CRAFTS COUNCIL

England & Wales · Charity number 280956

Details

Status	Registered
Legal form	Other
Registered	1980-09-19
Register	View on the Charity Commission register

Contact

Address	44a Pentonville Road London N1 9BY
Phone	02078062500
Email	finance@craftscouncil.org.uk
Website	www.craftscouncil.org.uk

Activities

Objects: TO ADVANCE AND ENCOURAGE THE CREATION AND CONSERVATION OF ARTICLES OF FINE CRAFTSMANSHIP AND TO FOSTER PROMOTE AND INCREASE THE INTEREST OF THE PUBLIC IN THE WORK OF CRAFTSMEN AND THE ACCESSIBILITY OF THOSE WORKS TO THE PUBLIC.

Activities: Our goal is to make the UK the best place to make, see, collect and learn about contemporary craftOur aims are to:To build a strong economy and infrastructure for contemporary craft To increase and diversify the audience for contemporary craft To champion high quality contemporary craft practice nationally and internationally

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

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Geography

- **Area of benefit:** NATIONAL
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,615,000	£3,623,000	£2,516,000	27
2024-03-31	£3,532,000	£3,444,000	£2,524,000	24
2023-03-31	£3,788,000	£3,974,773	£2,436,000	35
2022-03-31	£3,827,053	£3,918,650	£2,621,638	45
2021-03-31	£4,175,775	£3,761,913	£2,713,235	47

Trustees

Name	Role	Appointed
John Edward Knell	Chair	2023-11-09
Anant Sharma		2023-03-03
EDWARD DAVID MATTHEWS-GENTLE		2021-02-02
Ian Krishna Jindal		2023-03-02
Jake Solomon		2023-11-09
Maariyah Siraj Patel		2026-01-21
Majeda Clarke		2021-01-01
Melanie Ngaere Edness Eddy		2023-01-10
Melody Uyanga Uuganbayar		2026-01-21
Richard Hill		2023-11-09
Roselind Sinclair MBE		2023-11-09
Yasmin Jones-Henry		2023-06-13

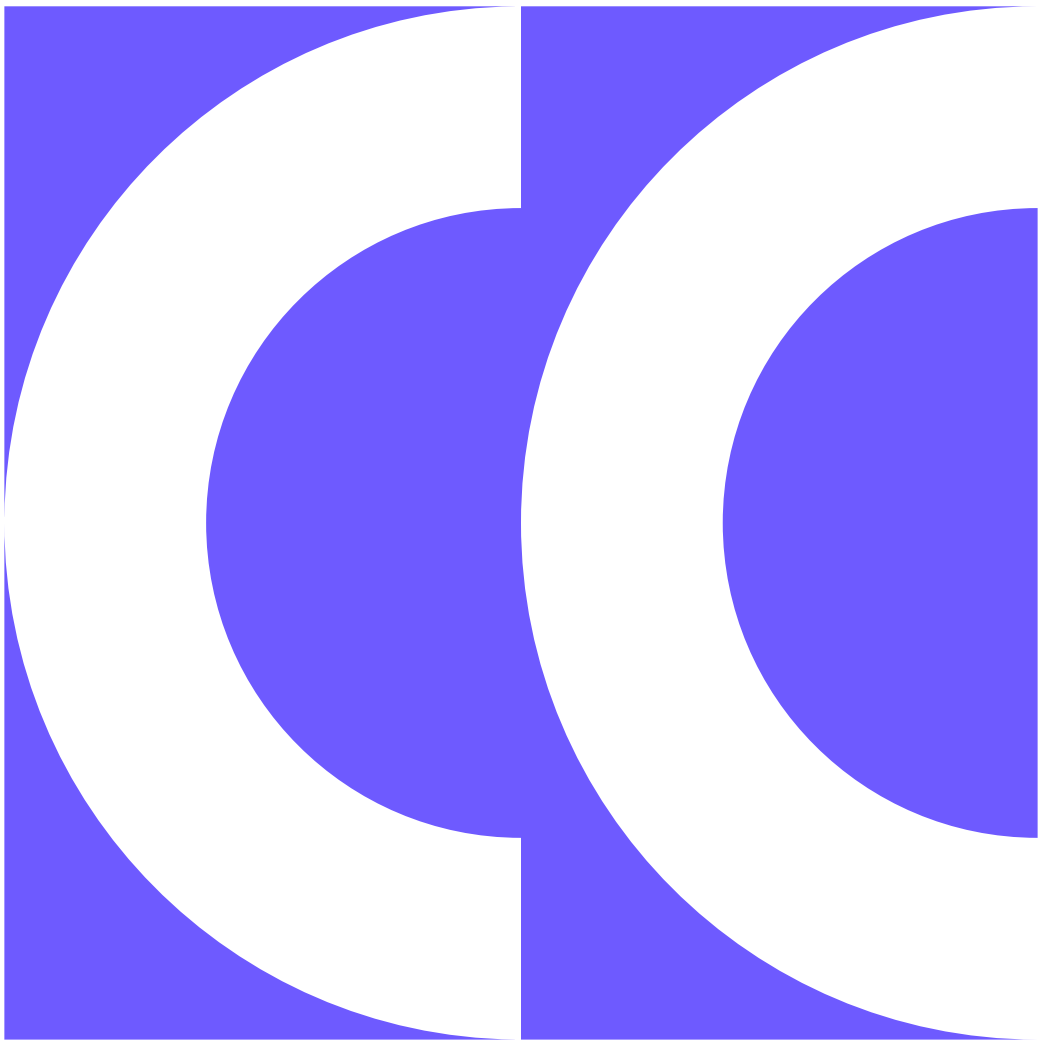
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CRAFTS COUNCIL

England & Wales - Charity number 280956

Accounts

Crafts Council Annual Report 2024/25



Carol Prusa (artist) by Bluerider ART
and Rajesh Gogna (artist) by FIVE,
presented at Collect 2025.
Photo: Jake Curtis.
Stylist: Alex Kristal.



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Our Purpose and Vision

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Craft has always been part of who we are. It connects people, ideas and traditions, shaping the world around us and bringing joy into daily life. The sector is often fragmented, hard to navigate, and not always accessible to everyone. Crafts Council exists to change that. We build the bridges that bring craft together, creating pathways to careers and vibrant communities. We show how craft enriches lives, drives innovation, and powers the UK's creative economy.



Right
Collection Store Opening Event.
Photo: Hayley Madden.

Foreword

by Natalie Melton

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As we reflect on the last year of activity, there is a sense of huge achievement. We feel pride in the progress we have made in advancing our mission: to connect people with the transformative power of craft, building bridges between educators, makers, supporters, and communities that create opportunities, inspire careers, and strengthen the craft sector in the UK.

Driving all our work this year has been our desire to place the 'voice of craft' at the heart of everything we do, thereby ensuring that all of our advocacy, activity and services reflect maker concerns and are deeply relevant and value adding to their creative practice and livelihoods.

Our comprehensive Makers Survey garnered more than 1,000 responses. Makers told us that Crafts Council were the "lifeblood of crafts in the UK", "absolutely vital", "critically important", and a "wonderfully essential organisation". These words demonstrate that our work is valuable and reaching the right audiences.

Right
Unboxing the Collection with Rosa Nguyen.
Photo: Sabrina Chu.



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The comprehensive insights we gained into makers, their practices and their concerns, has paved the way for changes in how we support our communities, and new strategy and business model. This evolution will come to fruition in the coming months as we launch our new membership scheme and refresh our website, providing accessible learning resources, inspiring peer networking and trusted information. The climate has never been tougher for makers and we will do all we can to enable them to sustain their craft and livelihoods.

The survey was conducted in parallel with the production of our new Impact Framework. Developed in collaboration with staff and stakeholders, this framework marks a significant step change in how we evaluate the impact of the work we undertake across our key audiences: the makers of today, the makers of tomorrow, and the changemakers. The framework provides a backbone to our data capture and collation, and o ver time will enable us to tell an ever richer and more compelling story of how craft can transform lives and communities for the better.

Despite significant resourcing constraints, we continue to advocate for craft whenever we can. We have welcomed the emphasis on the creative industries within the government's publication of 'The UK's Modern Industrial Strategy. We offered a comprehensive consultation response to both this Green Paper and to the Department for Education's Curriculum and Assessment review. We have been proactive on the issue of US tariffs, acting as a conduit between government and craft businesses, gathering evidence of impact and convening information sessions for makers in a fast-moving situation.

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In what remains a tough operating environment, we continue to fundraise and develop new partnerships and opportunities. Amongst many partners, funders and supporters, we are particularly grateful to the National Lottery Heritage Fund for their investment in our collection and in the brilliant team of Young Craft Citizen placements who have been integral to this programme. We continue to refine our proposition as an organisation, always seeking to prioritise what we are uniquely positioned to deliver: our capacity to build meaningful partnerships and to work more collaboratively for impact with our Craft UK partners.

Working to those ends, the year ahead brings an equally energetic pace and programme of work. Alongside a significant capital programme, we have been sharpening our messaging and brand proposition, bringing greater clarity to our communications, which alongside ongoing improvements to our digital infrastructure and membership platform, are enhancing the accessibility and usability of our online resources for makers giving them friction free access to valuable ideas and peers across the craft community.

Right
Spring Make Late.
Photo: Faith Rubia.



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Our internal change programme 'Transforming Crafts Council' has continued apace, driving a programme of work essential in ensuring that Crafts Council can operate as a data-driven, outcome-focused organisation from a position of financial stability. As we ended the financial year, we achieved our goal of securing the finance required to address long-standing issues in 44a Pentonville Road and return the whole premises back into being fit for use. In early 2026 we will relocate to 44a, with the second floor being sub-let as flexible office space. These major developments, alongside our new business model, will enable Crafts Council to be a more sustainable, collaborative, and inclusive organisation. Our guiding approach has been to carefully consider how we can best use our spaces to support our desire to be a modern, network-powered, and generous community, supporting makers as best we can. Accordingly, the renovation work underway will increase our capacity to host workshops, education visits and provide low-cost affordable rental space for meetings and activities for our many communities.

Absolutely vital to all these efforts remains our focus on Equality, Diversity and Inclusion (EDI). An EDI working group, with representatives from our youth advisory panel, trustees and staff, will provide a valued forum for this work to be centred in all that we do. Alongside this, support from the Cockayne Foundation enabled us to shape a programme during Black History Month of open discussions and workshops centred around the Crafts Council collection, including a symposium on careers in conservation, research and curating.

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Looking ahead, there is much to be energized by. Our fifth year of craft school will see us collaborating with Turner Prize winning artist Jasleen Kaur, who has shaped a set of challenges focused on 'community'. Our ambition is to engage 350 schools in this programme over the next year, enabling much needed access to high quality craft learning resources for teachers, providing tens of thousands of hours of hands on making to pupils, and sparking creativity and joy for all. Our craft ecology team will support makers and craft communities, with our editorial team refreshing our business support resources and centring makers own experiences and voice in these vital resources. Two members of our youth advisory panel will join our board of trustees, bringing a valuable youth perspective to our governance, and our new Collections Advisory Committee will support on a refreshed acquisition strategy and a long-term plan for the collection.

Through all of this activity, it's vital to hold on to the inspiring 'why' of it all – and I am grateful to the team that deliver our work with a clear and passionate belief in the 'why'. We believe craft is vital to our society. It transforms lives, communities, and culture. We want to live in a world where craft connects us all, strengthening communities, sparking joy, and building sustainable futures.

Natalie Melton
Executive Director, Crafts Council

Foreword

by John Knell

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At a time of deep social and economic uncertainty, makers across the UK remind us daily that their creativity, skill, and imagination are vital forces for renewal and connection, enabling all of us to see and experience the world afresh. These transforming qualities are very fresh in my mind having recently spent time in the North West immersing myself in the wonderful British Textile Biennial 2025.

In last year's Annual Report Foreword I commented that fulfilling this huge potential for craft to play an ever more significant role in our lives requires Crafts Council to become an ever more dynamic, open and energetic collaborator and partner, more keenly focused on value and impact. As we have sought to rise to that challenge, this has been a year of extraordinary creative energy and determination across the craft sector, and one in which the Crafts Council has continued to play a distinctive and catalytic role.

We have further sharpened our focus on maximising impact, through all our activities and in how we continually seek to create opportunities for makers. We have sought not only to deliver great programmes, but to understand and demonstrate how they change lives and communities for the better. The launch of our new Impact Framework represents a significant moment in fulfilling our ambitions – a way to evidence the value of craft across our three audiences: the makers of today, the makers of tomorrow, and the changemakers shaping the wider craft ecosystem. It will enable us to tell a richer, data-driven story about how craft strengthens communities, builds livelihoods, and inspires future generations.

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Collect's 21st anniversary offered a perfect illustration of that inspirational impact in action. As the leading international fair for contemporary craft and design, Collect continues to showcase the ambition, talent, and diversity of makers from across the globe. Its enduring success reinforces the UK's position, and Crafts Council's, as a global authority on contemporary making, and celebrates the creative risk-taking that defines our craft ecology. We are very proud of the platform it provides for hundreds of artists and the deep relationships it continues to forge between makers, collectors, galleries, and audiences.

Our Maker Survey gave powerful voice to the realities of their creative life in 2025: both the extraordinary commitment of makers and the mounting pressures they face. Their feedback has already decisively shaped how we work ensuring that our offer remains accessible, highly useful, and responsive.

Of course none of this purposeful activity would be possible without our partners, funders, sponsors, patrons, and staff. We deeply prize and value your support and thank you for continuing to champion and believe in our vision with us.



Right
Craft Alliance Atlantic Association, Collect 2025. Photo: Iona Wolff.

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Finally, I want to pay tribute to everyone – from our Craft UK network, to our Trustees and Young Advisory Panel – whose commitment has helped steer the Crafts Council through another challenging year with grace, wisdom, and passion. Together we are building a more connected and resilient craft community, one where creative vision, ever-growing skill, care and inclusion form the foundations on which to build a new future.

Craft matters: to our economy, our wellbeing, and our shared sense of humanity. As we look to the year ahead, Crafts Council remains committed to ensuring that the voice of craft is heard loudly and clearly.

Please get in touch with us if you feel you can support, and lend your voice to us, in achieving our inspiring mission.

John Knell
Chair, Crafts Council Trustees



Right
YCC Collections Consultation Session. Photo: Jazz Willett.



5&20 Group Exhibition
featuring Christian Ovonlen.
Photo: Matt Alexander.

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Our work with those who have an established creative practice.

1.1 The Maker Survey

For our survey, conducted in September 2024, we spoke to over 1000 makers across Britain and discovered a diverse and highly-educated community working across many different disciplines. Their craft businesses often formed part of a portfolio career and were not a sole source of income. We also found that makers are not concentrated in urban centres, as other creative workers may be. Instead, they play valued roles in local communities, rural, suburban and urban.

Who are makers today?

77%
Female

65%
Aged 50+

21%
Identify as disabled or d/deaf

24%
Identify as neurodivergent

65%
Have an undergraduate degree

47%
Are part-time makers

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However, makers also face significant challenges. These include rising operational costs; the market saturation of low-cost, mass produced items and limited funding opportunities. Brexit and global economic instability have also increased barriers to international trade and visibility.

It was valuable to us to discover what makers want from Crafts Council, so that we can start to truly respond to the needs of our community. Ideas put forward by respondents included expanding regional and geographic inclusion; increasing engagement in rural areas and devolved nations; and establishing regional hubs. It reinforced the value that our community place on our role in advocacy for crafts, and highlighted that our efforts should focus on:

- Craft education in schools
- The cultural and economic value of craft
- The role craft plays in community building and social cohesion
- The mental health benefits of making
- The positive impact that using crafted items and obtaining craft skills can have on the environment.

The Maker Survey is already playing a vital role in shaping our work at Crafts Council and we look forward to delivering more of what our members want and need.

1.2 Collect at 21

In the spring of 2025, the Collect Art Fair turned 21 and truly came of age. Wallpaper magazine described the event as having “surprises in droves”.

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40
Galleries exhibited, from 30 different countries

400
Living artists had their work shown

Visitors attended over a five-day period
12,500

169
Pieces of press coverage secured

1,470
VIPs hosted
Including **116** press and influencers

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Collect Open allows makers to exhibit at Collect without gallery representation. Makers have been submitting ambitious projects to this section of the fair since 2010. For Collect Open 2025, we received 36 applications and selected 10 artists from Austria, The Netherlands, China, Ireland, and across the UK to take part. We also welcomed a new sponsor partner, London-based interior architecture and design practice Spinocchia Freund.

“Collect Open was a fantastic chance for artists to represent themselves to an audience as authentically and directly as possible. For us, it allowed us to connect with potential buyers, contacts and clients in a way that you sometimes don’t get to through a gallery and often miss valuable opportunities. We were able to arrange our own layout, display, marketing and array of works according to our own needs and to show what we as a studio/artists would like to offer the art world and the craft itself. It’s an incredible opportunity that we couldn’t sing its praises high enough.”

– Ash & Plumb (Collect Open 2024)

“Collect Art Fair is the place to meet curators from top museums all over the world and it has the best collectors who know what they want.”

– BR Gallery, China

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1.3 The Brookfield Properties Craft Award

In summer 2024 we celebrated five years of the Brookfields Craft Prize and 20 years of Collect with an exhibition, 5&20, showcasing works from the Crafts Council collection by artists who have exhibited at Collect. The exhibition, supported by the City of London BID, was hosted at 99 Bishopsgate and visited by 8,000 people.

We are proud to have entered our fifth year of collaborating with the Crafts Council and Collect in 2024. We are committed to showcasing the best in British craft, through free and accessible exhibitions for the public, and supporting makers in their creative process and the arts professionals who support them."

– Saff Williams
Brookfield Properties' Curatorial Director, Europe

The 2025 winner of the Brookfields prize was Ebony Russell, represented by Cynthia Corbett Gallery. Russell is an Australian artist who uses an unorthodox approach to construct ceramic sculptures. Her unique technique was developed out of an interest in gendered aesthetics, labour and traditional craft practices where Russell methodically pipes porcelain in series of intricate layers to build gravity-defying forms.

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1.4 New ways of communicating with members

Based on the results of our Makers Survey, we have invested in developing a single membership platform at craftscouncil.org.uk, consolidating our editorial and directory platform into one single offer. This is the first step in an ongoing commitment to make it easier for craft makers and enthusiasts to connect with our activities, and benefit from the opportunities and inspiration we foster.

As a part of this change we took the decision to close Crafts magazine. For more than 50 years, Crafts provided makers with impactful and engaging editorial. The digitised Crafts archive will remain available to members online, continuing to provide insight into the trends and highlights of craft in the UK over more than half a century.



Right
Adorned Exhibition with Ebony Russell. Photo: Matt Alexander.
Image courtesy of Cynthia Corbett Gallery and Brookfield Properties.

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1.5 The Directory and maker opportunities

By the end of the financial year there were 953 Directory members, making everything from architectural glass to toy dogs.

We continue to support makers in many ways. The Facebook Craft Opportunities group now has 8843 members and Crafts Council were described by a user as doing "a grand job… it's such a helpful resource".

We have provided over 70 one-to-one advice sessions to help makers improve their profiles. And we have run campaigns to encourage Young Craft Citizens and recent graduates to join the Directory, with 37 makers joining.

There were several unique opportunities for Directory members too. These included:

- Creating pieces for Brasserie Constance, a new restaurant opening on London's Fulham Pier. They were keen to work with Directory members, and their brief was sent out to 31 ceramists.
- Both Craftworks and the Mayfair Gallery sourced makers from the Directory for their London Craft Week exhibitions.
- The Foreign, Commonwealth and Development Office in Buenos Aires purchased the work of six Directory members to use in a new project.

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1.6 International changes

International sales and exhibitions are of vital importance to many of our makers. The ongoing effects of issues such as the EU's General Product Safety Regulation (GPSR) and tariffs in the Unites States have created a confusing landscape. To help members navigate this we ran a webinar, in February, on Understanding the EU's General Product Safety Regulations (GPSR). There were 153 attendees.

We have created a new relationship with Global Trade Department, a specialist organisation supporting small businesses to understand exporting. This allows us to share information about upcoming changes, giving advice to craft businesses so they can prepare in advance rather than being caught out.



Right
Collection Store Opening Event.
Photo: Hayley Madden.

