

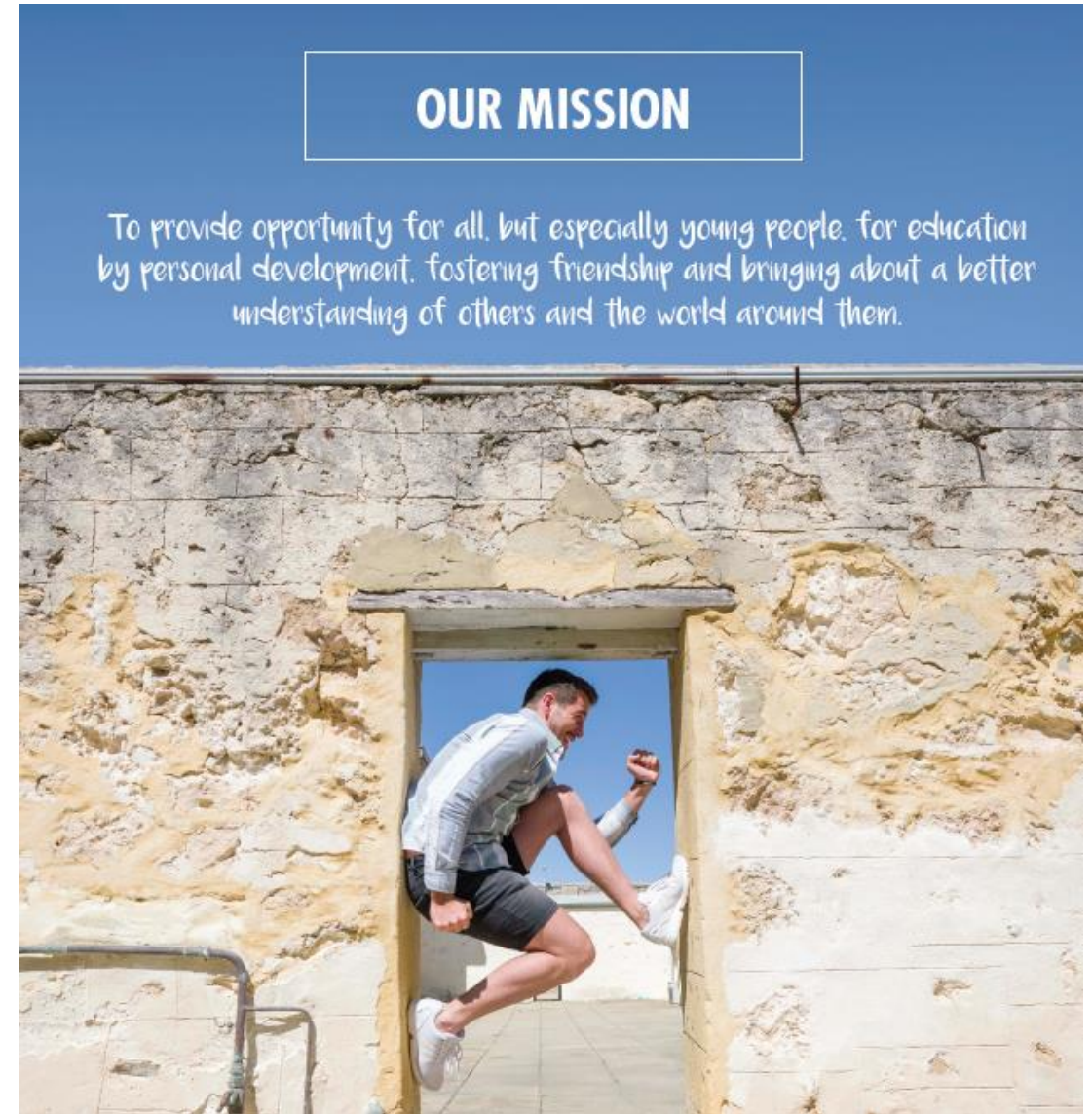
A low-angle, wide shot of four people (three women and one man) smiling and posing for a photo in front of a large, multi-story building with classical architectural features like columns and arched windows. An Australian flag is visible on a pole to the right. The scene is brightly lit, suggesting a sunny day, with a lens flare visible on the left. A semi-transparent white banner is overlaid at the bottom, containing the text 'YHA LTD' and 'ANNUAL GENERAL MEETING - 13 APRIL 2019'.

YHA LTD

ANNUAL GENERAL MEETING – 13 APRIL 2019

SNAPSHOT

- 71 YHA hostels across Australia
- 4,475 guests each night
- Total operating turnover of \$45.8M (\$44.2M in 2017)



OUR MISSION

To provide opportunity for all, but especially young people, for education by personal development, fostering friendship and bringing about a better understanding of others and the world around them.

HIGHLIGHTS 2018

Several wins at inaugural Adventure Tourism Awards, for Best Accommodation in State:

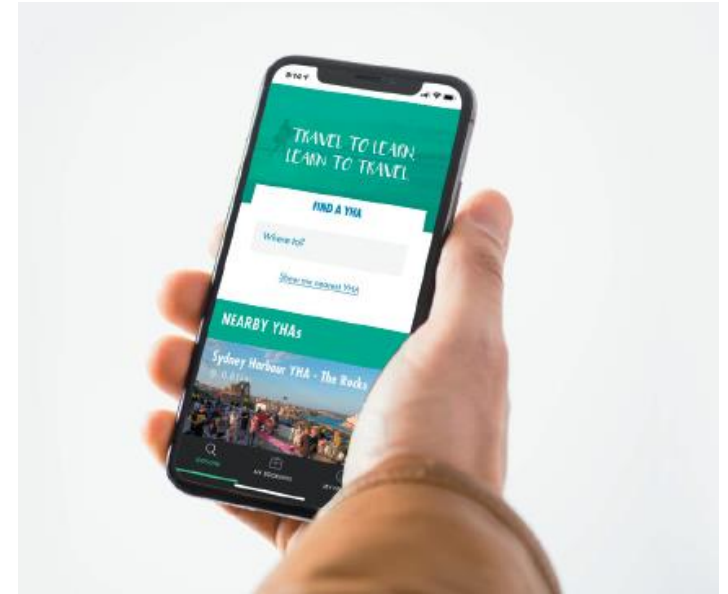
- Adelaide Central YHA (SA)
- Melbourne Central YHA (Vic)
- Fremantle Prison YHA (WA)
- Noosa YHA (QLD)



