



# Annual Report and Financial Statements 2018-2019



SUPPORTING  
year of young people  
bliadhna na h-òigridh  
2018



# Governance and Strategic Aims

## Principal Charitable Objective

The principal charitable objective of SYHA is 'the advancement of education, for the public benefit, by helping all, but especially young people, to experience and appreciate the Scottish countryside, environment, natural heritage and places of historic and cultural interest in Scotland, and through the promotion of their health, recreation and education, particularly by providing low cost accommodation for them on their travels'.

### Patron

HRH The Prince Philip, Duke of Edinburgh,  
KG, KT, OM, GCVO, GBE, ONZ, QSO, AK, GCL, CC, CMM.

### Trustees and Directors

The Board, who are the Charity Trustees and Directors of the Company, received no remuneration for their services. Those who served as Board members during the year were:

		Current Term	
David Calder (co-opted)	Chair	(2018-19)	Appointed 16.06.18
Martin Ambrose	Vice Chair	(2018-21)	Appointed 16.06.18
Sally Mayer	Vice Chair	(2016-19)	Appointed 11.06.16
Michael Anderson		(2016-19)	Appointed 11.06.16
Duncan Craig		(2017-20)	Appointed 17.06.17
Claire McCorquodale		(2017-20)	Appointed 17.06.17
Paul Randall		(2016-19)	Appointed 11.06.16
Sophie Bell (co-opted)		(2018-20)	Appointed 06.10.18
William Thomson		(2017-20)	Appointed 17.06.17
Michael West		(2018-21)	Appointed 16.06.18
Josephine Smith		(2018-21)	Appointed 16.06.18

### Executive Management

#### Chief Executive & Company Secretary:

Margo S Paterson

#### Director of Operations & Deputy Chief Executive:

Sabine Mackenzie

#### Director of Finance & Resources:

David Powrie

### Join the conversation



### Key Strategic Aims

The Trustees and Directors in March 2018 agreed the following 7 key strategic aims in their adopted 2018 – 2020 Growth Strategy:

1. **Delivering Excellence** – to our members, guests and stakeholders.
2. **Developing our People** – by nurturing our employee family so they in turn will deliver exceptional service.
3. **Enhancing our Properties** – to a standard of comfort and facilities that meet the needs of our guests.
4. **Innovating new Systems** – to attract new members and guests and to be able to respond quickly to their needs.
5. **Working with Young People** – supporting and promoting youth engagement and providing accessibility to Scotland for all.
6. **Engaging Membership** – ensuring members feel valued through regular communication.
7. **Securing the Future** – remaining relevant and ensuring our longevity to achieve the vision and charitable objectives of the organisation.

To aid the achievement of these 7 strategic aims the Board of Trustees and Directors sets annual objectives. Set out overleaf are the annual strategic objectives for 2018-19, the first year of the 2018-2020 strategy period, and the achievements against those objectives.

### Registered Office:

7 Glebe Crescent  
Stirling  
FK8 2JA

Telephone: 01786 891400  
Facsimile: 01786 891333  
Email: info@hostellingscotland.org.uk  
Website: www.hostellingscotland.org.uk

Charity No.: SC013138  
Company No.: SC310841

Cover: Rowardennan Lodge Youth Hostel



# Strategic Objectives

## 2018-2019 Strategic Objectives

### Delivering Excellence

- To be the first choice for hostelling by raising guest service delivery standards –**  
Achieved. Individual hostel targets have been set for guest feedback targets. Training of all group managers on Customer Service Charter training has been achieved and an online version is being worked on to support induction going forward.
- Development of catering provision to include accreditation from VisitScotland Taste our Best Scheme –**  
Achieved. This is VisitScotland's certification scheme which recognises and celebrates businesses that provide and promote locally sourced, quality food and drink.
- Participation as key centres for the iKnow initiative by becoming a VisitScotland Information Partner (VIP) –**  
Achieved. Businesses that are part of the programme are recognisable by the iKnow Scotland programme; these are businesses who are "in the know" and can share their local knowledge on a range of key topics.
- Development of Edinburgh and Glasgow reception areas and shared guest space –**  
In progress - Edinburgh has been identified as the priority and the next step is to put in place an outline draft, timeline and financial paper for the works to commence in Business Period 3 2019-20.
- Hosting of European Regional Conference in Edinburgh –**  
Achieved. Finally took place in Brussels in May where it was hosted by Hostelling Scotland.