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1.7 Collection

We made several significant loans during this period, meaning 134,000 people saw pieces from Crafts Council's Collection.

- Internationally, six pieces by Lucy Rie were loaned to the CLAY Museum of Ceramic Art in Denmark. Over 17,000 people visited their Lucie Rie – The Adventure of Pottery exhibition.
- The Goldsmith's Centre received 15 pieces on loan, including works by Ann Sutton and Peter Collingwood, for their Interwoven exhibition.
- Three Grayson Perry pieces were part of Grayson Perry: A Temple for Everyone held at Charleston in Lewes.
- Matt Smith's Study in Pink and Grey was loaned to The Bowes Museum for their From Joséphine Bowes: Trendsetters and Trailblazers exhibition

We also continued the exciting work of making our Collection Store more accessible to the public. Following the refurbishment in 2024, we now offer regular Collection Store visits, providing an insight into collection care and conservation, and showcasing a range of objects. There have been 258 visitors to the Collection Store this year, far outreaching our target of 120.



Unboxing the Collection.
Photo: Sabrina Chu.

02. Makers of Tomorrow

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How we support and deliver craft education and early career development.

2.1 Craft School

Craft School is our craft challenge, open to all learners from Key Stage 1 to Key Stage 4 (ages 5 – 16) and uses our Make First pedagogy as a basis for learning and teaching. Our second iteration, Craft School: Material World, was delivered in collaboration with The Eden Project and 312 school registered to take part. This meant that an estimated 7,800 pupils gained practical hands-on making experience, equating to 23,400 hours of making time.

Participants were invited to explore natural and human-made materials around them, and how these connect to their heritage, community, or the place where they live. The brief was to create 3D works in response to three themes:

- Renewable Materials
  Making using found materials / nature
- Creative Mending
  Mend and combine materials to give them a new life
- Reclaim and Reuse
  Save materials that would otherwise become waste

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Making first was strange, but mistakes are easy to fix with clay. We used beach items, hands and tools to make our pieces and learned some new techniques. Some things didn't work out, but our teacher helped us fix it. Working with very wet clay was hard, our teacher cut the shapes the day before for next time – much easier. We were disappointed that some bits broke in the kiln, but we know what we need to do differently next time. We live near the sea and think the mirror suits it perfectly, it looks better than we imagined."

– Jasmine, Sophie, Yann, Esme, Jasmine and Bonnie
Kings Ash Academy

We also made significant progress with our Outreach Programme, funded by the Comino Foundation. We recognised that schools in highly disadvantaged areas faced additional barriers to participation in creative programmes and designed a programme of collaborative, in-person training for teachers in three regions: Blackburn, Kirklees and Torbay. We worked with schools in each region, reaching a total of 25 over two years.

- In September 2024, Melise Djemal started in a permanent role as Crafts Council's Education Manager.
- Elnaz Yazdani, already a maker-educator for schools in Kirklees, was recruited to work with schools in Blackburn. Seven schools in the region engaged with the programme and ten schools in Kirklees engaged, with seven submitting work.
- Crafts Council worked with Donna White, Torbay's maker educator, and Ian White of Make Southwest to plan new ways of recruiting schools in Torbay. Eight schools took part, up from zero in the previous iteration.

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2.2 Young Craft Citizens

Young Craft Citizens (YCC) is a collective of 16-to 30-year-olds interested in shaping the future of craft, design and making in the UK. Young people can join free of charge and enjoy a range of opportunities: networking, making, and consulting on the development of Crafts Council activities.

We currently have 900 people subscribed to the YCC network, with 168 active members.

We hosted YCC events throughout the year, including a zine-making workshop with Cut Out Club, a Winter Make Late where members made terrariums, gift tags and more, a Windrush Day film screening and textile workshop, a talk on curation and Instagram from creative director Christina Nwabugo, and a talk at Collect, the first ever for YCC members.

> **“I thought the panellists were chosen very well, representing a range of experience from gallerists in this country, internationally but also individual artists.”**
>
> – YCC Collect attendee

> **“As a beginner struggling to know where to start, this was helpful because it gave me questions to ask myself. Now that I know where to look, I feel inspired to explore and identify the fundamentals of my brand and begin posting with purpose.”**
>
> – YCC curation talk attendee

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We have also made significant improvements to our data capture systems, allowing greater understanding of YCC membership demographics and engagement. This allows for more targeted work in supporting members and reaching new young people.

2.3 Youth Advisory Panel

Craft Council's Young Advisory Panel is a group of six Young Craft Citizens who are interested in craft, design and making and who want to develop and grow their leadership and communication skills.

The current cohort of the YAP have completed their 'term in office'. A final round-up get together session was held and now each member of the YAP will move into a development phase. One-to-one sessions will be held in 25/26.

2.4 Crafting with Pride

Crafting with Pride is our programme for older LGBTQIA+ people. In the past year we have delivered twelve Crafting with Pride sessions. These included:

- An object handling session and Collections Store tour. This was the first time members had access to the onsite handling collection.
- Learning and Sector Co-ordinator Faith Rubia delivered two sessions covering cross stitch for members.
- Additionally, we supported group members to visit Collect, touring the galleries together.

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2.5 Let's Craft

The final delivery of over 15,600 craft packs as part of Let's Craft took place in 2024. Let's Craft was started as a response to the pandemic in 2020 and since 2023 we have partnered with Hobbycraft who have supplied kits and provided national distribution to our regional partners to ensure that the families most in need can enjoy making.

Over the course of the whole initiative over 40,000 craft packs have been distributed and 95% families surveyed reported increased making as a family, plus 80% parents reported increased confidence in making with their children.

"My daughter has loved to make things with this. When they gave her the box, she didn't stop talking about it until we made stuff."

– Parent of four-year-old, East of England



Learning and Sector Support Coordinator Faith Rubia won the Marsh Award for Excellence in Visual Arts Engagement. This recognised her work supporting Crafting with Pride, YCC, Craft School and Let's Craft.

Photo: Emily Almodovar

Right
KS3 Winner by Kallia Katidis, Ivybridge Community College.



With increasingly stretched budgets and resources, we recognise that Let's Craft has been a really generous initiative. It has been a valuable experience for us, as a team, to be able to witness the number of children that could be encouraged to explore their own creativity just by making resources available to them. I am glad that we were able to be involved over the two years, and hope that the craft packs have contributed to further encouraging the children and families we have been able to distribute them to, to express their creativity well into the future."

– Olu Adesanu, Islington Council

Craft School Celebration Event.
Photo: James Fletcher.



03. Changemakers

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How we shape the perception of craft and the policy decisions that affect it.

3.1 The impact framework

We know that our work makes a difference, and we wanted to find a way of demonstrating the change we create as an organisation. The full value of craft is not fully evidenced or, indeed, fully understood and this hinders investment in the sector.

So, in February 2025 we launched our new impact framework to create a collective understand of what success looks like. We have developed an evaluation methodology for projects and detailed guidance on how to implement it.

Need
Craft's full value and impact is not fully evidenced or comprehensively understood and as a result this hinders investment and hampers the potential of the sector to be a thriving, diverse and equitable part of the UK economy and our social and cultural fabric.

Mission
We inspire making, empower learning and nurture craft businesses. We believe craft skills and knowledge enrich and uplift us as individuals, and, in doing so, will change our world for the better.

Approach	For	Our Activities	Our Outputs	Our Sought Impacts
Celebrating the power of play and its value to craft	Makers of Tomorrow	**Pioneering the 'wonder of craft' for everyone and championing craft as a career** ...through programmes such as Craft School, Young Crafts Citizens and our Education programmes	No. of Future Makers engaged (& their changing make-up) No. of learning, education and careers programmes delivered	Change in future Makers' knowledge, skills and confidence Wider audiences see and experience the value of craft Greater understanding of craft as a viable career, and improved knowledge of career pathways
Pioneering and championing craft as a vital tool in addressing social and environmental concerns	Makers of Today	**Enabling craft communities and economies to thrive and grow** ...through programmes such as Crafts membership, Directory, Collect & Collect Open	No. of Makers supported/engaged No. of members and membership organisations No. of partners, collaboration and events No. relevant tools and resources provided	Improved access to, and development of skills Greater opportunities for business growth Enhanced collaboration
Being open to ideas, partnerships, collaboration, discussion and debate	Change Makers	**Being a national voice for craft** ...through Collection, Collect & Collect Open, Insight and Advocacy activities	Inputs into relevant consultations and campaigns Collections & Exhibitions No. research reports and publications	Positive change in national policies and practices Advocacy for crafts, and the social & environmental benefits of craft Increased investment in the crafts sector

Outcome
To enable Makers to make a positive difference in the world and for us to have an exceptional understanding of our changing and evolving craft market, whilst remaining financially and operationally stable.

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3.2 Advocacy and insight

Several high- profile events celebrated the value and importance of craft this year. These included a reception at 10 Downing Street to celebrate London Craft Week's 10th anniversary, and a creative industries garden party at Buckingham Palace with a wonderful gathering of craft makers and supporters from across the country invited by Crafts Council to celebrate this special occasion.

With the advent of a new government, Crafts Council supported the Creative UK pavilion at Labour Party conference in September 2024 and participated in a panel discussion on the role of culture in regeneration and placemaking.

We submitted responses on behalf of Craft UK and teachers to the curriculum review, led by Professor Becky Francis, having gathered 203 responses from an open survey. We also responded to the DCMS Participation Survey and Community Life Survey, and provided a detailed response to Invest 2025, the governments modern industrial strategy. All policy responses are published on our website.

Additionally, the Senior team engaged in a host of lobbying activities and engagements ensuring that the craft sector was represented. These included the Creative Industries Council; Creative UK; the Arts & Humanities Research Council; the Department for Business and Trade; the Audience Agency's work with the National Cultural Data Observatory; The Institute for Apprenticeships and Technical Education with Heritage Crafts and the, Heritage Craft Funders Network.

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Our Director of Programmes joined the Creative Industries Skills Audits Steering Group – co-founded by the Department of Culture, Media and Sport (DCMS) and the Creative Industries Council (CIC) with work being undertaken by Creative Industries Policy and Evidence Centre and Work Advance. Crafts Council 's contribution ensured that craft employees were surveyed to better understand the skills gaps the sector faces.

Across the year we published three policy briefings, which went out to 7,600 subscribers bringing them news from national and local government, UNESCO, think tanks, universities and other organisations within the creative sector.

3.3 Patrons and supporters

We continue to strengthen and grow our network of patrons, donors and supporters. Our programme of patrons' events provides an opportunity to deepen knowledge about craft and making and strengthen ties to the sector. Recent events have included intimate studio visits to ceramic artist Fernando Casasempere, textile artist Teresa Hastings, an insight into the Crafts Council jewellery collection in the newly opened collection store, led by jeweller and trustee Melanie Eddy, and the annual Chairs dinner for patrons and supporters on the opening night of Collect.



Crafts Council Jewellery event with Melanie Eddy. Photo: Juno Snowdon.

04. Equality, Diversity and Inclusion

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4.1 The Equality, Diversity and Inclusion Working Group

Our Working Group was established in 2024. One of the immediate jobs of the group was to conduct an annual review of our Core Commitments regarding EDI. We also reviewed and updated policies and procedures including developing a working with freelancers and pay rates and policy.

Following the withdrawal of labour of the Equity Advisory Council in early 2024 we enlisted the support of an external consultant, Helga Henry, who helped to engage various internal and external stakeholder groups and has contributed to Equality, Diversity and inclusion Committee meetings. We continued to engage with alumni of the Equity Advisory Committee through the year.

We were keen to learn from our previous work and, after a period of reflection, began to develop a new Equality, Diversity and Inclusion Strategy and Action Plan which was ratified by our Board of Trustees in August 2025. It proposes a shift toward a more relational, open, and responsive organisation, with EDI positioned not as a standalone objective but as central to our mission, strategy, and values.

Key commitments by 2035 include:

- A workforce and community that reflect the diversity of the UK
- Programmes that amplify underrepresented voices and traditions
- An organisation rooted in care, listening, and shared agency
- A leadership culture driven by accountability and inclusion

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4.2 Learning and development

All staff complete mandatory training on a number of EDI focused modules as part of their induction process. This includes:

- HR Compliance & Wellbeing Essentials
- Disability Awareness & Inclusion
- Equality, Diversity & Inclusion
- Gender Identity & Expression
- Unconscious Bias
- Mental Health Awareness
- Modern Slavery
- Whistleblowing
- Bullying and Harassment for Employees
- Sexual Harassment Awareness
- Menopause Awareness



Right
YCC Collections Consultation Session. Photo: Jazz Willett.

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4.3 Black History Month gallery programme

Crafts Council's Collections team commissioned curator Lewis Dalton Gilbert to create Unboxing the Collection, an exhibition and programme that took place in October 2024, using the vessel to explore the interconnectedness of creativity. Selecting 34 objects from the collection to focus on and display, Dalton sought to speak to themes of examining and reimagining narratives told through craft objects, inviting discussion around how collections contribute to narratives while providing a platform to explore materials, styles, and techniques. The programme sparked meaningful conversation about craft practice and culture, revealing how craft techniques are shared by makers across different times, cultures and contexts.



Right
Unboxing the Collection – Reimagining Narratives with Darren Appiagyei.
Photo: Sabrina Chu.



Winter Make Late.
Photo: Faith Rubia.

05. Environmental Responsibility

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We are committed to monitoring and reducing our own environmental impact. All staff are clear this is a shared endeavour, with our approach worked into all our activities. However, the financial year of 2024–2025 saw a rise in our environmental impact across our properties, although this can be attributed to the impact our preparing for our office move. This totals 21 tonnes of CO2e energy use (up from 18 tonnes) and 20 tonnes CO2e of operational materials and waste (up from 13 tonnes).

Nonetheless, progress this year includes:

- Committing to a 100% renewable energy contract with EDF until 2028.
- Continuing to contract our waste management to First Mile, meaning a continued use of our recycling system.
- The new Environmental Responsibility committee has met once a quarter and shared their reports with the board.
- A staff member, Sophie Heathscott, attended workshops with Julie's Bicycle Climate Accelerator Programme and fed back to our Environmental Responsibility committee.
- We undertook research into our digital carbon footprint and ways to reduce it. This led to a set of recommendations we can implement in the 25/26 financial year and that we can share with the Craft UK network.

06. Crafts Council Resilience

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Financial year 2024/25 was the second year of the current Arts Council England NPO funding period, which runs from 2023 to 2026.

For this NPO period, our grant was reduced from £2.5 million to £2.2 million per annum, a 13% decrease. In preparation for this we had reduced our headcount at the end of March 2023 and restructured our programme to allow us to operate within the new reduced income level. The costs of the restructuring were met from our reserves.

To support organisations facing grant reductions, ACE launched their Transform funding initiative, recognising the challenges for organisations to adapt in the current economic climate. The funding focused on measured and sustainable adaptations, so that organisations could continue to bring creativity and culture to visitors and audiences in the years to come.

We successfully applied for Transform funding totalling £600k covering April 2023 to March 2026, to help us develop a new business model over the three years. This will help us to operate sustainably at reduced levels of ACE investment.

This Transform funding is helping us to address our key financial challenges. Principal among these is ensuring that 44a Pentonville Road, the building we have been a tenant of since 1991, can once again provide a source of stable income for the organisation.

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The property required significant investment to bring it back into full use. We consider this investment to be a prudent and careful use of funds that Crafts Council has built up over time. We are also grateful to Arts Council England, Howard Rosen, and the Charities Aid Foundation for their support in enabling this project to happen. A substantial refurbishment of the upper floors of our building at on Pentonville Road began in May 2025 and is due for completion in December 2025. This will enable us to consolidate our footprint, and move out of our current office block, in July 2025 saving £120k per annum. We will move into the first floor of Pentonville Road on completion of the build in January 2026, and the upper floor will be offered as fully serviced office space, enabling us to derive an income from the property that supports ongoing maintenance of the building and contributes towards our financial stability.

Alongside this, Transform funding provides support to help us develop our income streams. Weare investing in our website and digital offering to improve our offer to our maker community. We continue to build our Crafts Council Gallery venue hire offer as a commercial hire proposition, with all the proceeds going into supporting our program.

Running a significant property investment alongside delivering our program will require continued careful financial planning and management which trustees ensure is in place through regular meetings of our Finance, Audit and Risk committee.

We have strengthened our development team over the last 12 months and continue to cultivate and grow commercial partnerships, both as a source of income for the Crafts Council and for the opportunities generated for makers through creative activation. Our patrons programme provides an additional source of income and actively immerses patrons and philanthropists in the world of craft, deepening their understanding of the sector and encouraging support.

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To underpin our operational resilience we have also taken time to invest in our staff and their health and wellbeing. The constant pressure to do more with less undoubtedly takes its toll on mental and physical health, and prioritising care continues to be an important part of our responsibility as an employer.

We have been awarded ACE NPO grant for the extension year 26/27. Funding will be extended at the current rate, £2.2m.

Whilst we are very grateful for the continued support from ACE, it should be noted that in real terms this represents a significant decrease over time. Our funding in 2012/13 was £2.5m, adjusted for inflation this would be over £3.2m now. The recent increase in employers National Insurance increased our payroll by £40k per annum, and even a modest 2% increase in pay for our staff costs c.£35k per annum. Building long term financial sustainability remains a considerable challenge and focus for the organisation.



Right
Studio Saar.
Photo: Reuben Black.



Isobel Napier (artist) by Flow Gallery, presented at Collect 2025.
Photo: Jake Curtis .
Stylist: Alex Kristal.

07. Future Impact

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Collection development

Our youth placements, via the Craft for the People project, continue. In the coming year the focus will be on the following two projects:

- **True Value –** Aiming to capture up to the minute insurance valuations for the Primary Collection.
- **The Bigger Picture –** A census of the Collection makers, collecting essential representation data for the first time.

We have begun the process of recruiting for our Collection Advisory Committee, a panel of leading voices from across the cultural and craft sectors. Members will advise on stewardship and future growth of the Collection, helping to ensure the Collection reflects the breadth of contemporary craft today while honouring its 50-year legacy.

Access and Inclusion

We have secured funding for three new Collect Open bursaries to support UK-based makers from global majority backgrounds. We will be working closely with those who hold the bursaries, learning from the experience and looking at how we can maximise the positive impact throughout.

Governance Development

We will be recruiting two young trustees to our board, recruited from the Young Advisory Panel. They will receive training alongside their fellow trustees and Crafts Council staff. This will be our first experience of working with young trustees and we will be listening and learning throughout the process to ensure that they can engage fully.

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Embedding Data and Impact

Discovering the needs of our audience will always be at the centre of our work. We continue to develop our Salesforce dashboards and other data collection tools and to provide staff training to increase confidence in data analysis. In 2026 we will conduct the second iteration of our Maker Survey. Our aim is to disseminate this survey even further than the first and to reach a wider pool of makers.

We have also used all of our updated data insights to refresh our already strong Case for Support. This has improved our approaches to trusts and foundations: we can provide compelling narratives covering the unique role we play, our ambitions and the impact we make.

Growing Our Resources

Our focus on fundraising and development will remain strong. In Autumn 2025 we will introduce our Creative Leaders Circle, our new corporate membership scheme, building on the exemplary partnerships we have developed in recent years and opening up a range of ways in which businesses can benefit from our expertise and programme of activity.

We continue to grow our partnerships: we have secured a three-year relationship with London-based interior architecture and design practice Spinocchia Freund. and benefited from a commitment from The Grainer Collection and the auction house MAAK to donate percentage of their sale proceeds to Crafts Council.

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We give thanks to all those who have supported our activities over the last year.

Patrons and Donors

Brigid Rentoul and Gerald Hughes

Carole and David Warren

Davina Mallinckrodt

Edee Simon

Edmond Harbour

Heather Acton and Peter Williams

Howard Rosen

Janice Blackburn

Judith Goodison

Lulu Lytle

Preston Fitzgerald and Cedric Smith

Raymond James Charitable Endowment Fund

Romeo Hodges

Sarah Nichols

Simon Eccles

Steve and Lorraine Groves

Funders

National Heritage Lottery Fund

The Cockayne Foundation

Arts Council England

Sponsors and Partners

TOAST

Fulham Pier

Floor Story

COX London

Collect Sponsors

Brookfield Properties

LOEWE FOUNDATION

Spinocchia Freund

Montcalm Hotels



Spring Make Late.
Photo: Faith Rubia.

