Mission

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

Article 4 of the Memorandum and Articles of Association of Hostelling International

Zara Keith from Scotland about Reykjavik loft hostel, Iceland

"This was the best hostel I have stayed in. Staff were so friendly and helpful. Rooms were clean and comfortable, would definitely stay here again!"

Abhinandan Srinivasan from India about YHA Hong Kong – Jockey Club Mt. Davis, Hong Kong

"I would rate YHA Hong Kong - Jockey Club Mt. Davis, among the best Youth hostels I have visited till now. The location is one of a kind, on the top of Mt. Davis, you get a great view of the Victoria Harbor. The Staff are friendly and helpful."
President’s word

2014 saw the launch of the new hihostels.com web platform, our biggest project in decades. This includes a new booking engine, a content rich website full of inspiring destination-based ideas, and powerful customer relationship management capabilities, all supported by Salesforce. The objective is to deliver a better service overall to our Member Associations, acquire better understanding of our end consumers and be more engaged with our customers and stakeholders. But our organisation stands for much more than that and to fulfil our mission and be viable in the future Hostelling International (HI) has to grow awareness for responsible youth travel and enable global cooperation within the network, relying on its most precious resources, the Member Associations and their Youth Hostels, to deliver the values of youth hostelling. International collaboration is and has always been at the heart of our organisation and HI can only be as strong as its members.

In terms of governance, the new Board was elected in August and is determined to provide strong leadership to and on behalf of this extraordinary organisation. As passionate guardians of the youth hostelling movement since its creation over one hundred years ago we are committed to communicating the benefits of worldwide youth travel and the values of Hostelling International for the next hundred years and beyond.

Angela Braasch-Eggert
HI President

“To fulfil our mission and be viable in the future Hostelling International has to grow awareness for responsible youth travel and enable global cooperation within the network, to deliver the values of youth hostelling.”
The history of hostelling

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

In 1952 a series of minimum standards for all hostels of the network was adopted by the International Conference. The years 1965 to 1970 saw large city hostels become more and more common. Since 2007, the IYHF has operated under the name Hostelling International (HI). The 100th anniversary was celebrated all over the network in 2009. At that time, nearly 4,000 hostels were part of the HI network sharing the same vision and working together to achieve our mission.

At the 48th International Conference in 2010 a Sustainability Charter was adopted demonstrating the commitment of the movement to “intensify their efforts to achieve a worldwide network of sustainable organisations and hostels”. In 2014 the 50th International Conference took place in Bangkok, Thailand celebrating a still unified network of 69 Member Associations and three Associate Organisations.

Who we are and what we believe in

Since its creation in 1932 the International Youth Hostel Federation (IYHF), operating as Hostelling International, has been working together with its Member Associations to promote a greater understanding of people, places and cultures, through peace education, environmental awareness and global friendship, by providing safe, affordable quality youth hostel accommodation for people on their travels.

Hostelling International (HI) is a non-governmental, not-for-profit organisation representing 69 Member Associations and three Associate Organisations from all over the world. It is one of the world’s largest youth membership organisations; it is recognised by UNESCO (United National Educational Scientific and Cultural Organisation) and has been an Affiliate Member of UNWTO (United Nations World Tourism Organization) since 2014.

HI is the only global network of Youth Hostel Associations offering its 3.7 million members a choice of over 4,000 youth hostels in 89 countries, all of which meet internationally assured quality standards. HI’s Membership Savings Programme also gives access to thousands of travel-related savings.

Our mission statement (page 2) summarises the objectives of the organisation which are to support youth travel and enable young people of different nationalities, cultures and social backgrounds to meet informally, share experiences and to learn about themselves, each other and their surroundings.

We refer to the public benefit guidance given by the Charity Commission when evaluating our aims and objectives. Furthermore, these factors are considered when planning future activities. Because of our mission and our focus on social responsibility, environmental sustainability and economic viability we are uniquely placed within the market and we are one of the earliest examples of the movement which is now known as Sustainable Tourism.
Building a sustainable network

As an organisation HI strives to encourage implementation of, and adherence to, collective Conference and CEO Meeting decisions as well as nurturing strong, collaborative relationships and best practice exchange between the National Associations.

Over 1 million guests and local communities benefit from our sustainability initiatives

Sustainability Charter signed in 2010

Hostelling International, and its Member Associations, commit to intensifying their efforts to achieve a worldwide network of sustainable organisations and hostels. In doing so, we recognise that true sustainability involves the development of clear and measurable objectives in the following areas: Social, Environmental and Economic.

Community support
Mobility/ Accessibility
Social education
Environmental sustainability
Intercultural exchange

Eco certified hostels
Volunteerism
Cultural education
myclimate projects

HiHostels: Building a sustainable network...and be part of it!
Building a sustainable network

Events

CEO Meeting 2014
The 2014 CEO Meeting took place in Paris, France in the new eco-friendly Yves Robert Hostel. The agenda focused on the imminent launch of the new hihostels.com website, sharing the HI plans for the forthcoming year, examining the increasing presence in the market of the large online travel agents, individual membership and developing the HI network.