HIGHLIGHTS 2018

- Redevelopment at Byron Bay YHA (rating at 94% on yha.com.au)
- *Simple Affordable Membership*' model = increase in members
- Launch of new YHA app

≡ 260,558 ≡
YHA Australia members



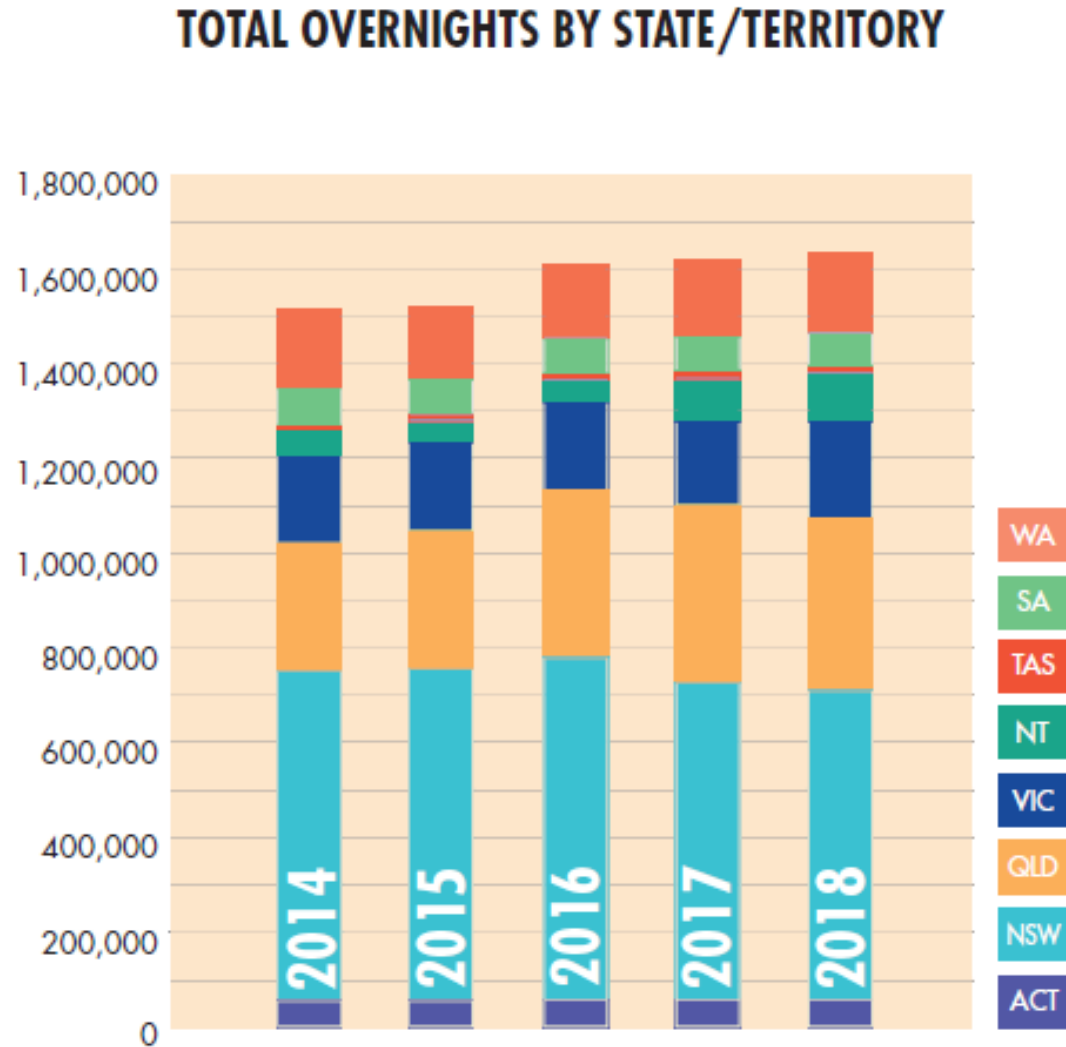
HIGHLIGHTS 2018

Co-operation with Hostelling International (HI) including:

- Hosting Asia-Pacific Marketing Forum in Sydney
- Participation in HI Conference – Rob McGuirk elected HI President



TOTAL OVERNIGHTS BY STATE/TERRITORY



1.63m
Overnight
Stays

ACCOMMODATION

- Interior revitalisation at Perth City YHA
- Refresh with 'Australiana' theme at Sydney Central YHA
- Air-conditioning system upgrade at Canberra City YHA



Perth City YHA was revitalised, installing Instagrammable imagery from around Western Australia



Sydney Central YHA had an interior refresh, with an "Australiana" theme

ACCOMMODATION

- Refurbishment at Brisbane City YHA
- Kitchen renovation at Dunsborough YHA



Brisbane City YHA had room and ensuite refurbishments



The kitchen at Dunsborough Beachhouse YHA was renovated

SUSTAINABILITY

- Sustainable Hostels Fund – guests contribute (YHA matches)
- Small Hostels Development Fund – applied to regional hostel projects
- Sydney Harbour YHA Sinking Fund: \$500K accumulated for heritage conservation/interpretation
- Social sustainability initiatives

≡ \$56,013 ≡
raised from guests for
Sustainable Hostels Fund



STRATEGIC PLAN

VISION

To be leaders in low-cost accommodation offerings that enrich people's travelling.

MISSION

To provide opportunity for all, but especially young people, for education by personal development, fostering friendship and bringing about a better understanding of others and the world around them.