Glen Nevis Hostel Team

### Developing our People

- Become an employer of choice through the review and development of recruitment approach –**  
Achieved with the appointment of a Recruitment Co-ordinator in December 2018.
- Promote recruitment opportunities for young people –**  
Achieved. Participated at Skills Scotland fairs in Edinburgh and Glasgow. Work ongoing to develop an apprenticeship scheme with a view to go live in 2019.
- Amalgamate auto-enrolment and defined contribution pension schemes –**  
In progress - consultation with financial advisers in progress to identify suitable pension scheme provider.

### Enhancing our Properties

- Refurbishment and re-opening of Glen Nevis Youth Hostel –**  
Achieved with 5 star VisitScotland accreditation.
- Commission a property condition survey for all properties to establish future investment requirements –**  
Achieved and will support future prioritisation.
- Identify and develop a refurbishment project in the Cairngorms National Park with a view to commencing works in autumn 2019 –**  
In progress – report has been commissioned to ascertain structural condition of Cairngorm Lodge, with work due to commence in June 2019. Development planning is underway for Aviemore Youth Hostel.

### Innovating new Systems

- Development and launch of a website reflective of the new brand identity to improve traffic and direct bookings –**  
Achieved and launched in June 2018.
- Conclude feasibility study of a property management system for implementation in 2019 –**  
Achieved. Detailed system brief prepared and to be sent out to tender in Business Period 2 2019-20 for training and roll out in Business Period 3 in 2020-21.

Glen Nevis YH

### Working with Young People

- Develop innovative partnerships with organisations that share our values to increase the impact and outreach of Hostelling Scotland youth/community programmes –**  
Achieved. New pilot family group breaks offered to groups of disadvantaged families as part of the Scotspirit programme (Visit Scotland and Family Holiday Association). New pilot group breaks offered to groups of young carers, and young adult carers as part of the Respality programme (Shared Care Scotland) New pilot break offered to support disadvantaged nursery aged young children, their families and nursery leaders through a new project called Mini Explorers.

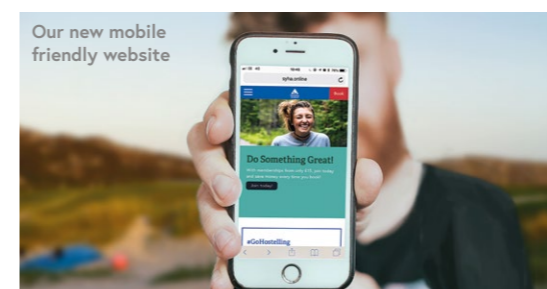
- Promote youth involvement in the Governance of Hostelling Scotland –**  
Achieved with the appointment of a co-opted young Trustee from the Santander graduate trustee programme.

- Launch of Hostelling Scotland Explorer Fund to enable more young people to have meaningful and relevant residential experiences, offering disadvantaged young people from youth groups and schools the opportunity to explore and experience Scotland and experience the benefits of a residential stay in a Youth Hostel –**  
Achieved; 25 groups have been funded directly through the new Hostelling Scotland Explorer Fund.

- Actively participate in the Year of Young People (YOYP) 2018 –**  
Achieved through many different projects including Hostel Takeover, Doors Open Days and Glenfest at Glen Nevis YH in December, working in partnership with New College Lanarkshire, Scottish Civic Trust, Scot Rail, and Highlife Highland.

### Engaging Membership

- Implement regular and direct communications with members –**  
Achieved with direct communication for the call for nominations to stand in Board elections, members' exclusive offer sent out in November and in December members' received a happy holiday message from CEO.
- Initiate feedback from members to enhance future membership services –**  
Achieved - online members' survey issued early November 2018. Review of membership categories and benefits will be conducted following the results of the survey. Survey of newsletter followers who are non-members was also conducted in November 2018.