50th International Conference & General Meeting
The meeting took place in Bangkok, Thailand attended by representatives from 47 National Associations. All delegates, guests and staff enjoyed the exemplary hospitality of our hosts HI Thailand and the Thai Tourism Board.

A new board was elected and the Conference saluted the outgoing members by acknowledging their invaluable contribution to Hostelling International, their dedication and enthusiasm for the youth hostelling movement. The agenda covered a wide range of topics including the recent launch of the new hihostels.com website, a look back at the Big Blog Exchange, individual membership, the adoption of a revised sustainability charter based on new Global Sustainable Tourism Council (GSTC) criteria, and the adoption of the values of youth hostelling. The Conference received and adopted the motion from the Board to admit the Youth Hostel Association Bosnia & Herzegovina to full membership of HI.

Sustainability & Quality Coordinators’ Meeting
This year saw the first Sustainability & Quality Coordinators’ Meeting in Switzerland in the very modern Interlaken hostel. 23 attendees from 15 National Associations sent their representatives to support the implementation of the HI Sustainability Charter and continue work on three main objectives: strengthen the sustainability network; exchange know-how and discuss the new HI-Q&S criteria and set up an action plan for 2015.

Investing in quality

Quality certifications HI-Q
HI-Q is a Quality Management System that helps to focus on customers within every activity in both hostels and their National Association head offices. In 2014, 46 National Associations and 500 hostels have successfully joined HI-Q. HI-Q Light, a version of the quality certification programme that has been tailored to the needs of hostels with less than 10,000 overnights per year, was launched in 2012. At the end of 2014 96 hostels had joined HI-Q Light.

HI-Quality & Sustainability (HI-Q&S)
HI-Q&S enlarges the existing HI-Q System with Social and Environmental elements based on the Global Sustainable Tourism Council (GSTC) criteria. This innovative tool will help all National Associations implement the Sustainability Charter agreed by the 2010 and 2014 Conference. Certifications will commence in 2015.

Visit www.hihostels.com

500 HI hostels are involved in HI-Q our own Quality management System
Social responsibility

Our commitment: Ensuring our activities complement and advance the society in which we operate by exhorting sensitivity to social, cultural and heritage issues.

Engagement with young people

Social media

In 2014, we continued to embrace social media as a way of reaching out to our customers and fans.

<table>
<thead>
<tr>
<th>Platform</th>
<th>Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>80,000</td>
</tr>
<tr>
<td>Twitter</td>
<td>9,000</td>
</tr>
<tr>
<td>Instagram</td>
<td>40,000</td>
</tr>
</tbody>
</table>

Sitting in between our social media content and hihostels.com is our blog site blog.hihostels.com, which is updated weekly with articles, pictures and stories, providing tips and insight for young travellers around the world.

We track customer engagement globally, and in 2014 we had 27,500 mentions across all media and scored a 93% positive sentiment rating, which benchmarks favourably against the industry averages.

Customer engagement

At the end of 2014 we had approximately 120,000 subscribers to our newsletter, plus a further 1.5 million customer records, which emphasises our potential reach. We implemented a new three-stage “welcome” programme for new sign-ups and we revamped our customer satisfaction survey which customers receive after staying in one of our hostels.

Understanding our customers’ preferences will help us to develop our relationship with them in a more meaningful way.

HI Groups

2014 was a transition year for the International Group Scheme as it was integrated with the international office and is now known as HI Groups. It’s still a membership based scheme where National Associations or hostels pay a flat fee for sales and marketing services offered by the scheme.

The hostels which are part of HI Groups are showcased on the new website (groups.hihostels.com) where group leaders can make a booking enquiry in a few clicks for any of the 346 hostels in 38 countries.

The Big Blog Exchange

The Big Blog Exchange (BBE) uses the power of blogs and other social media platforms to encourage young people to dream about travel, to inspire and motivate them to think about the opportunities that exist in the world. At Hostelling International, we enable global interaction for fun, for new experiences, for learning, for peace and understanding. The 16 BBE winners found this out for themselves as they swapped lives and blogs for 10 days in November. We believe that if young people discover, explore and understand other cultures, the world will be a better place. The BBE is an important initiative that HI provides to support this value and our mission.

For the second year this award winning initiative was a very popular and a successful campaign on social media amongst first time travellers and experienced ones from around the world. Visit www.bigblogexchange.org for more information.

Jono (Australia) at Lake Bled in Slovenia

Taralynn’s (USA) customised T-shirt

‘If you would ask me whether the Big Blog Exchange fulfilled its purpose of changing the world through blogs and bloggers my answer would have to be yes. It definitely changed one person’s views towards more tolerance and understanding and that is surely a start. Now it’s my duty to pay it forward; live, explore and keep an open mind. It also taught me so much about myself and how easy it is to slip into a state where you start looking at the world as a big bad thing instead of the amazing wonder that it really is. It reminded me that you can enjoy the company of people you don’t agree with and how much you can learn from listening to their reasons and thoughts’.