VALUES



SUSTAINABLE



QUALITY



RELIABLE



LOYAL



DIVERSE



ETHICAL

KEY AREAS



CULTURE OF
SUSTAINABILITY

YHA

BRAND



NETWORK
DEVELOPMENT



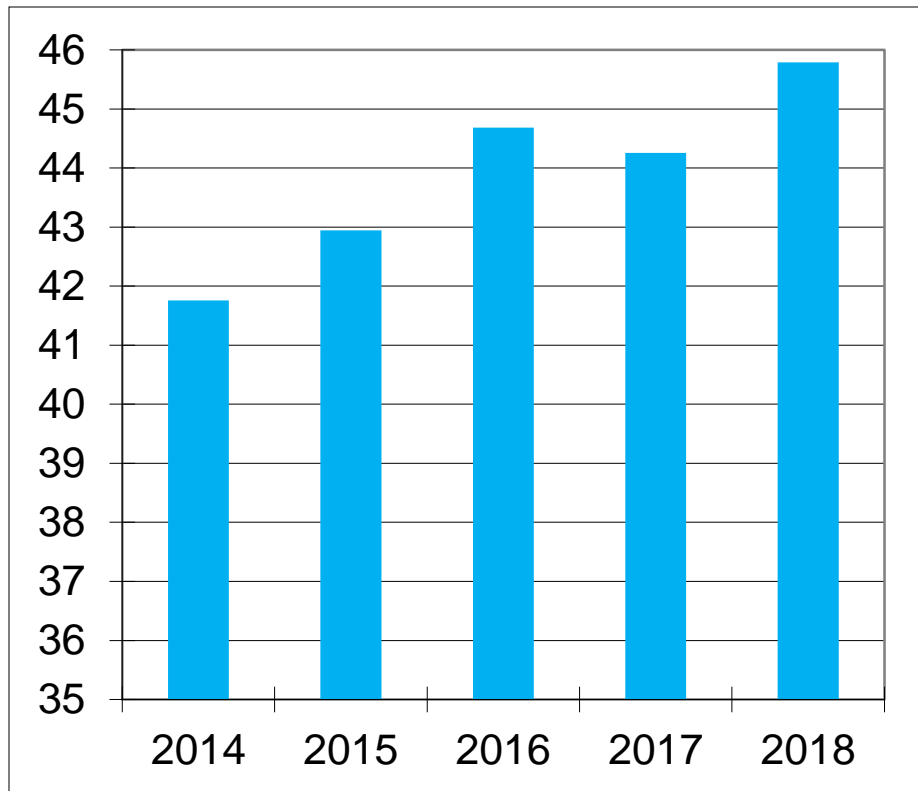
GROWTH



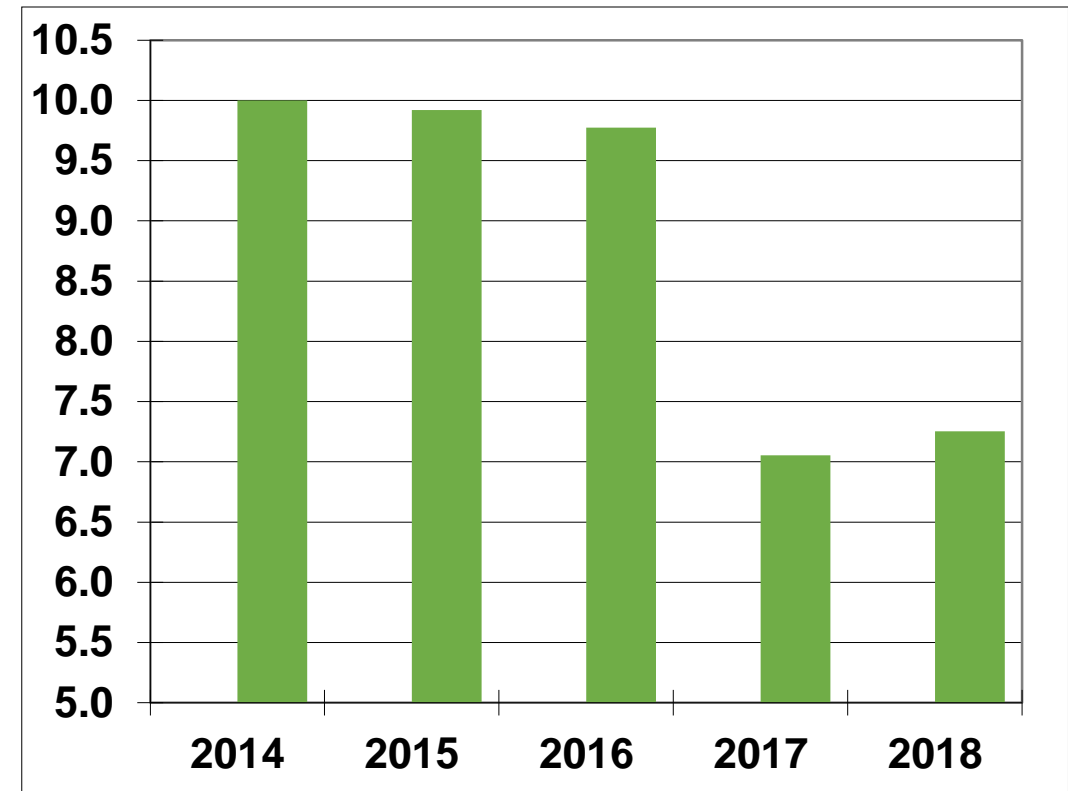
GOVERNANCE

FINANCE - INCOME

- Income (\$ millions)

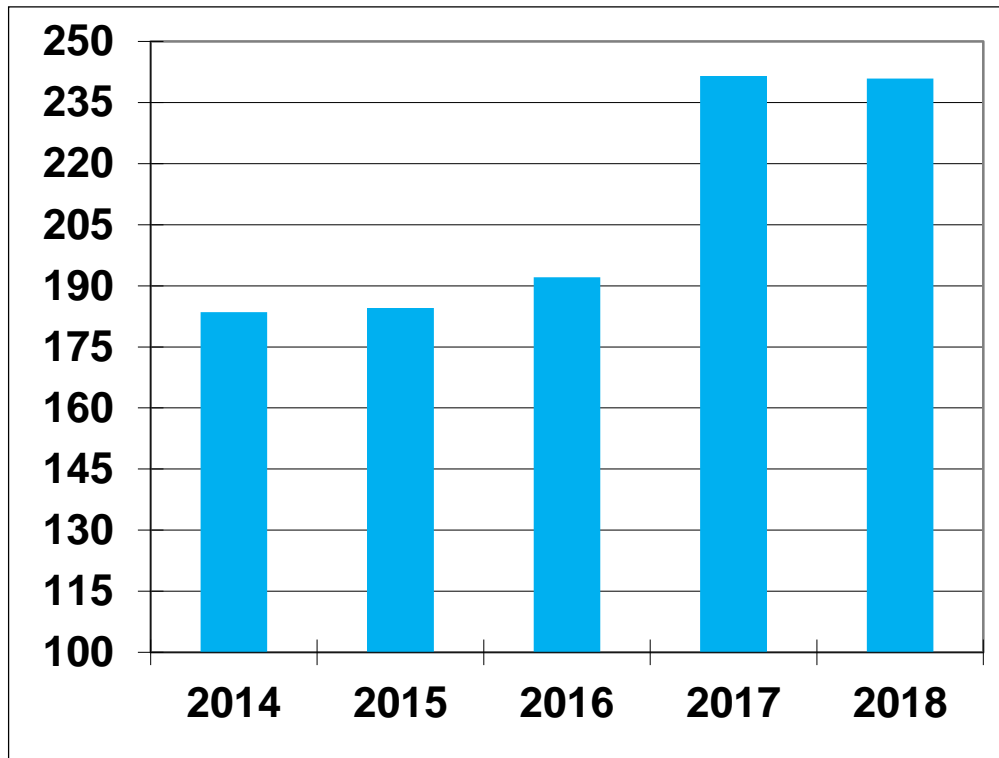


- Earnings before tax, interest, depreciation and amortisation (\$ millions)

