tirelessly over the last 12 months to support this period of transition, ensuring that we are on track to 'be the best in our field'.

Anne Cahill
HINI Vice-Chair

Youth Hostel Association of Northern Ireland Limited

Directors' Report

Structure, governance and management

Organisational structure

Decisions on policy and strategy are made by the CEO and Executive Council, consisting of four ordinary members of the company, plus the Honorary Secretary and Honorary Treasurer.

Relationships with other Associations and Charities

HINI is a member association of Hostelling International, the largest youth organisation in the world, with over 2,300 youth hostels with 58 member associations, and providing high standard accommodation to suit world travellers.

Relationships with other Associations and Charities

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast. The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An O'ige, SYHA and YHA (England & Wales) annually at the British and Irish Conference to discuss matters of common concern and share information. The Association is also a member of Hostelling International (HI), a not for profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 4,000 unique hostels in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences. The HI network offers membership to Associations, spanning 58 Member Associations with over 2,300 hostels, as well as affiliate hostels in 2 destinations.

Objectives and activities

The objects are as stated in the Memorandum of Articles of Association. These are to advance the education of the public, particularly but not exclusively, young people, in the protection and conservation of the countryside.

In the interests of social welfare, to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

Public benefit

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation in particular in order to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2022 in responsibly encouraging the general public to explore safely.

Youth Hostel Association of Northern Ireland Limited

Directors' Report

The charity's second object is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the general public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from YHANI's purposes.

Achievements and performance

Performance

This has been a significant year for Hostelling International Northern Ireland. We have taken decisive, immediate action on the challenges we faced. An example of this was the actions taken following a 'serious incident' reported to the Charity Commission of Northern Ireland. As a result of the submitted report, the business was tasked with implementing a more robust organisational 'risk register', leading to significant improvements in control measures, security, policies, and procedures.

This year would also see the reopening of the Bushmills Hostel following renovations and improvements; however, the organisation felt that the permanent closure of the Bushmills Hostel in November 2024 was strategically important, enabling HINI to focus on our other two hostels in Belfast and Whitepark Bay, where investment and improvements remain a priority. We also changed the way we manage our daily cash flow, making our hostels cashless.

We have developed a new logo and brand guidelines over the past 12 months as we continue to transform and modernise our business. We will transform our website to encourage our customers to make direct sales through it and to promote our business on a local, regional, national, and international stage through enhanced social media platforms. We have employed more staff to meet the demands of our hostels as we continue to grow and diversify. The CEO represented HINI at the European Regional Conference in Portugal and the World Youth Hostel Conference in Berlin.

As we continue to recover from the COVID-19 pandemic, we have seen growth in travel with our customers, and we hope that our customers, staff, Executive Council members, and stakeholders will help us develop our strategic plan, which we hope to launch in the future.

In terms of financial performance, HINI continued to face challenges in 2024, resulting in an operating deficit of £71,798 for the year, an increase from 2023. There is still much more work to be done to improve the overnight performance of our hostels throughout the year, and a significant financial investment is needed to modernise them in the current climate. As inflation costs continue to rise, we will evaluate our current pricing structures and align prices accordingly, as we also see growth in operating, overhead and energy costs.

Youth Hostel Association of Northern Ireland Limited

Directors' Report

As we continue our transition and redevelopment, I look forward to engaging with our customers, Executive Council members, stakeholders, and other local businesses and industry providers over the next 12 months. I would also like to thank our Executive Council for their ongoing support and commitment over the past 12 months, and the wider staff team at HINI for their continued efforts and dedication.

Major Risks

The council of management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.

Volunteer Initiatives

Due to number of factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel.

Fundraising

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants and this continues to be the case.

Statement of directors' responsibilities

The directors (who are also the directors of Youth Hostel Association of Northern Ireland Limited for the purposes of company law) are responsible for preparing the directors' 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 directors to prepare financial statements for each financial year. Under company law the directors must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Youth Hostel Association of Northern Ireland Limited

Directors' Report

The directors are responsible for keeping proper accounting records that can 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 directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the directors of the charity on and signed on its behalf by:

.....
Anne Cahill
Trustee

.....
Bernie Gray
Trustee

Youth Hostel Association of Northern Ireland Limited

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2024, which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 directors 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Youth Hostel Association of Northern Ireland Limited

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter 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 our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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 directors

As explained more fully in the Statement of directors' responsibilities, the directors 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 directors 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 charity'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 directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Youth Hostel Association of Northern Ireland Limited

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Directors and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Directors.
- We communicated applicable laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries, and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential basis; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 directors, 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 charity's directors 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 its directors as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Brian Stewart (Senior Statutory Auditor)
For and on behalf of RBCA Limited, Statutory Auditor

Linenhall Exchange
26 Linenhall Street
Belfast
BT2 8BG

Date:.....

Youth Hostel Association of Northern Ireland Limited

Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Other trading activities	3	853,414	-	853,414	771,054
Total income		853,414	-	853,414	771,054
Expenditure on:					
Charitable activities	4	(925,212)	-	(925,212)	(820,171)
Total expenditure		(925,212)	-	(925,212)	(820,171)
Net expenditure		(71,798)	-	(71,798)	(49,117)
Net movement in funds		(71,798)	-	(71,798)	(49,117)
Reconciliation of funds					
Total funds brought forward		1,685,729	370,964	2,056,693	2,105,810
Total funds carried forward	16	1,613,931	370,964	1,984,895	2,056,693

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 16.

Youth Hostel Association of Northern Ireland Limited
(Registration number: NI001147)
Statement of Financial Position as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	2,019,905	2,048,497
Current assets			
Stocks	10	5,688	6,064
Debtors	11	14,254	28,351
Cash at bank and in hand		80,902	189,164
		<u>100,844</u>	<u>223,579</u>
Creditors: Amounts falling due within one year	12	<u>(122,377)</u>	<u>(151,488)</u>
Net current (liabilities)/assets		<u>(21,533)</u>	<u>72,091</u>
Total assets less current liabilities		1,998,372	2,120,588
Creditors: Amounts falling due after more than one year	13	<u>(13,477)</u>	<u>(63,895)</u>
Net assets		<u>1,984,895</u>	<u>2,056,693</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		370,964	370,964
Unrestricted income funds			
Unrestricted funds		<u>1,613,931</u>	<u>1,685,729</u>
Total funds	16	<u>1,984,895</u>	<u>2,056,693</u>

The financial statements on pages 10 to 21 were approved by the directors, and authorised for issue on and signed on their behalf by:

.....
 Anne Cahill
 Trustee

.....
 Bernie Gray
 Trustee

Youth Hostel Association of Northern Ireland Limited

Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(71,798)	(49,117)
Adjustments to cash flows from non-cash items			
Depreciation		42,559	42,477
Interest payable		5,090	26,427
Accrued expenses		<u>2</u>	<u>4</u>
		(24,147)	19,791
Working capital adjustments			
Decrease in stocks	10	376	634
Decrease in debtors	11	14,097	11,504
(Decrease)/increase in creditors	12	<u>(32,952)</u>	<u>4,282</u>
Net cash flows from operating activities		<u>(42,626)</u>	<u>36,211</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(13,968)	(19,932)
Cash flows from financing activities			
Interest paid		(5,090)	(26,427)
Repayment of bank borrowings		<u>(46,578)</u>	<u>(40,288)</u>
Net cash flows from financing activities		<u>(51,668)</u>	<u>(66,715)</u>
Net decrease in cash and cash equivalents		(108,262)	(50,436)
Cash and cash equivalents at 1 January		<u>189,164</u>	<u>239,600</u>
Cash and cash equivalents at 31 December		<u><u>80,902</u></u>	<u><u>189,164</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Charity status

The charity is limited by guarantee, incorporated in Northern Ireland, and consequently does not have share capital. Each of the directors is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is:

22 Donegall Road
Belfast
BT12 5JN

2 Accounting policies

Statement of compliance

The financial statements 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 Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Youth Hostel Association of Northern Ireland Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The presentational currency is £ sterling and the level of rounding is to the nearest £.

Going concern

The directors consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity. Accordingly, the financial statements are prepared on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income and endowments

All the incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipts is probable and its amount can be measured reliably.
- Legacy income is recognised when receipt is probable and entitlement is established.
- Income from donated goods measured at the fair value of the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Land and buildings

Furniture and equipment

Depreciation method and rate

2% Reducing balance method

20% Straight line method

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Financial instruments

Classification

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Limited by guarantee

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

3 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2023 £
Sundry income	6,401	6,401	4,860
Membership subscriptions	190	190	165
Rent received office	6,250	6,250	6,250
Shop profit	8	8	10
Accommodation fees	832,397	832,397	753,269
Rent received - kitchen	8,168	8,168	6,500
	<u>853,414</u>	<u>853,414</u>	<u>771,054</u>

4 Expenditure on charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Fundraising trading	720,615	720,615	649,683
Allocated support costs	204,597	204,597	170,488
	<u>925,212</u>	<u>925,212</u>	<u>820,171</u>

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Fundraising trading	720,615	-	720,615	649,683
Governance costs	-	204,597	204,597	170,488
	<u>720,615</u>	<u>204,597</u>	<u>925,212</u>	<u>820,171</u>

5 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>(42,559)</u>	<u>(42,477)</u>

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

6 Staff costs

The aggregate payroll costs were as follows:

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Number of staff	26	17

	2024 £	2023 £
Wages and salaries	439,659	391,680
Employer contributions to pension plans	8,981	9,698
	448,640	401,378

No employee received emoluments of more than £60,000 during the year.

7 Auditors' remuneration

	2024 £	2023 £
Fees payable for the audit of the financial statements	6,000	3,950

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

9 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2024	3,284,168	580,309	3,864,477
Additions	10,000	3,968	13,968
At 31 December 2024	3,294,168	584,277	3,878,445
Depreciation			
At 1 January 2024	1,241,491	574,490	1,815,981
Charge for the year	41,341	1,218	42,559
At 31 December 2024	1,282,832	575,708	1,858,540
Net book value			
At 31 December 2024	2,011,336	8,569	2,019,905
At 31 December 2023	2,042,677	5,819	2,048,496

10 Stock

	2024 £	2023 £
Stocks	5,688	6,064

11 Debtors

	2024 £	2023 £
Other debtors	14,254	28,351

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	47,473	43,633
Trade creditors	36,440	33,409
Other creditors	38,464	74,446
	122,377	151,488

The bank overdraft and loan is secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

13 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	<u>13,477</u>	<u>63,895</u>

14 Pension and other schemes

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £8,981 (2023: £9,698).

15 Contingent liabilities

FRS 102 para 21.17 allows exemption from some of the disclosures for contingent liabilities:

The charity is involved in an employment- related legal dispute. Disclosure of further details could seriously prejudice the outcome of the case. Accordingly, the charity has not disclosed the financial impact of the contingent liability in accordance with paragraph 21.17 of FRS 102.

16 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
Unrestricted funds				
General	1,685,729	853,414	(925,212)	1,613,931
Restricted funds	<u>370,964</u>	<u>-</u>	<u>-</u>	<u>370,964</u>
Total funds	<u>2,056,693</u>	<u>853,414</u>	<u>(925,212)</u>	<u>1,984,895</u>
	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
General	1,734,846	771,054	(820,171)	1,685,729
Restricted funds	<u>370,964</u>	<u>-</u>	<u>-</u>	<u>370,964</u>
Total funds	<u>2,105,810</u>	<u>771,054</u>	<u>(820,171)</u>	<u>2,056,693</u>

Youth Hostel Association of Northern Ireland Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Tangible fixed assets	1,648,941	370,964	2,019,905
Current assets	100,844	-	100,844
Current liabilities	(122,377)	-	(122,377)
Creditors over 1 year	(13,477)	-	(13,477)
Total net assets	1,613,931	370,964	1,984,895

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Tangible fixed assets	1,677,533	370,964	2,048,497
Current assets	223,579	-	223,579
Current liabilities	(151,488)	-	(151,488)
Creditors over 1 year	(63,895)	-	(63,895)
Total net assets	1,685,729	370,964	2,056,693

18 Analysis of net funds

	At 1 January 2024 £	Financing cash flows £	At 31 December 2024 £
Cash at bank and in hand	189,164	(108,262)	80,902
Debt due within one year	(43,633)	(3,840)	(47,473)
Debt due after more than one year	(63,895)	50,418	(13,477)
Net debt	81,636	(61,684)	19,952

	At 1 January 2023 £	Financing cash flows £	At 31 December 2023 £
Cash at bank and in hand	239,600	(50,436)	189,164
Debt due within one year	(43,632)	(1)	(43,633)
Debt due after more than one year	(104,184)	40,289	(63,895)
Net debt	91,784	(10,148)	81,636

Accounts

Youth Hostel Association of Northern Ireland Limited
Company Limited by Guarantee
Financial Statements
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Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

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Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2023

The directors, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name Youth Hostel Association of Northern Ireland Limited

Charity registration number NIC103612

Company registration number NI001147

Principal office and registered office 22 Donegall Road
Belfast
BT12 5JN

The directors

V K Douglas
M J Howse
Ms B Gray
Mrs J Hill
D O'Lynn
A Boal
A Cahill
S Potter

Auditor Johnston Graham Limited
Chartered accountants & statutory auditor
216/218 Holywood Road
Belfast
BT4 1PD

Bankers Danske Bank
University Road
Belfast
BT7 1ND

Solicitors Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Structure, governance and management

Organisational and Decision Making Structure

Decisions on policy and strategy are made by the Executive Council consisting of seven ordinary members of the company, plus the Honorary Secretary and Honorary Treasurer. The CEO and others attend as required.

The Headquarters Staff of CEO (responsible to the EC) and The Office Manager undertake the day to day management of the company.

Relationships with other Associations and Charities

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast. The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An O'ige, SYHA and YHA (England & Wales) annually at the British and Irish Conference to discuss matters of common concern and share information. The Association is also a member of Hosteling International (HI), a not for profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 4,000 unique hostels in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Objectives and activities

The objects are as stated in the Memorandum of Articles of Association. These are to advance the education of the public, particularly but not exclusively, young people, in the protection and conservation of the countryside.