Audur from Iceland exchanging with Israel
Social responsibility

Network Initiatives

Across all continents the Member Associations of HI offer affordable, quality accommodation but also strive to deliver the mission in various ways by implementing initiatives that focus on core areas such as social sustainability, environmental protection, education, involving the local community, cultural exchange, great outdoor/adventure... Here are a few examples of social initiatives run by our Member Associations.

The Sleep for Peace campaign's ambition was to commemorate the International Day of Peace, on 21 September 2014, as designated by the United Nations, on an international scale. Initiated by HI-USA; followed by many hostels in the Americas and 12 European countries, the campaign saw a variety of activities take place to promote a more tolerant world through hostelling by reflecting on the personality of each individual hostel. The activities consisted of debates, collective cooking, a photo contest and social media promotion. This common campaign raises awareness around the purpose of the youth hostelling movement in preventing global conflicts and promoting peace and understanding.

HI-Canada-Pacific Mountain collaborates with specialist partners to expand the reach of urban-based adventure initiatives by providing outdoor activity programs in hostels for people with disabilities.

Schools groups are one of the biggest and most important markets for Stayokay in the Netherlands. Every year, 100,000 pupils stay in hostels of the Stayokay network. Unfortunately, in a third of schools, not all children are able to go on school trips because the parents cannot afford it. Stayokay’s answer is their Stay4all program which helps these parents to send their children away by providing the funding. The Stay4all programme is funded by business meeting packages: for every meeting package booked through Stayokay one euro goes to Stay4all. In 2014 the programme helped 194 pupils go on a school trip.

HI Norway run social volunteer activities which provide opportunities for increased interaction of travellers within the hostels, using common space to facilitate activities open to all guests. The activities are designed with the explicit focus of promoting intercultural understanding and include excursions, games, barbecue, cultural kitchen, talks, hikes, fishing, sightseeing, coffee and cookies, waffle baking and music. All in the name of cultural exchange and bringing people together.

In South Africa, the Fair Trade Travel Pass gives you the freedom of choice to visit the most beautiful and culturally diverse parts of the country, knowing that the local community will directly benefit from the money you spend. The tour was designed by a collaboration of seven hostels which have all been Fair Trade accredited and the tour funds are used to the benefit of our local communities of South Africa through the development projects of our hostels.

Every year REAJ, our member in Spain, and five autonomous communities in Spain co-organise and co-fund five programmes to take place in REAJ hostels across the country targetting the young Spanish people. All regions of Spain are invited to submit their projects, then a REAJ committee and a public online vote decide on the five projects to be implemented. All types of activity are welcome such as: creative, literary and theatre camps, entrepreneurial meetings, cooking workshops, environmental and peace projects. Every year different hostels and participants are selected to take part in the creative mobility project (MOVIC) to ensure diversity and accessibility. 180 young Spaniards benefitted from this programme in 2014.

Social volunteering in Norway

Over 1 million guests and local communities benefit from our sustainability initiatives
Environmental sustainability

Our commitment: Minimising our impact on climate change by reducing the carbon footprint of all aspects of our operations.

The environmental performance for the HI network has seen a steady increase over the past years and two of our key measures are the certifications achieved by our members and the praise our customers give to our hostels with the ‘Green Rating’ introduced in 2012.

This rating is an indicator from our customers on their perception of our hostels’ environmental achievements and all the initiatives implemented to minimise our impact on climate change. In 2014 we reached a proud 82.6% overall ‘Green rating’.

Sustainability certifications in the network

In 2014 we continued to increase the number of environmentally or sustainably certified hostels in the network, reaching a proud 356 certified hostels, 87% of which are located in Western Europe. Across our network over 20 different labels are represented; the most popular being: European Eco-Label, The Green Key, Green Tourism and Ibex Label. Each Member Association has implemented a certain label for different reasons with the best customer recognition in the country or supported by their government.

1st place: “A Sustainable Future for YHA Boggle Hole,” YHA England & Wales wins £25,000 for its photovoltaic project in the iconic YHA Boggle Hole that will save 4.1 tonnes of CO2 each year. The energy-saving panels will reduce carbon emissions by 56% and is just one of the many initiatives the hostel has in place to reduce its carbon footprint and educate guests about sustainability.