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9.1 Legal and Administrative Information

Charity Registration Number: 280956
Principal Office: 44a Pentonville Road, London, N1 9BY

Members of the Council ('Trustees')

Name	Role and Committees	Changes
John Knell	Chair Finance, Audit Risk Committee Nominations & Remuneration Committee Development Committee	
Majeda Clarke	Deputy Chair Nominations & Remuneration	
Jake Solomon	Deputy Chair Development Committee	
Helen Hyde	Finance, Audit Risk Committee Lead Trustee for Safeguarding	
Ed Mathews Gentle	Finance, Audit Risk Committee	
Ian Jindal	Finance, Audit Risk Committee	
Melanie Eddy Yasmin Jones-Henry	Nominations & Remuneration Committee	
Anant Sharma	Development Committee	
Richard Hill Rosalind Sinclair Lady Kitt	Chair – Finance, Audit Risk Committee	 Resigned September 2024

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Senior Management Team

Natalie Melton	Executive Director
Nicky Dewar	Director of Programmes
Adele Hill-King	Finance & People Director

Auditor

HaysMac LLP
10 Queen St Place
London
EC4R 1BE

Bank

RBS
Liverpool Grp of Branches
(C) Branch
1 Hardman Boulevard
Manchester M3 3AQ

Solicitor

Bates Wells
10 Queen St Place
London EC4R 1BE

The members of Crafts Council (being the Board of Trustees of Crafts Council) are pleased to present their Report together with the Financial Statements for the year ended 31 March 2025.

The Financial Statements comply with the Charities Act 2011, the Royal Charter of Crafts Council, and the Statement of Recommended Practice 'Accounting and Reporting by Charities' which is applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

John Knell
Chair



Date: 17/11/2025

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9.2 Structure, Governance and Management

Constitution, composition of the Council and Trustee induction

Crafts Council is incorporated by Royal Charter. It is registered as a Charity, number 280956, in England and Wales. The Council consists of a Chair and not more than 14 Trustees. The Chair is appointed for a period of four years and may be reappointed for one further term. New Trustees are appointed by "the Council" and serve for four years. After this term they may put themselves forward for a further four years. No Trustee may serve for more than two consecutive terms of office.

The Council, comprising of all Trustees, is also described as the Board of Trustees. It meets at least quarterly to:

- Agree Crafts Council strategy.
- Review performance.
- Advise on programme activity.
- Consider risk management and reserves policy.

Crafts Council has three Committees:

- Finance, Audit and Risk Committee. Monitors the annual statutory audit and risk management. Reviews financial performance, business activities and risk.
- Nominations and Remuneration Committee. Scrutinises Trustee Appointments, staff compensation, pay and rewards.
- Development Committee – to help develop and execute effective strategies to support Crafts Council in achieving its financial goals and furthering its mission.

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In addition, we have two working groups for Equity, Diversity and Inclusion, and Environmental Responsibility which include representatives from Board, Youth Advisory Panel, staff and external experts. These will scrutinize action plans and identify areas for improvement.

The induction process for a new Trustee includes meetings with the Chair, Executive Director and Senior Management Team. All new Trustees are given an induction pack containing key governance information.

Organisation and management

The day-to-day activities of Crafts Council are delegated to the Executive Director who leads a Senior Management Team.

Pay policy for senior staff

All Trustees give of their time freely. One trustee received a payment of £200 for additional work supporting our program during the year, no trustee received any payment for any other work.

Senior Management Team pay is reviewed annually by Trustees at our Nominations and Remuneration Committee. There is no salary scale for the Senior Management Team. Each member of the Senior Management Team is formally appraised twice yearly by the Executive Director. The Chair reviews the performance of the Executive Director.

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A report on Directors' performance is submitted to the Remuneration Committee. Pay increases are determined by:

- Inflation
- Comparable pay scales for similar roles
- Individual performance
- Any significant changes of role

Principal risks and uncertainties

Crafts Council maintains a Risk Register which is reviewed by trustees every quarter.

Additionally, the Finance and Business, and Audit Committees update the Risk Register at every bi-monthly meeting.

Principal risks:

- Reliance on key staff and staff well-being.
- Income risks; particularly commercial and fundraised income.
- Property strategy; replacing lost revenue from unoccupied upper floors at 44a Pentonville Road.
- Embedding principals of equity, diversity, and inclusion in our organisation
- Embedding environmental sustainability into capital, operational and programme activity
- Continued development of programme activities

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Our key strategies to mitigate these include:

- Strong governance, process, and trustee oversight.
- Training and recruitment to ensure we have the required professional skills in our teams. Investment in organisational development and team building
- Strong financial controls and process.
- Regular review and forecasting of potential outcomes.
- Specialist cross-organisational staff working groups for key areas, such as equity, diversity and inclusion, and data insights.
- Continued progress on diversifying sources of income and increasing free reserves.
- Planning, project management, forecasting and other actions that allow operational flexibility.

Fundraising Statement

All Crafts Council fundraising activities are compliant with the recognised standards of fundraising (set out in the Code of Fundraising Practice), including those required under charity law and wider law. The charity is a member of the Fundraising Regulator and is committed to conducting open, honest, and respectful fundraising practices. We thank everyone who has supported our work.

We received no fundraising complaints in the period.

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Our fundraising from individuals is primarily focused around: our Patrons scheme. Our Patrons scheme solicits donations following a careful process of stewardship, in which we establish the potential Patron is happy to continue to be part of the Patrons scheme.

Reserves Policy

Crafts Council operates a dynamic Reserves Policy.
Our three key tests, in order of importance, are:

- Cashflow visibility: ensuring future cash headroom and operational flexibility.
- Requirements for reserves: based on analysis of potential risks and contingencies.
- Three months operating expenses: building higher reserves for reinvestment in impact.

The property we occupy required significant investment to bring it back into full use. We will be drawing on the reserves we have built up over time and consider this investment to be a prudent and careful use of funds.

Please see the notes below under financial performance for further details, and Note 15 to the Financial Statements provides more detail on specific reserves.

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Financial Review 2024/25 Performance

2024/25 is our second year operating at the lower level of ACE NPO funding. We had already taken action to resize our organisation in March 2023 and had carefully planned for this change. We continue to manage our resources carefully. We were able to maintain our program commitments and also fund significant investment in our property refurbishment whilst maintaining a small deficit.

Revenue

Our income increased by £83k compared to the previous financial year. Most of this increase related to funding received from the National Lottery Heritage Fund supporting our work project "Craft for the People", where we are working to improve access to our Collection of heritage assets.

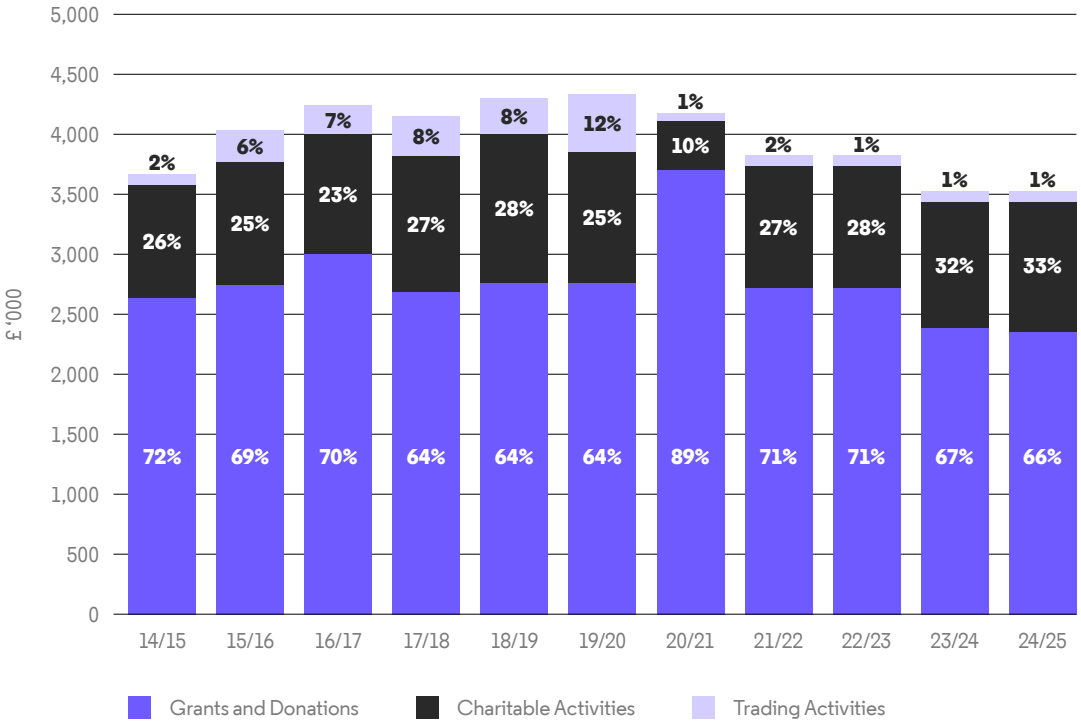
Our income from Collect held up well, we had a full complement of 40 galleries taking part in the fair at Somerset House.

Income from our magazine memberships, shown within Audience Development, fell during the year, due to falling advertising and subscription income, and we made the difficult decision to cease production of the print copy of our magazine. This resulted in advertising income loss from the Spring issue, and some subscription income loss from subscriptions, but this loss was more than offset by savings from producing the magazine. We are now using ACE Transform funding to develop a dynamic digital membership offer, which continues to meet the needs of our makes with high quality editorial serving as a showcase of the Craft sector.

In addition to our NPO funding, we received ACE Transform grant funding in the year of £103k, this is phase two of a total £600k transform grant award. We received the remaining grant in 25/26 and it is being used to support our property refurbishment and membership relaunch.

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Year on year Revenue 2014 – 2025



Restructuring Costs

During the year we incurred planning and advisory costs to support our Property Working Group related to our property refurbishment project. Initial works took place in early 2025 prepare the site, the main refurbishment began in May 2025 with a scheduled completion of December 2025.

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Reserves

We continue to carefully manage our free reserves to balance maximising spend on activities and impact, against having surplus to manage risk. Our aim is to have sufficient free reserves to:

- Allow us operational flexibility.
- Give us the ability to invest in new projects and work.
- Manage risk and unexpected expenditure.

Crafts Council is fortunate to receive NPO funding from ACE on a monthly basis which covers our main operating costs, and we have been awarded this funding up to March 2027. However, we still need to manage short-term cash flow fluctuations, set aside funds to maintain our property and cover any unexpected expenditure.

We consider a level of £400k of free reserves is the minimum required to meet these requirements.

During recent years we have grown our reserves above this level to mitigate lower longer-term revenue visibility. This helped to cover the cost of our staffing restructure in March 2023 following the drop in ACE funding and will allow investment in our property refurbishment taking place in 2025.

At the end of 24/25, we have set aside £400k as a designated reserve towards the cost of property refurbishment. The upper floors of our Gallery building are empty and require significant investment to make them habitable. This investment will take place in financial year 2025/26, and will bring the unusable upper floors of our Gallery building back into use. Crafts Council will move into the first floor, and we plan to generate an income stream from renting out the top floor.

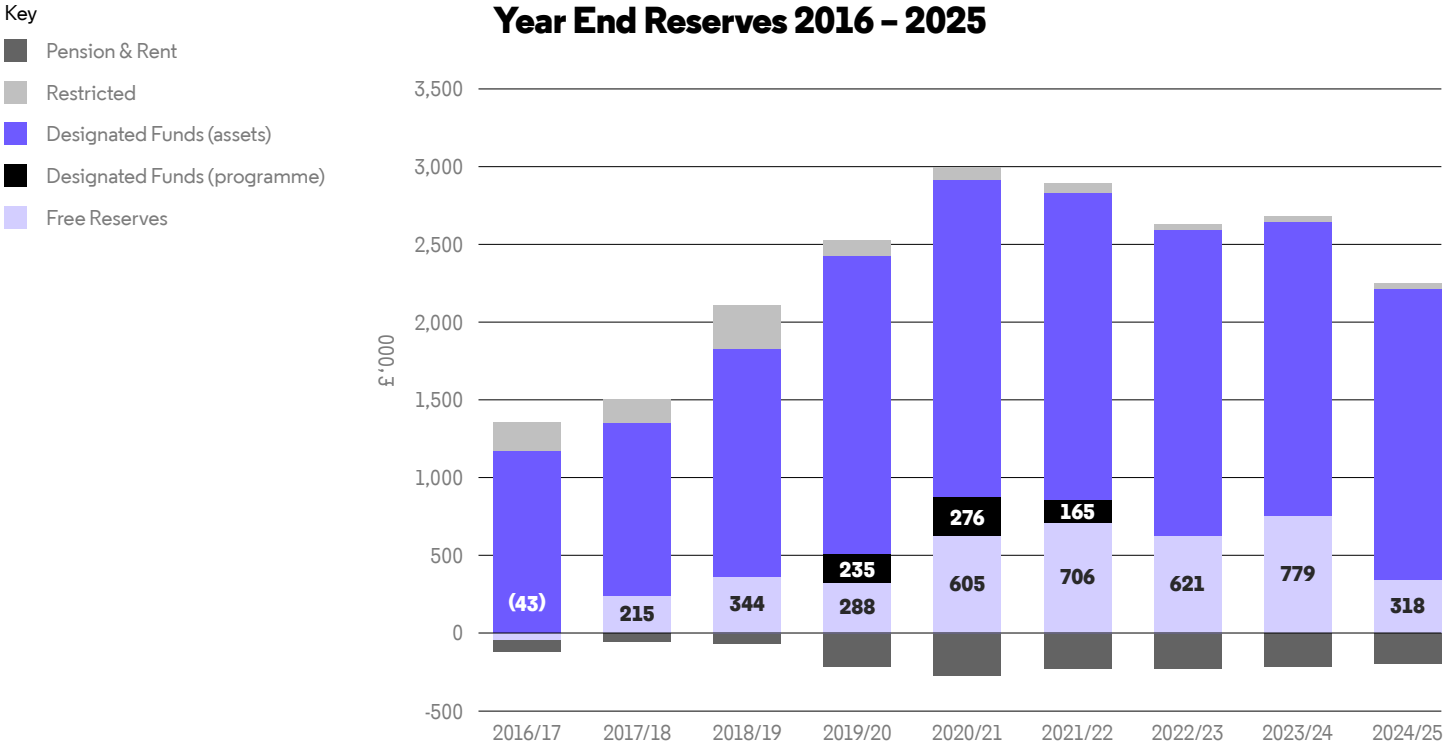
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Setting aside this designated reserve leaves our free reserves below the policy level at £318k. Also, with the required level of investment in property in financial year 2025/26, we expect our free reserves to drop further to just below £200k by the end of March 2026.

To support our cashflow over this period, we have secured social financing of £300k from Charities Aid Foundation, this was paid to us in May 2025. So although our reserves are lower than our policy states, with this financing we will be able to manage our cashflow over the period of the property refurbishment, and over the next two years as we rebuild our reserves back to £400k.

We consider this short term drop in reserves is reasonable as it allows us to address the major liability of our excess property space.

Year End Reserves 2016 – 2025

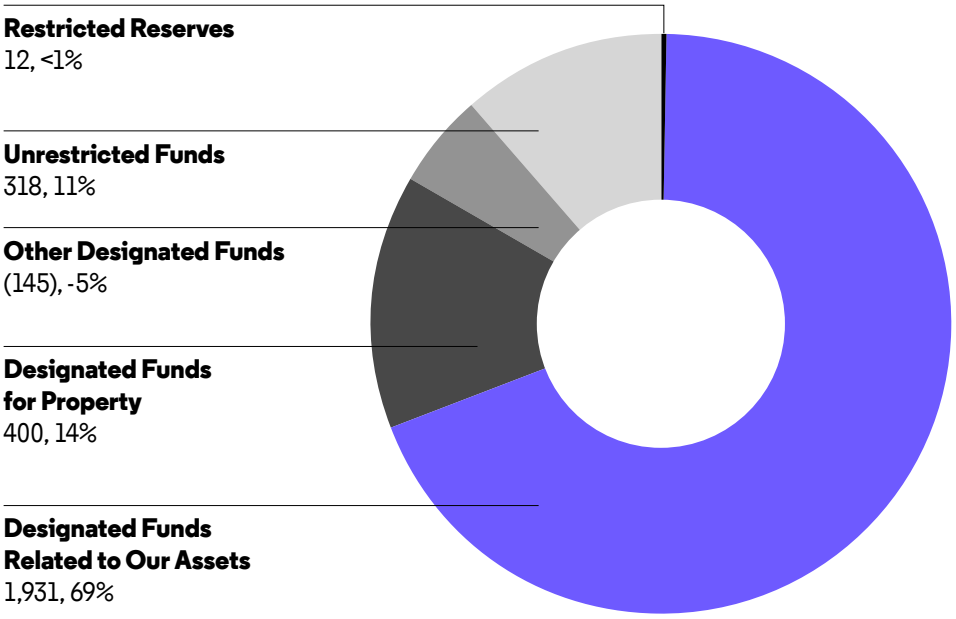


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The core of our designated reserves reflects the value of the objects that comprise the Crafts Council Collection. It is recorded in our accounts at the historical cost of the artefacts.

However, it has a commercial, cultural, and intangible value far beyond this. The collection is the only one of its kind in the UK, documenting contemporary craft since 1972 across all disciplines.

Closing reserves as of March 2025



24/25 Closing Reserves by Category	£'000s
Restricted Reserves	12
Designated Funds Related to Our Assets	1,931
Designated Funds for Property	400
Other Designated Funds	(145)
Unrestricted Funds	318
Total Reserves	2,516



5&20 Group Exhibition.
Photo: Matt Alexander.

10. Financial Statements

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10.1 Trustees' Responsibilities in relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities Statement of Recommended Practice.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any departures.
- Disclose and explain in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised for issue by the Trustees and signed on their behalf by:

John Knell
Chair
Date: 17/11/2025





Darren Appiagyei,
Collect Open 2025.
Photo: Iona Wolff.

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10.2 Independent Auditors Report

Opinion

We have audited the financial statements of Crafts Council for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as of 31 March 2024 and of the charity's net movement in funds for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

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Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Impact Report (included in the Trustees' Annual Report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees for the Financial Statements

As explained more fully in the Trustees' responsibilities statement set out on p.61 and p.62, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework applicable to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual accounting journals.

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Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular any unusual journal entries.
- Challenging assumptions made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Use of Our Report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP
Statutory Auditors
3/12/2025

10 Queen Street Place
London EC4R 1AG

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



Icheon Ceramic by
Han Collection, Collect 2025.
Photo: Iona Wolff.

10.3 Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total Funds £'000	2024 Total Funds £'000
Income					
Grants and donations	2	2,252	131	2,383	2,354
Income from charitable activities	3				
Artistic Programme: UK		806	103	909	813
Learning & Talent Development		75	5	80	92
Innovation Programme		-	-	-	1
Leadership, Research & Policy		-	-	-	10
Audience Development		171	-	171	205
Gallery		39	-	39	17
Total Income from charitable activities		**1,091**	**108**	**1,199**	**1,138**
Other trading activities	4				
Investment Income		25	-	25	13
Other Income		8	-	8	27
Total Income		**3,376**	**239**	**3,615**	**3,532**

10.3 Statement of Financial Activities
for the Year Ended 31 March 2025 (Continued)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total Funds £'000	2024 Total Funds £'000
Expenditure					
Raising funds					
Fundraising activities	5	262	3	265	246
Other trading activity: property surplus to requirements		205	-	205	217
Charitable activities					
Artistic Programme: UK		1,291	99	1,390	1,271
Learning & Talent Development		420	10	430	418
Leadership, Research & Influencing Policy		124	-	124	138
Audience Development		757	20	777	756
Gallery		263	20	283	226
Restructuring Costs		86	63	149	172
Total Expenditure		**3,408**	**215**	**3,623**	**3,444**
Net Income		**(32)**	**24**	**(8)**	**88**
Transfers between funds		23	(23)	-	-
Net movement in funds		**(9)**	**1**	**(8)**	**88**
Total funds brought forward		2,513	11	2,524	2,436
Total funds at 31 March		**2,504**	**12**	**2,516**	**2,524**

The notes on p76 – p98 form an integral part of these financial statements.