In the interests of social welfare, to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

Public Benefit Statement

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation in particular in order to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2022 in responsibly encouraging the general public to explore safely.

The charity's second object is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the general public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from YHANI's purposes.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Achievements and performance

Activities over the past year and plans for the future

2022, for many reasons was one of stability and transition for YHANI. The year started with us being in partial lockdown meaning all hostels were under enforced closure. This made planning very difficult. Fortunately, our loyal team were fully prepared to reopen and offer our guests the same continued level of experience that we have always been renowned for.

Our continued engagement and relationships within Hostelling International have been beneficial through regular dialogue with other associations, sharing best practice, guidelines and learnings as we navigate the challenges of COVID-19, Brexit, the war in Ukraine and the cost-of-living crisis. All major challenges to how we operate in the short and long term.

Our financial performance in 2022 has resulted in a deficit, mainly due to increases in utilities and salary costs, however our cash reserves remain strong. We anticipate reducing this deficit significantly in 2023 with a forecast return to surplus in 2024.

Lastly, can I give my sincere thanks to the YHANI Council for their hard work and attendance during 2022. This commitment required a significant call on their time for which we are all most grateful. I would also like to thank all YHANI staff for their loyalty to the organisation through a challenging year and particularly to our CEO Sam Harding, who was instrumental in steering the organisation through the year.

We remain very positive about the future of all our hostels as people start to travel widely again.

Lastly, I would just like to note the passing of our President Paddy McAteer in May 2023. Paddy was involved with HINI for many years, and we will greatly miss his support and enthusiasm for the hostel movement.

Jacqueline Hill
Chair

Performance

The accounts for 2022 showed a deficit of £92,153, from close to being a full year of trading.

2022 was a positive year operationally as we were able to resume our full operation for the first time since the end of COVID Pandemic. That said, the year began with January in partial lockdown due to the Omicron variant of Covid and until approximately May of 2022 there still a very low rate of International Arrivals into N.Ireland airports. This meant that we continued will a lower rate of International Groups and Overseas tourists who bring us larger groups, longer overnight stays and higher rates.

Despite, returning to a full operation, we did so without the previous financial support packages offsetting to difference in regular trade and with a significant increase in operating costs. Our 2 largest costs as a business being Labour and Utilities both growing exponentially with a number of back-dated minimum wage increases and the rise in energy costs.

Our overall accommodation income of £626,167 was an increase of £98k on 2021, however over £301k of that included Grants and Insurance. The actual commercial income in 2022 of £606k was an increase of £381k over 2021. Overall income in 2022 of £626,167 was back to our pre-Covid performance levels and continuing into 2023.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Moving into 2023 we have a positive outlook with a strong demand across all Hostels and an increase in overseas group bookings, although clear focus on managing our operating costs is essential.

Sam Harding - CEO

Major Risks

The council of management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.

Volunteer Initiatives

Due to number of factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel.

Fundraising

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants and this continues to be the case.

Directors' responsibilities statement

The directors, who are also directors for the purposes of company law, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The directors' annual report was approved on and signed on behalf of the board of trustees by:

Mrs J Hill
Director

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited

Year ended 31 December 2023

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity 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 directors' 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 charity'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 directors with respect to going concern are described in the relevant sections of this report.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2023

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the directors 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 directors 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 charity'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 directors either intend to liquidate the charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit process we obtained an understanding of the legal and regulatory framework applicable to the entity, being FR102, Companies Act 2006 the UK taxation regime and compliance with regulations in relation to the Coronavirus Jobs Retention Scheme and the Coronavirus Business Interruption Scheme. In addition, we assessed the risks of material fraud through enquiries with management and those charged with corporate governance and analytical procedures were used to assess any unusual or or unexpected relationships. As with all organisation of this size, there remains an inherent difficulty in the detection of irregularities.

A further description of our responsibilities for the audit of financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2023

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ms Elaine Mullholland (Senior Statutory Auditor)

For and on behalf of
Johnston Graham Limited
Chartered accountants & statutory auditor

216/218 Holywood Road
Belfast
BT4 1PD

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Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	—	—	—	39,489
Other trading activities	6	771,054	—	771,054	606,444
Total income		<u>771,054</u>	<u>—</u>	<u>771,054</u>	<u>645,933</u>
Expenditure					
Expenditure on charitable activities	7,8	820,171	—	820,171	738,088
Total expenditure		<u>820,171</u>	<u>—</u>	<u>820,171</u>	<u>738,088</u>
Net expenditure and net movement in funds		<u>(49,117)</u>	<u>—</u>	<u>(49,117)</u>	<u>(92,155)</u>
Reconciliation of funds					
Total funds brought forward		1,734,846	370,964	2,105,810	2,197,965
Total funds carried forward		<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>	<u>2,105,810</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	13	2,048,497	2,071,042
Current assets			
Stocks	14	6,064	6,698
Debtors	15	28,351	39,855
Cash at bank and in hand		189,164	239,600
		<u>223,579</u>	<u>286,153</u>
Creditors: amounts falling due within one year	16	<u>151,488</u>	<u>147,201</u>
Net current assets		72,091	138,952
Total assets less current liabilities		2,120,588	2,209,994
Creditors: amounts falling due after more than one year	17	<u>63,895</u>	<u>104,184</u>
Net assets		<u>2,056,693</u>	<u>2,105,810</u>
Funds of the charity			
Restricted funds		370,964	370,964
Unrestricted funds		1,685,729	1,734,846
Total charity funds	19	<u>2,056,693</u>	<u>2,105,810</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mrs J Hill
Director

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net expenditure	(49,117)	(92,155)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	42,477	42,778
Interest payable and similar charges	26,427	17,785
Accrued expenses	4	—
<i>Changes in:</i>		
Stocks	634	42
Trade and other debtors	11,504	(23,295)
Trade and other creditors	4,282	(8,856)
Cash generated from operations	36,211	(63,701)
Interest paid	(26,427)	(17,785)
Net cash from/(used in) operating activities	<u>9,784</u>	<u>(81,486)</u>
Cash flows from investing activities		
Purchase of tangible assets	(19,932)	(1,359)
Net cash used in investing activities	<u>(19,932)</u>	<u>(1,359)</u>
Cash flows from financing activities		
Proceeds from borrowings	(40,288)	(37,158)
Net cash used in financing activities	<u>(40,288)</u>	<u>(37,158)</u>
Net decrease in cash and cash equivalents	(50,436)	(120,003)
Cash and cash equivalents at beginning of year	239,600	359,603
Cash and cash equivalents at end of year	<u>189,164</u>	<u>239,600</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 22 Donegall Road, Belfast, BT12 5JN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. While the company showed a deficit for the 2022 year, the trustees are confident that the longer term projections are positive and that on this basis together with the existing strong reserve base are confident that it is appropriate to continue to use the going concern basis of preparation for the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Buildings	-	2% reducing balance
Office Equipment	-	20% straight line
Hostel Equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Notes to the Financial Statements *(continued)*

3. Accounting policies (continued)

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Insurance Income	—	—	—
Deferred income	—	—	—
	<u> </u>	<u> </u>	<u> </u>
	—	—	—
	<u> </u>	<u> </u>	<u> </u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Insurance Income	19,722	—	19,722
Deferred income	—	19,767	19,767
	<u> </u>	<u> </u>	<u> </u>
	19,722	19,767	39,489

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Members subscriptions	165	165	342	342
Accommodation fees	753,269	753,269	590,552	590,552
Rent received - Office	6,250	6,250	6,250	6,250
Rent received - Kitchen	6,500	6,500	6,501	6,501
Shop profit	10	10	109	109
Sundry income	4,860	4,860	2,690	2,690
	<u>771,054</u>	<u>771,054</u>	<u>606,444</u>	<u>606,444</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fundraising trading	649,683	–	649,683
Support costs	170,488	–	170,488
	<u>820,171</u>	<u>–</u>	<u>820,171</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising trading	547,379	–	547,379
Support costs	170,942	19,767	190,709
	<u>718,321</u>	<u>19,767</u>	<u>738,088</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023 £	Total fund 2022 £
	£	£	£	£
Fundraising trading	649,683	–	649,683	547,379
Governance costs	–	170,488	170,488	190,709
	<u>649,683</u>	<u>170,488</u>	<u>820,171</u>	<u>738,088</u>

9. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>42,477</u>	<u>42,778</u>

10. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>3,950</u>	<u>3,335</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	391,680	348,746
Employer contributions to pension plans	9,698	9,777
	<u>401,378</u>	<u>358,523</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

11. Staff costs *(continued)*

The average head count of employees during the year was 19 (2022: 19). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	<u>19</u>	<u>19</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

The Council of Management received no remuneration in the year (2019 - Nil).

12. Trustee remuneration and expenses

No trustees' have received any remuneration during the year.

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2023	3,268,969	66,749	508,828	3,844,546
Additions	15,200	2,179	2,553	19,932
At 31 December 2023	<u>3,284,169</u>	<u>68,928</u>	<u>511,381</u>	<u>3,864,478</u>
Depreciation				
At 1 January 2023	1,199,286	65,390	508,828	1,773,504
Charge for the year	42,205	272	—	42,477
At 31 December 2023	<u>1,241,491</u>	<u>65,662</u>	<u>508,828</u>	<u>1,815,981</u>
Carrying amount				
At 31 December 2023	<u>2,042,678</u>	<u>3,266</u>	<u>2,553</u>	<u>2,048,497</u>
At 31 December 2022	<u>2,069,683</u>	<u>1,359</u>	<u>—</u>	<u>2,071,042</u>

14. Stocks

	2023	2022
	£	£
Raw materials and consumables	<u>6,064</u>	<u>6,698</u>

15. Debtors

	2023	2022
	£	£
Other debtors	<u>28,351</u>	<u>39,855</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	43,633	43,632
Trade creditors	33,409	25,501
Other creditors	74,446	78,068
	<u>151,488</u>	<u>147,201</u>

The bank overdraft and loan is secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

17. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	<u>63,895</u>	<u>104,184</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,698 (2022: £9,777).

19. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Unrestricted Fund	<u>1,734,846</u>	<u>771,054</u>	<u>(820,171)</u>	<u>1,685,729</u>

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Unrestricted Fund	<u>1,827,001</u>	<u>626,166</u>	<u>(718,321)</u>	<u>1,734,846</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

19. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Restricted Fund	<u>370,964</u>	<u>—</u>	<u>—</u>	<u>370,964</u>

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Restricted Fund	<u>370,964</u>	<u>19,767</u>	<u>(19,767)</u>	<u>370,964</u>

Grants have been paid to the Association during the year by Provident's Community Partners and other donations to assist the operation of the Value Project.

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,677,533	370,964	2,048,497
Current assets	223,579	—	223,579
Creditors less than 1 year	(151,488)	—	(151,488)
Creditors greater than 1 year	(63,895)	—	(63,895)
Net assets	<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,700,077	370,964	2,071,041
Current assets	286,153	—	286,153
Creditors less than 1 year	(147,200)	—	(147,200)
Creditors greater than 1 year	(104,184)	—	(104,184)
Net assets	<u>1,734,846</u>	<u>370,964</u>	<u>2,105,810</u>

21. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	At 31 Dec 2023 £
Cash at bank and in hand	239,600	(50,436)	189,164
Debt due within one year	(43,632)	(1)	(43,633)
Debt due after one year	(104,184)	40,289	(63,895)
	<u>91,784</u>	<u>(10,148)</u>	<u>81,636</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

22. Contingencies

A grant of £200,000 from Ulster Garden Villages Limited will only be repayable if the premises cease to be used as a Youth Hostel.

Youth Hostel Association of Northern Ireland Limited

Northern Ireland - Charity number 103612

Annual report

ANNUAL REPORT 2023
HOSTELLING INTERNATIONAL NORTHERN IRELAND

YOUTH HOSTEL ASSOCIATION OF NORTHERN IRELAND

22-32 Donegall Road, Belfast BT12 5JN, Northern Ireland.

Charity No: 103612

The current Officers and Executive Council members are listed below:

President: Paddy McAteer (Deceased May 2023) – Current position vacant

Vice Presidents: Miss K. Howard and Mr D. MacAfee

Chairperson of Executive Council: J.Hill

Vice Chairperson of Executive Council: V.K. Douglas

Honorary Secretary: M.J. Howse

Honorary Treasurer: D O'Lynn

Chief Executive Officer: S. Harding / P.Glennon

Members of Council: A. Boal, B. Gray. S. Potter, A. Cahill.

Bankers: Danske Bank Ltd

Solicitors: Cleaver Fulton Rankin

Auditors: Johnston Graham - RBCA Limited

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Youth Hostel Association of Northern Ireland Ltd. (Hostelling International Northern Ireland) will be held at: **Hostelling International Belfast Hostel. 22-32 Donegall Road, Belfast BT12 5JN on Wednesday 18th September 2024 at 6.00pm**

AGENDA FOR AGM ON 18th SEPTEMBER 2024

1. Minutes of the 2023 General Meeting
2. Introduction of Annual Report
3. Accounts and Auditor's Report for the 12 months ended 31st December 2023
4. Members' Question Time
5. Election of Officers and Council:

(a) Officers

President:	Vacant
Vice President:	Miss. K. Howard
Vice President:	Mr. D. MacAfee

(b) Ordinary Members of Council

The following current members offer themselves for election:

Chairperson: Vacant
 Vice chairperson: Anne Cahill
 Honorary Secretary: Andy Boal
 Honorary Treasurer: Bernie Gray
 Katharine Creagh
 Tony McDonagh
 Conchuir Mac Siacáis

6. Election of Auditors

It is proposed to re-appoint Johnston Graham - RBCA Limited

CHAIRPERSON'S STATEMENT INCLUDING ACTIVITIES OVER PREVIOUS 12 MONTHS AND FUTURE PLANS.

2023 was another year of both stability and transition for HINI. We said goodbye to Sam Harding in October and welcomed our new CEO, Phil Glennon in November. Phil has hit the ground running, having to deal with the resignation of the North Coast Area Manager and the death of our longstanding Bushmills Hostel Manager, Denis Cameron, all within his first few weeks in the role. The Council thank him for his dedication to the organisation and offer him our full support in implementing our strategic plans as we move forward.

