

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

Draft

Youth Hostel Association of Northern Ireland Limited

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Draft

Youth Hostel Association of Northern Ireland Limited

Reference and Administrative Details

Directors Tony McDonagh
Anne Cahill
Conchuir MacSiacaís
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-incident 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		<u>853,414</u>	<u>-</u>	<u>853,414</u>	<u>771,054</u>
Expenditure on:					
Charitable activities	4	(925,212)	-	(925,212)	(820,171)
Total expenditure		<u>(925,212)</u>	<u>-</u>	<u>(925,212)</u>	<u>(820,171)</u>
Net expenditure		<u>(71,798)</u>	<u>-</u>	<u>(71,798)</u>	<u>(49,117)</u>
Net movement in funds		(71,798)	-	(71,798)	(49,117)
Reconciliation of funds					
Total funds brought forward		<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>	<u>2,105,810</u>
Total funds carried forward	16	<u>1,613,931</u>	<u>370,964</u>	<u>1,984,895</u>	<u>2,056,693</u>

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	Depreciation method and rate
Land and buildings	2% Reducing balance method
Furniture and equipment	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	<u>26</u>	<u>17</u>

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

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	<u>6,000</u>	<u>3,950</u>

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	<u>1,613,931</u>	<u>370,964</u>	<u>1,984,895</u>

	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	<u>1,685,729</u>	<u>370,964</u>	<u>2,056,693</u>

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	<u>81,636</u>	<u>(61,684)</u>	<u>19,952</u>

	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	<u>91,784</u>	<u>(10,148)</u>	<u>81,636</u>