3rd place: “Air conditioning system combined with water heating system”, Eilat hostel, Israel YHA

myclimate

HI continued the partnership with myclimate in 2014 by passing through the relevant part of customer donations received through bookings on www.hihostels.com. Since inception, we have collected over £80,000 in customer donations, and these funds helped offset 4,281 tonnes of CO2, save 4,186 tonnes of wood and protect 22 hectares of forest. These funds make a sustainable contribution to voluntary climate protection projects with not just a clear reduction in CO2 emissions but a beneficial impact in social sustainability, improving lives and giving back to the communities. We continued support for the three projects: Stove Efficient Qori Q’oncha Peru; Stove Efficient Impact Carbon China; and Stove Efficient Hestian Malawi.
Launch of a new hellohostels.com

April 2014 saw the launch of the new website and booking platform (i.e. hellohostels.com) that supports both our operations and our mission. This milestone represented the completion of the development phase of the most ambitious project ever undertaken by HI. The feasibility study was approved by the Board in April 2012 and the design and implementation work has continued since then. The launch took place within three months of the original planned launch date and the total project cost came in under the £2.6m budget. HI is now in a position of greater control over future digital developments, having previously relied entirely on a single technology supplier.

The website is built on the Salesforce CRM platform, benefiting from the expertise of a world class technology company. Front end changes include more contemporary presentation of the hostels, with better photography, along with Google maps integration. But the most fundamental development is that of the Tripbook concept. Tripbooks - which are destination guides – are a new way for HI and Member Associations to present a wider range of content to promote a destination such as hostels of course but also attractions, activities, events and environmental-friendly initiatives. Travellers can create their own Tripbooks as well whereby they can link in other articles, blogs and images that will help them plan their journey, and make the most of it while they are abroad.

As is often the case with a new website launch we have experienced a drop in visitors. This drop was greater than projected in the project plan. Additionally, the need for subsequent features and enhancements to achieve the desired level of usability for travellers and Member Associations was greater than envisioned in the original plan. These additional features and enhancements are a top priority for HI and will increase the site’s visibility and improve the quality of the user experience. Once implemented, the improved visibility and user experience should enable HI to achieve at least the volume of bookings realised under the previous booking engine, and ultimately a further growth in volume of bookings. Importantly, hellohostels.com not only enables travellers to book overnights at hostels within the network, it also supports the delivery of HI’s mission by giving hostellers a means to share their travel experience and identify opportunities to learn more about the countries and locations that they visit.

HI made important progress during 2014 in increasing the features and functionality of hellohostels.com based on three guiding principles: to improve the customer booking experience/increase bookings, enhance services to our stakeholders and improve platform stability.

This development cycle will continue in 2015; the principal focus being on improving the quality of translations and offering more languages, Search Engine Optimisation (SEO) and making the back office more user friendly thus increasing the inventory made available via the website.

Youth hostelling was founded in Germany by Richard Schirrmann in 1909

Cape Agulhas, South Africa
hihostels.com in numbers

Top 10 destinations by overnights booked 2014
1. USA
2. France
3. Iceland
4. UK
5. Norway
6. Canada
7. Italy
8. Germany
9. Spain
10. Belgium

Top 10 source markets by overnights booked 2014
1. Germany
2. USA
3. France
4. Japan
5. Canada
6. Spain
7. UK
8. Brazil
9. Australia
10. China

Best hostel awards

These awards highlight the hostels and staff in our network that go that extra mile and make our customers’ experiences especially memorable. HI would like to thank all who ensure that our customers have “the real hostel experience”.

The winners of the prestigious HI-5ives awards in 2014 were the following:

- **Best Hostel Overall** – Reykjavik – Loft Hostel, Iceland (95.2 %)
- **Friendliest Hostel** – HI Martha’s Vineyard, USA (99 %)
- **Most Comfortable** – HI Seoul YH, South Korea (96 %)
- **Green Hostel** – YHA Jockey Club Mt. Davis, Hong Kong (96.2 %)
- **Best National Association** – Hong Kong (90.6 %)

Overall customer satisfaction for hostels booked on hihostels.com has increased from 85% in 2013 to 86.2% in 2014.

Top 10 destinations by bookings (on hihostels.com) 2014
1. USA HI - New York City
2. France Paris - Yves Robert
3. USA HI - San Francisco - Downtown
4. France Paris - Le d’Artagnan
5. USA HI – Boston
6. Italy Roma - Downtown Hostel
7. USA HI - Los Angeles - Santa Monica
8. USA HI – Chicago
9. USA HI - Washington DC
10. France Paris - Jules Ferry