10.4 Balance Sheet
for the Year Ended 31 March 2025

	Notes	2025 £'000	2024 £'000
Fixed Assets			
Intangible assets	10	3	18
Heritage assets	11	1,156	1,138
Other tangible fixed assets	11	772	743
		1,931	**1,899**
Current Assets			
Debtors	12	322	344
Treasury Deposit		103	355
Cash at bank and in hand		704	456
		1,129	**1,155**
Creditors: Amounts Falling Due Within One Year	**13**	**(399)**	**(364)**
Net Current Assets		**730**	**791**
Total Assets Less Current Liabilities		**2,661**	**2,690**
Creditors: Amounts Falling Due Within One Year	14	(145)	(166)
Net Assets		**2,516**	**2,524**
Represented by:			
Unrestricted funds			
General Funds		318	780
Rent Reserve		(145)	(166)
Designated Funds		2,331	1,899
Total Unrestricted Funds		**2,504**	**2,513**
Restricted Funds		**12**	**11**
Total Funds	**15**	**2,516**	**2,524**

The notes on p76 – p98 form an integral part of these financial statements.

Approved and authorised for issue by the Council and signed on its behalf by:

John Knell
Chair
Date: 17/11/2025



10.5 Statement of Cashflows
for the Year Ended 31 March 2025

	Notes	2025 £'000	2024 £'000
Net cash provided by operating activities	17	116	212
Cash flows from investing activities			
Investment income received		25	13
Payments to acquire intangible assets	10	-	-
Payments to acquire heritage assets	11	(18)	(20)
Payments to acquire other tangible fixed assets	11	(127)	(3)
Net cash used in investing activities		(120)	(10)
Change in cash and cash equivalents	17	(4)	(202)
Cash and cash equivalents brought forward		811	609
Cash and cash equivalents carried forward	**17**	**807**	**811**

The notes on p76 – p98 form an integral part of these financial statements.

Analysis of cash and cash equivalents and of net debt	At 1 April 2024 £'000	Cashflows £'000	Other non-cash changes £'000	At 31 March 2025 £'000
Cash at bank and in hand	811	(4)	-	808
	811	(4)	-	808

The notes on p76 – p98 form an integral part of these financial statements.

10.6 Notes to the Financial Statements

1.1 Accounting Policies

1.1a Basis of preparation of the Financial Statements

These Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Financial Statements. These Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition, effective 1 January 2019 and the Charities Act 2011.

The Crafts Council constitutes a public benefit entity as defined by FRS102.

1.1b Preparation of the Financial Statements on a going concern basis

The Charity reported a cash outflow of £4k for the year. The trustees are of the view that the Crafts Council's status as an Arts Council England National Portfolio Organisation for the funding period ending 2027 confirms that the Crafts Council can continue as a going concern.

The Board of Trustees have given due consideration to the working capital and cash requirements of the Crafts Council. The Board consider the Crafts Council's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months and that there are no material uncertainties in respect of going concern.

1.1c Areas of material judgement and estimates

The accounting policies for material items are set out below. Those which are subject to material judgements and estimates are in the opinion of the trustees: determination of the useful lives of assets. The Trustees do not believe that there are any items which are likely to be susceptible to material adjustment in future periods.

10.6 Notes to the Financial Statements (continued)

1.2 Fund accounting

Restricted funds comprise donations which the donor has specified are to be used solely for particular areas of the charity's work or for specific projects being undertaken by the charity.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects, at the discretion of the trustees. Unrestricted general funds represent those monies which are freely available to spend on activities which further any of the purposes of the charity.

1.3 Income

General

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Unless noted otherwise below, income is recognised as earned, that is as the related goods or services are provided. Earned income arising during the year relating to future events or provision of services is deferred until those activities have taken place.

Grants and Donations

Grants and donations are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Where grants are specifically restricted to future accounting periods, they are deferred and recognised in the relevant periods.

Other Income

Income due under the Exhibition Tax Credit scheme is recognised on a receivable basis in the period in which the related qualifying expenditure is incurred, and is categorised in the Statement of Financial Activities under Other Income.

10.6 Notes to the Financial Statements (continued)

1.4 Expenditure

1.4a General

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of Raising Funds: Fundraising comprises the costs of the development (fundraising) team and associated support and governance costs.

Other trading activity comprises the cost of property which was sublet but is currently vacant, and associated support and governance costs.

Expenditure on Charitable Activities includes costs of projects undertaken to further the purposes of the charity, and associated support and governance costs. Crafts Council divides its charitable activities into six areas of work which are shown on the face of the Statement of Financial Activities. For clarity, and to improve the reader's understanding of the activities outlined in the trustees' report, some of these areas are broken down further in the Notes which follow.

Termination costs are accounted for when payable.

1.4b Allocation of support and governance costs

The cost of staff time that is not spent directly within the analysis headings on the Statement of Financial Activities (namely support and governance costs) is allocated in proportion to the directly attributable costs on those headings.

The average monthly full time equivalent head count is then calculated and used to allocate support general costs proportionally against direct activities, grant-making activities and governance general costs, within the Raising Funds and Charitable Activities analysis headings. Lastly, governance general costs are analysed across the Raising Funds and Charitable Activities analysis headings, again in proportion to the average monthly full time equivalent head count.

10.6 Notes to the Financial Statements (continued)

1.4c Pension costs

The charity participates in a multi-employer defined benefit pension scheme and a defined contribution group personal pension plan. Both are accounted for as defined contribution schemes and full details are provided in Note 9.

Pension costs are allocated between funds in line with staff costs. For the defined benefit scheme, provision is made for the present value of the deficit contributions should they be required.

1.5 Operating Leases

Payments under operating leases are charged on a straight line basis over the lease term.

1.6 Foreign Currency

Foreign currency transactions relate to income from subscriptions for Crafts magazine and sales at some overseas craft events and expenditure incurred by activities carried out abroad. Such income and expenditure is translated into sterling at the exchange ruling at the date of the transaction. Monetary assets or liabilities existing at the year-end are translated at the rate ruling at the balance sheet date. All exchange rate differences are recognised through the Statement of Financial Activities.

1.7 Taxation

As a registered charity carrying out charitable activities, Crafts Council is generally exempt from corporation tax except in limited circumstances. Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred. It is initially categorised as a support cost and included within the analysis headers as for other support costs.

Tax recovered under gift aid relating to donated income is recognised when the related income is receivable and is included within Donations and Legacies income.

10.6 Notes to the Financial Statements (continued)

1.8 Intangible Assets and Amortisation

Intangible assets are recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. All Intangible assets are amortised over 5 years.

1.9 Tangible Fixed Assets and Depreciation

Heritage Assets

The Crafts Council Collection ("Collection") of craft objects is held for charitable purposes and is stated at cost. All items which form part of the collection are capitalised as fixed assets in the year of acquisition, principally through purchases from third parties.

Donated collection items are recognised initially at their fair value to the extent that this can be estimated with reasonable reliability. Where there is a lack of comparable information or market values, donated items are not reported on the balance sheet.

No provision is made for depreciation, as the items in the Crafts Council Collection are deemed to have indeterminate lives and it is the Trustees' policy to maintain the Collection in good condition so that the items' residual values are at least equal to their carrying value on the Balance Sheet. All maintenance costs are recognized as expenditure in the financial year in which they are incurred. The carrying value is reviewed as part of an ongoing internal audit process and a provision in the Financial Statements is made, if necessary, for any impairment in value.

Other Fixed Assets

Fixtures, fittings and computer equipment costing £1,000 or more are capitalised and are initially stated at cost. Assets purchased as part of the same project may be treated in aggregate. They are depreciated over their estimated useful economic lives at the following rates:

Leasehold improvements :	over the remaining lease period
IT equipment and software :	over 3 years
Other fixtures, fittings and equipment :	over 5 years

With the exception of leasehold improvements, a full year's depreciation is charged on fixed assets acquired and brought into use during the year, and no depreciation is charged in the year of disposal.

10.6 Notes to the Financial Statements (continued)

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.12 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments held by the charity are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from Grants and Donations

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £'000	2024 Total Funds £'000
Arts Council England	2,223	103	2,326	2,305
Individual giving: Patrons & Donations	29	-	29	20
Brookfield – Heritage Collection	-	25	25	25
Various – funding for the Heritage Collection	-	3	3	4
Total	**2,252**	**131**	**2,383**	**2,354**

There were no donations from trustees in 2025 (2024: no donations).

10.6 Notes to the Financial Statements (continued)

3. Income from Charitable Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total Funds £'000	2024 Total Funds £'000
Artistic Programme UK:				
Exhibitions, Loans & Collection	77	98	175	92
Collect	729	5	734	721
Learning & Talent Development:				
Learning programme	15	5	20	42
Talent development programme	60	-	60	50
Innovation	-	-	-	1
Leadership, Research & Influencing Policy	-	-	-	10
Audience Development				
Crafts Magazine & other publishing	171	-	171	205
Gallery	39	-	39	17
Total	**1,091**	**108**	**1,199**	**1,138**

4. Income from Other Trading Activities: Other Income

	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total Funds £'000	2024 Total Funds £'000
Museum & Gallery Exhibitions Tax Relief	8	-	8	27

10.6 Notes to the Financial Statements (continued)

5a. Allocation of Expenditure 2025

	Direct Activities £'000	Direct Staff (i) £'000	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2025 Total £'000	2024 Total £'000
Expenditure on raising funds								
Fundraising activities	34	150	54	16	7	4	265	247
Other trading activities	182	-	3	16	-	4	205	216
Charitable Activities								
Artistic Programme UK:								
Exhibitions, Loans & Collection	151	174	107	29	14	7	482	388
Collect	624	133	59	67	8	17	908	881
Learning & Talent Development:								
Learning programme	60	153	87	19	12	5	336	318
Talent development programme	6	54	25	5	3	1	94	100
Leadership, Research & Influencing Policy	24	72	15	9	2	2	124	138
Audience Development & Communications:								
Crafts magazine & other publishing	198	158	60	32	8	8	464	474
Other	81	148	52	20	7	5	313	282
Gallery	192	40	23	20	3	5	283	226
Restructuring	83	42	9	11	1	3	149	174
Total Expenditure	**1,635**	**1,124**	**494**	**244**	**65**	**61**	**3,623**	**3,444**

(i) Further analysis of staff costs is given in Note 8.

10.6 Notes to the Financial Statements (continued)

5b. Allocation of Expenditure 2024

	Direct Activities £'000	Direct Staff (i) £'000	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2024 Total £'000
Expenditure on raising funds							
Fundraising activities	66	112	43	15	5	6	247
Other trading activities	179	12	3	16	-	6	216
Charitable Activities							
Artistic Programme UK:							
Exhibitions, Loans & Collection	122	141	86	22	9	8	388
Collect	589	126	76	59	8	23	881
Learning & Talent Development:							
Learning programme	24	162	100	15	11	6	318
Talent development programme	8	52	30	5	3	2	100
Leadership, Research & Influencing Policy	27	73	24	8	3	3	138
Audience Development & Communications:	-						
Crafts magazine & other publishing	242	116	67	30	7	12	474
Other	65	145	43	17	5	7	282
Gallery	170	23	10	16	1	6	226
Restructuring	157	(1)	-	13	-	5	174
Total resources expended	**1,649**	**961**	**482**	**216**	**52**	**84**	**3,444**

10.6 Notes to the Financial Statements (continued)

5c. Nature of Support and Governance Costs 2025

	Support Costs £'000	Governance Costs £'000	2025 Total £'000	2024 Total £'000
Facilities costs	297	9	306	313
Finance & HR costs	123	11	134	120
IT costs	74	2	76	71
Legal costs	-	16	16	-
Audit fees	-	26	26	29
Trustee expenses	-	1	1	1
Support & governance sub-totals	**494**	**65**	**559**	**534**

5d. Nature of Support and Governance Costs 2024

	Support Costs £'000	Governance Costs £'000	2024 Total £'000	2023 Total £'000
Facilities costs	300	13	313	347
Finance & HR costs	115	5	120	113
IT costs	67	4	71	66
Audit fees	-	29	29	28
Trustee expenses	-	1	1	2
Support & governance sub-totals	**482**	**52**	**534**	**556**

6. Grants Payable

Crafts Council does not set out to be a grant giving organisation, no grants were paid in 2025 or 2024.

7. Auditors Remuneration

The auditor's remuneration constituted an audit fee of £23,250 (2024: £25,925) and additional tax advisory services of £350 (2024: £1,225).

10.6 Notes to the Financial Statements (continued)

8. Staff Costs

a) Staff costs consist of:

	2025 £'000	2024 £'000
Wages and salaries	1,225	1,069
Employer's national insurance contributions	116	97
Employer's contribution to defined contribution pension schemes and defined benefit pension schemes treated as defined contribution schemes	67	60
Operating costs of defined benefit pension schemes	11	11
Agency staff	10	23
Total staff costs	**1,429**	**1,260**

Included in the above are redundancy and termination payments of £32,806 in 2025 (2024: Nil).

b) Employee benefits received by higher paid employees

Employee benefits received by higher paid employees

During the period, 4 employees (2024: 4) received employee benefits (excluding employer pension costs) of more than £60,000. Of these, 1 employee received benefits between £60,000 and £70,000 (2024: 1), 2 employees received benefits between £70,000 and £80,000 (2024: 2), no employees received benefits between £80,000 and £90,000 (2024:1) and 1 employee received benefits between £90,000 and £100,000.

c) Remuneration and benefits received by key management personnel

The key management personnel of Crafts Council comprise the Board of Trustees, the Executive Director, the Finance & People Director and the Programmes Director. The total employee benefits of the key management personnel (including employer pension costs and employers national insurance contributions) were £288,948 (2024: £276,867).

10.6 Notes to the Financial Statements (continued)

d) Average number of employees

The average monthly head count was 28 staff (2024: 29 staff) and the average monthly number of full-time equivalent employees during the year (excluding short-term temporary workers) was 27 (2024: 24), analysed as follows, rounded to the nearest whole number:

	2025 No.	2024 No.
Raising Funds		
Fundraising activities	3	2
Charitable Activities		
Artistic Programme UK:		
Exhibitions, Loans & Collection	6	4
Collect	3	4
Learning & Talent Development:		
Learning programme	5	5
Talent development programme	1	2
Leadership, Research & Influencing Policy:	1	1
Audience Development:		
Crafts magazine & other publishing	3	3
Other	3	2
Gallery	1	1
Property Restructuring	1	-
Total	**27**	**24**

The average monthly FTE head count initially allocated to Governance was 1 (2024: 1). This has been reallocated across the other analysis headers above.

10.6 Notes to the Financial Statements (continued)

9. Trustees' Remuneration and Benefits and Related Party Transactions

Two Trustees (2024:1) claimed travel and subsistence expenses totalling £751 (2024: £1,072) in discharging their duties as Trustees. Trustees were either reimbursed on provision of receipts or the supplier was paid directly by the Crafts Council.

One Trustee received remuneration of £200 Maker Fee in 2025 (2024: £450). There were no further transactions with the Trustees during the year except for those detailed above.

10. Pension Costs

Group Personal Pension Plan

From April 2019 legislation required a minimum level of contributions of 5% employee, 3% employer. Crafts Council are currently offering a more generous 7% contribution for an employee contribution of 3% on qualifying earnings.

Amounts paid to the Group Personal Pension Plan in the year to 31 March 2025 were £66,990 (2024: £60,302).

Arts Council Retirement Plan (1994)

Prior to March 2000, Crafts Council participated in the Arts Council Retirement Plan (1994) ("the Scheme"), a multi-employer defined benefit pension scheme, which is funded by its participants and complies with the Pension Act 2004 governing the funding of employer-sponsored pension arrangements in the UK. The assets of the Scheme are held in a separate fund administered by the Trustees of the Scheme.

During financial year, 22/23, the Craft Council's last remaining active member of the Scheme retired. Crafts Council members made up only 1% of the total membership of the scheme.

In October 2024, Crafts Council agreed a Flexible Apportionment arrangement, whereby Its share of the liabilities relating to members of the scheme were transferred to Arts Council England (ACE).

10.6 Notes to the Financial Statements (continued)

The total cost of this Scheme included within Expenditure for the year 2024/25 was:

	2025 £	2024 £
Plan expenses	10,800	10,800
Total staff costs	**10,800**	**(25,948)**

Under Staff Costs (note 11), all costs are disclosed within "Employer's contribution" with the exception of plan expenses which are disclosed as "Operating costs".

11. Intangible Assets

	Digital assets	Total
	£'000	£'000
Cost		
At 1 April 2024	178	178
Additions	-	-
At 31 March 2025	**178**	**178**
Amortisation		
At 1 April 2024	160	160
Charge for the year and impairments	15	15
At 31 March 2024	**175**	**175**
Net Book Value		
At 31 March 2025	3	3
At 1 April 2024	18	18

10.6 Notes to the Financial Statements (continued)

12a) Tangible Assets

	Leasehold improvements £'000	Fixtures, fittings & equipment £'000	Heritage assets £'000	Total £'000
Cost				
At 1 April 2024	1,381	120	1,139	2,640
Additions	112	15	18	145
Disposals	(33)	(58)	-	(91)
At 31 March 2025	1,460	77	1,157	2,694
Depreciation				
At 1 April 2024	654	104	1	759
Charge for the year and impairments	75	12	-	87
Disposals	(22)	(58)	-	(80)
At 31 March 2025	707	58	1	766
Net Book Value				
At 31 March 2025	753	19	1,156	1,928
At 1 April 2024	727	16	1,138	1,881

12b) Heritage Assets

Heritage assets are stated at cost. In the opinion of the Trustees, the market value of the heritage asset Collection is in excess of its book value.

(i) Five year summary of purchases	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Total cost of assets purchased in year	**18**	**20**	**128**	**-**	**26**

10.6 Notes to the Financial Statements (continued)

(ii) Nature of Heritage Assets held and acquisition and disposal policy

The Collection numbers circa 1,800 objects spanning all the main media (excluding fashion). The scope of the Collection is craft between circa 1960 and the present day that is made in the UK, originated in the UK, or made by a UK maker (either as domicile or citizen). Many internationally acclaimed makers are represented and the aim has been to maintain a balance between purchasing work from young makers and those already well established. It is not constituted as a survey of the crafts overall, but reflects a wide and lively spectrum of activity in contemporary work. Acquired work has to be ambitious, innovative, and show new approaches to making, in keeping with the Crafts Council's overall focus.

The primary objectives for the Collection are to:

- support the aims of the Crafts Council;
- benefit the widest possible audience through its use in Crafts Council projects, including long and short term loans, partnership projects, touring exhibitions, displays on site and to support educational projects, published research and study;
- demonstrate excellence and quality in contemporary UK craft;
- stimulate an awareness of high quality work on the part of a wide audience;
- record key moments in craft practice through acquiring work from major exhibitions and from makers who are at an important stage of development in their career; and
- to position contemporary UK craft as an important and distinct creative discipline.

Decisions on acquisitions are currently made by an Acquisition Panel, consisting of two Trustees, the Executive Director and the Senior Collections and Exhibitions Manager. The Panel meets as necessary to discuss the proposals and approve acquisitions. Acquisitions under £1,000 can be made by the Senior Collections Manager with the agreement of the Executive Director.

The Crafts Council has a long-term purpose and its permanent collections contribute to its stated objectives. There is a strong presumption against the disposal of any items in the Crafts Council's Collection except as set out below.

10.6 Notes to the Financial Statements (continued)

In those cases where the Crafts Council is legally free to dispose of an item it is agreed that any decision to sell or otherwise dispose of material from the Collection will be taken only after due consideration; decisions to dispose of items will not be made with the principle aim of generating funds. Once a decision to dispose of an item has been taken, priority will be given to retaining the item within the public domain and with this in view it will be offered first, by exchange, gift or sale to Accredited museums before disposal to other interested individuals or organisations is considered. A decision to dispose of an object will be the responsibility of the Crafts Council's Trustee Board. Full records will be kept of all such decisions and the items involved.

Crafts Council's full Acquisition and Disposal Policy is published on its website, it was last reviewed In 2020. We instigated a review of our Collection in June 2023 and will subsequently review the acquisition and disposal policy as one of the key recommendations in late 2025.