Our continuing engagement and relationships within Hostelling International have been beneficial, through regular dialogue with other associations, sharing best practice, guidelines and learnings. We hope to build and strengthen these bonds during 2024.

We are excited about the recruitment of Business Development Manager Conor Doran early in 2024 to help forge new partnerships with other organisations and grow our social media presence. Our CEO will also be concentrating on modernising our business infrastructure to make processes more streamlined and develop a business model fit for the future.

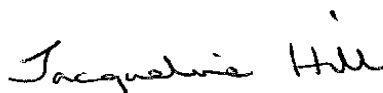
HINI continued to have some financial challenges in 2023, resulting in an operating deficit of £49,117 for the year. The Executive Council is encouraged however that this deficit is almost 50% less than 2022 and we remain optimistic about returning to surplus within the next two years.

I would like to give my sincere thanks to the HINI Council for their hard work and attendance during 2023. This commitment required a significant call on their time for which we are all most grateful. I would also like to thank all HINI staff for their loyalty to the organisation and particularly to our CEO Phil Glennon, who was instrumental in steering the organisation through a challenging period at the end of the year.

Lastly, I would just like to note the retirement from Council of Victor Douglas. Victor dedicated 50 years of service to the organisation, who demonstrated unwavering commitment and dedication, and his work ethos was testament to the development of the organisation, navigating challenging circumstances and ensuring opportunities for organisational growth and capacity over the years, often supported by his wife Dora at his side.

I would also like to acknowledge the passing of President Paddy McAteer in May 2023, who like Victor, was a cornerstone for the development of Hostelling opportunities across the region and further afield.

We will greatly miss their support and enthusiasm for the hostel movement.



Jacqueline Hill
Chairperson

CHIEF EXECUTIVE OFFICER'S STATEMENT / PERFORMANCE

2023 witnessed a year of change for Hostelling International Northern Ireland at strategic level. Sam Harding parted ways as CEO, as did Andre Van Dijk as North Coast Regional Manager. November 2023 would see the introduction of Phil Glennon as CEO for Hostelling International NI. That Christmas period would also see the sudden passing of Denis Cameron, who spent many years as Manager for the Bushmills Hostel and it would also see the retirement of Victor Douglas from the Executive Council, who dedicated 50 years of service to the organisation. It is also with deep regret that the organisation would see the passing of past President, Paddy McAteer in May 2023. Paddy was an integral part along with Victor in the development of Hostelling International NI. It would also see the closure of the Bushmills Hostel at the end of 2023 for several months, to carry out immediate repairs and improvements throughout the hostel, scheduled to open again in February 2024.

Thankfully the organisation is no longer feeling the impacts of the Covid-19 Pandemic and 2023 witnessed a more unrestricted return to accommodation for our customers including our international visitors. It should be noted that the hospitality and tourism industry is still very much in a recovery process as is the economy. 2023 was a more positive year than 2022 operationally, however I feel there is significant improvement needed across the organisation in several ways. The development of a long-term organisational strategy will be central to the modernisation of information management systems and processes, as well as the development of new Hostel accommodation across the region, which are some of my main priorities that I have highlighted to the Executive Council, promoting change, growth and development.

As well as this, I will be focusing on the charity work of the organisation whilst making significant changes to the fundraising strategies including the identification and application for potential funding opportunities, whilst encouraging partnership work across the organisation. As we continue to see a growth in operating and energy costs, we will also see an increase in salary costs for our staff members where a new pricing strategy will be developed in 2024. HINI continued to have some financial challenges in 2023, resulting in an operating deficit of £49,117 is almost 50% less than that figure in 2022 with an overall income including accommodation fees of £771,054 and the total number of overnight accommodations across the organisation was 47,483 in comparison to 40,362 overnight accommodations in 2022.

I am very much looking forward to getting to know our staff members across our organisation in the future. I am also very much looking forward to working together with our global partner Member Associations across Hostelling International and Hostelling International as an organisation. I look forward to engaging with our stakeholders, members of HINI Executive Council, office bearing Council members and all our customers.



Phil Glennon

Chief Executive Officer

OBJECTS AND ACTIVITIES

The objects are as stated in the Memorandum and Articles of Association. These are to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside.

In the interest of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

ORGANISATIONAL & DECISION MAKING STRUCTURES

Decisions on policy and strategy are made by the Executive Council consisting of up to fifteen Ordinary Members of the Company, plus the Chairperson, Vice Chairperson, Honorary Secretary and Honorary Treasurer. The CEO and others attend as required.

The Headquarters Staff of the CEO (responsible to the Executive Council) and the Office Manager undertake the day-to-day management of the company.

RELATIONSHIPS WITH OTHER ASSOCIATIONS & CHARITIES

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast.

The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An Óige, SYHA and YHA (England & Wales) at the British and Irish Conference to discuss matters of common concern and share information.

The Association is also a member of Hostelling International (HI), a not-for-profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 2,650 unique hostels with 60 Member Associations in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences.

PUBLIC BENEFIT STATEMENT

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2023 by responsibly encouraging the public to explore safely.

The charity's second objective is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from Hostelling International NI purposes.

MAJOR RISKS

The Council of Management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The Council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.

VOLUNTEER INITIATIVES

Due to several factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel and the impacts of the Covid-19 Pandemic.

FUNDRAISING

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants. This continues to be the case.

COUNCIL OF MANAGEMENT / DIRECTORS' RESPONSIBILITIES

The directors, who are also directors for the purposes of company law, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity directors to prepare financial statements for each year which give a true and fair view of the performance of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- They have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The directors' annual report was approved on 31st July 2024 and signed on behalf of the board of trustees by:

J Hill
Chairperson

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE YOUTH HOSTEL ASSOCIATION OF NORTHERN IRELAND LTD

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as of 31st December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- 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 charity 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 directors' 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 charity'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 directors 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 annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during 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 charity and its environment obtained during the audit, we have not identified material misstatements in the directors' report.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the directors 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 directors 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 charity'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 directors either intend to liquidate the charity 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 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 because 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 extent to which our procedures can detect irregularities, including fraud is detailed below:

As part of the audit process, we obtained an understanding of the legal and regulatory framework applicable to the entity, being FR102, Companies Act 2006 the UK taxation regime and compliance with regulations in relation to the Coronavirus Jobs Retention Scheme and the Coronavirus Business Interruption Scheme. In addition, we assessed the risks of material fraud through enquiries with management and those charged with corporate governance and analytical procedures were used to assess any unusual or unexpected relationships. As with all organisations of this size, there remains an inherent difficulty in the detection of irregularities.

A further description of our responsibilities for the audit of financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ms Elaine Mullholland (Senior Statutory

Auditor) For and on behalf of

Johnston Graham Limited

Chartered accountant & statutory auditor

216/218 Holywood

Road Belfast

BT4 1PD.

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT) to 31ST DECEMBER 2023

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	—	—	—	39,489
Other trading activities	6	771,054	—	771,054	606,444
Total income		<u>771,054</u>	<u>—</u>	<u>771,054</u>	<u>645,933</u>
Expenditure					
Expenditure on charitable activities	7,8	820,171	—	820,171	738,088
Total expenditure		<u>820,171</u>	<u>—</u>	<u>820,171</u>	<u>738,088</u>
Net expenditure and net movement in funds		<u>(49,117)</u>	<u>—</u>	<u>(49,117)</u>	<u>(92,155)</u>
Reconciliation of funds					
Total funds brought forward		1,734,846	370,964	2,105,810	2,197,965
Total funds carried forward		<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>	<u>2,105,810</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION 31ST DECEMBER 2023

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	13	2,048,497	2,071,042
Current assets			
Stocks	14	6,064	6,698
Debtors	15	28,351	39,855
Cash at bank and in hand		189,164	239,600
		<u>223,579</u>	<u>286,153</u>
Creditors: amounts falling due within one year	16	<u>151,488</u>	<u>147,201</u>
Net current assets		<u>72,091</u>	<u>138,952</u>
Total assets less current liabilities		<u>2,120,588</u>	<u>2,209,994</u>
Creditors: amounts falling due after more than one year	17	<u>63,895</u>	<u>104,184</u>
Net assets		<u>2,056,693</u>	<u>2,105,810</u>
Funds of the charity			
Restricted funds		370,964	370,964
Unrestricted funds		1,685,729	1,734,846
Total charity funds	19	<u>2,056,693</u>	<u>2,105,810</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 31st July 2024, and are signed on behalf of the board by:

Mrs. J Hill
Director

The notes on pages 14 to 22 form part of these financial statements.

STATEMENT OF CASH FLOWS 31ST DECEMBER 2023

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net expenditure	(49,117)	(92,155)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	42,477	42,778
Interest payable and similar charges	26,427	17,785
Accrued expenses	4	—
<i>Changes in:</i>		
Stocks	634	42
Trade and other debtors	11,504	(23,295)
Trade and other creditors	4,282	(8,856)
Cash generated from operations	36,211	(63,701)
Interest paid	(26,427)	(17,785)
Net cash from / (used in) operating activities	<u>9,784</u>	<u>(81,486)</u>
Cash flows from investing activities		
Purchase of tangible assets	(19,932)	(1,359)
Net cash used in investing activities	<u>(19,932)</u>	<u>(1,359)</u>
Cash flows from financing activities		
Proceeds from borrowings	(40,288)	(37,158)
Net cash used in financing activities	<u>(40,288)</u>	<u>(37,158)</u>
Net decrease in cash and cash equivalents	(50,436)	(120,003)
Cash and cash equivalents at beginning of year	239,600	359,603
Cash and cash equivalents at end of year	<u>189,164</u>	<u>239,600</u>

The notes on pages 14 to 22 form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31ST DEC 2023

1. General information

The charity is a public benefit entity, and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 22 Donegall Road, Belfast, BT12 5JN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. While the company showed a deficit for the 2023 year, the trustees are confident that the longer-term projections are positive and that on this basis together with the existing strong reserve base are confident that it is appropriate to continue to use the going concern basis of preparation for the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31ST DEC 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.
- legacy income is recognised when receipt is probable, and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31ST DEC 2023

Accounting policies (continued)

Depreciation

Depreciation is calculated to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Buildings	-	2% reducing balance
Office Equipment	-	20% straight line
Hostel Equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31ST DEC 2023

3. Accounting policies (continued)

Defined contribution plans (continued)

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Insurance Income	-	-	-
Deferred income	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Insurance Income	19,222	-	19,722
Deferred income	-	19,767	19,767
	<u>19,222</u>	<u>19,767</u>	<u>39,489</u>
	<u>19,222</u>	<u>19,767</u>	<u>39,489</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Members subscriptions	165	165	342	342
Accommodation fees	753,269	753,269	590,552	590,552
Rent received - Office	6,250	6,250	6,250	6,250
Rent received - Kitchen	6,500	6,500	6,501	6,501
Shop profit	10	10	109	109
Sundry income	4,860	4,860	2,690	2,690
	<u>771,054</u>	<u>771,054</u>	<u>606,444</u>	<u>606,444</u>
	<u>771,054</u>	<u>771,054</u>	<u>606,444</u>	<u>606,444</u>

NOTES TO FINANCIAL STATEMENTS CONTINUED

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Fundraising trading	649,683	–	649,683
Support costs	170,488	–	170,488
	<u>820,171</u>	<u>–</u>	<u>820,171</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Fundraising trading	547,379	–	547,379
Support costs	170,942	19,767	190,709
	<u>718,321</u>	<u>19,767</u>	<u>738,088</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Fundraising trading	649,683	–	649,683	547,379
Governance costs	–	170,488	170,488	190,709
	<u>649,683</u>	<u>170,488</u>	<u>820,171</u>	<u>738,088</u>

9. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>42,477</u>	<u>42,778</u>

10. Auditors' remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>3,950</u>	<u>3,335</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	391,680	348,746
Employer contributions to pension plans	9,698	9,777
	<u>401,378</u>	<u>358,523</u>

NOTES TO FINANCIAL STATEMENTS CONTINUED

Year ended 31 December 2023

11. Staff costs (continued)

The average head count of employees during the year was 17 (2022: 19). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of staff	<u>17</u>	<u>19</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

The Council of Management received no remuneration in the year (2022 - Nil).

12. Trustee remuneration and expenses

No trustees have received any remuneration during the year.

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2023	3,268,969	66,749	508,828	3,844,546
Additions	15,200	2,179	2,553	19,932
At 31 December 2023	<u>3,284,169</u>	<u>68,928</u>	<u>511,381</u>	<u>3,864,478</u>
Depreciation				
At 1 January 2023	1,199,286	65,390	508,828	1,773,504
Charge for the year	42,205	272	—	42,477
At 31 December 2023	<u>1,241,491</u>	<u>65,662</u>	<u>508,828</u>	<u>1,815,981</u>
Carrying amount				
At 31 December 2023	<u>2,042,678</u>	<u>3,266</u>	<u>2,553</u>	<u>2,048,497</u>
At 31 December 2022	<u>2,069,683</u>	<u>1,359</u>	<u>—</u>	<u>2,071,042</u>

14. Stocks

	2023 £	2022 £
Raw materials and consumables	<u>6,064</u>	<u>6,698</u>

15. Debtors

	2023 £	2022 £
Other debtors	<u>28,351</u>	<u>39,855</u>

NOTES TO FINANCIAL STATEMENTS CONTINUED

Year ended 31 December 2023

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	43,633	43,632
Trade creditors	33,409	25,501
Other creditors	74,446	78,068
	<u>151,488</u>	<u>147,201</u>

The bank overdraft and loan are secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

17. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	<u>63,895</u>	<u>104,184</u>

18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,698 (2022: £9,777).

19. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Unrestricted Fund	<u>1,734,846</u>	<u>771,054</u>	<u>(820,171)</u>	<u>1,685,729</u>
	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Unrestricted Fund	<u>1,827,001</u>	<u>626,166</u>	<u>(718,321)</u>	<u>1,734,846</u>

NOTES TO FINANCIAL STATEMENTS CONTINUED

19. Analysis of charitable funds (continued)

Restricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Restricted Fund	370,964	—	—	370,964

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Restricted Fund	370,964	19,767	(19,767)	370,964

Grants have been paid to the Association during the year by Provident's Community Partners and other donations to assist the operation of the Value Project.

20. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	1,677,533	370,964	2,048,497
Current assets	223,579	—	223,579
Creditors less than 1 year	(151,488)	—	(151,488)
Creditors greater than 1 year	(63,895)	—	(63,895)
Net assets	1,685,729	370,964	2,056,693

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	1,700,077	370,964	2,071,041
Current assets	286,153	—	286,153
Creditors less than 1 year	(147,200)	—	(147,200)
Creditors greater than 1 year	(104,184)	—	(104,184)
Net assets	1,734,846	370,964	2,105,810

21. Analysis of changes in net debt

	At 1 Jan 2023	Cash flows	At 31 Dec 2023
	£	£	£
Cash at bank and in hand	239,600	(50,436)	189,164
Debt due within one year	(43,632)	(1)	(43,633)
Debt due after one year	(104,184)	40,289	(63,895)
	<u>91,784</u>	<u>(10,148)</u>	<u>81,636</u>

22. Contingencies

A grant of £200,000 from Ulster Garden Villages Limited will only be repayable if the premises cease to be used as a Youth Hostel.

Hostelling International NI Breakdown Overnight Accommodation	Year 2023	Percentage of Accommodation
Breakdown by Age		
Senior Customers	37,920	79.9%
Junior Customers	9,563	20.1%
Total Overnight Accommodation	47,483	100%
Breakdown by Nationality		
N. Ireland	5483	11.5%
Rep of Ireland	4711	9.9%
England & Wales	12410	26.1%
Scotland	1011	2.1%
Afghanistan	7	0.0%
Albania	8	0.0%
Algeria	21	0.0%
Angola	0	0.0%
Argentina	110	0.2%
Australia	1830	3.9%
Austria	208	0.4%
Bahrain	0	0.0%
Bangladesh	16	0.0%
Basque	2	0.0%
Belgium	138	0.3%
Bolivia	13	0.0%
Bosnia HE	0	0.0%
Brazil	336	0.7%
Bulgaria	11	0.0%
Canada	1083	2.3%
Chile	91	0.2%
China	177	0.4%
Columbia	107	0.2%
Croatia	37	0.1%
Cyprus	0	0.0%
Czech Republic	163	0.3%
Denmark	705	1.5%
DR Congo	0	0.0%
Dominican	4	0.0%
Egypt	10	0.0%
Estonia	19	0.0%
Finland	94	0.2%

Fiji	0	0.0%
France	3512	7.4%
Germany	2822	5.9%
Greece	66	0.1%
Hong Kong	47	0.1%
Hungary	126	0.3%
Iceland	2	0.0%
India	808	1.7%
Indonesia	42	0.1%
Iran	2	0.0%
Iraq	2	0.0%
Israel	66	0.1%
Italy	1058	2.2%
Japan	78	2.2%
Jordan	78	0.2%
Kenya	0	0.0%
Kuwait	41	0.1%
Korea	31	0.1%
Lebanon	0	0.0%
Luxembourg	27	0.1%
Libya	0	0.0%
Lithuania	33	0.1%
Macedonia	8	0.0%
Malaysia	105	0.2%
Malta	4	0.0%
Mexico	95	0.2%
Morocco	26	0.1%
Nepal	0	0.0%
Netherlands	812	1.7%
New Zealand	377	0.8%
Nigeria	37	0.1%
Norway	170	0.4%
Pakistan	83	0.2%
Peru	70	0.1%
Philippines	80	0.2%
Poland	397	0.8%
Portugal	295	0.6%
Qatar	4	0.0%
Romania	55	0.1%

Russia	24	0.1%
Saudi Arabia	3	0.0%
Serbia	2	0.0%
Singapore	53	0.1%
South Africa	40	0.1%
Slovakia	38	0.1%
Slovenia	96	0.2%
Spain	2721	5.7%
Sri Lanka	39	0.1%
Sudan	14	0.0%
Sweden	193	0.4%
Switzerland	410	0.9%
Syria	22	0.0%
Taiwan	111	0.2%
Thailand	31	0.1%
Trinidad	3	0.0%
Tunisia	2	0.0%
Turkey	29	0.1%
United Arab Emirates	10	0.0%
Ukraine	80	0.2%
Uganda	4	0.0%
Uruguay	20	0.0%
USA	3263	6.9%
Zimbabwe	12	0.0%
Unknown	53	0.1%
TOTAL	47483	100%



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Belfast
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BT12 5JN

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office@hini.org.uk
www.hini.org.uk



#SAYHI2NI

Youth Hostel Association of Northern Ireland Limited

Northern Ireland - Charity number 103612

Annual return

Youth Hostel Association of Northern Ireland Limited
Company Limited by Guarantee
Financial Statements
31 December 2023

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

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Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2023

The directors, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name Youth Hostel Association of Northern Ireland Limited

Charity registration number NIC103612

Company registration number NI001147

Principal office and registered office 22 Donegall Road
Belfast
BT12 5JN

The directors

V K Douglas
M J Howse
Ms B Gray
Mrs J Hill
D O'Lynn
A Boal
A Cahill
S Potter

Auditor Johnston Graham Limited
Chartered accountants & statutory auditor
216/218 Holywood Road
Belfast
BT4 1PD

Bankers Danske Bank
University Road
Belfast
BT7 1ND

Solicitors Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Structure, governance and management

Organisational and Decision Making Structure

Decisions on policy and strategy are made by the Executive Council consisting of seven ordinary members of the company, plus the Honorary Secretary and Honorary Treasurer. The CEO and others attend as required.

The Headquarters Staff of CEO (responsible to the EC) and The Office Manager undertake the day to day management of the company.

Relationships with other Associations and Charities

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast. The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An O'ige, SYHA and YHA (England & Wales) annually at the British and Irish Conference to discuss matters of common concern and share information. The Association is also a member of Hosteling International (HI), a not for profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 4,000 unique hostels in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Objectives and activities

The objects are as stated in the Memorandum of Articles of Association. These are to advance the education of the public, particularly but not exclusively, young people, in the protection and conservation of the countryside.

In the interests of social welfare, to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

Public Benefit Statement

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation in particular in order to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2022 in responsibly encouraging the general public to explore safely.

The charity's second object is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the general public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from YHANI's purposes.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Achievements and performance

Activities over the past year and plans for the future

2022, for many reasons was one of stability and transition for YHANI. The year started with us being in partial lockdown meaning all hostels were under enforced closure. This made planning very difficult. Fortunately, our loyal team were fully prepared to reopen and offer our guests the same continued level of experience that we have always been renowned for.

Our continued engagement and relationships within Hostelling International have been beneficial through regular dialogue with other associations, sharing best practice, guidelines and learnings as we navigate the challenges of COVID-19, Brexit, the war in Ukraine and the cost-of-living crisis. All major challenges to how we operate in the short and long term.

Our financial performance in 2022 has resulted in a deficit, mainly due to increases in utilities and salary costs, however our cash reserves remain strong. We anticipate reducing this deficit significantly in 2023 with a forecast return to surplus in 2024.

Lastly, can I give my sincere thanks to the YHANI Council for their hard work and attendance during 2022. This commitment required a significant call on their time for which we are all most grateful. I would also like to thank all YHANI staff for their loyalty to the organisation through a challenging year and particularly to our CEO Sam Harding, who was instrumental in steering the organisation through the year.

We remain very positive about the future of all our hostels as people start to travel widely again.

Lastly, I would just like to note the passing of our President Paddy McAteer in May 2023. Paddy was involved with HINI for many years, and we will greatly miss his support and enthusiasm for the hostel movement.

Jacqueline Hill
Chair

Performance

The accounts for 2022 showed a deficit of £92,153, from close to being a full year of trading.

2022 was a positive year operationally as we were able to resume our full operation for the first time since the end of COVID Pandemic. That said, the year began with January in partial lockdown due to the Omicron variant of Covid and until approximately May of 2022 there still a very low rate of International Arrivals into N.Ireland airports. This meant that we continued will a lower rate of International Groups and Overseas tourists who bring us larger groups, longer overnight stays and higher rates.

Despite, returning to a full operation, we did so without the previous financial support packages offsetting to difference in regular trade and with a significant increase in operating costs. Our 2 largest costs as a business being Labour and Utilities both growing exponentially with a number of back-dated minimum wage increases and the rise in energy costs.

Our overall accommodation income of £626,167 was an increase of £98k on 2021, however over £301k of that included Grants and Insurance. The actual commercial income in 2022 of £606k was an increase of £381k over 2021. Overall income in 2022 of £626,167 was back to our pre-Covid performance levels and continuing into 2023.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Moving into 2023 we have a positive outlook with a strong demand across all Hostels and an increase in overseas group bookings, although clear focus on managing our operating costs is essential.

Sam Harding - CEO

Major Risks

The council of management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.

Volunteer Initiatives

Due to number of factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel.

Fundraising

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants and this continues to be the case.

Directors' responsibilities statement

The directors, who are also directors for the purposes of company law, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The directors' annual report was approved on and signed on behalf of the board of trustees by:

Mrs J Hill
Director

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited

Year ended 31 December 2023

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity 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 directors' 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 charity'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 directors with respect to going concern are described in the relevant sections of this report.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2023

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the directors 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 directors 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 charity'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 directors either intend to liquidate the charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit process we obtained an understanding of the legal and regulatory framework applicable to the entity, being FR102, Companies Act 2006 the UK taxation regime and compliance with regulations in relation to the Coronavirus Jobs Retention Scheme and the Coronavirus Business Interruption Scheme. In addition, we assessed the risks of material fraud through enquiries with management and those charged with corporate governance and analytical procedures were used to assess any unusual or or unexpected relationships. As with all organisation of this size, there remains an inherent difficulty in the detection of irregularities.

A further description of our responsibilities for the audit of financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2023

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ms Elaine Mullholland (Senior Statutory Auditor)

For and on behalf of
Johnston Graham Limited
Chartered accountants & statutory auditor

216/218 Holywood Road
Belfast
BT4 1PD

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Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	—	—	—	39,489
Other trading activities	6	771,054	—	771,054	606,444
Total income		<u>771,054</u>	<u>—</u>	<u>771,054</u>	<u>645,933</u>
Expenditure					
Expenditure on charitable activities	7,8	820,171	—	820,171	738,088
Total expenditure		<u>820,171</u>	<u>—</u>	<u>820,171</u>	<u>738,088</u>
Net expenditure and net movement in funds		<u>(49,117)</u>	<u>—</u>	<u>(49,117)</u>	<u>(92,155)</u>
Reconciliation of funds					
Total funds brought forward		1,734,846	370,964	2,105,810	2,197,965
Total funds carried forward		<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>	<u>2,105,810</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	13	2,048,497	2,071,042
Current assets			
Stocks	14	6,064	6,698
Debtors	15	28,351	39,855
Cash at bank and in hand		189,164	239,600
		<u>223,579</u>	<u>286,153</u>
Creditors: amounts falling due within one year	16	<u>151,488</u>	<u>147,201</u>
Net current assets		72,091	138,952
Total assets less current liabilities		2,120,588	2,209,994
Creditors: amounts falling due after more than one year	17	<u>63,895</u>	<u>104,184</u>
Net assets		<u>2,056,693</u>	<u>2,105,810</u>
Funds of the charity			
Restricted funds		370,964	370,964
Unrestricted funds		1,685,729	1,734,846
Total charity funds	19	<u>2,056,693</u>	<u>2,105,810</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mrs J Hill
Director

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net expenditure	(49,117)	(92,155)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	42,477	42,778
Interest payable and similar charges	26,427	17,785
Accrued expenses	4	—
<i>Changes in:</i>		
Stocks	634	42
Trade and other debtors	11,504	(23,295)
Trade and other creditors	4,282	(8,856)
Cash generated from operations	36,211	(63,701)
Interest paid	(26,427)	(17,785)
Net cash from/(used in) operating activities	<u>9,784</u>	<u>(81,486)</u>
Cash flows from investing activities		
Purchase of tangible assets	(19,932)	(1,359)
Net cash used in investing activities	<u>(19,932)</u>	<u>(1,359)</u>
Cash flows from financing activities		
Proceeds from borrowings	(40,288)	(37,158)
Net cash used in financing activities	<u>(40,288)</u>	<u>(37,158)</u>
Net decrease in cash and cash equivalents	(50,436)	(120,003)
Cash and cash equivalents at beginning of year	239,600	359,603
Cash and cash equivalents at end of year	<u>189,164</u>	<u>239,600</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 22 Donegall Road, Belfast, BT12 5JN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. While the company showed a deficit for the 2022 year, the trustees are confident that the longer term projections are positive and that on this basis together with the existing strong reserve base are confident that it is appropriate to continue to use the going concern basis of preparation for the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Buildings	- 2% reducing balance
Office Equipment	- 20% straight line
Hostel Equipment	- 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Insurance Income	—	—	—
Deferred income	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>	<u>—</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Insurance Income	19,722	—	19,722
Deferred income	—	19,767	19,767
	<u>19,722</u>	<u>19,767</u>	<u>39,489</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Members subscriptions	165	165	342	342
Accommodation fees	753,269	753,269	590,552	590,552
Rent received - Office	6,250	6,250	6,250	6,250
Rent received - Kitchen	6,500	6,500	6,501	6,501
Shop profit	10	10	109	109
Sundry income	4,860	4,860	2,690	2,690
	<u>771,054</u>	<u>771,054</u>	<u>606,444</u>	<u>606,444</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fundraising trading	649,683	—	649,683
Support costs	170,488	—	170,488
	<u>820,171</u>	<u>—</u>	<u>820,171</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising trading	547,379	—	547,379
Support costs	170,942	19,767	190,709
	<u>718,321</u>	<u>19,767</u>	<u>738,088</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023 £	Total fund 2022 £
	£	£	£	£
Fundraising trading	649,683	—	649,683	547,379
Governance costs	—	170,488	170,488	190,709
	<u>649,683</u>	<u>170,488</u>	<u>820,171</u>	<u>738,088</u>

9. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>42,477</u>	<u>42,778</u>

10. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>3,950</u>	<u>3,335</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	391,680	348,746
Employer contributions to pension plans	9,698	9,777
	<u>401,378</u>	<u>358,523</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

11. Staff costs *(continued)*

The average head count of employees during the year was 19 (2022: 19). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	<u>19</u>	<u>19</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

The Council of Management received no remuneration in the year (2019 - Nil).