Top 10 rated hostels - 2014

<table>
<thead>
<tr>
<th>Hostel</th>
<th>Rating</th>
<th>No. of Reviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reykjavik - Loft Hostel</td>
<td>95.20%</td>
<td>221</td>
</tr>
<tr>
<td>Reykjavik Downtown</td>
<td>94.80%</td>
<td>178</td>
</tr>
<tr>
<td>HI - Martha’s Vineyard</td>
<td>94.50%</td>
<td>66</td>
</tr>
<tr>
<td>Seoul - HI Seoul Youth Hostel</td>
<td>93.90%</td>
<td>62</td>
</tr>
<tr>
<td>C U Hostel Taipei International YH</td>
<td>93.80%</td>
<td>74</td>
</tr>
<tr>
<td>HI - Hyannis</td>
<td>93.70%</td>
<td>69</td>
</tr>
<tr>
<td>Oslo Central</td>
<td>92.80%</td>
<td>242</td>
</tr>
<tr>
<td>HI - Boston</td>
<td>92.60%</td>
<td>535</td>
</tr>
<tr>
<td>Flám</td>
<td>92.60%</td>
<td>127</td>
</tr>
<tr>
<td>YHA Mei Ho House</td>
<td>92.30%</td>
<td>61</td>
</tr>
</tbody>
</table>
Governance & Board of Trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

Small Company Exemptions
The Report of the Board of Trustees has been prepared in accordance with the provisions applicable to small companies entitled to the small companies exemption.

Board of Trustees
The following served as trustees (and therefore also directors) of the International Youth Hostel Federation (operating as Hostelling International) until 6 August 2014:

President: Edith Arnoult-Brill (France)
1st Vice President: Ken Kilkenny (Republic of Ireland)
2nd Vice President: Igor Jurisic (Slovenia)
Treasurer: Angela Braasch-Eggert (Germany)
Members:
- Fernando Cruz-Tagle (Chile)
- Brent Czarnecki (Canada)
- Dr Mamdouh Mandour (Egypt)
- Abdulla Salem AD Al-Bikri (Qatar)
- Sander Allegro (The Netherlands)
- Angela Braasch-Eggert (New Zealand)

The following trustees were elected at the 50th International Conference and served from 7 August 2014:

President: Angela Braasch-Eggert (Germany)
Vice Presidents:
- Brent Czarnecki (Canada)
- Alex Zilkens (Australia)
Treasurer: Eric Oetjen (USA)
Members:
- Abdulla Salem AD Al-Bikri (Qatar)
- Sander Allegro (The Netherlands)
- Fernando Cruz-Tagle (Chile)
- Benoit Graisset-Recco (France)

The International Office is managed by the Chief Executive, who is accountable to the Board. The office is located in Welwyn Garden City, Hertfordshire, UK. The Chief Executive, Mikael Hansson, left Hostelling International at the end of August 2014. The interim is ensured by Company Secretary, Jon Rabbett until the CEO position is filled permanently.

HI Board Governance Policy
The role of the Board is governance rather than management, which is the responsibility of the Senior Management Team at the International Office. Governance focuses on the wider issues of the organisation and the establishment and monitoring of the strategic direction.

The Board work closely in partnership with the Chief Executive and Senior Management Team to ensure that their goals are achieved by means of resourcing and supporting the team to carry out their duties.

It is the responsibility of the Chief Executive at the direction of the Board or otherwise to propose new strategies or revise existing strategies for the Board’s consideration. Upon approval from the Board, the Chief Executive shall develop implementation plans and take necessary steps to action them. Progress reports are brought to the Board’s attention on a regular basis.

The Board give direction for the overall operations of HI, but are not directly responsible for the day-to-day operations of the organisation, which is the task of the Chief Executive. The Board, however, have the ultimate responsibility for the sound management and financial security of HI. The Board approve the annual budget prior to the beginning of every financial year of HI.

Gratitude
The Board would like to take this opportunity to express their thanks to all the volunteers and professionals involved in the international hostelling movement. Without their support and assistance, the important work to deliver the vital mission of this global organisation could not take place.

Trustees’ statement
The financial information set out in the annual report does not constitute statutory accounts as defined in section 435 of the Companies Act 2006.

The summary of financial information on pages 26-29 has been extracted from the full financial statutory accounts, which were approved on 27 March 2015 and have been submitted to the Charity Commission and Register of Companies. The auditor’s report on the charitable company’s annual accounts, and the auditor’s statements with regard to whether the information contained in the trustees’ report is consistent with the accounts was unqualified. The auditor’s report did not contain statements under s498 (2) or (3) of the Companies Act 2006.

A copy of the full statutory accounts, together with the Trustees’ and Auditor’s reports thereon, can be obtained from the registered office.

Signed on behalf of the Board by

Angela Braasch-Eggert
President

Eric Oetjen
Treasurer

15 July 2015

Visit www.hihostels.com
Independent auditor’s statement to the members of the International Youth Hostel Federation

We have examined the summary financial statements contained within the Annual Report for the year ended 31 December 2014 which comprise the Summary Statement of Financial Activities and the Summary Balance Sheet.

This report is made solely to the charitable company’s members, as a body, in accordance with the terms of our letter of engagement with the company dated 8 January 2015. Our work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s members as a body, for our audit work, for this report, for our audit report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors
The trustees are responsible for preparing the Annual Report (which includes the summary financial statements) in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statements contained within the Annual Report with the full annual financial statements.

We also read the other information contained in the Annual Report as described in the contents section, and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the charitable company’s full annual financial statements describes the basis of our opinion on those financial statements and Trustees’ report.