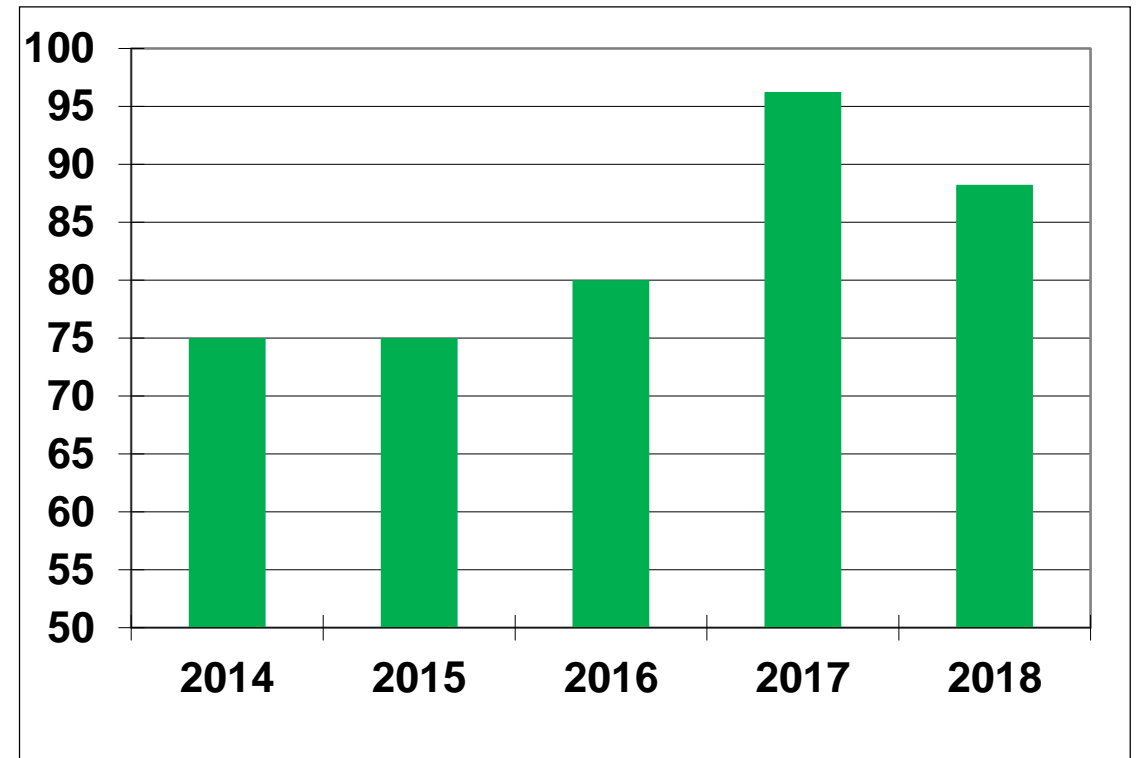


FINANCE – BALANCE SHEET

- Assets at valuation (\$ millions)

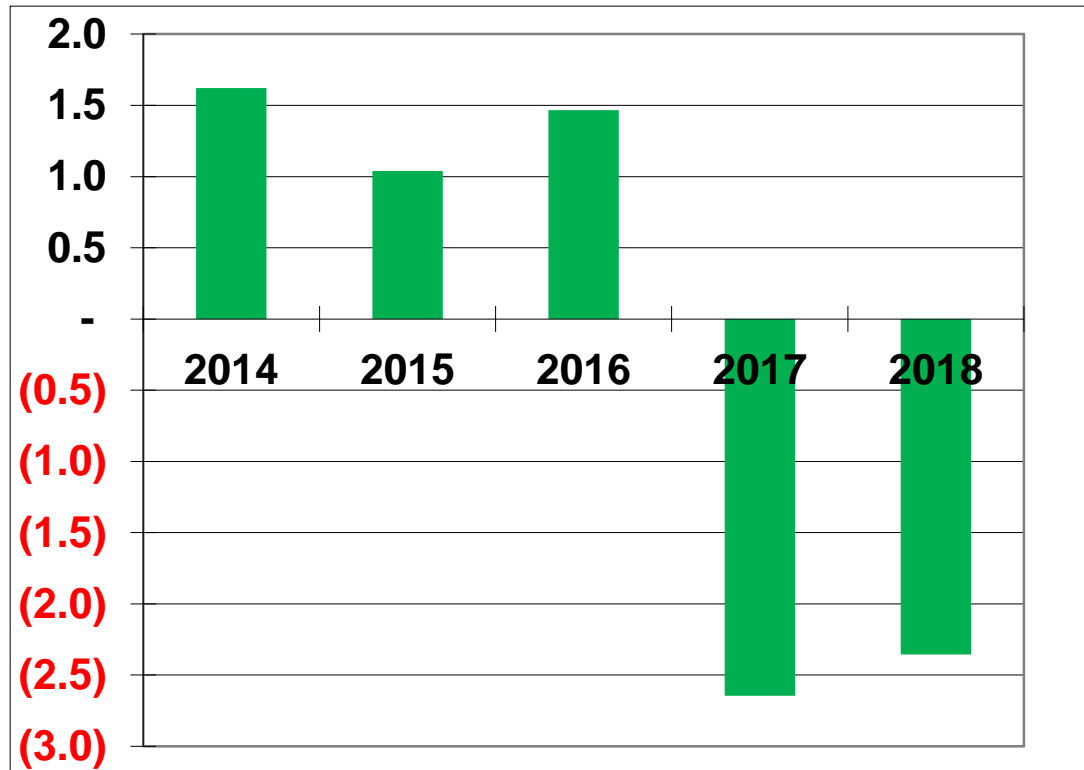


- Borrowings (\$ millions)