12. Trustee remuneration and expenses

No trustees' have received any remuneration during the year.

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2023	3,268,969	66,749	508,828	3,844,546
Additions	15,200	2,179	2,553	19,932
At 31 December 2023	<u>3,284,169</u>	<u>68,928</u>	<u>511,381</u>	<u>3,864,478</u>
Depreciation				
At 1 January 2023	1,199,286	65,390	508,828	1,773,504
Charge for the year	42,205	272	—	42,477
At 31 December 2023	<u>1,241,491</u>	<u>65,662</u>	<u>508,828</u>	<u>1,815,981</u>
Carrying amount				
At 31 December 2023	<u>2,042,678</u>	<u>3,266</u>	<u>2,553</u>	<u>2,048,497</u>
At 31 December 2022	<u>2,069,683</u>	<u>1,359</u>	<u>—</u>	<u>2,071,042</u>

14. Stocks

	2023	2022
	£	£
Raw materials and consumables	<u>6,064</u>	<u>6,698</u>

15. Debtors

	2023	2022
	£	£
Other debtors	<u>28,351</u>	<u>39,855</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	43,633	43,632
Trade creditors	33,409	25,501
Other creditors	74,446	78,068
	<u>151,488</u>	<u>147,201</u>

The bank overdraft and loan is secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

17. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	<u>63,895</u>	<u>104,184</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,698 (2022: £9,777).

19. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Unrestricted Fund	<u>1,734,846</u>	<u>771,054</u>	<u>(820,171)</u>	<u>1,685,729</u>

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Unrestricted Fund	<u>1,827,001</u>	<u>626,166</u>	<u>(718,321)</u>	<u>1,734,846</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

19. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
Restricted Fund	<u>370,964</u>	<u>—</u>	<u>—</u>	<u>370,964</u>

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
Restricted Fund	<u>370,964</u>	<u>19,767</u>	<u>(19,767)</u>	<u>370,964</u>

Grants have been paid to the Association during the year by Provident's Community Partners and other donations to assist the operation of the Value Project.

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,677,533	370,964	2,048,497
Current assets	223,579	—	223,579
Creditors less than 1 year	(151,488)	—	(151,488)
Creditors greater than 1 year	(63,895)	—	(63,895)
Net assets	<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,700,077	370,964	2,071,041
Current assets	286,153	—	286,153
Creditors less than 1 year	(147,200)	—	(147,200)
Creditors greater than 1 year	(104,184)	—	(104,184)
Net assets	<u>1,734,846</u>	<u>370,964</u>	<u>2,105,810</u>

21. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	At 31 Dec 2023 £
Cash at bank and in hand	239,600	(50,436)	189,164
Debt due within one year	(43,632)	(1)	(43,633)
Debt due after one year	(104,184)	40,289	(63,895)
	<u>91,784</u>	<u>(10,148)</u>	<u>81,636</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

22. Contingencies

A grant of £200,000 from Ulster Garden Villages Limited will only be repayable if the premises cease to be used as a Youth Hostel.

Youth Hostel Association of Northern Ireland Limited

Northern Ireland - Charity number 103612

Accounts

Youth Hostel Association of Northern Ireland Limited
Company Limited by Guarantee
Financial Statements
31 December 2022

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2022

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Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2022

The directors, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Registered charity name Youth Hostel Association of Northern Ireland Limited

Charity registration number NIC103612

Company registration number NI01147

Principal office and registered office 22 Donegall Road
Belfast
BT12 5JN

The directors

N P Brady	(Retired 16 September 2022)
V K Douglas	
T Greene	(Retired 16 September 2022)
M J Howse	
Ms B Gray	
Mrs J Hill	
Mr A Todd	(Retired 16 September 2022)
D O'Lynn	(Appointed 24 November 2022)
D Barnes	(Retired 10 August 2022)
A Boal	(Appointed 10 December 2022)
A Cahill	(Appointed 10 December 2022)
S Potter	(Appointed 10 December 2022)

Auditor Johnston Graham Limited
Chartered accountants & statutory auditor
216/218 Holywood Road
Belfast
BT4 1PD

Bankers Danske Bank
University Road
Belfast
BT7 1ND

Solicitors Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2022

Structure, governance and management

Organisational and Decision Making Structure

Decisions on policy and strategy are made by the Executive Council consisting of seven ordinary members of the company, plus the Honorary Secretary and Honorary Treasurer. The CEO and others attend as required.

The Headquarters Staff of CEO (responsible to the EC) and The Office Manager undertake the day to day management of the company.

Relationships with other Associations and Charities

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast.

The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An O'ige, SYHA and YHA (England & Wales) annually at the British and Irish Conference to discuss matters of common concern and share information.

The Association is also a member of Hosteling International (HI), a not for profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 4,000 unique hostels in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2022

Objectives and activities

The objects are as stated in the Memorandum of Articles of Association. These are to advance the education of the public, particularly but not exclusively, young people, in the protection and conservation of the countryside.

In the interests of social welfare, to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

Public Benefit Statement

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation in particular in order to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2022 in responsibly encouraging the general public to explore safely.

The charity's second object is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the general public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from YHANI's purposes.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2022

Achievements and performance

Activities over the past year and plans for the future

2022, for many reasons was one of stability and transition for YHANI. The year started with us being in partial lockdown meaning all hostels were under enforced closure. This made planning very difficult. Fortunately, our loyal team were fully prepared to reopen and offer our guests the same continued level of experience that we have always been renowned for.

Our continued engagement and relationships within Hostelling International have been beneficial through regular dialogue with other associations, sharing best practice, guidelines and learnings as we navigate the challenges of COVID-19, Brexit, the war in Ukraine and the cost-of-living crisis. All major challenges to how we operate in the short and long term.

Our financial performance in 2022 has resulted in a deficit, mainly due to increases in utilities and salary costs, however our cash reserves remain strong. We anticipate reducing this deficit significantly in 2023 with a forecast return to surplus in 2024.

Lastly, can I give my sincere thanks to the YHANI Council for their hard work and attendance during 2022. This commitment required a significant call on their time for which we are all most grateful. I would also like to thank all YHANI staff for their loyalty to the organisation through a challenging year and particularly to our CEO Sam Harding, who was instrumental in steering the organisation through the year.

We remain very positive about the future of all our hostels as people start to travel widely again.

Lastly, I would just like to note the passing of our President Paddy McAteer in May 2023. Paddy was involved with HINI for many years, and we will greatly miss his support and enthusiasm for the hostel movement.

Jacqueline Hill
Chair

Performance

The accounts for 2022 showed a deficit of £92,153, from close to being a full year of trading.

2022 was a positive year operationally as we were able to resume our full operation for the first time since the end of COVID Pandemic. That said, the year began with January in partial lockdown due to the Omicron variant of Covid and until approximately May of 2022 there still a very low rate of International Arrivals into N.Ireland airports. This meant that we continued will a lower rate of International Groups and Overseas tourists who bring us larger groups, longer overnight stays and higher rates.

Despite, returning to a full operation, we did so without the previous financial support packages offsetting to difference in regular trade and with a significant increase in operating costs. Our 2 largest costs as a business being Labour and Utilities both growing exponentially with a number of back-dated minimum wage increases and the rise in energy costs.

Our overall accommodation income of £626,167 was an increase of £98k on 2021, however over £301k of that included Grants and Insurance. The actual commercial income in 2022 of £606k was an increase of £381k over 2021. Overall income in 2022 of £626,167 was back to our pre-Covid performance levels and continuing into 2023.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2022

Moving into 2023 we have a positive outlook with a strong demand across all Hostels and an increase in overseas group bookings, although clear focus on managing our operating costs is essential.

Sam Harding - CEO

Major Risks

The council of management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.

Volunteer Initiatives

Due to number of factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel.

Fundraising

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants and this continues to be the case.

Directors' responsibilities statement

The directors, who are also directors for the purposes of company law, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Directors' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2022

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

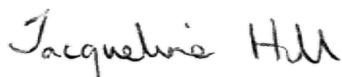
- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The directors' annual report was approved on 26 September 2023 and signed on behalf of the board of trustees by:



Mrs J Hill
Director

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited

Year ended 31 December 2022

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2022 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;
- 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 charity 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 directors' 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 charity'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 directors with respect to going concern are described in the relevant sections of this report.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2022

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the directors 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 directors 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 charity'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 directors either intend to liquidate the charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit process we obtained an understanding of the legal and regulatory framework applicable to the entity, being FR102, Companies Act 2006 the UK taxation regime and compliance with regulations in relation to the Coronavirus Jobs Retention Scheme and the Coronavirus Business Interruption Scheme. In addition, we assessed the risks of material fraud through enquiries with management and those charged with corporate governance and analytical procedures were used to assess any unusual or or unexpected relationships. As with all organisation of this size, there remains an inherent difficulty in the detection of irregularities.

A further description of our responsibilities for the audit of financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Youth Hostel Association of Northern Ireland Limited *(continued)*

Year ended 31 December 2022

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ms Elaine Mullholland (Senior Statutory Auditor)

For and on behalf of
Johnston Graham Limited
Chartered accountants & statutory auditor

216/218 Holywood Road
Belfast
BT4 1PD

26 September 2023

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	19,722	19,767	39,489	331,640
Other trading activities	6	606,444	—	606,444	225,324
Total income		<u>626,166</u>	<u>19,767</u>	<u>645,933</u>	<u>556,964</u>
Expenditure					
Expenditure on charitable activities	7,8	718,321	19,767	738,088	523,990
Total expenditure		<u>718,321</u>	<u>19,767</u>	<u>738,088</u>	<u>523,990</u>
Net (expenditure)/income and net movement in funds		<u>(92,155)</u>	<u>—</u>	<u>(92,155)</u>	<u>32,974</u>
Reconciliation of funds					
Total funds brought forward		1,827,001	370,964	2,197,965	2,164,991
Total funds carried forward		<u>1,734,846</u>	<u>370,964</u>	<u>2,105,810</u>	<u>2,197,965</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

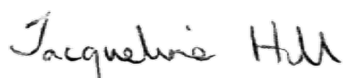
Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	13	2,071,042	2,112,461
Current assets			
Stocks	14	6,698	6,740
Debtors	15	39,855	16,560
Cash at bank and in hand		239,600	359,603
		286,153	382,903
Creditors: amounts falling due within one year	16	147,201	156,058
Net current assets		138,952	226,845
Total assets less current liabilities		2,209,994	2,339,306
Creditors: amounts falling due after more than one year	17	104,184	141,341
Net assets		2,105,810	2,197,965
Funds of the charity			
Restricted funds		370,964	370,964
Unrestricted funds		1,734,846	1,827,001
Total charity funds	20	2,105,810	2,197,965

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 26 September 2023, and are signed on behalf of the board by:



Mrs J Hill
Director

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Net (expenditure)/income	(92,155)	32,974
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	42,778	46,554
Government grant income	—	(231,640)
Interest payable and similar charges	17,785	5,513
<i>Changes in:</i>		
Stocks	42	(591)
Trade and other debtors	(23,295)	215,168
Trade and other creditors	(8,856)	(17,838)
Cash generated from operations	(63,701)	50,140
Interest paid	(17,785)	(5,513)
Net cash (used in)/from operating activities	<u>(81,486)</u>	<u>44,627</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,359)	—
Net cash used in investing activities	<u>(1,359)</u>	<u>—</u>
Cash flows from financing activities		
Proceeds from borrowings	(37,158)	(41,159)
Government grant income	—	231,640
Net cash (used in)/from financing activities	<u>(37,158)</u>	<u>190,481</u>
Net (decrease)/increase in cash and cash equivalents	(120,003)	235,108
Cash and cash equivalents at beginning of year	359,603	124,494
Cash and cash equivalents at end of year	<u>239,600</u>	<u>359,602</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 22 Donegall Road, Belfast, BT12 5JN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. While the company showed a deficit for the 2022 year, the trustees are confident that the longer term projections are positive and that on this basis together with the existing strong reserve base are confident that it is appropriate to continue to use the going concern basis of preparation for the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Buildings	- 2% reducing balance
Office Equipment	- 20% straight line
Hostel Equipment	- 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Insurance Income	19,722	—	19,722
Deferred income	—	19,767	19,767
Grants			
Government grant income	—	—	—
	<u>19,722</u>	<u>19,767</u>	<u>39,489</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Insurance Income	100,000	—	100,000
Deferred income	—	—	—

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Government grant income	143,797	87,843	231,640
	<u>243,797</u>	<u>87,843</u>	<u>331,640</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Members subscriptions	342	342	230	230
Accommodation fees	590,552	590,552	216,712	216,712
Rent received - Office	6,250	6,250	3,125	3,125
Rent received - Kitchen	6,501	6,501	3,712	3,712
Shop profit	109	109	(41)	(41)
Sundry income	2,690	2,690	1,278	1,278
Affiliation fees	—	—	308	308
	<u>606,444</u>	<u>606,444</u>	<u>225,324</u>	<u>225,324</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising trading	547,379	—	547,379
Support costs	170,942	19,767	190,709
	<u>718,321</u>	<u>19,767</u>	<u>738,088</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fundraising trading	297,012	87,843	384,855
Support costs	139,135	—	139,135
	<u>436,147</u>	<u>87,843</u>	<u>523,990</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2022 £	Total fund 2021 £
Fundraising trading	547,379	—	547,379	384,855
Governance costs	—	190,709	190,709	139,135
	<u>547,379</u>	<u>190,709</u>	<u>738,088</u>	<u>523,990</u>

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

9. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>42,778</u>	<u>46,554</u>

10. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>3,335</u>	<u>3,300</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	348,746	293,062
Employer contributions to pension plans	<u>9,777</u>	<u>6,803</u>
	<u>358,523</u>	<u>299,865</u>

The average head count of employees during the year was 19 (2021: 18). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	<u>19</u>	<u>18</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

The Council of Management received no remuneration in the year (2019 - Nil).