Mini Explorers discover our Rowardennan Lodge YH

### Securing the Future

- Raise the profile of Hostelling Scotland through rebranding –**  
Achieved. Brand launch in March 2018 and all key signage in place prior to end of June 2018.
- Strengthen market positioning through PR activities to communicate the brand refresh and modernisation of Hostelling Scotland –**  
Ongoing with success in radio, press and social media coverage and on-going Vlogger content through social media. Active participation and CEO voice within Scottish Tourism Alliance and Scottish Government consultation.
- Restructure of sales function to increase focus on yield management in particular group sales –**  
Achieved with recruitment of Trade and Yield Co-ordinator and Sales Executive.
- Increase hostel income by 4% through yield management and new sales initiatives –**  
Not achieved, resulting in a decrease of 6% to budget. This is due to challenging market conditions such as increased competition in the hostel and budget accommodation sector and an increase of Airbnb properties in key locations. Consumer confidence remains cautious.
- Generate £1.65M surplus for re-investment into the network –**  
Not achieved. Revenue is down 6% to budget, however, management of expenditure has resulted in marginal savings against budget, minimising the impact and resulting in the generation of a £1.2M operational surplus.



Aberdeen YH



Cabinet Secretary for Culture, Tourism and External Affairs, Fiona Hyslop visits our Glen Nevis YH

VisitScotland Chairman, Lord John Thurso visiting our stand at this year's VisitScotland Expo and Glasgow SEC









# Making a difference



SUPPORTING  
year of young people  
bliadhna na h-òigridh  
2018



## 618

young people, children,  
parents, carers and leaders  
were supported through the  
Explorer Fund in 2018/19

## 50

young people  
co-designed and took  
part in Glenfest, held  
at our Glen Nevis  
Youth Hostel

### Youth & Community Engagement

In 2018/19 we created **The Explorer Fund** designed to give disadvantaged young people a valuable break away from home which in its first year received a high number of applications. The fund supports groups to plan and deliver high quality "Brilliant Residential" experiences. A wide range of Youth, School, College and Nursery Groups from across Scotland were supported to have a residential trip, with the funding supporting the accommodation and catering costs for each group in one of our youth hostels. The groups and schools came from all over Scotland and included young people with additional support needs, care experienced young people, asylum seeking young people, young carers, disadvantaged young people and young people living in areas of deprivation, many of whom would not otherwise experience a holiday or trip away from home. As part of the experience, young people develop their skills for life, learning and work by being involved in the designing and planning of the trip with the aim to provide the best possible residential break which we hope acts as encouragement to explore Scotland further. 618 young people, children, parents and leaders were supported to explore Scotland and have a trip away through the Explorer Fund in 2018/2019, an increase of 53% over those supported in the prior year.

Our **Respite Programme** supported 34 young carers and young adult carers, and 25 adult carers, through 10 overnight breaks for carers and a guest, and 3 group breaks in hostels across Scotland. Respite is run by Shared Care Scotland, supported by Scottish Government, and aims to support unpaid carers across Scotland to have a

much needed break through developing partnerships with the Hospitality industry.

41 children and 45 parents and leaders were supported through our Scotspirit Programme. Scotspirit is run by Visit Scotland, in partnership with the Family Holiday Association, and aims to support families that would not otherwise have a holiday.

34 young people aged 16 to 25 were supported to stay in a Youth Hostel, and explore new buildings during Doors Open Days weekend, through a new pilot project called Braw Buildings. This was run in partnership with Scottish Civic Trust and also supported by Scot Rail. 14 young people were able to stay in a Youth Hostel and explore the Christmas Markets in November and December through the Festive Fun project.

In celebration of our newly refurbished Glen Nevis Youth Hostel, we partnered with Highlife Highland to host our Glenfest weekend where 50 local young people enjoyed staying in the hostel with activities and entertainment throughout the weekend.

We worked with many partnership organisations during the year and are grateful for all their contributions.

**Through our youth and community programmes in 2018/19, in total 851 children, young people, parents and leaders were supported to discover Scotland, have a trip away and experience Hostelling.**

1. Getting into the spirit of things at the Glenfest Event held at our Glen Nevis YH;
2. Students and a leader from Edinburgh College enjoying an Explorer Funded trip to Pitlochry YH;
3. Young people from Edinburgh College discovering the great outdoors on a trip to Pitlochry YH;
4. Young people from Moray Primary take to the water on a trip to Oban YH;
5. A student from New College Lanarkshire taking part in the Hostel Takeover at Glasgow YH;
6. Young people from Muirkirk Primary cooking up a storm at Inverness YH;
7. One of our Mini Explorers from Woodburn Nursery having fun at Rowardennan YH;
8. Festive fun participants making the most of their trip to Edinburgh YH;
9. Dalbeattie Cub Scouts enjoying a break at Newton Stewart YH;
10. A young chef in the making at our Inverness YH;
11. Young people from YOMO youth project celebrating the view from our Pitlochry YH.