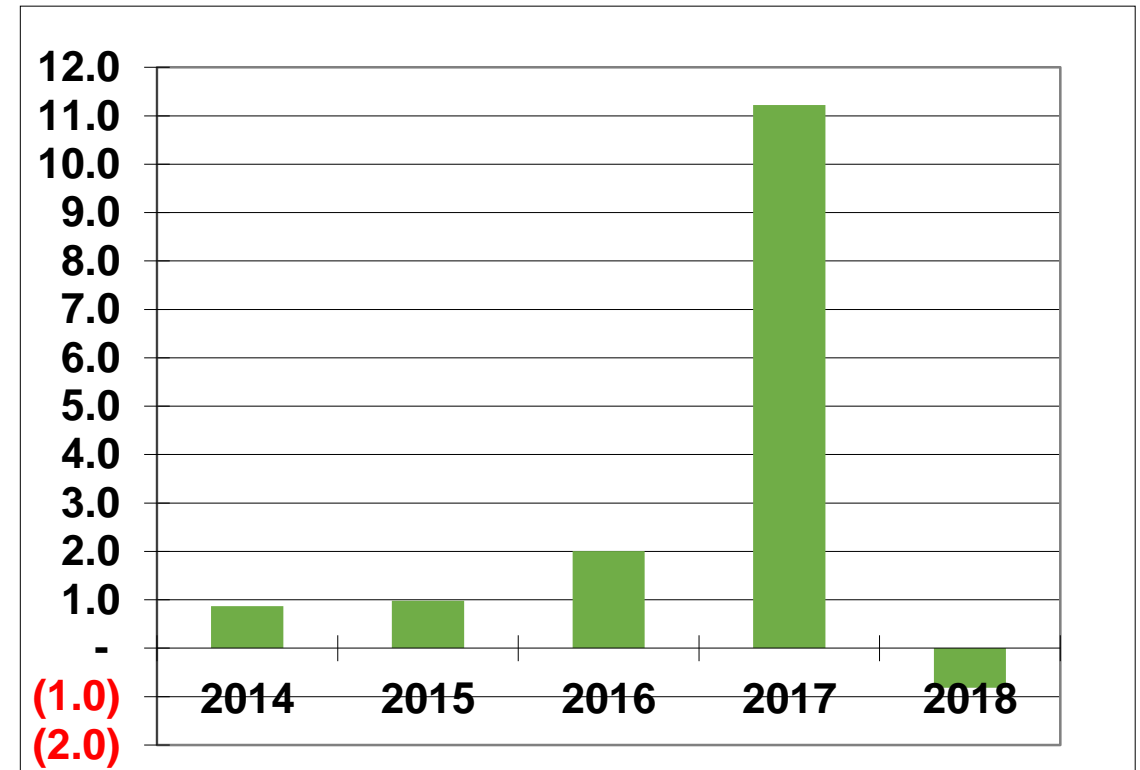


FINANCE – PERFORMANCE

- Before one off items (\$ millions)

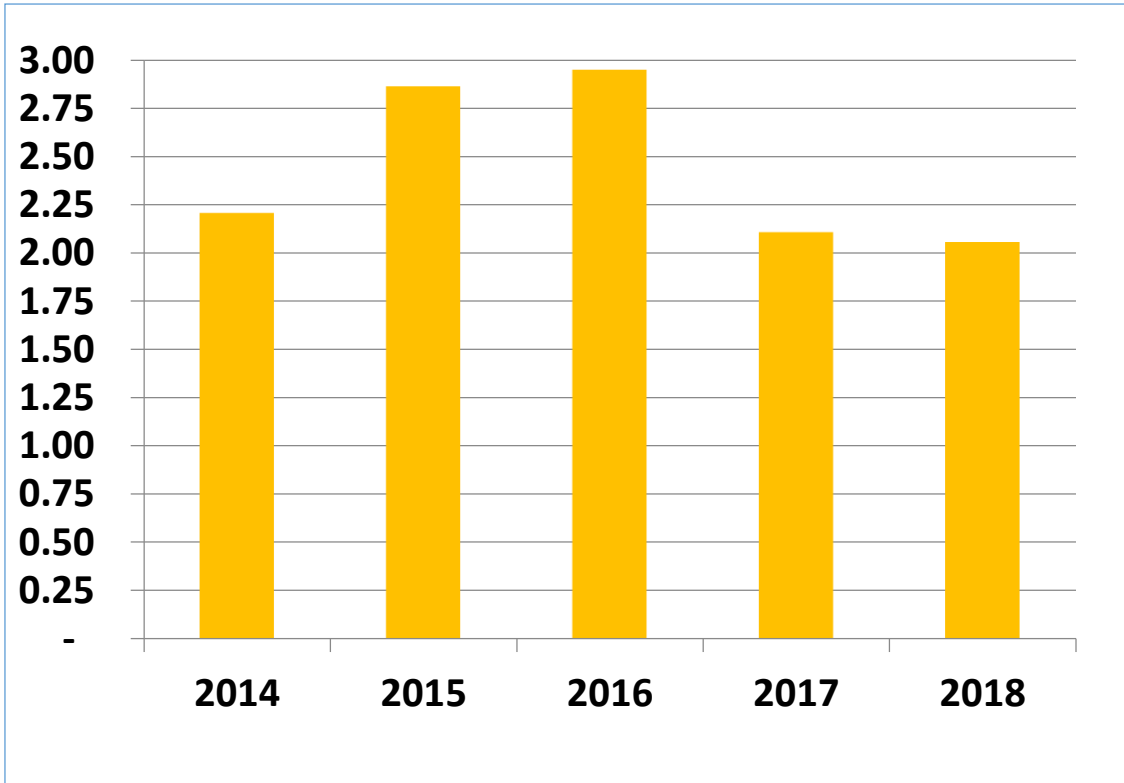


- After one off items (\$ millions)