13. Debtors

	2025 £'000	2024 £'000
Amounts receivable within one year:		
Trade debtors	27	24
VAT receivable	79	74
Prepayments	78	103
Accrued income	138	143
	322	**344**

14. Creditors

a) Amounts falling due within one year:	2025 £'000	2024 £'000
Trade creditors	177	141
Other creditors including payroll taxation	30	30
Accruals	157	167
Deferred income: subscriptions received in advance 14 (b)	-	-
Deferred income: other 14 (c)	35	26
Balance as at 31 March	**399**	**364**

10.6 Notes to the Financial Statements (continued)

b) Movements in subscriptions received in advance

	2025 £'000	2024 £'000
Balance as at 1 April	-	12
Year-end balance invoiced during the year	-	-
Opening balance released during the year	-	(12)
Balance as at 31 March	**-**	**-**

c) Movements in other deferred income

Balance as at 1 April	26	60
Year-end balance invoiced during the year	35	26
Opening balance released during the year	(26)	(60)
Balance as at 31 March	**35**	**26**

15. Creditors: amounts falling due after one year

	2025 £'000	2024 £'000
Amounts falling after one year:		
Rent provision	145	166
Balance as at 31 March	**145**	**166**

10.6 Notes to the Financial Statements (continued)

Rent reserve

Crafts Council leases 44a Pentonville Road. The existing lease was due to expire in 2025. In 2019, we extended the lease to 2040. As an incentive the landlord agreed two periods of rent reduction. The first 18 months of the lease from January 2019 to June 2020 were charged at half rent. This is followed by a further half rent period from January to December 2026. In accordance with Accounting Standards, the deemed benefit of the rent-free period has been spread over the remainder of the lease. A reserve has been created to reflect and separately disclose this.

	2025 £'000	2024 £'000
Movements in rent reserve		
Balance as at 1 April	166	186
Reserve accrued during the year	(21)	(20)
Opening balance released during the year	-	-
Balance as at 31 March	**145**	**166**

16. Funds

a) Movement in funds (current year)

	At 1 April 2024 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2025 £'000
General	780	3,376	(3,408)	(430)	318
Unrestricted designated funds					
Collection (heritage assets)	1,138	-	-	18	1,156
Intangible Assets (Digital assets)	18	-	-	(15)	3
Other tangible fixed assets	743	-	-	29	772
Property refurbishment reserve	-	-	-	400	400
Rent reserve	(166)	-	-	21	(145)
Total-unrestricted-designated	1,733	-	-	453	2,186
Total unrestricted funds	2,513	3,376	(3,408)	23	2,504
Total restricted funds 17 (c)	11	239	(215)	(23)	12
Total funds	**2,524**	**3,615**	**(3,623)**	**-**	**2,516**

10.6 Notes to the Financial Statements (continued)

b) Movement in funds (prior year)	At 1 April 2023 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2024 £'000
Unrestricted undesignated funds					
General	621	3,353	(3,325)	131	780
Unrestricted designated funds					
Collection (heritage assets)	1,118	-	-	20	1,138
Intangible Assets (Digital assets)	49	-	-	(31)	18
Other tangible fixed assets	831	-	-	(88)	743
Rent reserve	(186)	-	-	20	(166)
Total-unrestricted-designated	1,812	-	-	(79)	1,733
Total unrestricted funds	2,573	3,643	(3,892)	109	2,433
Total restricted funds 17(c)	3	178	(118)	(52)	11
Total funds	**2,436**	**3,531**	**(3,443)**	**-**	**2,524**

Transfers between designated funds and undesignated funds represent:

- Acquisitions less depreciation of fixed assets.
- The creation of a rent reserve to show the accrual of rental income and spread the benefit of the rent-free period over the life of the new lease for 44a Pentonville Road.

Transfers between restricted funds and unrestricted funds represent either:

- Allocations of restricted funds against fixed assets purchased and held for general purposes, in accordance with the terms and conditions of the donated funds
- Deficits on restricted funds met from general unrestricted undesignated funds; or
- Surpluses on restricted funds at the end of the project moved to general unrestricted undesignated funds, provided this is in accordance with terms and conditions set by the funder.

10.6 Notes to the Financial Statements (continued)

c) Purpose of Designated Fund

Designation	Purpose of designated fund
Collection (heritage assets)	Equivalent to the net book value of the Collection
Digital assets (Intangible assets)	Equivalent to the net book value of digital intangible assets
Other tangible fixed assets	Equivalent to the net book value of all other fixed assets
Property Refurbishment Reserve	Reserve set aside towards the costs of the refurbishment of the upper floors of 44a Pentonville Road. The project commenced in June 2025 and is due for completion in December 2025.

d) Restricted Fund Analysis

Current year	As at 1 Apr 24 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 25 £'000
Purpose of restricted fund:					
ACE Transform funding	-	103	(103)	-	-
Exhibitions and collections	-	98	(97)	-	1
Collect Open Bursary	-	5	(2)	(3)	-
Learning & talent	8	5	(10)	(2)	1
Purchase of Assets for the Collection	3	28	(3)	(18)	10
Total	**11**	**239**	**(215)**	**(23)**	**12**

Prior Year	As at 1 Apr 23 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 24 £'000
Purpose of restricted fund:					
ACE Transform funding	-	82	(82)	-	-
Exhibitions and collections	-	37	(35)	(2)	-
Learning & talent	3	22	(1)	(16)	8
Leadership R&P	-	8	-	(8)	-
Purchase of Assets for the Collection	-	29	-	(26)	3
Total	**3**	**178**	**(118)**	**(52)**	**11**

Restricted funds are raised for a specific purpose within the Crafts Council's charitable objectives. Restricted income comes from a mixture of grants and donations from institutional donors and individuals.

10.6 Notes to the Financial Statements (continued)

e) Analysis of Net Assets Between Funds

Current Year	Unrestricted General Funds £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund balances represented by:				
Tangible fixed assets	-	1,931	-	1,931
Current assets	717	400	12	1,129
Current liabilities	(399)	-	-	(399)
Long Term Liabilities	-	(145)	-	(145)
Total net assets as at 31 March 2025	**318**	**2,186**	**12**	**2,516**

Prior Year	Unrestricted General Funds £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund balances represented by:				
Tangible fixed assets	-	1,899	-	1,899
Current assets	1,144	-	11	1,155
Current liabilities	(364)	-	-	(364)
Long Term Liabilities	-	(166)	-	(166)
Total net assets as at 31 March 2024	**780**	**1,733**	**11**	**2,524**

17. Commitments Under Operating Leases

As at 31 March, Crafts Council had the following Total commitments under operating leases:

	2025 £'000	2024 £'000
Leases expiring within one year: land and buildings	29	-
Leases expiring within two to five years: land and buildings	-	147
Leases expiring after five years: land and buildings	2,865	3,140
Leases expiring in two to five years: equipment	16	24
Total	**2,910**	**3,311**

10.6 Notes to the Financial Statements (continued)

As at 31 March, Crafts Council had no income receivable under operating leases (2024: 0)

The lease on our Stables office building expired in July 2025.

18. Notes to the Statement of Cash Flows

Reconciliation of net income to net cash used in operating activities

	2025 £'000	2024 £'000
Net income for the year	(8)	88
Investment income receivable	(25)	(13)
Depreciation and Impairments	113	122
Decrease in debtors	22	141
Decrease (Increase) in creditors	14	(126)
Net cash provided by operating activities	**116**	**212**

Minyeol Cho (artist) by Siat Gallery, presented at Collect 2025.
Photo: Jake Curtis.
Stylist: Alex Kristal.



Crafts Council
44a Pentonville Road
London N1 9BY

hello@craftscouncil.org.uk
+44 (0)20 7806 2500

www.craftscouncil.org.uk

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CRAFTS COUNCIL

England & Wales - Charity number 280956

Accounts

Crafts Council Annual Report 2023/24



History in the Making at Compton Verney.
Photo: Jamie Woodley.



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Our Purpose and Vision

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We inspire making, empower learning and nurture craft businesses. We believe craft skills and knowledge enrich and uplift us as individuals, and, in doing so, will change our world for the better.

The act of making is deeply human, instinctive, and empowering at an individual and collective level. Its unique power is in grounding us in the physical world - developing our material skills, knowledge, and appreciation.

Our vision is a world where this potential for craft to be a positive force for good is realised.

It's a world where Crafts Council is trusted and recognised as the champion for craft; where, through our work, the craft community is more diverse and inclusive, valued as an important cultural asset. In this vision, craft is celebrated as an enriching part of our lives, making a material difference to our economic, social, environmental, and cultural wellbeing.

Right
Divya Sharma at Collect Open, Collect 2024.
Photo: PA Media.



Foreword

by Natalie Melton and John Knell

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This year was one of great energy, hard work and change. I was appointed Executive Director in January 2024 and a new Chair, John Knell, was appointed in spring 2024. This brought stability to the top of the organisation after a period of transition. We are working hard to lay solid foundations for the future, enabling us to focus all our energies on putting makers at the front and centre of our work, ensuring they can continue to make a positive impact in the world.

Central to those stronger foundations is our new impact framework, which will bring further accountability to our activities and the use of resources. We know how much the wider craft sector values our research and advocacy; this will be a key area of focus for us moving forward, beginning with a refreshed Makers Survey. This will now be a biannual 'temperature check' of the sector, its challenges and needs. It will inform our own programme of work for the craft community and provide an evidence base to help all our partners across the sector.



Right
Carl Fox, of Crafts Council Directory member Carl Fox Marquetry Art Works, in his studio.
Photo: Paul Read.

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It has also been a year of notable celebration. Crafts Council marked two significant anniversaries: *Crafts* magazine turned 50 years old, while Collect, the leading international art fair for contemporary craft and design, celebrated its 20th anniversary. Both represent Crafts Council's outward-looking spirit, enabling communities of makers to connect, collaborate and create together.

In addition to strengthening the professional sector that is critical to a thriving craft scene, grassroots engagement with craft is just as important. Let's Craft was started during the pandemic, but continued through the cost-of-living crisis, getting materials in the hands of children who didn't have access to basic art and craft equipment. Thanks to many committed and passionate regional partners and advocates, including Keith Brymer Jones, ceramicist and presenter of Channel 4's *The Great Pottery Throw Down*, we raised over £117,000 to support these vital activities.

Long-held ambitions to use our collections more dynamically were realised, as a significant National Lottery Heritage Fund award allowed us to start our Craft for the People project. This major funding will lead to a robust enquiry as to how we can fully utilise utilise Crafts Council Collection, an extraordinary asset of over 1,000 craft objects acquired over fifty years, that we care for.

Looking ahead, this work will continue to invigorate and energise us all, not least because of the considered yet playful approach that our Young Craft Citizens placements have brought to Craft for the People. They have illuminated a public collection and given us a unique perspective on the treasures held within. We are excited to see how this exploration will engage communities with previous untold stories and unheard voices.

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Craft in this country has a connected network of excellent organisations, in part thanks to Craft UK, that provides a range of support for makers. Therefore, it is incumbent upon us to think about how we enhance this collective strength, to be a good and generous partner, and how we can continue to ensure that our resources and assets can be widely used and enjoyed by all. It has not been an easy few years for makers: the fallout from Brexit, the pandemic, global instability and the cost-of-living crisis all continue to create a significant challenge. In addition, there needs to be a quicker levelling up of opportunity across all sectors, including the creative industries.

With the advent of a new government, we are continuing to make a powerful and compelling case for craft, advocating for its value across all areas of society. Our team work tirelessly to bring this to life and deserve our heartfelt thanks and appreciation for all that they do.

Natalie Melton
Executive Director, Crafts Council



Right
Objects from Crafts Council Collection.
Photo: Merle Nunneley.

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Since becoming Chair earlier this year, it has been a fascinating and joyful experience to get to know Crafts Council well, as well as the high regard in which it is held by so many people. Its place at the heart of the nation's craft ecology ensures the continued global admiration for British craft. I have also heard firsthand the ambitions of the team that makes up Crafts Council to uphold and champion progressive values that benefit the craft sector, as well as society. I will do all I can as Chair to support their work.

It is clear to me that I have joined an organisation with great drive, which is committed to delivering unique value to all our stakeholders and partners. I want to pay tribute to my predecessors, Helen Hyde and Andy Marshall, who stepped up as co-chairs and supported the executive team through a challenging period of transition and change. It is my great pleasure to join a highly committed board rich with expertise and energy, which has been further strengthened in this last year by welcoming new trustees: Richard Hill, Jake Solomon and Rose Sinclair, MBE, a founding member and alumni of Crafts Council's Equity Advisory Council.

Right
Living Labs workshop.
Photo: Farihah Chowdhury.



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Crafts Council delivers a very wide range of activities. To ensure everything we do is truly impactful, we have been in 'listening' mode over the last few months, mindful that our unique position as the UK's national charity for craft means our advocacy work is critical. Identifying the gaps in insight and understanding of the sector, and securing the resources to research these, is high on our priority list.

Crafts Council published its report Market for Craft in 2020, in the early days of the pandemic. Since then, many makers and craft businesses have faced unprecedented challenges. We want to refresh our understanding of these challenges and at the same time, probe as to where new opportunities may be.

As someone who has a long-held admiration for craft, spending time with the people who make, in factories and workshops, studios and sheds, has been humbling and inspiring. Despite the growing popularity of craft over the last decade, there remains huge potential for craft to play an ever more significant role in our lives. Fulfilling this potential requires Crafts Council to become an ever more dynamic, open and energetic collaborator and partner – expectations that we gladly embrace.

Indeed, finding the energy required for this endeavour is easy given the compelling contribution we can make. We'll continue highlighting craft's enormous value in society, showcasing the diverse stories of inspirational makers and generating new opportunities for makers. We'll keep on making everything about craft more inclusive, enriching, connecting and economically vibrant.

Please get in touch with us if you feel you can support or partner with us in achieving our mission.

John Knell
Chair, Crafts Council Trustees



Collect 2024 VIP Lounge by OCHRE.
Photo: Isobel Dennis.

01. Inspiring Making

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1.1 Exhibitions and Collections

Our partnership with Brookfield Properties continued for a fourth year, with an exhibition from July to September 2023 across two locations in London, 99 Bishopsgate and 30 Fenchurch Street. *To Boldly Sew* featured a selection of embroidered works by 2023 Brookfield Properties Craft Award winner, Alice Kettle. The British artist was selected for her introspective works that explore notions of memory, identity, and community. The exhibition featured a collection of the artist's significant works, highlighting the breadth of her practice and technical mastery. Kettle's practice is rooted in craft, with her pieces maintaining a conceptual focus on figuration, materiality and narrative. She works across textiles and fibres, often dedicating several months to a single stitched piece.

"Craft is so important, it is about the deep understanding of the material that captivates, provokes, and conveys experience, and inherently connects and transforms lives. Working in craft is life changing and I am proud to champion all forms of making."

– Alice Kettle

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New Positions, an exhibition held at Crafts Council Gallery in October 2023, featured craft by makers who identify as Black, Asian, dual-heritage, or from the Global South. Twenty-seven works by thirteen makers spanned ceramics, textiles, wood, clothing, collage, knitting and more. New Positions aimed to stimulate conversations about inequalities in the craft canon, starting by reflecting a greater diversity of making and makers within the national craft collection, cared for by Crafts Council. All the works on display had been acquired and accessioned into the collection over the past two years.

covered . discovered was a free exhibition presented by Designer Bookbinders and Society of Scribes & Illuminators, the second exhibition of a three-year partnership. Featuring works by over forty artists, this exhibition explored how bookbinding, calligraphy and illumination can be viewed as contemporary art objects.

Craft for the People, a three-year project to make Crafts Council Collections more accessible to the public, has started. This has been made possible with funding from the National Lottery Heritage Fund, awarded in August 2023.

By 2026, we will deliver an experience for visitors which addresses the current under- representation of makers who identify as Black, Asian, dual-heritage, or from the Global South within our collections and its interpretation. The Collections Store will become an important site for the public and specialists alike to study and enjoy contemporary craft.

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Throughout the next three years we will:

- Support six paid work placements from our Young Craft Citizens Programme who will have an active role in shaping the interpretation of our collection. Three of these placements have completed.
- Complete an extensive audit of the collections, which will include creating new interpretation that reveals the previously hidden stories of makers and objects.
- Partner with dynamic craft organisations across the UK, including Blackburn-based Festival of Making to widen participation and engagement with the collections.
- Open access to our transformed Collections Store, so that the public has the chance to engage with the collections and benefit from the knowledge of our expert team.

Loans

More than seventy objects from the collection were loaned over the course of the year, and estimated to have been seen by 134,000 visitors. Most of the loans were to Compton Verney for its exhibition 'History in the Making: stories of materials and makers, 2000BC to now'. The major exhibition was an exploration of materials and making across the ages, and our loan represents the largest single loan Crafts Council has facilitated to date. Other loans were to The Holburne Museum in Bath, Kettle's Yard in Cambridge, Hastings Contemporary, East Quay in Watchet and Schoenenkwartier in the Netherlands.

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Acquisitions

There were four acquisitions to the collections: *Three Girls* (2022), *Little Bird* (2022) and *The Swimmers* (2023) all by Alice Kettle, acquired by Brookfield Properties and gifted to Crafts Council Collection; and Fortress Displaced (2021) by Shaheen Ahmed.

1.2 *Crafts*

The Spring/Summer 2023 issue of *Crafts* celebrated makers using craft to forge meaningful connections. Cover star Aamu Song, of design studio Com Pa Ny, travels the world with partner Johan Olin to learn age-old techniques from master artisans. The issue also featured Theaster Gates' musings on the metaphysics of making, dissident artist Ai Wei Wei on his 40-tonne collection of buttons, rising star Cecilia Charlton's kaleidoscopic weavings and couturier-to- the-stars, Sabayasachi, on collaborating with thousands of craftspeople across India.

The Autumn/Winter 2023 issue of *Crafts* marked 50 years since the magazine was first published and showed that craft is as powerful, topical, and relevant as ever. The cover featured Dima Srouji, an artist working with glassblowing communities in Palestine to create contemporary objects that celebrate historic forms of making. The issue was sent to press just days before the devastating escalation of conflict between Israel and Palestine.

Through its articles and interviews, *Crafts* members engaged with the rich tapestry of work that continues to be produced by the global craft community today. Leading artists and makers featured include El Anatsui, Grayson Perry, Florian Gadsby, Leora Honeyman, Lesley Lokko and Veronica Ryan.

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Over 300 people attended talks and events over the year. Events included the launch of the Spring/Summer issue during London Craft Week in May 2023 and a tour and discussion, led by editor Debika Ray at the British Ceramics Biennial, with Dorcas Casey, Leora Honeyman and Nico Conti discussing their 2021 British Ceramics Biennial residencies and the work it has led to. *Crafts'* 50th birthday party, held at Crafts Council Gallery, kicked off with conversation about the role of magazines, museums, critics and curators in shaping the discourse around craft in a changing world. Debika chaired a discussion with fibre artist Denzel Currie, Design Museum's head of curatorial Priya Khanchandani and founder of MagCulture, Jeremy Leslie.

1.3 Digital Content

403,259

Total Users

1,045,507

Total Website Views

166,176

Total Social Followers

47,862

Total e-newsletter subscribers

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78
Objects

Seen by
134,000
Visitors

1,570
Crafts Members

Total Social Media Followers
166,176

4
New Aquisitions



Little Bird by Alice Kettle, 2022.
Crafts Council Collection 2023.
Photo: Jon Stokes.

02. Nurturing Craft Businesses

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2.1 Sustainability Resource

Following feedback in our 2022 Maker Needs survey that sustainability was a key priority for many makers, we published a guide providing vital information on how to make a craft business more environmentally and financially sustainable. The guide was produced following consultation with over 45 organisations and individuals, as well as sustainability experts across the craft sector.

2.2 Temporary Export Guide

A companion guide to the international toolkit published in 2022, the Temporary Export Guide is for makers looking to sell and showcase overseas. It includes case studies from established makers exploring trade fairs and touring shows under a temporary license.

2.3 Support and Opportunities for Makers

- Directory membership grew to 986.
- 80 support sessions delivered via Zoom for Directory members.
- New retail opportunity brokered for makers in the William Morris Society shop.

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2.4 Collect Turns 20

Collect was launched by Crafts Council in 2004 to raise the profile of contemporary craft and grow the collectors' market. Over the last 20 years, Collect has established itself as the leading international art fair for contemporary craft and design.