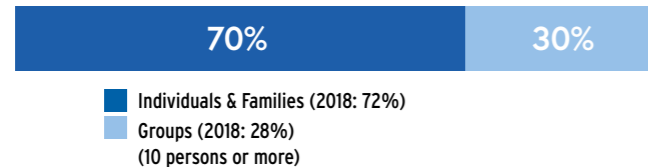
# Review of Annual Activities

## Hostelling Guests

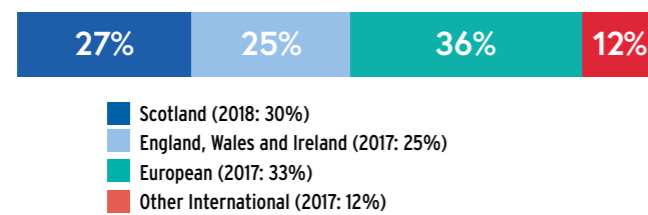
We welcomed 356,428 overnight guests (2018: 377,682) during the year, a drop of 6% on the previous year.

Guest profiles were:

### Guest profiles



### Guest nationalities

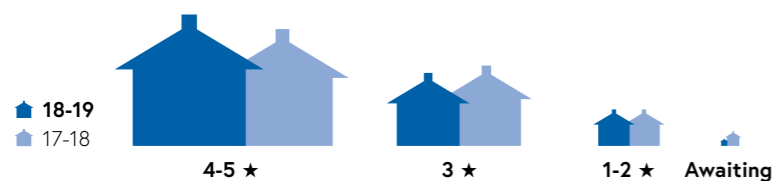


## Guest Satisfaction

Guest satisfaction ratings taken from [hostellingscotland.org.uk](http://hostellingscotland.org.uk):

	18/19	17/18
Overall	91%	89%
Value	90%	91%
Cleanliness	92%	91%
Facilities	87%	86%
Service	92%	93%
Location	94%	95%

VisitScotland Quality Assurance (QA): Youth hostel awards during the period were:



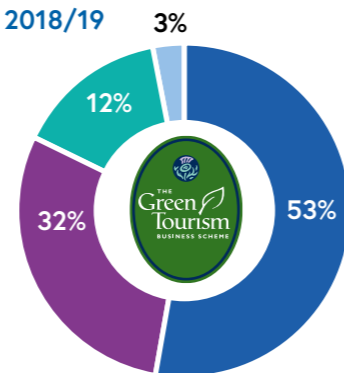
	Hostels 2018/19	Network %	Hostels 2017/18	Network %
4-5 Stars	18	53%	16	47%
3 Star	10	29%	11	32%
1-2 Star	5	15%	5	15%
Awaiting Accreditation	1	3%	2	6%

**Hostelling International Quality (HI-Q):** 11 SYHA youth hostels hold HI-Q accreditation for successfully passing the international hostel management programme. As a consequence the HI-Q hostel management systems have now been adopted and implemented in all SYHA youth hostels.

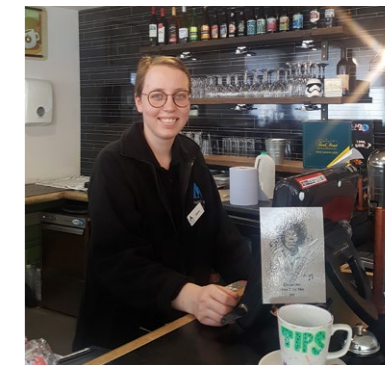
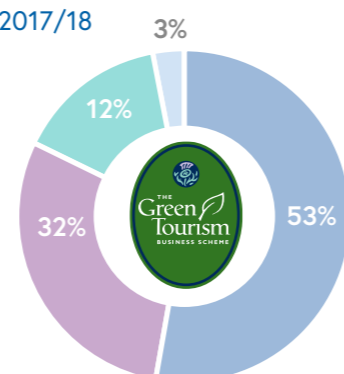
**Green Tourism:** We continue to take steps to increase energy efficiency, reduce carbon footprint through hostel refurbishment and promote sustainable projects to reduce negative environmental impacts. We work closely with the independent environmentally qualified assessors of Green Tourism to reassure members and guests that we care about sustainability and are working hard to make a difference.