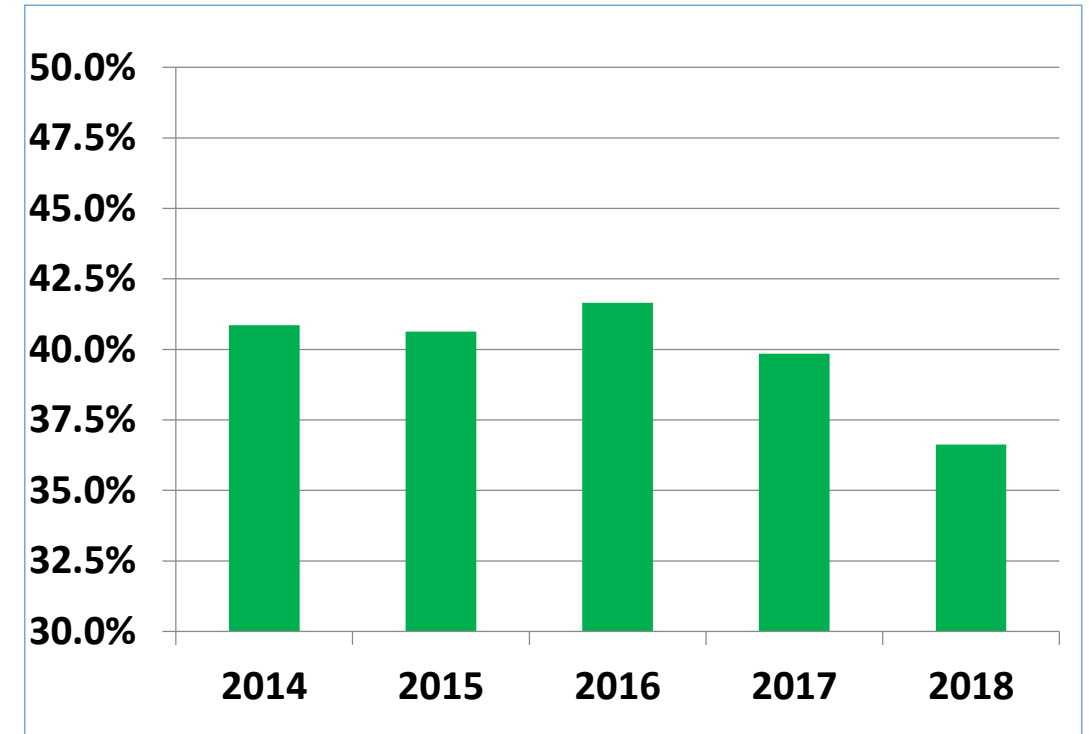


FINANCE - RISK

- Interest cover ratio



- Loan to valuation ratio




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graph TD
    YHABoard[YHA Board]
    ARCA[Audit & Risk Committee]
    SM[Senior Management Team]
    DT[Departmental Teams]
    RMP[Risk Management Policy]
    RAS[Risk Appetite Statement]
    EA[External Audit]
    IF[Insurance & Finance]
    IA[Internal Audit]
    RPA[Risk Profile and Analysis  
(reviewed quarterly)]
    KPI[KPI Analysis/Financial Reporting]
    WHS[WHS Bi-annual report to Board]
    WHSCC[WHS Consultative Committee]
    OP[Operating Procedures]
    WHSP[WHS Procedures]
    RA[Risk Assessments]
    IR[Incident Reporting]
    HIQP[Hostelling International Quality Program]

    YHABoard <--> ARCA
    ARCA <--> SM
    SM <--> DT
    DT --> YHABoard
    RMP --> YHABoard
    RAS --> YHABoard
    RAS --> SM
    ARCA --- EA
    ARCA --- IF
    ARCA --- IA
    SM --- RPA
    SM --- KPI
    SM --- WHS
    SM --- WHSCC
    OP --> DT
    WHSP --> DT
    RA --> DT
    IR --> DT
    HIQP --> DT
    DT --- RFBPD[Reporting, Feedback, Policy Development]
  
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CORPORATE STRUCTURE

YHA LTD TRADING AS YHA AUSTRALIA



BOARD OF DIRECTORS

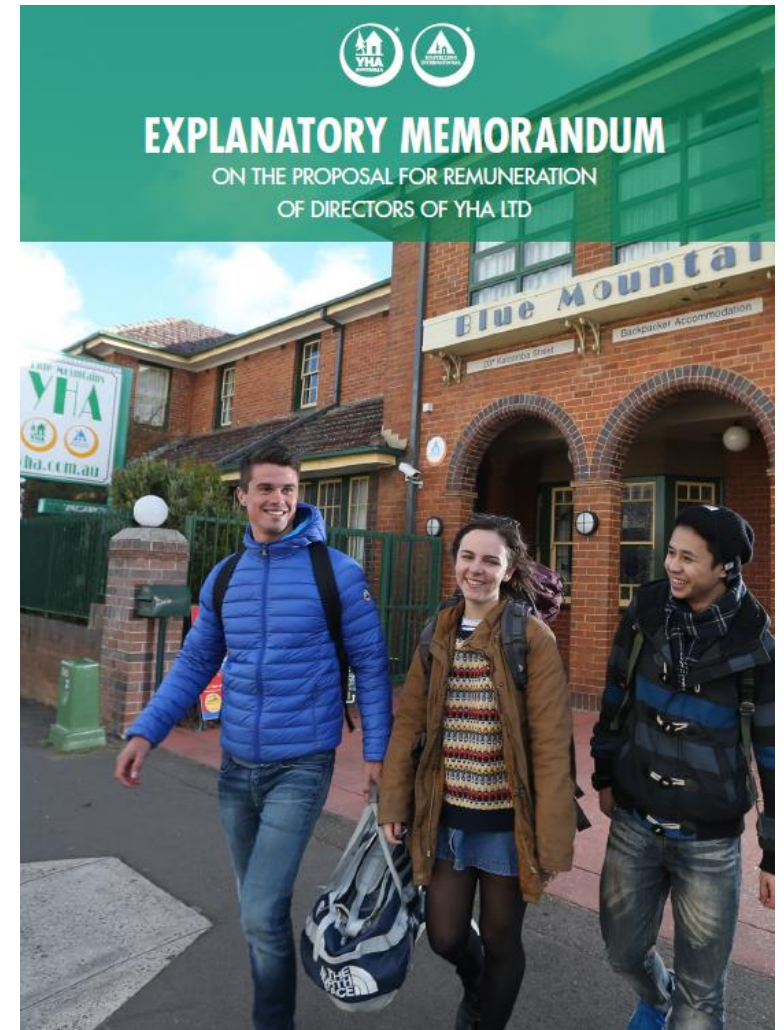
- The Board operated with 9 Directors (including 2 appointed)
- 8 meetings held, including in Adelaide, Blue Mountains, Byron Bay, Melbourne & Sydney
- 3 Committees:
 - Audit & Risk
 - Nominations & Remuneration
 - Election