Opinion
In our opinion, the summary financial statements contained within the Annual Report are consistent with the full annual financial statements for the year ended 31 December 2014.

We have not considered the effects of any events between the date on which we signed our report on the full annual financial statements, 27 March 2015, and the date of this statement.

Reza Motazedi FCA
(Senior Statutory Auditor)

for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London 15 July 2015

Professional Advisors
Bankers:
HSBC
Howardsgate
Welwyn Garden City, AL8 6BH
England

Investment Bankers:
Credit Suisse (until March 2014)
Postfach 637
CH-8401, Winterthur
Switzerland

Brewin Dolphin (from April 2014)
12 Smithfield Street
London, EC1A 9BD
England

Solicitors:
Russell-Cooke LLP
2 Putney Hill
London, SW15 6AB
England

Oslo Central Hostel, Norway
Summary Financial Statement prepared from the audited Financial Statement for the year ended 31 December 2014

**Statement of financial activities**

<table>
<thead>
<tr>
<th>Unrestricted funds 2014 (£)</th>
<th>Restricted funds 2014 (£)</th>
<th>Total funds 2014 (£)</th>
<th>Unrestricted funds 2013 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incoming Resources</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary income – donations</td>
<td>-</td>
<td>19,447</td>
<td>19,447</td>
</tr>
<tr>
<td>Investment income</td>
<td>82,917</td>
<td>-</td>
<td>82,917</td>
</tr>
<tr>
<td>Activities for generating funds</td>
<td>-</td>
<td>26,951</td>
<td>26,951</td>
</tr>
<tr>
<td>Incoming resources from charitable activities</td>
<td>2,013,432</td>
<td>-</td>
<td>2,013,432</td>
</tr>
<tr>
<td>Other incoming sources</td>
<td></td>
<td>58</td>
<td>141</td>
</tr>
<tr>
<td>Total incoming resources</td>
<td>2,123,358</td>
<td>19,447</td>
<td>2,142,805</td>
</tr>
<tr>
<td>Resources Expended</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Costs of generating funds</td>
<td></td>
<td></td>
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<tr>
<td>Fundraising trading: cost of goods sold</td>
<td>12,999</td>
<td>-</td>
<td>12,999</td>
</tr>
<tr>
<td>Investment management costs</td>
<td>23,801</td>
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<td>23,801</td>
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<tr>
<td>Charitable Activities</td>
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<tr>
<td>Grants</td>
<td>-</td>
<td>45,157</td>
<td>45,157</td>
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<tr>
<td>Network development costs</td>
<td>977,543</td>
<td>-</td>
<td>977,543</td>
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<tr>
<td>Website running costs</td>
<td>1,797,848</td>
<td>-</td>
<td>1,797,848</td>
</tr>
<tr>
<td>Release of bad debt provision</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Governance costs</td>
<td>267,359</td>
<td>-</td>
<td>267,359</td>
</tr>
<tr>
<td>Total Resources Expended</td>
<td>3,079,550</td>
<td>45,157</td>
<td>3,124,707</td>
</tr>
<tr>
<td>Net (outgoing) / incoming resources</td>
<td>(956,192)</td>
<td>(25,710)</td>
<td>(981,902)</td>
</tr>
<tr>
<td>Other Recognised Gains/(Losses)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realised gains on investment assets</td>
<td>309,968</td>
<td>-</td>
<td>309,968</td>
</tr>
<tr>
<td>Unrealised (losses)/gains on investment assets</td>
<td>(294,550)</td>
<td>-</td>
<td>(294,550)</td>
</tr>
<tr>
<td>Realised (losses) on foreign exchange</td>
<td>(12,798)</td>
<td>-</td>
<td>(12,798)</td>
</tr>
<tr>
<td>Unrealised gains on loan accounts</td>
<td>172</td>
<td>-</td>
<td>172</td>
</tr>
<tr>
<td>Net Movement in Funds</td>
<td>(953,400)</td>
<td>(25,710)</td>
<td>(979,110)</td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>4,790,483</td>
<td>32,308</td>
<td>4,822,791</td>
</tr>
<tr>
<td>Total funds carried forward</td>
<td>3,837,083</td>
<td>6,598</td>
<td>3,843,681</td>
</tr>
</tbody>
</table>

All operations are classified as continuing.