	Hostels 2018/19	Network %	Hostels 2017/18	Network %
Gold	11	32%	11	32%
Silver	18	53%	18	53%
Bronze	1	3%	1	3%
Awaiting Accreditation	4	12%	4	12%

### Green Tourism ratings 2018/19



### Green Tourism ratings 2017/18



Top left: This year's German volunteers complete their induction at Head Office in Stirling

Above: Volunteer Sarah offering guests a warm welcome at Edinburgh Central YH

## Hostelling Membership

Membership in total dropped to 12,840 (2018: 13,834). Life Membership increased by 1% (2018: 2% increase) on the previous year. Temporary membership decreased by 1% to 151,417 (2018: 152,837). Engaging Membership is a key focus of the 2018-20 Growth Strategy.

## Hostelling People

**Employees:** 202 employees participated in 20 types of personal development training events during the year. As an apprenticeship levy employer, we secured funding for Flexible Workforce Development to train 48 employees in IT skills both at foundation and intermediate levels. Other training included guest service and upselling skills to promote best practice and confidence, along with supervisory training for newly promoted managers and duty managers. In addition, and although not part of the statistics, induction training for all new starts, on-going compliance related training and sessions including fire safety and GDPR are routinely delivered across the network.

**Volunteer Programmes:** In 2018, we reviewed our seasonal volunteer programme, and developed new volunteer opportunities for young people as part of our Year of Young People offer.

We supported 122 volunteers in the year, of which 76 enjoyed seasonal hostel assistant and project volunteer placements in the majority of hostels across the network. We also continued to offer a valuable year of volunteering, welcoming a new group of 11 German young people beginning their year with us in September 2018, and bidding a fond farewell to the 11 German Volunteers who completed a year of volunteering with us in August 2018. With a key focus on engaging with young people in the

Year of Young People and supporting new youth projects, 35 youth volunteers were engaged through a variety of projects.

New volunteering opportunities developed in the year included:

- The Hostel Takeover project in partnership with New College Lanarkshire. 6 HNC and HND students were able to gain experience at Glasgow Youth Hostel and "takeover" some of the key areas of the hostel, this also enabled us to highlight the range of career options available with Hostelling Scotland
- Young people from Royston Youth Action volunteered to help assess the Explorer Fund, and college students from Edinburgh College were supported to develop a film about the Fund
- 2 Year of Young People Ambassadors were able to design and deliver a presentation on the Year of Young People at the Hostelling Scotland AGM
- Young people were able to input into the design and assessment of the Braw Buildings project
- Young volunteers were involved in designing and leading the Glen Fest residential, held in the newly refurbished Glen Nevis Youth Hostel, for young people in the Highlands

## Hostelling Operations

**Network:** Consisted of 59 Hostels (2018: 60), of which 34 SYHA youth hostels (2018: 34) and 25 affiliated hostels (2018: 26) were operational during the year.

Rooms sales decreased by 2% to 74,280 (2018: 75,748), this being due to the closure of Glen Nevis for part of the year. 71% of all bookings in the year (2018: 72%) were generated through Reservations, at the hostels and on our website, with 29% (2018: 28%) being generated through third party booking engines.

Loch Ossian Manager, Jan Robinson, featured in a Sunday Post article about people with interesting jobs





# Annual Activities Summary



Video content from travel influencers raising awareness of Hostelling Scotland through social media



Our Glen Affric Youth Hostel was a finalist in this year's TGO Awards



New board member Sophie Bell

and Sophie Bell who was co-opted to the Board as part of our strategy to involve younger people in the governance of the organisation. Sophie took part in the Santander Young Trustee Initiative, which involved attending training and mentoring for 11 months before joining the Board of Trustees.

One of the aims of the new 2018-2020 strategy is engaging membership and in 2018-19 we proactively communicated with our members including a members' exclusive offer. We also conducted a survey to establish the needs of our members in relation to our services and to understand their motivation to support us. The findings of this survey will be used as the basis to conduct a project in 2019-20 to look at how we can attract new and engage better with our existing membership and improve benefits.

We are extremely grateful to all individuals, trusts and corporate organisations that have supported our charitable objectives during the year - to our own people, for their work as employees and contributions as volunteers, to our members and guests for their custom, and to those who have provided financial support by gift or waiver.