12. Trustee remuneration and expenses

No trustees' have received any remuneration during the year.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2022	3,268,969	65,390	508,828	3,843,187
Additions	–	1,359	–	1,359
At 31 December 2022	3,268,969	66,749	508,828	3,844,546
Depreciation				
At 1 January 2022	1,156,508	65,390	508,828	1,730,726
Charge for the year	42,778	–	–	42,778
At 31 December 2022	1,199,286	65,390	508,828	1,773,504
Carrying amount				
At 31 December 2022	2,069,683	1,359	–	2,071,042
At 31 December 2021	2,112,461	–	–	2,112,461

14. Stocks

	2022 £	2021 £
Raw materials and consumables	6,698	6,740

15. Debtors

	2022 £	2021 £
Other debtors	39,855	16,560

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	43,632	43,633
Trade creditors	25,501	16,456
Other creditors	78,068	95,969
	147,201	156,058

The bank overdraft and loan is secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

17. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	104,184	141,341

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,777 (2021: £6,803).

19. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022 £	2021 £
Recognised in income from donations and legacies:		
Government grants income	—	231,640

20. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Unrestricted Fund	1,827,001	626,166	(718,321)	1,734,846

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Unrestricted Fund	1,794,027	469,121	(436,147)	1,827,001

Restricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Restricted Fund	370,964	19,767	(19,767)	370,964

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Restricted Fund	370,964	87,843	(87,843)	370,964

Grants have been paid to the Association during the year by Provident's Community Partners and other donations to assist the operation of the Value Project.

Youth Hostel Association of Northern Ireland Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,700,077	370,964	2,071,041
Current assets	286,153	–	286,153
Creditors less than 1 year	(147,200)	–	(147,200)
Creditors greater than 1 year	(104,184)	–	(104,184)
Net assets	1,734,846	370,964	2,105,810

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,741,497	370,964	2,112,461
Current assets	382,903	–	382,903
Creditors less than 1 year	(156,058)	–	(156,058)
Creditors greater than 1 year	(141,341)	–	(141,341)
Net assets	1,827,001	370,964	2,197,965

22. Analysis of changes in net debt

	At 1 Jan 2022 £	Cash flows £	At 31 Dec 2022 £
Cash at bank and in hand	359,603	(120,003)	239,600
Debt due within one year	(43,633)	1	(43,632)
Debt due after one year	(141,341)	37,157	(104,184)
	174,629	(82,845)	91,784

23. Contingencies

A grant of £200,000 from Ulster Garden Villages Limited will only be repayable if the premises cease to be used as a Youth Hostel.

Youth Hostel Association of Northern Ireland Limited

Northern Ireland - Charity number 103612

Annual report



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

(Company limited by Guarantee)

ANNUAL REPORT 2022

YOUTH HOSTEL ASSOCIATION OF NORTHERN IRELAND

22-32 Donegall Road, Belfast BT12
5JNCharity No: 103612

The current Officers and Council members are listed below.

President: Mr. P. McAteer (was president during 2022)

Vice Presidents: Miss K. Howard and Mr D. MacAfee

Chair of Council: J. Green

Vice Chair of Council: VK Douglas

Honorary Secretary: MHowse

Honorary Treasurer: D O'Lynn (was Treasurer during 2022)

Chief Executive Officer: S Harding

Members of Council:

A Boal, B, Gray, S. Potter, A. Cahill,

Bankers: Danske Bank Ltd

Solicitors: Cleaver Fulton

RankinAuditors: Johnston

Graham Ltd

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Youth Hostel Association of Northern Ireland Ltd. will be held at: **The Belfast International Youth Hostel. 22-32 Donegall Road, Belfast BT12 5JN on Tuesday 26th September 2023 at 6.00pm**



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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AGENDA FOR AGM ON 26th September 2023

1. Minutes of the 2023 General Meeting
2. Introduction of Annual Report
3. Accounts and Auditor's Report for the 12 months ended 31 December 2022
4. Members' Question Time
5. Election of Officers and Council:

- (a) Officers

President:	Vacant
Vice President:	Miss. K. Howard
Vice President:	Mr. D. MacAfee

- (b) Ordinary Members of Council

The following current members offer themselves for election:

Vice-Chair Victor Douglas
Honorary Secretary: Matthew Howse
Honorary Treasurer: Vacant
Bernie Grey
Jacqueline Hill
Andy Cahill
Anne Boal

- 6, Election of Auditors

It is proposed to re-appoint Johnston Graham Limited

NOTE: ADMISSION BY VALID MEMBERSHIP CARD



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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CHAIR'S STATEMENT / ACTIVITIES OVER PAST YEAR, FUTURE PLANS

2022, for many reasons was one of stability and transition for YHANI. The year started with us being in partial lockdown meaning all hostels were under enforced closure. This made planning very difficult. Fortunately, our loyal team were fully prepared to reopen and offer our guests the same continued level of experience that we have always been renowned for.

Our continued engagement and relationships within Hostelling International have been beneficial through regular dialogue with other associations, sharing best practice, guidelines and learnings as we navigate the challenges of COVID-19, Brexit, the war in Ukraine and the cost-of-living crisis. All major challenges to how we operate in the short and long term.

Our financial performance in 2022 has resulted in a deficit, mainly due to increases in utilities and salary costs, however our cash reserves remain strong. We anticipate reducing this deficit significantly in 2023 with a forecast return to surplus in 2024.

Lastly, can I give my sincere thanks to the YHANI Council for their hard work and attendance during 2022. This commitment required a significant call on their time for which we are all most grateful. I would also like to thank all YHANI staff for their loyalty to the organisation through a challenging year and particularly to our CEO Sam Harding, who was instrumental in steering the organisation through the year.

We remain very positive about the future of all our hostels as people start to travel widely again.

Lastly, I would just like to note the passing of our President Paddy McAteer in May 2023. Paddy was involved with HINI for many years, and we will greatly miss his support and enthusiasm for the hostel movement.

Jacqueline Hill
Chair



CHIEF EXECUTIVE OFFICER'S STATEMENT / PERFORMANCE

Performance 2022

The accounts for 2022 showed a deficit of £92,153, from close to being a full year of trading.

2022 was a positive year operationally as we were able to resume our full operation for the first time since the end of COVID Pandemic. That said, the year began with January in partial lockdown due to the Omicron variant of Covid and until approximately May of 2022 there still a very low rate of International Arrivals into N.Ireland airports. This meant that we continued with a lower rate of International Groups and Overseas tourists who bring us larger groups, longer overnight stays and higher rates.

Despite, returning to a full operation, we did so without the previous financial support packages offsetting to difference in regular trade and with a significant increase in operating costs. Our 2 largest costs as a business being Labour and Utilities both growing exponentially with a number of back-dated minimum wage increases and the rise in energy costs.

Our overall accommodation income of £626,167 was an increase of £98k on 2021, however over £301k of that included Grants and Insurance. The actual commercial income in 2022 of £606k was an increase of £381k over 2021. Overall income in 2022 of £626,167 was back to our pre-Covid performance levels and continuing into 2023.

Moving into 2023 we have a positive outlook with a strong demand across all Hostels and an increase in overseas group bookings, although clear focus on managing our operating costs is essential.

Sam Harding - CEO



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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OBJECTS AND ACTIVITIES

The objects are as stated in the Memorandum and Articles of Association. These are to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside.

In the interest of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

ORGANISATIONAL AND DECISION – MAKING STRUCTURE

Decisions on policy and strategy are made by the Executive Council consisting of seven Ordinary Members of the Company, plus the Honorary Secretary and Honorary Treasurer. The CEO and others attend as required.

The Headquarters Staff of CEO (responsible to the EC) and the Office Manager undertake the day-to-day management of the company.

RELATIONSHIPS WITH OTHER ASSOCIATIONS & CHARITIES

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast.

The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An O'ige, SYHA and YHA (England & Wales) annually at the British and Irish Conference to discuss matters of common concern and share information.

The Association is also a member of Hostelling International (HI), a not-for-profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 4,000 unique hostels in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences.



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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PUBLIC BENEFIT STATEMENT

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation in particular in order to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2022 in responsibly encouraging the general public to explore safely..

The charity's second object is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the general public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from YHANI's purposes.

MAJOR RISKS

The council of management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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VOLUNTEER INITIATIVES

Due to number of factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel.

FUNDRAISING

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants and this continues to be the case.

COUNCIL OF MANAGEMENT / DIRECTORS' RESPONSIBILITIES

The directors, who are also directors for the purposes of company law, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
-



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The directors' annual report was approved on 26th September 2023 and signed on behalf of the board of trustees by:

J. Hill
Chair



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

(Company limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE YOUTH HOSTEL ASSOCIATION OF NORTHERN IRELAND LTD

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2022 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;
- 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 charity 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 directors' 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 charity'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 directors with respect to going concern are described in the relevant sections of this report.



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Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
 - the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
-



Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the directors 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 directors 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 charity'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 directors either intend to liquidate the charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit process we obtained an understanding of the legal and regulatory framework applicable to the entity, being FR102, Companies Act 2006 the UK taxation regime and compliance with regulations in relation to the Coronavirus Jobs Retention Scheme and the Coronavirus Business Interruption Scheme. In addition, we assessed the risks of material fraud through enquiries with management and those charged with corporate governance and analytical procedures were used to assess any unusual or unexpected relationships. As with all organisation of this size, there remains an inherent difficulty in the detection of irregularities.

A further description of our responsibilities for the audit of financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "E Mullholland".

Ms Elaine Mullholland (Senior Statutory Auditor)

For and on behalf of

Johnston Graham Limited

Chartered accountant & statutory auditor

216/218 Holywood Road

Belfast

BT4 1PD

11th August 2023



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STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT) to 31 DECEMBER 2022

	Note	Restricted	Unrestricted	2022 Total £	2021 Total £
INCOME					
Voluntary Income					
Furlough Grants		-	-	-	58,193
Coronavirus Grants		-	-	-	143,797
Insurance Income		-	19,722	19,722	100,000
Deferred Income		-	-	-	-
Grants		-	-	-	-
Other		-	-	-	-
Activities For Generating Funds					
Accommodation Fees		-	590,552	590,552	216,712
Rent - Office		-	6,250	6,250	3,125
Rent - Kitchen		-	6,501	6,501	3,712
Shop Profit		-	109	109	(41)
Affiliation fees		-	-	-	308
Members Subscriptions		-	342	342	230
Donations		-	17	17	565
Other		-	2,673	2,673	713
Total Income		-	626,167	626,167	527,314
EXPENDITURE					
Activities For Generating Funds					
Wages & Salaries		-	256,188	256,188	188,785
Pension Costs		-	9,777	9,777	6,803
Rent, Rates & Insurance		-	45,699	45,699	36,192
Light & Heat		-	93,614	93,614	44,686
Repairs & Maintenance Buildings		-	57,799	57,799	23,460
Repairs & Maintenance Equipment		-	8,255	8,255	26,762
Cleaning		-	67,051	67,051	22,894
Telephone		-	6,259	6,259	4,340
Marketing		-	1,702	1,702	385
Training		-	-	-	-
Conferences / meetings		-	1,035	1,035	898
Governance Costs					
Wages & Salaries		-	92,558	92,558	74,627
Audit		-	3,335	3,335	3,300
Legal & Professional Fees		-	7,044	7,044	3,587
Bank Interest & Charges		-	13,982	13,982	5,513
Loan Interest		-	3,803	3,803	-
Depreciation		-	42,778	42,778	46,555
Printing & Stationery		-	622	622	486
Postage		-	264	264	(15)
Affiliation		-	1,748	1,748	2,252
Travelling Expenses		-	4,808	4,808	2,830
Other Resources Expended					
Transfer to/from Deferred Income		(19,767)	-	(19,767)	(29,650)
Project Expenses		19,767	-	19,767	29,650
Total Operating Costs		-	718,320	718,320	494,340
OPERATING (DEFICIT) / SURPLUS		-	(92,153)	(92,153)	32,974



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BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022	2021
FIXED ASSETS			
Tangible Assets	2	2,071,041	2,112,461
CURRENT ASSETS			
Stock		6,698	6,740
Debtors and Prepayments		39,855	16,560
Cash at bank and in hand	3	239,600	359,603
		286,153	382,903
CREDITORS : amounts falling due within one year	4	(147,200)	(156,058)
NET CURRENT ASSETS		138,954	226,845
TOTAL ASSETS LESS CURRENT LIABILITIES		2,209,995	2,339,306
CREDITORS : amounts falling due after more than one year	5	(104,184)	(141,341)
TOTAL NET ASSETS		2,105,811	2,197,965
FUNDS			
Restricted Income Funds	7	370,965	370,965
Unrestricted Income Funds		1,734,847	1,827,000
		2,105,811	2,197,965

The notes on pages 3 and 4 form part of these accounts

J. Hill
Chair



STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2022

**STATEMENT OF CASH FLOWS 31 DECEMBER 2022****2 FIXED ASSETS**

	Land & Buildings	Hostel Equipment	Office Equipment	Total
COST				
As at 1 January 2022	3,268,969	508,828	65,390	3,843,187
Additions	-	-	1,359	1,359
Disposals				
As at 31 December 2022	3,268,969	508,828	66,749	3,844,545
DEPRECIATION				
As at 1 January 2022	1,156,508	508,828	65,390	1,730,726
Charge in period	42,778	-	-	42,778
Disposals				
As at 31 December 2022	1,199,286	508,828	65,390	1,773,504
NET BOOK VALUE				
As at 31 December 2022	2,069,683	-	1,359	2,071,041
As at 31 December 2021	2,112,461	-	-	2,112,461



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NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 DEC 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in England and Wales. The address of the registered office is 22 Donegall Road, Belfast, BT12 5JN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. While the company showed a deficit for the 2022 year and has subsequently faced difficult conditions during the pandemic, the trustees are confident that the longer term projections are positive and that on this basis together with the existing strong reserve base are confident that it is appropriate to continue to use the going concern basis of preparation for the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



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Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
-



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- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Buildings	-	2% reducing balance
Office Equipment	-	20% straight line
Hostel Equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.



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Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.