### Incoming Resources 2014

- **Activities for generating funds**: £2,142,805 (1%)
- **Voluntary income - donations**: £19,447 (1%)
- **Investment income**: £82,917 (4%)
- **Incoming resources from charitable activities**: £2,013,432 (94%)

### Resources Expended 2014

- **Investment management costs**: £309,968 (1%)
- **Grants**: £294,550 (1%)
- **Governance costs**: £12,798 (9%)
- **Network development costs**: £172 (31%)
- **Website running costs**: £172 (58%)

### Net Movement in Funds

- Net movement in funds for 2013: £649,787
- Net movement in funds for 2014: £979,110

HI-Boston, USA
Balance sheet as at 31 December 2014

Fixed Assets

<table>
<thead>
<tr>
<th></th>
<th>2014 (£)</th>
<th>2013 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible fixed assets</td>
<td>1,916,077</td>
<td>1,981,195</td>
</tr>
<tr>
<td>Investments</td>
<td>2,334,702</td>
<td>2,998,395</td>
</tr>
<tr>
<td>Programme related investments</td>
<td>105,728</td>
<td>126,308</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td><strong>4,356,507</strong></td>
<td><strong>5,105,898</strong></td>
</tr>
</tbody>
</table>

Current Assets

<table>
<thead>
<tr>
<th></th>
<th>2014 (£)</th>
<th>2013 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock</td>
<td>12,003</td>
<td>13,292</td>
</tr>
<tr>
<td>Debtors</td>
<td>126,483</td>
<td>184,762</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>133,337</td>
<td>307,273</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>271,823</strong></td>
<td><strong>505,327</strong></td>
</tr>
</tbody>
</table>

Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2014 (£)</th>
<th>2013 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors: Amounts falling due within one year</td>
<td>784,649</td>
<td>788,434</td>
</tr>
<tr>
<td><strong>Net Current (Liabilities)</strong></td>
<td><strong>(512,826)</strong></td>
<td><strong>(283,107)</strong></td>
</tr>
<tr>
<td><strong>Total assets less liabilities</strong></td>
<td><strong>3,843,681</strong></td>
<td><strong>4,822,791</strong></td>
</tr>
</tbody>
</table>

The Funds of the Charity

<table>
<thead>
<tr>
<th></th>
<th>2013 (£)</th>
<th>2014 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>3,775,384</td>
<td>4,712,808</td>
</tr>
<tr>
<td>Designated funds</td>
<td>61,699</td>
<td>77,675</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>6,598</td>
<td>32,308</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td><strong>3,843,681</strong></td>
<td><strong>4,822,791</strong></td>
</tr>
</tbody>
</table>

Note to the Summarised Financial Statements

The foregoing financial statements are a summary of the information contained in the unqualified accounts of Hostelling International for the year ended 31 December 2014. These summarised accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the organisation. For further information, the full report of the Board of Trustees, including notes to the Financial Statements, should be consulted. This can be obtained from Hostelling International by sending an email at info@hihostels.com.
# HI Member Associations (69)

**ALGERIA**  
Fédération Algérienne des Auberges de Jeunesse  
www.yhachina.com

**ARGENTINA**  
YHA Argentina  
www.yha.com.au  
Hostelling International Argentina  
www.hostelsofargentina.com

**AUSTRALIA**  
www.yha.org.au  
YHA Australia

**AUSTRIA**  
Österreichischer Jugendherbergsverband  
www.ojvh.at  
Österreichisches Jugendherbergswerk (ÖJHW)  
www.ojvh.at

**BAHRAIN**  
Bahrain Youth Hostels Society  
www.byhs.org.bh

**BELGIUM**  
Belgische Jeugdherbergcentrale (VJH)  
www.laj.be  
Les Auberges de Jeunesse (FUAJ)  
www.youthhostels.lu  
Centrale des Auberges de Luxembourg  
www.lha.lt