YHA LTD BOARD OF DIRECTORS, 2018-19 (L to R): Bronwyn Dallow, Tracey Powell, Michael McPhail, Ross McDougall, Evan Prentice (Chair), Rob McGuirk, Julian Ledger (CEO), Leonie Clark, Simon Spicer, Matthew McNeil

BOARD OF DIRECTORS

- Actively working to ensure a skills-based & diverse Board
- Appointed new Director, Simon Spicer, with specific finance & strategy expertise
- Modest remuneration for Board introduced (capped at aggregate \$150K p.a.)
- Policy in place to govern distribution of remuneration pool



GOVERNANCE

- Annual Board evaluation
- Director training as required
- Board appoints & reviews the CEO, who in turn is responsible for the management team
- Monitors progress on YHA's Workforce Development Plan



GOVERNANCE

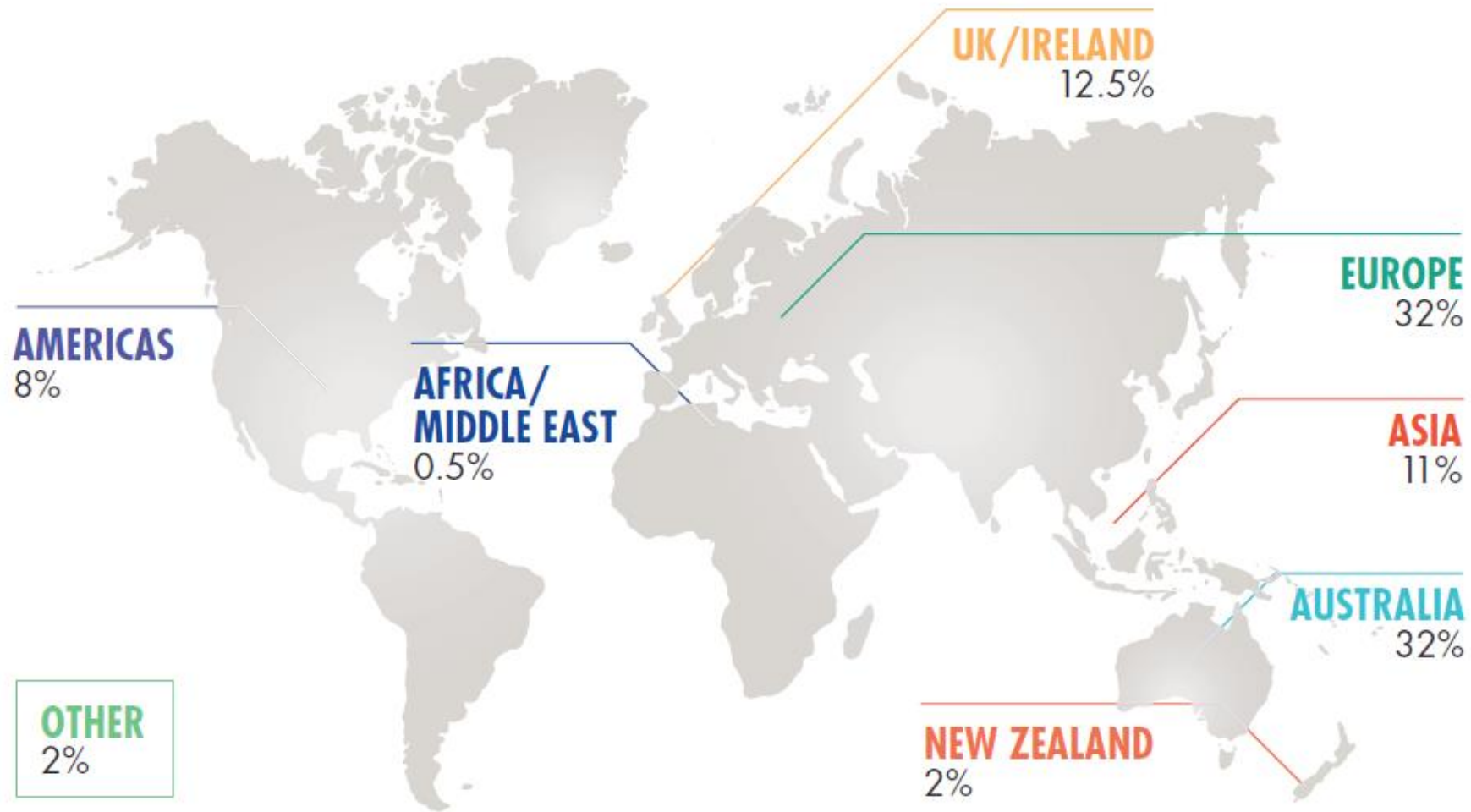
- Succession planning
- Engagement with members, particularly younger members
- Active engagement in the governance and funding of Hostelling International



Sharing of knowledge and friendship took place at the Hostelling International Conference in Iceland

GUEST NATIONALITIES

2018 OVERNIGHT STAYS BY COUNTRY OF ORIGIN



MARKETING

- Growth in groups accommodated
- Partnerships with tourism and student bodies
- YHA Travel & Tours – tour desks at hostels
- Positive coverage in media, including social media



YHA members enjoy discounts at tourism attractions across Australia, including wildlife parks