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4. Limited by guarantee

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Government grant income	143,797	87,843	231,640
	<u>243,797</u>	<u>87,843</u>	<u>331,640</u>

6. Other Trading Activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Members subscriptions	342	342	230	230
Accommodation fees	590,552	590,552	216,712	216,712
Rent received - Office	6,250	6,250	3,125	3,125
Rent received - Kitchen	6,501	6,501	3,712	3,712
Shop profit	109	109	(41)	(41)
Sundry income	2,690	2,690	1,278	1,278
Affiliation fees	—	—	308	308
	<u>606,444</u>	<u>606,444</u>	<u>225,324</u>	<u>225,324</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising trading	547,379	—	547,379
Support costs	170,942	19,767	190,709
	<u>718,321</u>	<u>19,767</u>	<u>738,088</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fundraising trading	297,012	87,843	384,855
Support costs	139,135	—	139,135
	<u>436,147</u>	<u>87,843</u>	<u>523,990</u>



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8. Expenditure on charitable activities by fund type

	Activities undertaken directly	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
Fundraising trading	547,379	–	547,379	384,855
Governance costs	–	190,709	190,709	139,135
	<u>547,379</u>	<u>190,709</u>	<u>738,088</u>	<u>523,990</u>

9. Net Expenditure

Net (expenditure)/income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>42,778</u>	<u>46,554</u>

10. Auditors Remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u>3,335</u>	<u>3,300</u>



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11. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	348,746	293,062
Employer contributions to pension plans	9,777	6,803
	<u>358,523</u>	<u>299,865</u>

The average head count of employees during the year was 19 (2021: 18). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	<u>19</u>	<u>18</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

The Council of Management received no remuneration in the year (2019 - Nil).

12. Trustee remuneration and expenses

No trustees' have received any remuneration during the year.



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13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2022	3,268,969	65,390	508,828	3,843,187
Additions	—	1,359	—	1,359
At 31 December 2022	3,268,969	66,749	508,828	3,844,546
Depreciation				
At 1 January 2022	1,156,508	65,390	508,828	1,730,726
Charge for the year	42,778	—	—	42,778
At 31 December 2022	1,199,286	65,390	508,828	1,773,504
Carrying amount				
At 31 December 2022	2,069,683	1,359	—	2,071,042
At 31 December 2021	2,112,461	—	—	2,112,461

14. Stocks

	2022 £	2021 £
Raw materials and consumables	6,698	6,740

15. Debtors

	2022 £	2021 £
Other debtors	39,855	16,560

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	43,632	43,633
Trade creditors	25,501	16,456
Other creditors	78,068	95,969
	147,201	156,058

The bank overdraft and loan is secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

17. Creditors: amounts falling after more than one year

	2022 £	2021 £
Bank loans and overdrafts	104,184	141,341



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18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,777 (2021: £6,803).

19. Government Grants

The amounts recognised in the financial statements for government grants are as follows:

	2022 £	2021 £
Recognised in income from donations and legacies:		
Government grants income	<u>-</u>	<u>231,640</u>

20. Analysis of charitable fund

Unrestricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Unrestricted Fund	<u>1,827,001</u>	<u>626,166</u>	<u>(718,321)</u>	<u>1,734,846</u>

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Unrestricted Fund	<u>1,794,027</u>	<u>469,121</u>	<u>(436,147)</u>	<u>1,827,001</u>

Restricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Restricted Fund	<u>370,964</u>	<u>19,767</u>	<u>(19,767)</u>	<u>370,964</u>

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Restricted Fund	<u>370,964</u>	<u>87,843</u>	<u>(87,843)</u>	<u>370,964</u>

Grants have been paid to the Association during the year by Provident's Community Partners and other donations to assist the operation of the Value Project.



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21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,700,077	370,964	2,071,041
Current assets	286,153	—	286,153
Creditors less than 1 year	(147,200)	—	(147,200)
Creditors greater than 1 year	(104,184)	—	(104,184)
Net assets	<u>1,734,846</u>	<u>370,964</u>	<u>2,105,810</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,741,497	370,964	2,112,461
Current assets	382,903	—	382,903
Creditors less than 1 year	(156,058)	—	(156,058)
Creditors greater than 1 year	(141,341)	—	(141,341)
Net assets	<u>1,827,001</u>	<u>370,964</u>	<u>2,197,965</u>

22. Analysis of changes in the net debt

	At 1 Jan 2022 £	Cash flows £	At 31 Dec 2022 £
Cash at bank and in hand	359,603	(120,003)	239,600
Debt due within one year	(43,633)	1	(43,632)
Debt due after one year	(141,341)	37,157	(104,184)
	<u>174,629</u>	<u>(82,845)</u>	<u>91,784</u>

23. Contingencies

A grant of £200,000 from Ulster Garden Villages Limited will only be repayable if the premises cease to be used as a Youth Hostel.



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	2020	2021	2022		2020	2021	2022
Afghanistan	0	1	8	Luxembourg	10	2	2
Argentina	16	0	156	Malaysia	34	4	70
Australia	88	80	570	Malta	0	0	2
Austria	19	34	181	Mexico	14	22	117
Bangladesh	8	0	32	Morocco	0	0	6
Basque	28	1	0	Netherlands	76	40	844
Belgium	18	24	189	New Zealand	64	1	141
Bahrain	8	0	0	Nigeria	1	0	89
Brazil	100	130	296	Norway	28	1	99
Bulgaria	3	2	24	Pakistan	0	2	17
Canada	161	68	996	Peru	0	2	100
Chile	8	0	61	Philippines	3	6	62
China	53	44	178	Poland	82	11	300
Columbia	3	10	43	Portugal	26	37	191
Croatia	4	11	74	Romania	21	1	60
Cyprus	0	0	10	Russia	22	4	4
Czech Rep	19	8	113	Scotland	521	310	776
Denmark	39	6	893	Serbia	0	0	0
Egypt	1	0	9	Singapore	34	0	69
Estonia	32	13	20	Slovakia	20	0	70
Eng & Wales	1282	2113	7376	Slovenia	0	9	81
Finland	42	2	25	South Africa	39	24	16
France	410	183	2710	Spain	230	326	2241
Germany	586	276	2171	Sri Lanka	0	0	16
Greece	6	6	56	Sweden	42	10	112
Hong Kong	2	0	17	Switzerland	26	40	532
Hungary	6	30	39	Syria	0	0	0
Iceland	3	5	3	Taiwan	29	2	31
India	56	96	688	Thailand	19	3	42
Indonesia	0	8	10	Turkey	12	1	23
Iran	16	1	5	Ukraine	25	18	45
Iraq	0	0	5	Uruguay	8	8	229
N Ireland	2080	759	6836	USA	734	283	2598
Rep Ireland	1081	3194	5616	Unspecified	15	23	778
Israel	2	0	41	TOTAL	8431	8421	40,362
Italy	80	106	830				
Japan	56	4	28				
Kuwait	0	0	22				
S Korea	6	0	21				
Lithuania	13	4	207				



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	2017	2018	2019	2020	2021	2022
Belfast	41,566	41,102	36,572	6,472	8,421	29,861
Whitepark Bay	6,800	6,650	6,217	1,259	3,270	6,326
Armagh	2742	969	920	-	-	-
Bushmills	5746	6,993	5,930	700	1,600	4,220
Total	57,953	56,754	49,594	8,431	13,291	40,362



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Youth Hostel Association of Northern Ireland Limited

Northern Ireland - Charity number 103612

Annual return



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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ANNUAL REPORT 2022

YOUTH HOSTEL ASSOCIATION OF NORTHERN IRELAND

22-32 Donegall Road, Belfast BT12

5JNCharity No: 103612

The current Officers and Council members are listed below.

President: Mr. P. McAteer (was president during 2022)

Vice Presidents: Miss K. Howard and Mr D. MacAfee

Chair of Council: J. Green

Vice Chair of Council: VK Douglas

Honorary Secretary: MHowse

Honorary Treasurer: D O'Lynn (was Treasurer during 2022)

Chief Executive Officer: S Harding

Members of Council:

A Boal, B, Gray, S. Potter, A. Cahill,

Bankers: Danske Bank Ltd

Solicitors: Cleaver Fulton

RankinAuditors: Johnston

Graham Ltd

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Youth Hostel Association of Northern Ireland Ltd. will be held at: **The Belfast International Youth Hostel. 22-32 Donegall Road, Belfast BT12 5JN on Tuesday 26th September 2023 at 6.00pm**



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AGENDA FOR AGM ON 26th September 2023

1. Minutes of the 2023 General Meeting
2. Introduction of Annual Report
3. Accounts and Auditor's Report for the 12 months ended 31 December 2022
4. Members' Question Time
5. Election of Officers and Council:

- (a) Officers

President:	Vacant
Vice President:	Miss. K. Howard
Vice President:	Mr. D. MacAfee

- (b) Ordinary Members of Council

The following current members offer themselves for election:

Vice-Chair Victor Douglas
Honorary Secretary: Matthew Howse
Honorary Treasurer: Vacant
Bernie Grey
Jacqueline Hill
Andy Cahill
Anne Boal

- 6, Election of Auditors

It is proposed to re-appoint Johnston Graham Limited

NOTE: ADMISSION BY VALID MEMBERSHIP CARD



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CHAIR'S STATEMENT / ACTIVITIES OVER PAST YEAR, FUTURE PLANS

2022, for many reasons was one of stability and transition for YHANI. The year started with us being in partial lockdown meaning all hostels were under enforced closure. This made planning very difficult. Fortunately, our loyal team were fully prepared to reopen and offer our guests the same continued level of experience that we have always been renowned for.

Our continued engagement and relationships within Hostelling International have been beneficial through regular dialogue with other associations, sharing best practice, guidelines and learnings as we navigate the challenges of COVID-19, Brexit, the war in Ukraine and the cost-of-living crisis. All major challenges to how we operate in the short and long term.

Our financial performance in 2022 has resulted in a deficit, mainly due to increases in utilities and salary costs, however our cash reserves remain strong. We anticipate reducing this deficit significantly in 2023 with a forecast return to surplus in 2024.

Lastly, can I give my sincere thanks to the YHANI Council for their hard work and attendance during 2022. This commitment required a significant call on their time for which we are all most grateful. I would also like to thank all YHANI staff for their loyalty to the organisation through a challenging year and particularly to our CEO Sam Harding, who was instrumental in steering the organisation through the year.

We remain very positive about the future of all our hostels as people start to travel widely again.

Lastly, I would just like to note the passing of our President Paddy McAteer in May 2023. Paddy was involved with HINI for many years, and we will greatly miss his support and enthusiasm for the hostel movement.

Jacqueline Hill
Chair



CHIEF EXECUTIVE OFFICER'S STATEMENT / PERFORMANCE

Performance 2022

The accounts for 2022 showed a deficit of £92,153, from close to being a full year of trading.

2022 was a positive year operationally as we were able to resume our full operation for the first time since the end of COVID Pandemic. That said, the year began with January in partial lockdown due to the Omicron variant of Covid and until approximately May of 2022 there still a very low rate of International Arrivals into N.Ireland airports. This meant that we continued with a lower rate of International Groups and Overseas tourists who bring us larger groups, longer overnight stays and higher rates.

Despite, returning to a full operation, we did so without the previous financial support packages offsetting to difference in regular trade and with a significant increase in operating costs. Our 2 largest costs as a business being Labour and Utilities both growing exponentially with a number of back-dated minimum wage increases and the rise in energy costs.

Our overall accommodation income of £626,167 was an increase of £98k on 2021, however over £301k of that included Grants and Insurance. The actual commercial income in 2022 of £606k was an increase of £381k over 2021. Overall income in 2022 of £626,167 was back to our pre-Covid performance levels and continuing into 2023.

Moving into 2023 we have a positive outlook with a strong demand across all Hostels and an increase in overseas group bookings, although clear focus on managing our operating costs is essential.

Sam Harding - CEO



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OBJECTS AND ACTIVITIES

The objects are as stated in the Memorandum and Articles of Association. These are to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside.

In the interest of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other accommodation for the public with the intentions of improving their conditions of life.

ORGANISATIONAL AND DECISION – MAKING STRUCTURE

Decisions on policy and strategy are made by the Executive Council consisting of seven Ordinary Members of the Company, plus the Honorary Secretary and Honorary Treasurer. The CEO and others attend as required.

The Headquarters Staff of CEO (responsible to the EC) and the Office Manager undertake the day-to-day management of the company.

RELATIONSHIPS WITH OTHER ASSOCIATIONS & CHARITIES

The Association regularly sends representatives to NICVA, Equality Commission and Community Foundation events. It has good working relationships with other charities in Northern Ireland and beyond. Close co-operation is also maintained with Tourism NI and Visit Belfast.

The Association has contractual agreements with Hostelworld and Booking.com to sell beds. We have close fraternal relationships with the other 'home' Youth Hostel associations on these islands. We meet with An O'ige, SYHA and YHA (England & Wales) annually at the British and Irish Conference to discuss matters of common concern and share information.

The Association is also a member of Hostelling International (HI), a not-for-profit membership organisation which is the only global network of Youth Hostel Associations. The HI network offers 4,000 unique hostels in 90 countries worldwide. Each year, the association sends representatives to HI's European and CEO conferences.



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PUBLIC BENEFIT STATEMENT

The charity's first objective is to advance the education of the public, particularly but not exclusively young people, in the protection and conservation of the countryside. The direct benefits which flow from this purpose include passing on education to the next generation in particular in order to ensure the continued safe stewardship of our environment in Northern Ireland. We have continued to drive this effort in 2022 in responsibly encouraging the general public to explore safely..

The charity's second object is in the interests of social welfare to provide or assist in the provision of facilities for recreation, particularly youth hostels or other suitable accommodation for the public, with the intention of improving their conditions of life. The direct benefits which flow from this purpose include the provision of opportunities for people of all backgrounds from all over the world to experience, discover and learn more about Northern Ireland, themselves and each other through the 'Hostelling Experience'. These benefits are demonstrated through the online reviews we receive in relation to atmosphere, value for money and general comments. We also collect statistical information from guests which shows the makeup of the different nationalities we receive.

The purposes of our charity do not lead to any harm or possibility of harm. The charities beneficiaries are the general public. This is clearly stated in our Articles of Association. There is no non-incidental private benefit flowing from YHANI's purposes.