**BOLIVIA**  
Hostelling International Bolivia  
www.hostellingbolivia.org

**BOSNIA AND HERZEGOVINA**  
Youth Hostel Association of Bosnia and Herzegovina  
www.ferijalni.org

**BRAZIL**  
Federação Brasileira dos Albergues da Juventude  
www.hostelling.com.br

**CANADA**  
Hostelling International - Canada  
www.hihostels.ca

**CHILE**  
Asociación Chilena de Albergues Turísticos Juveniles  
www.hostelling.cl

**CHINA**  
YHA China  
www.yhachina.com

**CHINESE TAIPEI**  
Chinese Taipei Youth Hostel Association  
www.yha.org.tw

**CROATIA**  
Hrvatski Ferijalni i Hostelski Savez (Croatian YHA)  
www.hfhs.hr

**CZECH REPUBLIC**  
Czech Youth Hostel Association (CZYHA)  
www.czechhostels.com

**DENMARK**  
DANHOSTEL  
www.danhostel.dk

**EGYPT**  
Egyptian Youth Hostels Association

**ENGLAND & WALES**  
YHA England & Wales  
www.yha.org.uk

**ESTONIA**  
Estonian Youth Hostels Association  
www.hostels.ee

**FINLAND**  
Suomen Retkeilymajajärjestö-SRM  
www.hostellit.fi

**FRANCE**  
Fédération Unie des Auberges de Jeunesse (FUAJ)  
www.fuaj.org

**GERMANY**  
DJH Hauptverband  
www.jugendherberge.de

**HONG KONG**  
Hong Kong Youth Hostels Association  
www.yha.org.hk

**HUNGARY**  
Magyarországi Ifjúsági Szállások Szövetsége (Hungarian YHA)  
www.hihostels.hu

**ICELAND**  
Hi Iceland  
www.hostel.is

**INDIA**  
Youth Hostels Association of India  
www.yhaindia.org

**IRELAND (Northern)**  
Hostelling International-Northern Ireland  
www.hini.org.uk

**IRELAND (Republic of)**  
An Óige (Irish Youth Hostel Association)  
www.anoige.ie

**ISRAEL**  
Israel Youth Hostels Association  
www.yha.org.il

**ITALY**  
Associazione Italiana Alberghi per la Gioventù (AIG)  
www.aihostels.com

**JAPAN**  
Japan Youth Hostels Inc  
www.jyh.or.jp

**JORDAN**  
Jordan Youth Hostels Commission

**KOREA (South)**  
Hostelling International Korea  
www.kyha.or.kr

**KUWAIT**  
Kuwait Youth Hostel Committee

**LEBANON**  
Lebanese Youth Hostels Federation  
www.lyhf.org

**LIBYAN**  
Libyan Youth Hostel Association

**LITHUANIA**  
Lithuanian Youth Hostels Association  
www.lha.lt

**LUXEMBOURG**  
Centrale des Auberges de Jeunesse Luxembourgeoises  
www.youthhostels.lu

**Macedonia**  
Macedonian Youth Hostel Association

**MALAYSIA**  
HI-Malaysia  
www.hi-malaysia.org.my

**MALTA**  
NSTS Hostelling International

**MEXICO**  
Hostelling International Mexico  
www.hostellingmexico.com

**MOROCCO**  
Fédération Royale Marocaine des Auberges de Jeunes

**NETHERLANDS**  
Stayokay  
www.stayokay.com

**NEW ZEALAND**  
YHA New Zealand  
www.yha.co.nz

**NORWAY**  
Norges Vandrerhjem – HI Norway  
www.yhohostels.no

**PAKISTAN**  
Pakistan Youth Hostels Association  
www.pakistanhostel.com

**PEL**  
Peru  
Administrator Peruana de Albergues  
www.hostelling peru.com.pe

**PHILIPPINES**  
Youth and Student Hostel Foundation of the Philippines  
http://yshf.wordpress.com

**POLAND**  
Polskie Towarzystwo Schronisk Mlodziezowych (Polish Youth Hostel Association)  
www.ptsm.org.pl

**PORTUGAL**  
MOUVJOVEM  
www.pousadasjuventude.pt

**POLAND**  
Afghan Youth Hostel Foundation of the Philippines  
www.yhina.org.ph

**QATAR**  
Qatar Youth Hostels Association

**RUSSIA**  
Youth Hostels Association of Russia  
www.russiya-hostelling.ru

**SAUDI ARABIA**  
Saud Arabian Youth Hostels Association  
www.sayha.org.sa

**SCOTLAND**  
Scottish Youth Hostels Association  
www.sayha.org.uk

**SERBIA**  
Serbian Youth Hostels Association  
www.sayha.org.rs

**SINGAPORE**  
Hostelling International Singapore  
www.hostelling.org

**SLOVAKIA**  
Pozvanie a Hospodárske Turistické Centrum (PSTC)  
www.hostelforum.sk

**SLOVENDIA**  
PZS – Hostelling International Slovenia  
www.youth-hostel.si

**SPAIN**  
Red Española de Albergues Juveniles (REAJ)  
www.reaj.com

**SUDAN**  
Sudanese Youth Hostels Association  
www.sudanseyha.net

**SWEDEN**  
Svenska Turistföreningen  
www.svenskaturistforeningen.se

**SWITZERLAND**  
Schweizer Jugendherbergen  
www.youthhostel.ch

**THAILAND**  
Thai Youth Hostels Association  
www.ythha.org

**TUNISIA**  
Association Tunisienne des Auberges de Tourisme de Jeune

**UNITED ARAB EMIRATES**  
United Arab Emirates Youth Hostel Association  
www.uaeyha.com

**URUGUAY**  
Asociación de Alberguistas del Uruguay  
www.hosteluruguay.org

**USA**  
Hostelling International USA  
www.hiusa.org

**VANUATU**  
Hostelling International Vanuatu  
www.hihostels.org

**VIETNAM**  
Vietnamese Youth Hostel Association  
www.yhavietnam.com

**YEMEN**  
Yemen Youth Hostels Association  
www.yha.org.ye

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**HI Associate Organisations (3)**

**BULGARIA**  
Bulgarian Youth Hostel Association

**NEPAL**  
Nepal Youth Hostel Council  
www.youthhostel-nep.org

**SYRIA**  
The Youth Tourism Organization (Syrian Youth Hostels Association)

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Member Associations and Associates: accurate as of December 2014