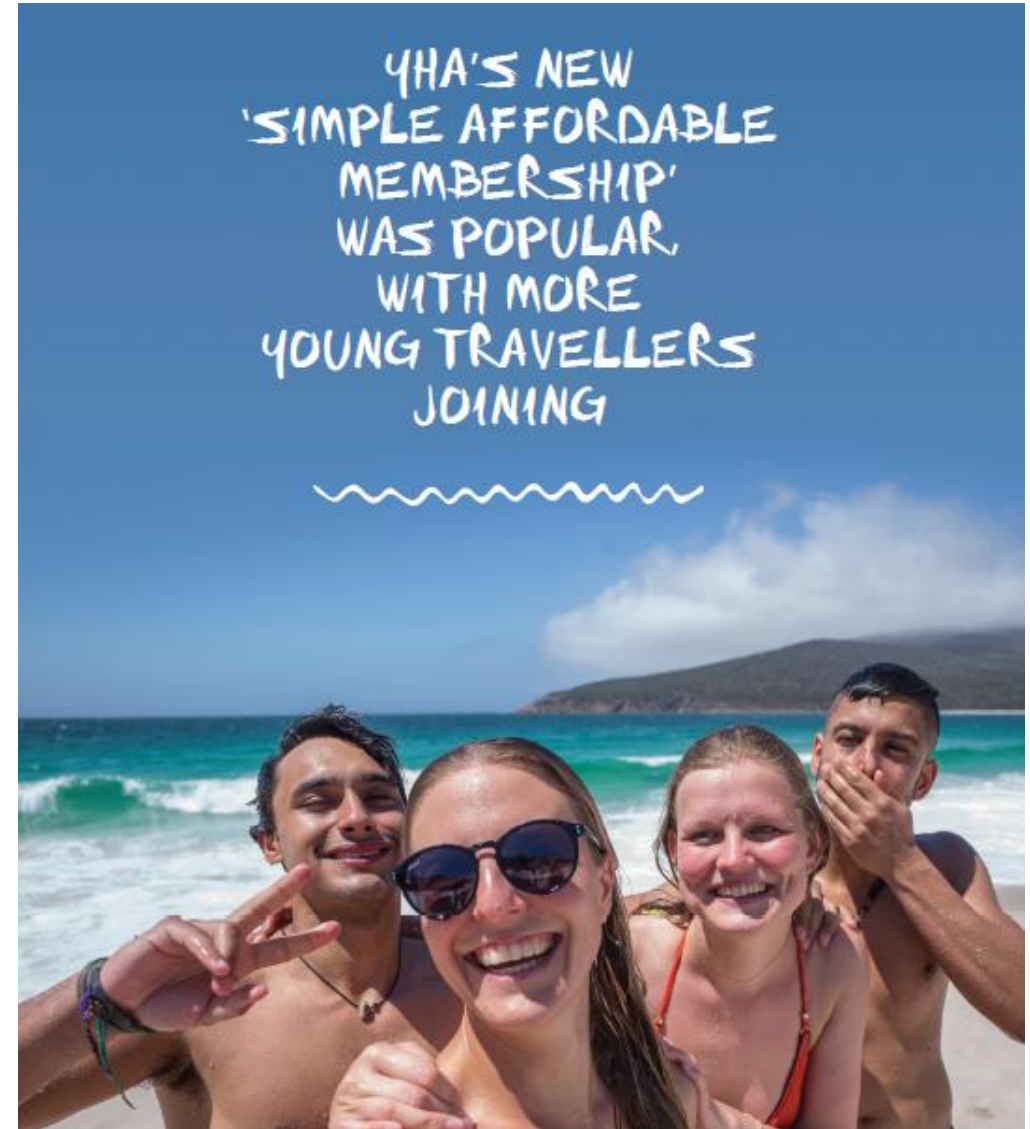
COMMUNICATION & AWARDS

- Increasing digital communications with members
- YHA was honoured with several wins at the Adventure Travel Awards, including Head of Marketing, Janet McGarry, being named an 'Industry Legend'



MEMBERSHIP

- New membership model now in its second year
- Digital membership card can be stored on smart phone or in app
- Plastic cards being phased out



DIGITAL TECHNOLOGY

- 2 million visitors per year to yha.com.au
- New app - make bookings, get info & reviews; regional hostels particularly popular
- Focus on privacy & security of members' data
- Channel & Yield Management Strategy

407,000
overnights booked on
yha.com.au



YOUTH TOURISM

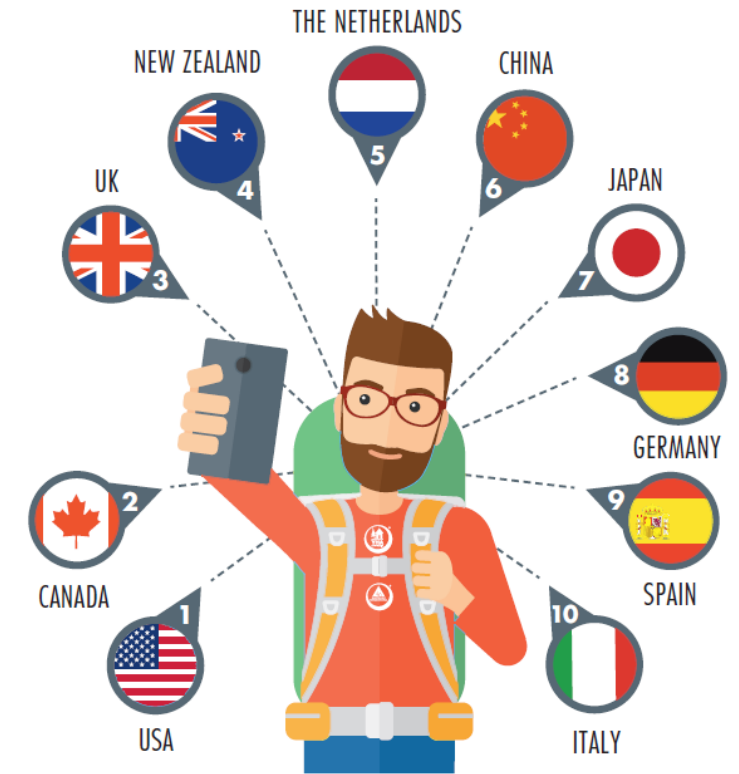
- 620,000 backpackers visited Australia last year
- 210,000 were Working Holiday Makers, from over 40 countries
- New countries added to scheme, numbers increased for some countries, & age limit lifted to 35 for Canada & Ireland



Japanese guests rank in YHA's top 10 – including ones such as these, travelling around the world by rickshaw!

OUTLOOK

- Growth in Asian tourism
- Advocacy to government regarding youth tourism
- 10 year anniversaries of Sydney Harbour YHA, Melbourne Central YHA & extended Brisbane City YHA; 80 years of YHA
- Investment in technology
- Growth of 'digital nomads'



“Co-working is morphing into co-living, so accommodation is becoming an add-on to the workspace. People are taking their work and study with them on the road, so it becomes increasingly difficult to tell the difference between travelling, staying and living.”

PROFESSOR GREG RICHARDS, WYSE TRAVEL CONFEDERATION

OPPORTUNITIES

Objective to meet the needs of members & grow well-located capacity in key cities:

- Melbourne CBD (Melbourne Metro YHA sold & leased back)
- Sydney – proposal to develop Central Station precinct into a 'tech hub'
- Land banked at Surfers Paradise for a future hostel



ACKNOWLEDGEMENTS

Thanks go to all
YHA's Directors, staff,
partner organisations,
and members past & present