> **"Since 2004, Collect has become one of the most significant international contemporary craft and design fairs. During this time, we have acquired over 140 works, from art jewellery to glass, ceramics, lacquer, and sculptural pieces."**
>
> – Antonia Boström, former Director of Collections, V&A Museum

> **"Collect sits at the pinnacle of the contemporary craft movement acting as an incubator connecting galleries, dealers and artists with collectors."**
>
> – Wallpaper*

The 20th edition of Collect took place at Somerset House in London, in February 2024, attracting 12,100 visitors and 40,000 unique visits to the Collect website pages at craftscouncil.org.uk. Seventy-five percent of visitors said the quality of the works were 'excellent' or 'very good' and 85% said they would attend again.

Collect 2024 featured 40 galleries, with 432 artists from 49 nations across the world, and 14 artists were featured as part of Collect Open, the fair's platform for pioneering craft installations by individual artists and collectives. Ninety-six percent of exhibiting galleries said they would recommend Collect to other galleries, while 78% said the fair had helped them develop their international contacts.

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There were 420 private tour attendees invited by priority partners, including V&A patrons, Bonhams and Contemporary Art Society. There were five talks held in Somerset House's theatre supporting the fair and a further 42 'booth talks', where exhibitors invited fair visitors to a series of micro-talks at their own stands. Collect was supported by partners including Brookfield Properties, LOEWE Foundation and OCHRE.

Halima Cassell became the fifth Brookfield Properties Award winner, now recognised as one of the most significant craft awards in the UK. Halima, represented by Joanna Bird Gallery, was selected from a shortlist that included: multi-disciplinary studio Fung + Bedford (Queen Elizabeth Scholarship Trust, England), ceramicist Steven Edwards (Vessel Gallery, England), the collaborative work of glass and ceramic artists Joshua Kerley and Guy Marshall-Brown (Bullseye Projects, USA), and interdisciplinary designer Naomi Mcintosh (Ruup & Form, England).

Halima's work, Mariposa Lis, was acquired from Joanna Bird Gallery by Brookfield Properties and gifted to Crafts Council as part of the win. It was a fitting win for Joanna Bird Gallery, which also celebrated 20 years of Collect – the only gallery that has exhibited at the fair every year since it launched.

"There is a soulfulness and high level of expertise to her [Halima Cassell's] art that I am excited to share with our audiences at 99 Bishopsgate and 30 Fenchurch."

– Saff Williams
Brookfield Properties' Curatorial Director, Europe

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2.5 Craft UK

Craft UK is a network of organisations across the sector, established in 2017 and facilitated by Crafts Council. Free to join, there were 13 new members this year including the Essex Crafts Society and Sunbury Embroidery Gallery. The network continues to develop and strengthen. There were three events bringing members of the network together over the year.

“As a recent member of Craft UK, The Sunbury Embroidery Gallery has already benefited from their expansive reach and insightful resources. Craft UK is set to broaden our network and enhance our exhibitions with a diverse range of high-quality works. Their support and collaboration are instrumental in advancing our mission to showcase innovative crafts, support emerging artists, and engage with our local community. We value this partnership and look forward to continuing our efforts to make art accessible to all and deepen appreciation for craft.”

– Michiko Gardner, Manager, The Sunbury Embroidery Gallery



Right
Merle Nunneley, Young Craft Citizens Collections Placement, with Deborah Ridley, Collections and Programmes Manager. Photo: Sabrina Chu.

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2.6 Research and Insight

"Wow, I did this!" Making Meaning through Craft was a study published by Crafts Council and Glasgow Caledonian University (London) in 2023, exploring what craft means to two groups of people within minoritised UK communities. The ambition was to challenge and upend the current craft canon, in which racism is a barrier to access. The research methods revealed what making and craft means to the people we worked with, how they feel about the space that is craft and how it is navigated. The research is part of a journey to explore how craft is valued and how this can alter the craft space.

With thanks to Centre for Cultural Value.

Other research activity:

- Response to DCMS Participation Survey and Community Life Survey - Evidence Gathering Consultation
- Response to DCMS Convention for the Safeguarding of the Intangible Cultural Heritage Consultation
- Bringing together CHEAD, NSEAD, Design Council, DATA & HCA to present a joint letter to education publisher Pearson, raising concerns regarding the content of Craft & Design T- Levels.

986 Directory Members

80 Directory Member Support Session Delivered

12,100 Collect 2024 Visitors

16,174 Subscribers to Maker Opportunities E-newsletter

8,300 Followers of Craft Opportunities Facebook Page

594 Subscribers to Young Craft Citizens Members' E-newsletter

35,582 Craft Stories E-newsletter Subscribers



Halima Cassell with her work Bow Wave.
Photo: Emli Bendixen.

03. Empowering Learning

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3.1 Craft School

Craft School is a nationwide challenge to get primary and secondary school students making. The programme is free, aimed at educators and learners from Key Stage 1 to Key Stage 4, with regular support provided to educators on using Make First, our unique craft pedagogy. The programme follows a specific theme that changes every two academic years.

In 2023/2024, Craft School entered its second year with Eden Project as its partner. Craft School: Material World explores humanity's relationship to nature, responding to priorities expressed by young people regarding the environment. Picking one of three making challenges, young people and educators gather materials from their everyday environments, crafting something that explores renewable materials, creative mending, or the practice of reclaim and reuse. Schools and colleges explore the impact of climate change on everyday life, from animal habitats and natural resources, to personal wellbeing and the economy.

The Comino Outreach programme enabled three outreach projects to support schools in areas of high deprivation to participate in Craft School: Material World. This resulted in eight schools in Kirklees participating and six schools in Blackburn participating. Each participating school had two teacher CPD sessions exploring Craft School and Make First. Other partners for Craft School include NSEAD, Access Art and Hobbycraft.

> **"The project prompted some in-depth and heartfelt discussion about throwaway culture, reuse and recycling. Many of our learners felt that they would now reconsider throwing away items that are 'broken'."**
>
> – Craft School: Material World teacher statement

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In total 207 schools took part. The winners of Craft School, 2022–23 were:

- Key Stage 1: Rhiaan, Busy Buttons CORE Charity, Windsor
- Key Stage 2: Lucy, Ivy, Isla and Lyra, St George's CE Primary School, Worcester
- Key Stage 3: Ellie, Eddison, Isabelle, Brian, Xavier and Suneet, Concord College, Shrewsbury
- Key Stage 4: Jack and Amber, Bury College, Manchester
- Teacher's prize: Kumiko Ayers, Bardwell School, Bicester
- Yinka's award: Busy Buttons CORE Charity, Windsor

3.2 Let's Craft appeal

Let's Craft was launched by Crafts Council and Hobbycraft in 2020, when millions of children were at home and without access to basic art materials due to the pandemic. Creative expression and craft can provide children with a lifeline, hours of happiness and a simple way to relieve pressure, using their own brilliant imaginations and inherent creativity.

Let's Craft continued beyond the pandemic, as the cost-of-living crisis meant even more families were pushed into poverty, where understandably art materials were not a priority. Packs were delivered to a variety of groups, including young people who have been excluded from mainstream education, refugee children and families, young carers, children, and families experiencing housing instability and poverty.

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This year 8,640 packs were distributed through the combined efforts of Crafts Council, our partner Hobbycraft and ten regional partners: Artswork, Arts Connect, Curious Minds, Islington Council, Mighty Creatives, Norwich and Norfolk Festival, Royal Opera House, Scrapstore Plymouth, Shape North and Tyne & Wear Museum Archives. This provided complete coverage across the UK for distribution of Let's Craft packs. Ceramist Keith Brymer Jones lent support as an ambassador for the campaign.

Of the families whose children received craft packs, 87.5% reported feeling more confident about making things at home with their children and 98% reported enjoying spending time together doing creative activities.

> **"Hands-on creativity emphasises cognitive skills, creativity and imagination."**
>
> – Keith Brymer Jones, Crafts Council ambassador



Right
A guest at a Crafts Council workshop. Photo: Gene Kavanagh.

“When they came back from school and saw the box, they were so happy. They played [with it] for the rest of the afternoon.”

“We have made many things with the craft box and have given some as gifts.”

“Really enjoyed making many things from the craft box and enjoyed time with Mummy. We made a birthday card for my baby sisters’ nana.”

– Let’s Craft beneficiaries

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3.3 Young People

Young Craft Citizens (YCC), our membership programme bringing together people aged 16-30 with a passion for craft, creativity, and design, continued to experience rapid growth.

Young people can join free of charge and enjoy a range of opportunities: networking, making, and consulting on the development of Crafts Council activities. Events included a tour of the Designer Bookbinder exhibition with Venice Biennale fellows, and a creative mixer led by Glenda Gaspard, which included hands-on sessions exploring flag-making and Ghanian flags.

We recruited six young people for the YCC's Young Advisory Panel: Maariyah Patel, Jordan Minga, Kavya Sharma, Emma Colbert and Melody Ramsay and Sana Maulvi.

Our Craft for the People programme is a key component of the current YCC offer, with six, six-month long, paid YCC placements working over the course of the project, providing YCC members the opportunity to work within our collections team. There were 101 applications to the YCC placement for the first year, underscoring the demand from young people to build experience working with craft and making.

Merle Nunneley and Sabrina Chu were selected for the first cohort, working to transform Crafts Council's Collections Store into a more accessible space. They have been instrumental in delivering the first phase, which involved decanting the collection of objects from the collections store, located behind Crafts Council Gallery, to prepare for significant renovations to the space.

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Dafydd Powell Halls was part of the second cohort. His task was to conduct an audit of objects in Crafts Council's primary collection.

In addition, in summer 2023 our Young Craft Citizens worked with property developer Argent to support community engagement workshops and activities around Kings Cross. Across the year, YCC members took up paid work as workshop facilitators with community centres including Coal Drops Yard and Argent's retail space, delivering a range of engaging craft activities to local families.

> **"We've learned about the basic paperwork regarding moving objects safely, as well as how to use the collection database, essential in keeping keep track of every object, making sure they are safe and right where they need to be."**
>
> – Sabrina Chu

> **"It's been an exciting process, as I've been trusted with the project from start to finish, involving me doing a lot of planning, organising the safe transportation of objects between our Collections Store and our off-site storage and the use of collection management software."**
>
> – Dafydd Powell Halls

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Our YCC programme presented Sisters Who Make in October 2023. This series of events at Crafts Council Gallery highlighted the crucial role Black women have played in shaping history, inspiring change, and building communities.

3.4 Other Craft Education and Participation Activity

- The Learning team established a new partnership consortium to support advocacy work around Craft and Design T Levels, working with NSEAD, DATA, Design Council, CHEAD, and Heritage Crafts Association.
- There were 12 workshop sessions with our Crafting with Pride group of LGBTQIA+ elders.

Right
Imbolc Collection by Joanne Lamb. Photo: Jan Naraine.



82

Young Craft Citizens Event Attendees

500

Young Craft Citizens Members

49.7%

YCC Members that Identify as Global Majority

207

Schools Signed Up for Craft School: Material World

5,175

Learners Took Part in Craft School: Material World

8,640

Let's Craft Packs Distributed



Moon Landing by Margo Selby
for Collect 2024.
Margo Selby represented
by Cynthia Corbett.
Photo: IonaWolff.

04. Diversity & Inclusion

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4.1 Equity Advisory Council

In April 2023, cycle two commenced of the Equity Advisory Council (EAC) with eight members, four newly-recruited and four remaining from cycle one. Six meetings were held across the year, with members additionally participating in or initiating activities. This included members:

- Participating in the judging panel for Collect Open.
- Delivering a family workshop for 'Windrush 75'.
- Contributing to research activity
- Stimulating discussion around financial barriers to participating in Collect Open, with work ongoing to address this.
- Supporting a Library Audit – with six new books by Black authors acquired for the library to mark Black History Month 2023.
- Delivering a talks programme at British Textile Biennial in Blackburn in October 2023.

> **"Thanks again for delivering such a brilliant & thought-provoking event as part this year's biennial programme!"**
>
> – Laurie Peake, Director, British Textile Biennial

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The EAC took the decision to withdraw from their role earlier in the year. The Board, senior management team and the Council are working together with a mediator to foster understanding, so that we can collaboratively drive ongoing change within Crafts Council and the crafts sector.

Crafts Council continues to reflect deeply on how we need to undertake our overall EDI change and transformation work, as well as how we can best support and engage the Council in their work. We hope the growing pains we have experienced this year are the foundations of lasting, impactful change for us and the whole craft ecology.

4.2 Toolkit for Change

The Toolkit for Change came from discussions held over the last few years with Craft UK members about how we can better tackle racism across the craft sector. The Toolkit includes several resources aimed at supporting organisations and businesses to become more inclusive, welcoming, and supportive. These were compiled by drawing on best practice from external partners and agencies. These resources sit alongside a set of actions organisations can select and commit to embedding within their businesses.

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This year commitments from organisations included:

- New Ashgate Gallery hosting a month-long DAISY (Digital Accessible Information System) community residency in their gallery;
- Great Northern Contemporary Craft Fair committing to ensuring all staff, board members, freelancers and volunteers will complete unconscious bias training; and
- Bluecoat Display Centre developing a new antiracism policy.

4.3 Diversity and Inclusion Programme Activity

We continue to implement changes to ensure our programmes are inclusive and relevant. We review and update our organisational Core Commitments every year. This year we drew on the Toolkit for Change to identify further actions; by October 2023, 30% of actions were in place, 36% underway, with 11% left to implement. A further 23% were not relevant to our business model.

Of those that attended our Young Craft Citizens eventsduring the year, 68.4% describe themselves as within the Global Majority, while 18% say they have a disability or are neurodivergent.

Our partnership with Hobbycraft and regional partners saw 8,640 craft kits delivered to a mix of groups, including young people who have been excluded from mainstream education or are at risk of exclusion; refugee families and children; young carers; families or children with a social worker; families or children experiencing housing instability; children in receipt of free school meals; families or children experiencing housing instability; families experiencing poverty, and looked after children. We have also secured a Kirklees-based partner, Shape North, to deliver Let's Craft packs in Yorkshire & Humber region for the next financial year.

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Craft School: Material World challenge saw 207 schools registered, 21 of which are from Levelling Up for Culture Places.

We worked with Claremont Project, a provider of support for elders in the borough of Islington, London, attending their craft fair.

4.4 The Team

Twenty-three percent of our staff and Board identify as Global Majority, 25% of our staff and our board have lived experience of disability, 21% of our staff and our board identify as LGBTQIA+.

Every staff member identifies personal EDI commitments as part of the personal review process undertaken every six months. All staff attended training on the four dimensions of racism delivered by our Equity & Inclusion Manager. A Black History Month programme of activity included a 'Lunch and Learn' staff session with Jaixia Blue, a Caribbean textile artist and a gallery visit to South London Gallery to see *Lagos, Peckham, Repeat: Pilgrimage to the Lakes.*



Right
The Swimmers by Alice Kettle, 2023. Crafts Council Collection 2023. Photo: Jon Stokes.



Keith Brymer Jones and young carers.
Photo: Jessica Pierre Ross.

05. Environmental Responsibility

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We are committed to monitoring and reducing our own environmental impact. All staff are clear this is a shared endeavor, with our approach worked into all our activities. We set annual targets to improve our carbon footprint through our property, operations and programmes.

Progress this year includes:

- A new working group of trustees, staff, and wider stakeholders with expertise in sustainability and caring for the environment has been assembled, with terms of reference drafted ahead of its first meeting in 2024.
- A sustainability tag added to Crafts Council Directory profiles, enabling makers to outline their own sustainability journey and commitments.
- Continued editorial output exploring these themes, including in *Crafts* magazine and within its online community, stimulating debate exploring the future of leather, and a roundup of material innovators.
- We donated 40 items to a student recycling scheme operated by University College London, following the refurbishment of our collections store. Items not suitable to be donated were disposed of through First Mile, a company aimed at repurposing items that are otherwise headed to landfill.
- All plinths, signage and other exhibition furniture used to present the covered.discovered exhibition have been retained, and have or will be reused, while no new furniture was commissioned.

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- A new resource supporting craft practices to implement good environmental practices was published on our website, disseminated to Craft UK and Crafts Council Directory members. We promoted the free World Crafts Council Europe Massive Open Online Course, or MOOC course: Circularity & Sustainability, with Katie Tregidden.
- Engaged in conversation with Useful Projects, who are working for the Greater London Authority, looking at how London's culture and creative industries are approaching net zero.
- We are assessing alternative heating and energy generation options for renovation of upper floors of our premises at 44a Pentonville Road, to significantly improve the EPC rating.
- A member of Crafts Council staff joined Julie's Bicycle's Climate Accelerator Programme.

Right
Sabrina Chu, Young Craft Citizens Collections Placement. Photo: Merle Nunneley.



06. Crafts Council Resilience

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Financial year 2023/24 was the first year of the latest ACE NPO funding period, which runs from 2023 to 2026. For this funding period, our grant was reduced from £2.5m to £2.2m, a 13% decrease. In preparation for this, we had reduced our headcount at the end of March 2023 and restructured our programme to allow us to operate within the new reduced income level. The costs of the restructuring were met from our reserves.

To support organisations facing grant reductions, ACE launched their Transform funding initiative, recognising the challenge for organisations to adapt in the current economic climate. The funding focused on measured and sustainable adaptations, supporting arts organisations to continue bringing creativity and culture to visitors and audiences for years to come. We successfully applied for Transform funding totalling £600k, covering April 2023 to March 2026, to help us develop a new business model over the three years. This will help us to operate sustainably at reduced levels of ACE investment.

This Transform funding will enable us to address our key financial challenges. Principal among these is our excess property, which requires significant investment to bring it back into use. A property working group was set up by trustees in April 2023 and was able to recommend a way forward to the board in June 2024. This will involve substantial renovation of our space, enabling Crafts Council to consolidate our footprint and, most importantly, generate income from the space we do not need. We anticipate building work will commence early in 2025. We are expecting to have support from a range of partners, including Arts Council England through Transform 2 investment for the renovation and modernisation of the property. We also expect to be making a significant contribution from our reserves, an investment that will be recovered over time.

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Alongside this, Transform funding provides support to help us develop our income streams. We will continue work on our membership offer, investing in our website and digital offering. We are building our Crafts Council Gallery venue hire offer, which we anticipate will support our gallery programme.

Additional support to increase our income streams will be provided by a new development committee, instigated by trustees in early 2024. This committee is made up of trustees, staff and external stakeholders with expertise in fundraising and marketing. The committee is tasked with exploring and recommending new and innovative income generation opportunities and initiatives. It supports Crafts Council to define and prioritise income generation goals and targets that align with the organisation's strategic business plan.

Running a significant property investment alongside delivering our programme will require continued careful financial planning and management, which trustees ensure is in place through regular meetings of our Finance, Audit and Risk committee.



Right
Objects loaned by Crafts Council Collection to Compton Verney for the exhibition *History in the Making*. Photo: Jamie Woodley.

Mariposa Lis by Halima Cassell.
Photo: Jonathan Keenan.



07. Future Impact

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There is a welcome shift in tone from the new Labour government around the value of arts and culture, not least the renewed commitment to the value of a creative education. We will continue to advocate for the importance of craft and making across society, at all ages and stages of life – and the significant benefits it can bring.

A highlight is 'This Country', a year-long programme of talks, events and editorial led by *Crafts*, exploring the role of craft in shaping English identity and culture. We invite the craft community to be part of this expansive discussion about what craft has meant and could mean for this country: the traditions we value, the voices that matter and the role of making in contemporary society. The programme challenges preconceived notions about our heritage and paints a bolder vision for the future of craft in England. Participants in these discursive events include former leader of the Green Party, Caroline Lucas, potter and author Edmund de Waal, and Director of V&A East, Gus Casely-Hayford.



Right
A Poem in Parts by Sue Doggert. Part of the *covered. discovered* exhibition. Courtesy of Designer Bookbinders and Society of Scribes & Illuminators. Photo: Colin Dunn.

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Our own programme of organisational renewal continues at pace, with several foundational projects underway to support our ability to demonstrate the impact of our activities.

This includes:

- Refreshed proposition and improvements to our website
- The development of a robust impact framework
- A refreshed biannual maker survey
- Ongoing collection development work supported by National Lottery Heritage Fund, and a series of public engagement activities generously supported by Cockayne.
- Further embedding of equity, diversity and inclusion, and environmental sustainability action across all aspects of our policy and practice.