We are operating in a time of economic uncertainty, with the potential impact of Brexit on the number of European guests, cost of supplies and as a multi-national employer concern around the supply of workforce and retention of our people. To that end we are looking at different ways to encourage recruitment including the creation of a dedicated recruitment co-ordinator role from December 2018.

Another challenge moving forward is the introduction of the tourism tax which at the moment will be targeted at accommodation providers. This will push up the cost of staying in our hostels for both overseas and domestic guests and will be of particular significance to us in relation to our shared accommodation and how the tax will be applied.

We will continue to closely monitor the economic climate and competition and plan accordingly. Looking to the future, we are already well underway with our feasibility of Cairngorm and Aviemore development opportunities and Edinburgh Central ground floor refurbishment along with continuing in the quest to find new sites and alternative forms of accommodation.

We continue to achieve our charitable objectives through our financial results, investment in properties and drive to deliver customer excellence to guests, along with our development of and commitment to social tourism and youth programmes. In our 88th year, the Board of Trustees and Directors remains committed to reinvesting surpluses back into the Youth Hostelling network. With the drive to be recognised as the modern face of Scottish hostelling, we will continue to work hard to ensure that we provide quality modern facilities and experiences for all. Since 1931 it has been our mission to make more of Scotland more accessible to more people than anyone else and this remains core to everything we do.

**Operational surplus of £1.2M before depreciation was generated in the year despite the challenging trading conditions including Beast from the East in March, increase in competition in hostel and budget accommodation, increase in Airbnb competition in our key locations and low consumer confidence in light of the confusion surrounding Brexit negotiations. Whilst revenue overall was down on prior year, there was success in the growth of our catering which generated £1M.**

2018-19 was a busy year which started with the rebranding to Hostelling Scotland. Raising the profile of our organisation at this point of change was key and we were delighted with the PR through press and social media coverage. To complement the rebrand we launched our new website in June 2018 and increased our social media engagement with the use of video content, bloggers and vloggers. Our modernisation initiatives in the year continued with the completion of an eight months, £2.2M refurbishment of Glen Nevis Youth Hostel which re-opened in July 2018 and received 5★ VisitScotland grading. To date the new hostel has been very popular and is seen as a new hosting experience for a new generation of hostellers.

Our focus on developing our properties continues and as part of our 2018-20 strategy objectives, we also conducted a property condition survey in order to create a building and facility investment forecast for the next 10 years, this being crucial to our decision making on future priorities.

2018 was also the Year of Young People and we embraced the natural synergy of the campaign with our own ethos to ensure as many young people as possible have the opportunity to go out and enjoy what Scotland has to offer through youth hostelling. Building on our collaborative partnerships with youth, outdoor pursuit and learning organisations we developed a programme of breaks, events and activities throughout the year. We created a new Explorer Fund with £50,000 set aside from our own generated income. The aim of the fund is to enable young people to discover Scotland and experience hostelling and we are proud to have supported 618 young people from school and youth groups. We also continue to work with social tourism organisations such as Respitality and the Family Holiday Association in providing much needed breaks to carers and young families who would not otherwise be able to experience Scotland and youth hostelling.

We were delighted to host the European Regional Conference, originally to be held at Edinburgh Central Youth Hostel in March 2018 but eventually thanks to the Beast from the East, in Brussels in May 2018. This is an annual opportunity to share best practices with our sister organisations throughout Europe.

In Governance, there was a change to the Articles of Association that saw the Board have the flexibility to extend the term of a Board member at the end of the maximum 3 x 3 years by 1 further year in a co-opted place should the need present itself. This measure will act as a safeguard to ensure a good mix of necessary skills on the Board at all times. Two new Trustees were appointed in the year, Josephine Smith as a result of the election process

David Calder and Sally Mayer



**Our current Chair, David Calder is retiring after serving 10 years on the Board of Trustees. We are extremely grateful to David for his hard work and dedication to Hostelling Scotland. Sally Mayer has been appointed as David's successor. Sally has already served 6 years on the Board and is currently a Vice-Chair.**



## Hostelling Property

In line with the Sustainable Strategy objectives, £2,820,980 was re-invested into the network during the year. £1,964,674 was expended on capital, the major element of this being on the refurbishment of Glen Nevis Youth Hostel (£1,695,346), the balance was invested into various projects throughout the network including new kitchens, replacement windows and boilers, upgrades to washrooms and rewiring schemes. £625,399 was expended on routine youth hostel maintenance and equipment and costs relating to statutory compliance and health and safety. £114,440 was spent on furniture and equipment across the network, with the remaining £74,852 spent on upgrading the organisations information technology infrastructure and system enhancements.