MAJOR RISKS

The council of management reviews the possibility of major risks on an ongoing basis and consider, at Council level, any action required to manage such risks. The council have identified a major risk in the respect of loss of income at the Belfast Hostel in the event of serious damage or prevention of access to the building. Insurance cover is in place to cover such an event and is also in place on other properties occupied by the Association.



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VOLUNTEER INITIATIVES

Due to number of factors, our volunteering efforts have been impacted with added restrictions following Brexit and other challenges with regards to backlogged international travel.

FUNDRAISING

Historically, the Association has restricted its fundraising to overnight fees and the sourcing of grants and this continues to be the case.

COUNCIL OF MANAGEMENT / DIRECTORS' RESPONSIBILITIES

The directors, who are also directors for the purposes of company law, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
-



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- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The directors' annual report was approved on 26th September 2023 and signed on behalf of the board of trustees by:

J. Hill
Chair



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE YOUTH HOSTEL ASSOCIATION OF NORTHERN IRELAND LTD

Opinion

We have audited the financial statements of Youth Hostel Association of Northern Ireland Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2022 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;
- 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 charity 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 directors' 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 charity'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 directors with respect to going concern are described in the relevant sections of this report.



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Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 returns adequate for our audit have not been received from branches not visited by us; 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; or
 - the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
-



Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the directors 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 directors 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 charity'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 directors either intend to liquidate the charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit process we obtained an understanding of the legal and regulatory framework applicable to the entity, being FR102, Companies Act 2006 the UK taxation regime and compliance with regulations in relation to the Coronavirus Jobs Retention Scheme and the Coronavirus Business Interruption Scheme. In addition, we assessed the risks of material fraud through enquiries with management and those charged with corporate governance and analytical procedures were used to assess any unusual or unexpected relationships. As with all organisation of this size, there remains an inherent difficulty in the detection of irregularities.

A further description of our responsibilities for the audit of financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ms Elaine Mullholland (Senior Statutory Auditor)

For and on behalf of

Johnston Graham Limited

Chartered accountant & statutory auditor

216/218 Holywood Road

Belfast

BT4 1PD

11th August 2023



HOSTELLING INTERNATIONAL NORTHERN IRELAND ANNUAL REPORT 2022

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STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT) to 31 DECEMBER 2022

	Note	Restricted	Unrestricted	2022 Total £	2021 Total £
INCOME					
Voluntary Income					
Furlough Grants		-	-	-	58,193
Coronavirus Grants		-	-	-	143,797
Insurance Income		-	19,722	19,722	100,000
Deferred Income		-	-	-	-
Grants		-	-	-	-
Other		-	-	-	-
Activities For Generating Funds					
Accommodation Fees		-	590,552	590,552	216,712
Rent - Office		-	6,250	6,250	3,125
Rent - Kitchen		-	6,501	6,501	3,712
Shop Profit		-	109	109	(41)
Affiliation fees		-	-	-	308
Members Subscriptions		-	342	342	230
Donations		-	17	17	565
Other		-	2,673	2,673	713
Total Income		-	626,167	626,167	527,314
EXPENDITURE					
Activities For Generating Funds					
Wages & Salaries		-	256,188	256,188	188,785
Pension Costs		-	9,777	9,777	6,803
Rent, Rates & Insurance		-	45,699	45,699	36,192
Light & Heat		-	93,614	93,614	44,686
Repairs & Maintenance Buildings		-	57,799	57,799	23,460
Repairs & Maintenance Equipment		-	8,255	8,255	26,762
Cleaning		-	67,051	67,051	22,894
Telephone		-	6,259	6,259	4,340
Marketing		-	1,702	1,702	385
Training		-	-	-	-
Conferences / meetings		-	1,035	1,035	898
Governance Costs					
Wages & Salaries		-	92,558	92,558	74,627
Audit		-	3,335	3,335	3,300
Legal & Professional Fees		-	7,044	7,044	3,587
Bank Interest & Charges		-	13,982	13,982	5,513
Loan Interest		-	3,803	3,803	-
Depreciation		-	42,778	42,778	46,555
Printing & Stationery		-	622	622	486
Postage		-	264	264	(15)
Affiliation		-	1,748	1,748	2,252
Travelling Expenses		-	4,808	4,808	2,830
Other Resources Expended					
Transfer to/from Deferred Income		(19,767)	-	(19,767)	(29,650)
Project Expenses		19,767	-	19,767	29,650
Total Operating Costs		-	718,320	718,320	494,340
OPERATING (DEFICIT) / SURPLUS		-	(92,153)	(92,153)	32,974



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BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022	2021
FIXED ASSETS			
Tangible Assets	2	2,071,041	2,112,461
CURRENT ASSETS			
Stock		6,698	6,740
Debtors and Prepayments		39,855	16,560
Cash at bank and in hand	3	239,600	359,603
		286,153	382,903
CREDITORS : amounts falling due within one year	4	(147,200)	(156,058)
NET CURRENT ASSETS		138,954	226,845
TOTAL ASSETS LESS CURRENT LIABILITIES		2,209,995	2,339,306
CREDITORS : amounts falling due after more than one year	5	(104,184)	(141,341)
TOTAL NET ASSETS		2,105,811	2,197,965
FUNDS			
Restricted Income Funds	7	370,965	370,965
Unrestricted Income Funds		1,734,847	1,827,000
		2,105,811	2,197,965

The notes on pages 3 and 4 form part of these accounts

J. Hill
Chair



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STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2022

**STATEMENT OF CASH FLOWS 31 DECEMBER 2022****2 FIXED ASSETS**

	Land & Buildings	Hostel Equipment	Office Equipment	Total
COST				
As at 1 January 2022	3,268,969	508,828	65,390	3,843,187
Additions	-	-	1,359	1,359
Disposals				
As at 31 December 2022	3,268,969	508,828	66,749	3,844,545
DEPRECIATION				
As at 1 January 2022	1,156,508	508,828	65,390	1,730,726
Charge in period	42,778	-	-	42,778
Disposals				
As at 31 December 2022	1,199,286	508,828	65,390	1,773,504
NET BOOK VALUE				
As at 31 December 2022	2,069,683	-	1,359	2,071,041
As at 31 December 2021	2,112,461	-	-	2,112,461



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NOTES TO FINANCIAL STATEMENTS YEAR ENDED 31 DEC 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in England and Wales. The address of the registered office is 22 Donegall Road, Belfast, BT12 5JN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. While the company showed a deficit for the 2022 year and has subsequently faced difficult conditions during the pandemic, the trustees are confident that the longer term projections are positive and that on this basis together with the existing strong reserve base are confident that it is appropriate to continue to use the going concern basis of preparation for the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



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Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
-



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- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Buildings	-	2% reducing balance
Office Equipment	-	20% straight line
Hostel Equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.



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Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.



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4. Limited by guarantee

The company is limited by guarantee and has no authorised or issued share capital. The company has charitable status accepted by HM Revenue & Customs under reference XN46853A.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Government grant income	143,797	87,843	231,640
	<u>243,797</u>	<u>87,843</u>	<u>331,640</u>

6. Other Trading Activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Members subscriptions	342	342	230	230
Accommodation fees	590,552	590,552	216,712	216,712
Rent received - Office	6,250	6,250	3,125	3,125
Rent received - Kitchen	6,501	6,501	3,712	3,712
Shop profit	109	109	(41)	(41)
Sundry income	2,690	2,690	1,278	1,278
Affiliation fees	—	—	308	308
	<u>606,444</u>	<u>606,444</u>	<u>225,324</u>	<u>225,324</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising trading	547,379	—	547,379
Support costs	170,942	19,767	190,709
	<u>718,321</u>	<u>19,767</u>	<u>738,088</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fundraising trading	297,012	87,843	384,855
Support costs	139,135	—	139,135
	<u>436,147</u>	<u>87,843</u>	<u>523,990</u>



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8. Expenditure on charitable activities by fund type

	Activities undertaken directly	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
Fundraising trading	547,379	–	547,379	384,855
Governance costs	–	190,709	190,709	139,135
	<u>547,379</u>	<u>190,709</u>	<u>738,088</u>	<u>523,990</u>

9. Net Expenditure

Net (expenditure)/income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>42,778</u>	<u>46,554</u>

10. Auditors Remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>3,335</u>	<u>3,300</u>



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11. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	348,746	293,062
Employer contributions to pension plans	9,777	6,803
	<u>358,523</u>	<u>299,865</u>

The average head count of employees during the year was 19 (2021: 18). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	<u>19</u>	<u>18</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

The Council of Management received no remuneration in the year (2019 - Nil).

12. Trustee remuneration and expenses

No trustees' have received any remuneration during the year.



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13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2022	3,268,969	65,390	508,828	3,843,187
Additions	—	1,359	—	1,359
At 31 December 2022	3,268,969	66,749	508,828	3,844,546
Depreciation				
At 1 January 2022	1,156,508	65,390	508,828	1,730,726
Charge for the year	42,778	—	—	42,778
At 31 December 2022	1,199,286	65,390	508,828	1,773,504
Carrying amount				
At 31 December 2022	2,069,683	1,359	—	2,071,042
At 31 December 2021	2,112,461	—	—	2,112,461

14. Stocks

	2022 £	2021 £
Raw materials and consumables	6,698	6,740

15. Debtors

	2022 £	2021 £
Other debtors	39,855	16,560

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	43,632	43,633
Trade creditors	25,501	16,456
Other creditors	78,068	95,969
	147,201	156,058

The bank overdraft and loan is secured by a floating charge on all the property and assets of the company including book debts and goodwill. There is a legal mortgage over the property at 22-32 and 34-36 Donegall Road, Belfast and a Priority Agreement is in place.

17. Creditors: amounts falling after more than one year

	2022 £	2021 £
Bank loans and overdrafts	104,184	141,341



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18. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,777 (2021: £6,803).

19. Government Grants

The amounts recognised in the financial statements for government grants are as follows:

	2022 £	2021 £
Recognised in income from donations and legacies:		
Government grants income	<u>-</u>	<u>231,640</u>

20. Analysis of charitable fund

Unrestricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Unrestricted Fund	<u>1,827,001</u>	<u>626,166</u>	<u>(718,321)</u>	<u>1,734,846</u>

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Unrestricted Fund	<u>1,794,027</u>	<u>469,121</u>	<u>(436,147)</u>	<u>1,827,001</u>

Restricted funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Restricted Fund	<u>370,964</u>	<u>19,767</u>	<u>(19,767)</u>	<u>370,964</u>

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Restricted Fund	<u>370,964</u>	<u>87,843</u>	<u>(87,843)</u>	<u>370,964</u>

Grants have been paid to the Association during the year by Provident's Community Partners and other donations to assist the operation of the Value Project.



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21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,700,077	370,964	2,071,041
Current assets	286,153	—	286,153
Creditors less than 1 year	(147,200)	—	(147,200)
Creditors greater than 1 year	(104,184)	—	(104,184)
Net assets	1,734,846	370,964	2,105,810

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,741,497	370,964	2,112,461
Current assets	382,903	—	382,903
Creditors less than 1 year	(156,058)	—	(156,058)
Creditors greater than 1 year	(141,341)	—	(141,341)
Net assets	1,827,001	370,964	2,197,965

22. Analysis of changes in the net debt

	At 1 Jan 2022 £	Cash flows £	At 31 Dec 2022 £
Cash at bank and in hand	359,603	(120,003)	239,600
Debt due within one year	(43,633)	1	(43,632)
Debt due after one year	(141,341)	37,157	(104,184)
	<u>174,629</u>	<u>(82,845)</u>	<u>91,784</u>

23. Contingencies

A grant of £200,000 from Ulster Garden Villages Limited will only be repayable if the premises cease to be used as a Youth Hostel.



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	2020	2021	2022		2020	2021	2022
Afghanistan	0	1	8	Luxembourg	10	2	2
Argentina	16	0	156	Malaysia	34	4	70
Australia	88	80	570	Malta	0	0	2
Austria	19	34	181	Mexico	14	22	117
Bangladesh	8	0	32	Morocco	0	0	6
Basque	28	1	0	Netherlands	76	40	844
Belgium	18	24	189	New Zealand	64	1	141
Bahrain	8	0	0	Nigeria	1	0	89
Brazil	100	130	296	Norway	28	1	99
Bulgaria	3	2	24	Pakistan	0	2	17
Canada	161	68	996	Peru	0	2	100
Chile	8	0	61	Philippines	3	6	62
China	53	44	178	Poland	82	11	300
Columbia	3	10	43	Portugal	26	37	191
Croatia	4	11	74	Romania	21	1	60
Cyprus	0	0	10	Russia	22	4	4
Czech Rep	19	8	113	Scotland	521	310	776
Denmark	39	6	893	Serbia	0	0	0
Egypt	1	0	9	Singapore	34	0	69
Estonia	32	13	20	Slovakia	20	0	70
Eng & Wales	1282	2113	7376	Slovenia	0	9	81
Finland	42	2	25	South Africa	39	24	16
France	410	183	2710	Spain	230	326	2241
Germany	586	276	2171	Sri Lanka	0	0	16
Greece	6	6	56	Sweden	42	10	112
Hong Kong	2	0	17	Switzerland	26	40	532
Hungary	6	30	39	Syria	0	0	0
Iceland	3	5	3	Taiwan	29	2	31
India	56	96	688	Thailand	19	3	42
Indonesia	0	8	10	Turkey	12	1	23
Iran	16	1	5	Ukraine	25	18	45
Iraq	0	0	5	Uruguay	8	8	229
N Ireland	2080	759	6836	USA	734	283	2598
Rep Ireland	1081	3194	5616	Unspecified	15	23	778
Israel	2	0	41	TOTAL	8431	8421	40,362
Italy	80	106	830				
Japan	56	4	28				
Kuwait	0	0	22				
S Korea	6	0	21				
Lithuania	13	4	207				



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	2017	2018	2019	2020	2021	2022
Belfast	41,566	41,102	36,572	6,472	8,421	29,861
Whitepark Bay	6,800	6,650	6,217	1,259	3,270	6,326
Armagh	2742	969	920	-	-	-
Bushmills	5746	6,993	5,930	700	1,600	4,220
Total	57,953	56,754	49,594	8,431	13,291	40,362



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