Finally, in what remains an extremely challenging financial environment, we continue to build the skills and capacity of our development team, focusing on building our Patrons scheme, growing our earned income, and securing funding from trusts, foundations, and statutory sources.



Right
Living Labs workshop.
Photo: Gene Kavanagh.



Craft Alliance Atlantic Association at Collect 24. Photo: Iona Wolff.

08. Thank You

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Thank you to all our partners, funders and sponsors without whom our work would not be possible.

Argent
Artswork
Arts Council England
Arts Connect
Brookfield Properties
Centre for Cultural Value
Comino Foundation
Curious Minds
Designer Bookbinders
Eden Project
Glasgow Caledonian University
Hobbycraft
Islington Council
Keith Brymer Jones
LOEWE Foundation
London Craft Week
Mighty Creatives
National Lottery Heritage Fund
Norwich and Norfolk Festival
OCHRE
Royal Opera House
Scrapstore Plymouth
Shape North
Society of Scribes & Illuminators
Tyne and Wear Museums

A special thank you to everyone who donated to Let's Craft, and to all those who wish to remain anonymous.

Right
Crafts 50th Birthday Party.
Photo: Stefan Pop.



09. Governance and Financial Performance

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9.1 Legal and Administrative Information

Charity Registration Number: 280956
Principal Office: 44a Pentonville Road, London, N1 9BY

Members of the Council ('Trustees')

Name	Role and Committees	Changes
John Knell	Chair Finance, Audit Risk Committee Nominations & Remuneration Committee	Appointed Nov 2023*
Andrew Marshall	Co-Chair Chair of Audit Committee	Resigned Feb 2024**
Helen Hyde	Co-Chair Chair of Audit Committee	Co-Chair until Feb 2024
Majeda Clarke	Lead Trustee for Safeguarding Nominations & Remuneration Committee	
Ed Mathews-Gentle	Finance, Audit Risk Committee	
Lady Kitt		
Ian Jindal	Finance, Audit Risk Committee	Appointed Mar 2023
Melanie Eddy	Nominations & Remuneration Committee	
Yasmin Jones-Henry		Appointed June 2023
Anant Sharma	Finance, Audit Risk Committee	Appointed March 2023
Richard Hill	Finance, Audit Risk Committee	Appointed Nov 2023
Jake Solomon		Appointed Nov 2023
Rosalind Sinclair		Appointed Nov 2023
Yinka Ilori		Resigned Jan 2024
Professor Geoffrey Crossick	Chair, Finance & Business Committee	Resigned Oct 23

* John Knell was appointed as Trustee in November 2023 and as Chair in February 2024 following an open recruitment process.

**Andrew Marshall's came to the end of his second term as trustee, and under Crafts Council's governance rules, was required to end his term. We are hugely grateful for all their support.

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Senior Management Team Role and Committees Changes

Natalie Melton	Executive Director
Nicky Dewar	Director of Programmes
Adele Hill-King	Finance & People Director

Auditor

HaysMac LLP
10 Queen St Place
London
EC4R 1BE

Bank

RBS
Liverpool Grp of Branches
(C) Branch
1 Hardman Boulevard
Manchester M3 3AQ

Solicitor

Bates Wells
10 Queen St Place
London EC4R 1BE

The members of Crafts Council (being the Board of Trustees of Crafts Council) are pleased to present their Report together with the Financial Statements for the year ended 31 March 2022. The Financial Statements comply with the Charities Act 2011, the Royal Charter of Crafts Council, and the Statement of Recommended Practice 'Accounting and Reporting by Charities' which is applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

John Knell
Chair



Date: 21/11/2024

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9.2 Structure, Governance and Management

Constitution, composition of the Council and Trustee induction

Crafts Council is incorporated by Royal Charter. It is registered as a Charity, number 280956, in England and Wales. The Council consists of a Chair and not more than 14 Trustees. The Chair is appointed for a period of four years and may be reappointed for one further term. New Trustees are appointed by "the Council" and serve for four years. After this term they may put themselves forward for a further four years. No Trustee may serve for more than two consecutive terms of office.

The Council, comprising of all Trustees, is also described as the Board of Trustees. It meets at least quarterly to:

- Agree Crafts Council strategy.
- Review performance.
- Advise on programme activity.
- Consider risk management and reserves policy.

Crafts Council has three Committees:

- Finance, Audit and Risk Committee. Monitors the annual statutory audit and risk management. Reviews financial performance, business activities and risk.
- Remuneration Committee. Scrutinises staff compensation, pay and rewards.
- Nominations Committee. Supervises the skills and composition of the Board. Proposes new Trustee appointments.

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New committees for Equity Diversity and Inclusion and Environmental Responsibility have been devised and will include representatives from our Board, Youth Advisory Panel, Equity Advisory Council, staff and external experts. These will scrutinise action plans and identify areas for improvement. The committees will be implemented next year.

The induction process for a new Trustee includes meetings with the Chair, Executive Director and Senior Management Team. All new Trustees are given an induction pack containing key governance information.

Organisation and management

The day-to-day activities of Crafts Council are delegated to the Executive Director who leads a Senior Management Team.

Pay policy for senior staff

All Trustees give of their time freely. One trustee received a payment of £450 for additional work supporting our program during the year, while no trustee received any payment for any other work.

Senior Management Team pay is reviewed annually by Trustees on our Remuneration Committee. There is no salary scale for the Senior Management Team. Each member of the Senior Management Team is formally appraised twice yearly by the Executive Director. The Chair reviews the performance of the Executive Director.

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A report on Directors' performance is submitted to the Remuneration Committee. Pay increases are determined by:

- Inflation
- Comparable pay scales for similar roles
- Individual performance
- Any significant changes of role

Principal risks and uncertainties

Crafts Council maintains a Risk Register which is reviewed by trustees every quarter.

Additionally, the Finance and Business, and Audit Committees update the Risk Register at every bi-monthly meeting.

Principal risks:

- Property strategy; replacing lost revenue from unoccupied upper floors at 44a Pentonville Road.
- Income risks; particularly commercial and fundraised income.
- Reliance on key staff and staff well-being.
- Embedding equality, diversity, and inclusion in our organisation
- Embedding environmental sustainability into capital, operational and programme activity
- Continued development of Crafts Council Gallery programme, Craft UK network, and the *Crafts* membership offer.

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Our key strategies to mitigate these include:

- Strong governance, process, and trustee oversight.
- Training and recruitment to ensure we have the required professional skills in our teams. Investment in organisational development and team building
- Strong financial controls and process.
- Regular review and forecasting of potential outcomes.
- Specialist cross-organisational staff working groups for key areas, such as equity, diversity and inclusion, and data insights.
- Continued progress on diversifying sources of income and increasing free reserves.
- Planning, project management, forecasting and other actions that allow operational flexibility.

Fundraising Statement

All Crafts Council fundraising activities are compliant with the recognised standards of

fundraising (set out in the Code of Fundraising Practice), including those required under charity law and wider law. The charity is a member of the Fundraising Regulator and is committed to conducting open, honest, and respectful fundraising practices. We thank everyone who has supported our work.

We received no fundraising complaints in the period.

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Our fundraising from individuals is primarily focused around two areas of activity: our Patrons scheme and smaller individual donations to our Let's Craft appeal. Our Patrons scheme solicits donations following a careful process of stewardship, in which we establish the potential Patron is happy to continue to be part of the Patrons scheme. Let's Craft, a fundraising appeal supporting the provision of craft materials to children, is a more traditional public appeal with a starting donation of £10. We utilise our digital and social media channels as well as e-mail to promote this appeal. We do not engage in any face-to-face street-based fundraising or phone calling campaigns. Crafts Council follows a safeguarding policy to protect and identify any vulnerable individuals.

Reserves Policy

Crafts Council operates a dynamic reserves policy.
Our three key tests, in order of importance, are:

- Cashflow visibility: ensuring future cash headroom and operational flexibility.
- Requirements for reserves: based on analysis of potential risks and contingencies.
- Three months operating expenses: building higher reserves for reinvestment in impact.

During recent years we have grown our reserves to mitigate lower longer-term revenue visibility. This helped to cover the cost of the restructure in March 2023, and will allow investment in our property refurbishment.

Note 17 to the Financial Statements provides more detail on specific reserves.

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Financial Review 2023/24 Performance

2023/24 is our first year operating at our new, lower level of ACE NPO funding. We had already taken action to resize our organisation and had carefully planned for this change.

Due to our careful planning and preparation, we were able to maintain our program commitments whilst operating within our income level. We were able to increase our free reserves in preparation for the property refurbishment.

Revenue

Our income reduced compared to the previous financial year. This is a reduction of £0.3m, which is accounted for by our drop in ACE NPO income.

Crafts Council NPO funding had been at a level of £2.5m since 2012. Financial year 2023/24 was the first year of ACE NPO funding period 2023-2026. For this funding period, our grant was reduced from £2.5m to £2.2m per annum, a 13% decrease.

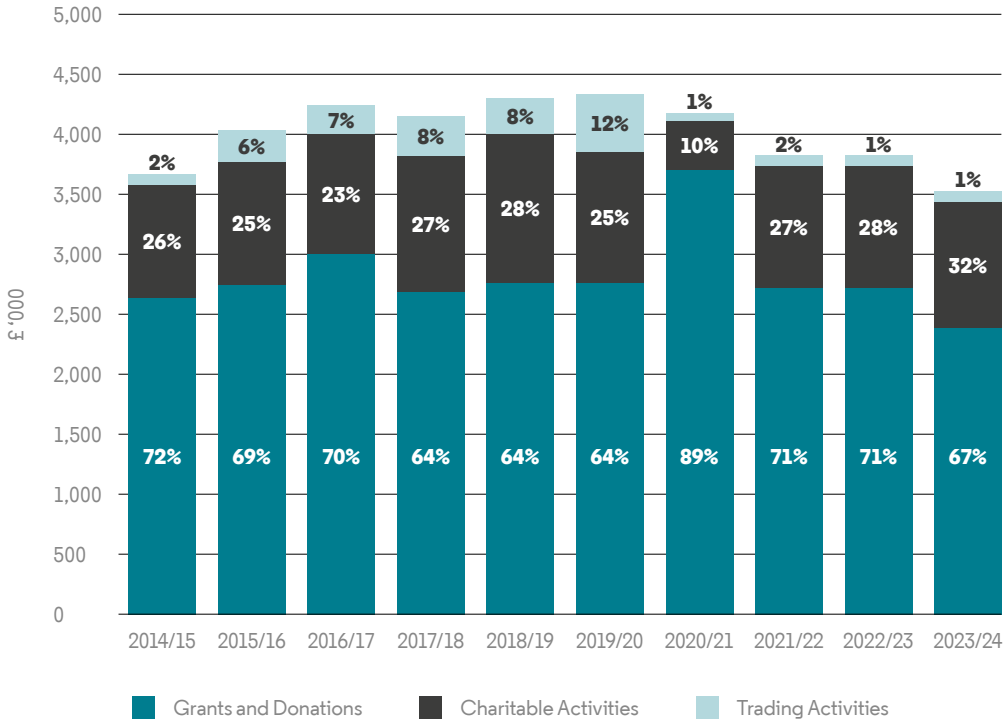
In real terms this represents a £1m drop in funding over the past 12 years.

In 2024 ACE announced a one-year extension to the 2023–26 finding period which will run to March 2027.In addition to our NPO funding, we received ACE Transform grant funding in the year of £82k, this is phase one of the total £600k transform grant award. The remaining grant will be used over the next two financial years.

Income from other grants and donations increased. Among these projects, we received funding from Brookfield Properties to purchase works for our collections, and we received the first part of our National Heritage Lottery Fund grant which supports our Craft for the People project. This project continues for the next two years.

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Year on year Revenue 2014 – 2023



Collect performed very well in 2024 securing increased income on the previous year, and we managed costs carefully despite inflationary pressures. Income from our *Crafts* membership offer also increased over the previous year.

Restructuring and Payroll Costs

During the year we invested in organisational development work to support our newly restructured team, funded by ACE Transform funding. In addition, we have allowed for potential dilapidations costs of exiting part of our property portfolio, and expert advisory support for our Property Working group preparing for our property refurbishment.

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Following our staff restructuring, our payroll costs fell by £0.4m to £1.3m. However, we increased our spend on freelance support by £100k to £130k in 23/24 as we used more flexible support to deliver our program. The high level of inflation also impacted across our cost base during the year.

We continue to carefully manage our resources, working to balance our programme delivery and our expected income levels, while seeking further funding opportunities. By doing this, we are able to report a small surplus of £87k, which will help to fund our property plans.

Reserves

We continue to carefully manage our free reserves to balance maximising spend on activities and impact, against having surplus to manage risk. Our aim is to have sufficient free reserves to:

- Allow us operational flexibility.
- Give us the ability to invest in new projects and work.
- Manage risk and unexpected expenditure.

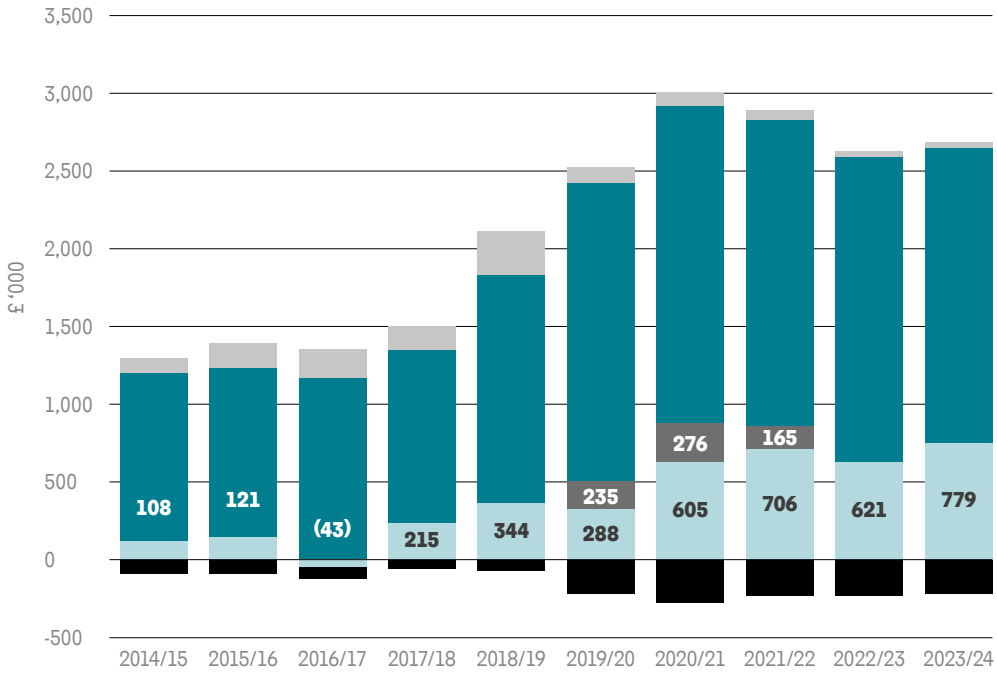
Crafts Council is fortunate to receive NPO funding from ACE on a monthly basis which covers our main operating costs, and we have been awarded this funding up to March 2026. However, we still need to manage short-term cash flow fluctuations, set aside funds to maintain our property and cover any unexpected expenditure.

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We consider a level of £400k of free reserves is the minimum required to meet these requirements, our current reserves level of £779k exceeds this minimum and will allow us to fund some of our property refurbishment in the next financial year.

Our property investment is estimated to cost £1.4m. This will require investment from our reserves, alongside £420k from our ACE transform grant and funding from other sources. This is expected to reduce our free reserves in the short term; however, we expect to be able to build our reserves back to our policy level of £400k over the following 3 years.

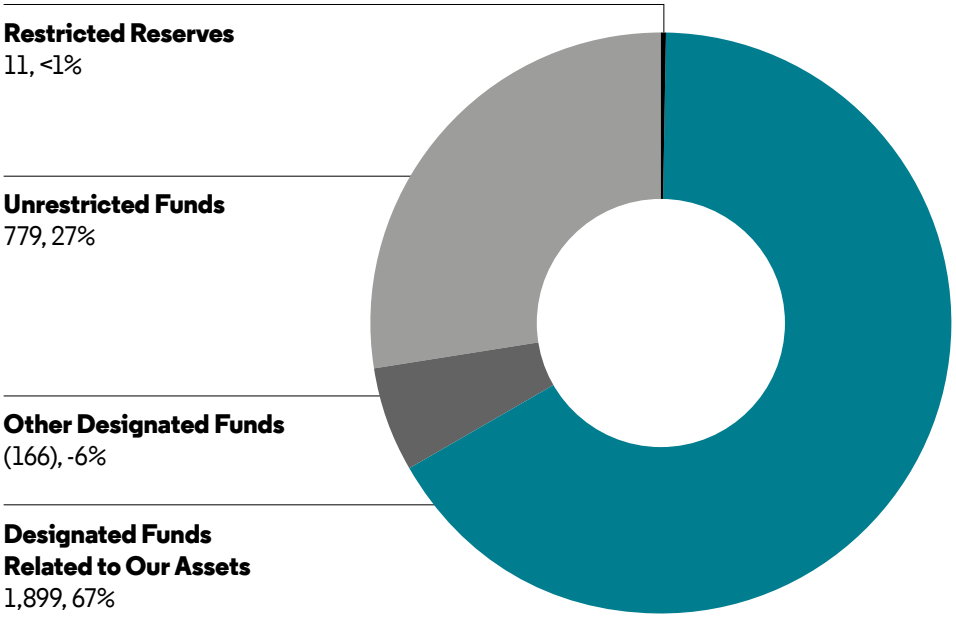
Year End Reserves 2014 – 2024



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The core of our designated reserves reflects the value of the objects that comprise Crafts Council Collection. It is recorded in our accounts at the historical cost of the artefacts. However, it has a commercial, cultural, and intangible value far beyond this. The collection is the only one of its kind in the UK, documenting contemporary craft since 1972 across all disciplines.

Closing reserves as of March 2024



23/24 Closing Reserves by Category	£'000s
Restricted Reserves	11
Designated Funds Related to Our Assets	1,899
Other Designated Funds	(166)
Unrestricted Funds	779
Total Reserves	2,523

Emily Gibbard, Collect 2024.
Photo: PA Media.



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10.1 Trustees' Responsibilities in relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities Statement of Recommended Practice.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any departures.
- Disclose and explain in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised for issue by the Trustees and signed on their behalf by:

John Knell
Chair
Date: 27/11/2024





Three Girls by Alice Kettle, 2022.
Crafts Council Collection 2023.
Photo: Jon Stokes.

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10.2 Independent Auditors Report

Opinion

We have audited the financial statements of Crafts Council for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as of 31 March 2024 and of the charity's net movement in funds for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

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Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Impact Report (which includes the Trustees' Annual Report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees for the Financial Statements

As explained more fully in the Trustees' responsibilities statement set out on p.61 and p.62, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework applicable to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual accounting journals.

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Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular any unusual journal entries.
- Challenging assumptions made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Use of Our Report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP
Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Date: 9.12.2024

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



Confrontation Constellation
by Iara Talledo Violani.
Photo courtesy of the maker.

10.3 Statement of Financial Activities

for the Year Ended 31 March 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total Funds £'000	2023 Total Funds £'000
Income					
Grants and donations	2	2,244	110	2,354	2,682
Income from charitable activities	3				
Artistic Programme: UK		775	38	813	769
Learning & Talent Development		70	22	92	111
Innovation Programme		-	1	1	8
Leadership, Research & Policy		3	7	10	5
Audience Development		205	-	205	148
Gallery		17	-	17	4
Total Income from charitable activities		**1,070**	**68**	**1,138**	**1,045**
Other trading activities	4				
Investment Income		13	-	13	4
Other Income		27	-	27	57
Total Income		**3,354**	**178**	**3,532**	**3,788**

10.3 Statement of Financial Activities

for the Year Ended 31 March 2024 (Continued)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total Funds £'000	2023 Total Funds £'000
Expenditure					
Raising funds					
Fundraising activities	5	246	-	246	247
Other trading activity: property surplus to requirements		217	-	217	228
Charitable activities					
Artistic Programme: UK		1,236	35	1,271	1,369
Artistic Programme: Overseas		-	-	-	-
Learning & Talent Development		417	1	418	659
Innovation Programme		1	-	1	13
Leadership, Research & Influencing Policy		137	-	137	109
Audience Development		756	-	756	791
Gallery		226	-	226	356
Restructuring Costs		90	82	172	204
Total Expenditure		**3,326**	**118**	**3,444**	**3,975**
Net Income		**28**	**60**	**88**	**(185)**
Transfers between funds		52	(52)	-	-
Net movement in funds		**80**	**8**	**88**	**(185)**
Total funds brought forward		2,433	3	2,436	2,621
Total funds at 31 March		**2,513**	**11**	**2,524**	**2,436**

The notes on p76 – p99 form an integral part of these financial statements.