## Hostelling Partnerships

We are pleased to continue our Affiliate Hostel programme with independent, trust and community accommodation providers. We promote hostels in the western and northern isles belonging to the Gatliff Hebridean Hostels Trust and Orkney and Shetland Councils along with all other Affiliate Hostels throughout the country. We also continue to collaborate with the Cairngorm Business Partnership to promote and develop the hostelling ethos within the Cairngorms National Park.

Since our formation in 1931, we have taken an active part in the activities of Hostelling International (HI) which co-ordinates over 70 national Youth Hostel Associations across the world, averaging over 30 million overnights per annum. HI provides our members access to over 4,000 youth hostels worldwide.

We meet with British and Irish Youth Hostelling Associations and other European national associations annually to discuss matters of mutual benefit and cooperation. Meetings were held in Brussels and Iceland during 2018-19 to which the Chairman and CEO attended.



Relax by the wood burner at our Glen Nevis YH



A new wall mural for our Aberdeen YH



The new kitchen at Glencoe YH



Travel vloggers Watch Me See and Wayfaring Kiwi discover the tranquillity of Loch Ossian





# Group Statement of Financial Activities

(incorporating the Group Income and expenditure account) For the year ended 31 January 2019

## Independent Auditor's Statement on the Summarised Financial Statements to the Members of Scottish Youth Hostels Association

We have examined the summarised financial statements of Scottish Youth Hostels Association for the year ended 31 January 2019 comprising the summarised statement of financial activities and the summarised balance sheet which are derived from the audited financial statements of Scottish Youth Hostels Association for the year ended 31 January 2019. The financial statements dated 25 April 2019 included an unmodified audit opinion.

This report is made solely to the charitable company's members, as a body, in accordance with the terms of our engagement. 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 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's members for our work, for this report, or for the opinions we have formed.

## Respective responsibilities of the Board of Management and auditor

The Board of Management is responsible for preparing the summarised report and financial statements in accordance with section 428 of the Companies Act 2006.

Our responsibility is to express an opinion on the summarised financial statements based on our procedures, which were conducted with regard to Bulletin 2008/3 which was issued by the Auditing Practices Board.

## Opinion

In our opinion the summarised financial statements are consistent in all material respects with the full annual financial statements and the Report of the Board of Management of Scottish Youth Hostels Association for the year ended 31 January 2019.

Grant Thornton UK LLP,  
Statutory Auditor, Chartered Accountants  
Edinburgh,  
United Kingdom

	Total 2019 £	Total 2018 £
<b>Income</b>		
Donations and legacies	55,108	184,117
<b>Income from charitable activities:</b>		
Income from operating Youth Hostels Grants Receivable	7,895,214	8,048,987
	-	-
<b>Income from other trading activities:</b>		
Commercial Income from SYHA (Trading) Ltd	239,670	250,929
Membership subscriptions and related income	437,705	466,757
Investment income	22,617	19,731
<b>Other income:</b>		
Net gain on disposal of tangible fixed assets	150	-
<b>Total Income</b>	<b>8,650,464</b>	<b>8,970,521</b>
<b>Expenditure</b>		
<b>Costs of raising funds:</b>		
Costs of operating SYHA (Trading) Ltd	206,858	211,812
Membership costs	33,734	36,598
<b>Expenditure on charitable activities:</b>		
Costs of operating Youth Hostels	7,743,194	7,326,930
Governance costs	78,957	54,913
<b>Total Expenditure</b>	<b>8,062,743</b>	<b>7,630,253</b>
<b>Net income and net movement in funds for the year</b>	<b>587,721</b>	<b>1,340,268</b>
<b>Reconciliation of funds</b>		
Total funds brought forward	12,242,546	10,902,278
<b>Total funds carried forward</b>	<b>12,830,267</b>	<b>12,242,546</b>

# Balance Sheet

As at 31 January 2019

	Group 2019 £	Group 2018 £
<b>Fixed assets</b>		
Tangible assets	15,574,286	13,988,394
Investments	-	-
	<b>15,574,286</b>	<b>13,988,394</b>
<b>Current assets</b>		
Stocks	32,699	30,355
Debtors	244,525	105,644
Cash at bank and in hand	5,343,567	6,858,296
	<b>5,620,791</b>	<b>6,994,295</b>
<b>Creditors: amounts falling due within one year</b>	<b>(3,105,303)</b>	<b>(3,033,844)</b>
<b>Net current assets</b>	<b>2,515,488</b>	<b>3,960,452</b>
<b>Total assets less current liabilities</b>	<b>18,089,774</b>	<b>17,948,845</b>
<b>Creditors: amounts falling due after more than one year</b>	<b>(5,259,507)</b>	<b>(5,706,299)</b>
<b>Net assets</b>	<b>12,830,267</b>	<b>12,242,546</b>
<b>Funds</b>		
Restricted Funds	109,791	129,065
Unrestricted general funds	12,720,476	12,113,481
<b>Total charity funds</b>	<b>12,830,267</b>	<b>12,242,546</b>

The financial statements were approved by the Board of Trustees on 25 April 2019 and signed on their behalf by:

David Calder Director  
Martin Ambrose Director

## Note to the Summarised Financial Statements

The summarised financial statements are taken from the audited financial statements of Scottish Youth Hostels Association for the year ended 31 January 2019. The auditor's opinion on those financial statements was unqualified.

The summarised financial statements may not contain enough information for a full understanding of Scottish Youth Hostels Association's affairs and members are invited to read them in conjunction with the audited financial statements of the charitable company. Copies of the full annual accounts can be obtained from The Chief Executive, SYHA, 7 Glebe Crescent, Stirling, FK8 2JA.

## Hostelling Finance

Total operational income was £8,650,314 (2018: £8,970,521) a 3.6% decrease of £320,207 on prior year (2018: £685,196 increase). Total resources expended was £8,062,743 (2018: £7,630,253), a 5.7% increase of £432,490 (2018: £156,416 decrease). The resulting surplus of income over expenditure was £587,721 in the year after all costs including depreciation (2018: £1,340,268).

Based on operational income, average income per overnight was £24.27, a 2% increase on the previous year (2018: £23.75). Average expenditure per overnight was £20.91 (before depreciation), which was an increase of 10.8% on the previous year (2018: £18.88). As a result, the average operational trading surplus per overnight was £3.36, a 31% decrease on the previous year (2018: £4.87).

SYHA (Trading) Ltd. a wholly owned subsidiary trading company generated in its ninth year of trading incoming resources of £239,670 (2018: £250,929), with resources expended of £206,858 (2018: £211,812) providing a net profit of £32,812 (2018: £39,117), a sum which has been gifted to the parent company.

SYHA gratefully received general donations and legacies of £46,198 (2018: £169,111) along with restricted donations and legacies totalling £8,910 (2018: £15,006).

The following investments were made from these restricted funds in the year:

<b>Social Inclusion:</b>	£66,450 (2018: £32,212) was expended on social inclusion youth programmes
<b>Small Hostels:</b>	£2,144 (2018: £2,813) on furniture for Glen Affric and Achmelvich Beach
<b>Environmental improvement, maintenance and upgrading of more rural and rustic hostels:</b>	£9,590 (2018: £20,130) was expended on a shower and heating improvements to Achmelvich Beach

After making all due enquiry, the Trustees confirm their expectation that SYHA has adequate resources to continue to operate as a charity for the foreseeable future. Therefore, in preparing the accounts, the Trustees continue to adopt the going concern basis as explained further in the accounting policies (Page 22). SYHA reports a net surplus in funds for the year ended 31 January 2019 of £587,721 (2018: £1,340,268) after providing for all charges, including depreciation. The resulting balance of funds as at 31 January 2019 is £12,830,267 (2018: £12,242,546). It is the intention of the Trustees that this sum be carried forward to be utilised by SYHA to further its charitable objectives.



# Our place is yours

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Scottish Youth Hostels Association (also known as SYHA or Hostelling Scotland) is a registered Scottish charity No. SC013138 and a company limited by guarantee, registered in Scotland, No. SC310841. Registered Office 7 Glebe Crescent, Stirling, FK8 2JA.