10.4 Balance Sheet

for the Year Ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Fixed Assets			
Intangible assets	11	18	49
Heritage assets	12	1,138	1,118
Other tangible fixed assets	12	743	831
		1,899	**1,998**
Current Assets			
Debtors	13	344	485
Treasury Deposit		355	-
Cash at bank and in hand		456	609
		1,155	**1,094**
Creditors: Amounts Falling Due Within One Year	14	(364)	(470)
Net Current Assets		**791**	**624**
Total Assets Less Current Liabilities		**2,690**	**2,622**
Creditors due after 1 year	15	(166)	(186)
Net Assets		**2,524**	**2,436**
Represented by:			
Unrestricted funds			
General Funds		780	621
Pension Reserve		-	-
Rent Reserve		(166)	(186)
Designated Funds		1,899	1,998
Total Unrestricted Funds		**2,513**	**2,433**
Restricted Funds		**11**	**3**
Total Funds	**16**	**2,524**	**2,436**

The notes on p76 – p99 form an integral part of these financial statements.

Approved and authorised for issue by the Council and signed on its behalf by:

John Knell
Chair
Date: 27/11/2024



10.5 Cashflow

for the Year Ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Cash used in operating activities	18	212	(301)
Cash flows from investing activities			
Investment income received		13	4
Payments to acquire intangible assets	10	-	(4)
Payments to acquire heritage assets	11	(20)	(128)
Payments to acquire other tangible fixed assets	11	(3)	(27)
Net cash used in investing activities		(10)	(155)
Change in cash and cash equivalents		202	(456)
Cash and cash equivalents brought forward		609	1,065
Cash and cash equivalents carried forward		**811**	**609**

The notes on p76 – p99 form an integral part of these financial statements.

10.6 Notes to the Financial Statements

1. Accounting Policies

1.1a Basis of preparation of the Financial Statements

These Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Financial Statements. These Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition, effective 1 January 2019 and the Charities Act 2011.

The Crafts Council constitutes a public benefit entity as defined by FRS102.

1.1b Preparation of the Financial Statements on a going concern basis

The Charity reported a cash inflow of £201k for the year. The trustees are of the view that the Crafts Council's status as an Arts Council England National Portfolio Organisation for the funding period ending 2023 to 2027 confirms that the Crafts Council can continue as a going concern.

The Board of Trustees have given due consideration to the working capital and cash requirements of the Crafts Council. The Board consider the Crafts Council's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months and that there are no material uncertainties in respect of going concern.

1.1c Areas of material judgement and estimates

The accounting policies for material items are set out below. Those which are subject to material judgements and estimates are in the opinion of the trustees: determination of the useful lives of assets. The Trustees do not believe that there are any items which are likely to be susceptible to material adjustment in future periods.

10.6 Notes to the Financial Statements (continued)

1.2 Fund accounting

Restricted funds comprise donations which the donor has specified are to be used solely for particular areas of the charity's work or for specific projects being undertaken by the charity.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects, at the discretion of the trustees. Unrestricted general funds represent those monies which are freely available to spend on activities which further any of the purposes of the charity.

1.3 Income

General

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Unless noted otherwise below, income is recognised as earned, that is as the related goods or services are provided. Earned income arising during the year relating to future events or provision of services is deferred until those activities have taken place.

Grants and Donations

Grants and donations are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Where grants are specifically restricted to future accounting periods, they are deferred and recognised in the relevant periods.

Other Income

Income due under the Exhibition Tax Credit scheme is recognised on a receivable basis in the period in which the related qualifying expenditure is incurred, and is categorised in the Statement of Financial Activities under Other Income.

10.6 Notes to the Financial Statements (continued)

1.4 Expenditure

1.4a General

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of Raising Funds: Fundraising comprises the costs of the development (fundraising) team and associated support and governance costs.

Costs of Raising Funds: Other trading activity comprise the cost of subletting property which is surplus to operational requirements, and associated support and governance costs.

Expenditure on Charitable Activities includes costs of projects undertaken to further the purposes of the charity, and associated support and governance costs. Crafts Council divides its charitable activities into six areas of work which are shown on the face of the Statement of Financial Activities. For clarity, and to improve the reader's understanding of the activities outlined in the trustees' report, some of these areas are broken down further in the Notes which follow.

Termination costs are accounted for when payable.

1.4b Allocation of support and governance costs

The cost of staff time that is not spent directly within the analysis headings on the Statement of Financial Activities (namely support and governance costs) is allocated in proportion to the directly attributable costs on those headings.

The average monthly full time equivalent head count is then calculated and used to allocate support general costs proportionally against direct activities, grant-making activities and governance general costs, within the Raising Funds and Charitable Activities analysis headings.

Lastly, governance general costs are analysed across the Raising Funds and Charitable Activities analysis headings, again in proportion to the average monthly full time equivalent head count.

10.6 Notes to the Financial Statements (continued)

1.4c Pension costs

The charity participates in a multi-employer defined benefit pension scheme and a defined contribution group personal pension plan. Both are accounted for as defined contribution schemes and full details are provided in Note 9.

Pension costs are allocated between funds in line with staff costs. For the defined benefit scheme, provision is made for the present value of the deficit contributions should they be required.

1.5 Operating Leases

Payments under operating leases are charged on a straight line basis over the lease term.

1.6 Foreign Currency

Foreign currency transactions relate to income from subscriptions for *Crafts* magazine and sales at some overseas craft events and expenditure incurred by activities carried out abroad. Such income and expenditure is translated into sterling at the exchange ruling at the date of the transaction. Monetary assets or liabilities existing at the year-end are translated at the rate ruling at the balance sheet date. All exchange rate differences are recognised through the Statement of Financial Activities.

1.7 Taxation

As a registered charity carrying out charitable activities, Crafts Council is generally exempt from corporation tax except in limited circumstances. Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred. It is initially categorised as a support cost and included within the analysis headers as for other support costs.

Tax recovered under gift aid relating to donated income is recognised when the related income is receivable and is included within Donations and Legacies income.

10.6 Notes to the Financial Statements (continued)

1.8 Intangible Assets and Amortisation

Intangible assets are recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. All Intangible assets are amortised over 5 years.

1.9 Tangible Fixed Assets and Depreciation

Heritage Assets

The Crafts Council Collection ("Collection") of craft objects is held for charitable purposes and is stated at cost. All items which form part of the collection are capitalised as fixed assets in the year of acquisition, principally through purchases from third parties.

Donated collection items are recognised initially at their fair value to the extent that this can be estimated with reasonable reliability. Where there is a lack of comparable information or market values, donated items are not reported on the balance sheet.

No provision is made for depreciation, as the items in Crafts Council Collection are deemed to have indeterminate lives and it is the Trustees' policy to maintain the Collection in good condition so that the items' residual values are at least equal to their carrying value on the Balance Sheet. All maintenance costs are recognized as expenditure in the financial year in which they are incurred. The carrying value is reviewed as part of an ongoing internal audit process and a provision in the Financial Statements is made, if necessary, for any impairment in value.

Other Fixed Assets

Fixtures, fittings and computer equipment costing £1,000 or more are capitalised and are initially stated at cost. Assets purchased as part of the same project may be treated in aggregate. They are depreciated over their estimated useful economic lives at the following rates:

Leasehold improvements : over the remaining lease period

IT equipment and software : over 3 years

Other fixtures, fittings and equipment : over 5 years

10.6 Notes to the Financial Statements (continued)

With the exception of leasehold improvements, a full year's depreciation is charged on fixed assets acquired and brought into use during the year, and no depreciation is charged in the year of disposal.

With the exception of leasehold improvements, a full year's depreciation is charged on fixed assets acquired and brought into use during the year, and no depreciation is charged in the year of disposal.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.12 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments held by the charity are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from Grants and Donations

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £'000	2023 Total Funds £'000
Arts Council England	2,223	82	2,305	2,550
Individual giving: Patrons & Donations	20	-	20	20
Brookfield – Heritage Collection		25	25	61
Art Fund – Heritage Collection		-	-	42
Various – funding for the Heritage Collection	-	4	4	10
Total	**2,243**	**111**	**2,354**	**2,683**

There were no donations from trustees in 2024 (2023: no donations).

10.6 Notes to the Financial Statements (continued)

3. Income from Charitable Activities 2024

	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total Funds £'000	2023 Total Funds £'000
Artistic Programme UK:				
Exhibitions, Loans & Collection	54	38	92	77
Collect	721	-	721	691
Learning & Talent Development:			-	-
Learning programme	20	22	42	52
Talent development programme	50	-	50	59
Innovation	-	1	1	8
Leadership, Research & Influencing Policy	3	7	10	5
Audience Development			-	-
Crafts Magazine & other publishing	205	-	148	265
Gallery	17	-	17	4
Total	**1,070**	**68**	**1,138**	**1,045**

4. Income from Other Trading Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total Funds £'000	2023 Total Funds £'000
Museum & Gallery Exhibitions Tax Relief	27	-	27	61

10.6 Notes to the Financial Statements (continued)

5a. Allocation of Expenditure 2024

	Direct Activities £'000	Direct Staff £'000	Grant-making activities incl staff time (i)	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2024 Total £'000	2023 Total £'000
Expenditure on raising funds									
Fundraising activities	66	112	-	43	15	5	6	247	247
Other trading activities	179	12	-	3	16	-	6	216	228
Charitable Activities									
Artistic Programme UK:									
Exhibitions, Loans & Collection	122	141	-	86	22	9	8	388	532
Collect	589	126	-	76	59	8	23	881	838
Artistic Programme Overseas:									
Showcasing									-
Learning & Talent Development:									
Learning programme	24	162	-	100	15	11	6	318	404
Talent development programme	8	52	-	30	5	3	2	100	254
Leadership, Research & Influencing Policy	27	73	-	24	8	3	3	138	122
Audience Development & Communications:									
Crafts magazine & other publishing	242	116	-	67	30	7	12	474	356
Other	65	145	-	43	17	5	7	282	435
Gallery	170	23	-	10	16	1	6	226	356
Restructuring	157	(1)	-	-	13	-	5	174	203
Total Expenditure	1,649	961	-	482	216	52	84	3,444	3,975

(i) Further analysis of staff costs is given in Note 8.

10.6 Notes to the Financial Statements (continued)

5b. Allocation of Expenditure 2023

	Direct Activities £'000	Direct Staff £'000	Grant making activities incl Staff time	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2023 Total £'000	2022 Total £'000
Expenditure on raising funds									
Fundraising activities	93	100	-	31	16	3	4	247	332
Other trading activities	194	10	-	2	17	0	4	228	218
Charitable Activities									
Artistic Programme UK:									
Exhibitions, Loans & Collection	191	208	-	84	33	7	9	532	503
Collect	565	135	-	60	58	5	15	838	714
Artistic Programme Overseas:									
Showcasing	0	-	-	-	-	-	-	-	6
Learning & Talent Development:									
Learning programme	39	226	-	102	22	9	6	404	381
Talent development programme	57	124	50	15	4	4	254	204	643
Innovation	8	14	-	13	2	-	1	44	84
Leadership, Research & Influencing Policy	37	48	-	14	7	1	2	109	235
Audience Development & Communications:	-								
Crafts magazine & other publishing	171	115	-	37	23	3	6	356	553
Other	90	242	-	63	27	6	7	435	382
Gallery	162	95	-	67	21	7	6	356	344
Restructuring	-	184	-	-	15	-	4	203	-
Total resources expended	**1,607**	**1,488**	**-**	**511**	**255**	**45**	**67**	**3,975**	**3,919**

10.6 Notes to the Financial Statements (continued)

5c. Nature of Support and Governance Costs 2024

	Support Costs £'000	Governance Costs £'000	2024 Total £'000	2023 Total £'000
Facilities costs	300	13	313	347
Finance & HR costs	115	5	120	113
IT costs	67	4	71	66
Audit fees	-	29	29	28
Trustee expenses	-	1	1	2
Support & governance sub-totals	**482**	**52**	**534**	**556**

5d. Nature of Support and Governance Costs 2023

	Support Costs £'000	Governance Costs £'000	2023 Total £'000	2022 Total £'000
Facilities costs	337	10	347	341
Finance & HR costs	110	3	113	63
IT costs	64	2	66	61
Audit fees	-	28	28	24
Trustee expenses	-	2	2	4
Support & governance sub-totals	**511**	**45**	**556**	**493**

6. Grants Payable

Crafts Council does not set out to be a grant giving organisation, no grants were paid in 2024 or 2023.

7. Auditors Remuneration

The auditor's remuneration constituted an audit fee of £25,925 (2023: £25,650) and additional tax advisory services of £1,225 (2023: £900).

10.6 Notes to the Financial Statements (continued)

8. Staff Costs

a) Staff costs consist of:

	2024 £'000	2023 £'000
Wages and salaries	1,069	1,594
Employer's national insurance contributions	97	150
Employer's contribution to defined contribution pension schemes and defined benefit pension schemes treated as defined contribution schemes	60	79
Operating costs of defined benefit pension schemes	11	(26)
Agency staff	23	13
Total staff costs	**1,260**	**1,810**

Included in the above are no redundancy and termination payments in 2024 (2023: £184k).

b) Employee benefits received by higher paid employees

During the period, 4 employees (2023: 4) received employee benefits (excluding employer pension costs) of more than £60,000. Of these, 1 employee received benefits between £60,000 and £70,000 (2023: 3), 2 employees received benefits between £70,000 and £80,000 (2023: 1) and 1 employee received benefits between £80,000 and £90,000 (2023:0).

c) Remuneration and benefits received by key management personnel

The key management personnel of Crafts Council comprise the Board of Trustees, the Executive Director, the Finance & Commercial Director, the Creative Director, and the Learning Director. The total employee benefits of the key management personnel (including employer pension costs and employers national insurance contributions) were £276,867 (2023: £305,321).

10.6 Notes to the Financial Statements (continued)

d) Average number of employees

The average monthly head count was 29 staff (2023: 47 staff) and the average monthly number of full-time equivalent employees during the year (excluding short-term temporary workers) was 24 (2023: 35), analysed as follows, rounded to the nearest whole number:

	2024 No.	2023 No.
Raising Funds		
Fundraising activities	2	2
Charitable Activities		
Artistic Programme UK:		
Exhibitions, Loans & Collection	4	6
Collect	4	4
Learning & Talent Development:		
Learning programme	5	7
Talent development programme	2	3
Leadership, Research & Influencing Policy:	1	1
Audience Development:		
Crafts magazine & other publishing	3	3
Gallery	1	5
Other	2	4
Total	**24**	**35**

The average monthly FTE head count initially allocated to Governance was 1 (2023: 1). This has been reallocated across the other analysis headers above.

10.6 Notes to the Financial Statements (continued)

9. Trustees' Remuneration and Benefits and Related Party Transactions

One Trustee (2023:4) claimed travel and subsistence expenses totalling £1,072 (2023: £1,222) in discharging their duties as Trustees. Trustees were either reimbursed on provision of receipts or the supplier was paid directly by Crafts Council. All meetings were held virtually during the year.

One Trustee received remuneration of £450 for services in 2024 (2023: £865). There were no further transactions with the Trustees during the year except for those detailed above.)

10. Pension Costs

Group Personal Pension Plan

Permanent staff appointed on or after 31 March 2000 are eligible to join a Group Personal Pension Plan with Standard Life Assurance Company, a defined contribution scheme. For staff who joined before 1 April 2006, Crafts Council funds an employer's contribution of 15% of basic salary to the Standard Life Group Personal Pension. Only one person falls Into this category.

From 1 April 2006, the contribution by Crafts Council was reduced to 7% for all new employees and the minimum contribution for each employee is 3%.

Following the introduction of new pension regulation by the government, from May 2017 Crafts Council was required to operate an auto enrolment pension scheme for all employees. Crafts Council appointed Standard Life for the provision of this plan.

From its inception, Crafts Council offered a more generous contribution than the legal minimum stipulated in the legislation, initially contributing 3% for an employee contribution of 1% (government minimum 1% employee, 1% employer. It was permissible for the employer to contribute a higher proportion, so long as the total contribution from both employee and employer was at least 2%). All employees not currently part of the existing Crafts Council scheme were auto-enrolled into the new scheme in May 2017.

From April 2018 the legislation required an increase in contributions to a minimum of 3% employee, 2% employer. Crafts Council again offered a more generous 5% contribution for an employee contribution of 2%.

10.6 Notes to the Financial Statements (continued)

From April 2019 the legislation required an increase in contributions to a minimum of 5% employee, 3% employer. Crafts Council are currently offering a more generous 7% contribution for an employee contribution of 3%.

Amounts paid to the Group Personal Pension Plan in the year to 31 March 2024 were £60,302 (2023: £78,911).

Arts Council Retirement Plan (1994)

Prior to March 2000, Crafts Council participated in the Arts Council Retirement Plan (1994) ("the Scheme"), a multi-employer defined benefit pension scheme, which is funded by its participants and complies with the Pension Act 2004 governing the funding of employer-sponsored pension arrangements in the UK. The assets of the Scheme are held in a separate fund administered by the Trustees of the Scheme.

During financial year 22/23, Craft Council's last remaining active member of the Scheme retired. At this point, Crafts Council entered a period of grace of one year, agreed by the trustees of the Scheme. This was later extended to a three year period of grace, which was due to expire on 18th July 2025. Crafts Council members made up only 1% of the total membership of the scheme.

In October 2024, Crafts Council agreed a Flexible Apportionment arrangement, whereby its share of the liabilities relating to members of the scheme were transferred to Arts Council England (ACE).

The total cost of this Scheme included within Expenditure for the year 2023/24 was:

	2024 £	2023 £
Accrual of benefits for members	-	2,827
Annual contribution towards deficit	-	7,600
Less pension deficit provision released to SoFA during year	-	(7,244)
Release of reserve following fund review	-	(39,931)
Plan expenses	10,800	10,800
Total staff costs	**10,800**	**(25,948)**

Under Staff Costs (note 11), all costs are disclosed within "Employer's contribution" with the exception of plan expenses which are disclosed as "Operating costs".

10.6 Notes to the Financial Statements (continued)

11. Intangible Assets

	Digital assets	Total
	£'000	£'000
Cost		
At 1 Apr 2023	178	178
Additions	-	-
At 31 March 2024	**178**	**178**
Amortisation		
At 1 Apr 2023	129	129
Charge for the year and impairments	31	31
At 31 March 2024	**160**	**160**
Net Book Value		
At 31 March 2024	18	18
At 1 April 2023	49	49

12a) Tangible Assets

	Leasehold improvements £'000	Fixtures, fittings & equipment £'000	Heritage assets £'000	Total £'000
Cost				
At 1 Apr 2023	1,381	117	1,119	2,617
Additions	-	3	20	23
At 31 March 2024	1,381	120	1,139	2,640
Depreciation				
At 1 Apr 2023	575	91	1	667
Charge for the year and impairments	79	13	-	92
At 31 March 2024	654	104	1	759
Net Book Value				
At 31 March 2024	727	16	1,138	1,881
At 1 April 2023	805	25	1,118	1,948

10.6 Notes to the Financial Statements (continued)

b) Heritage Assets

Heritage assets are stated at cost. In the opinion of the Trustees, the market value of the heritage asset Collection is in excess of its book value.

(i) Five year summary of purchases	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2010 £'000
Total cost of assets purchased in year	**20**	**128**	**-**	**26**	**83**

(ii) Nature of Heritage Assets held and acquisition and disposal policy

The Collection numbers circa 1,800 objects spanning all the main media (excluding fashion). The scope of the Collection is craft between circa 1960 and the present day that is made in the UK, originated in the UK, or made by a UK maker (either as domicile or citizen). Many internationally acclaimed makers are represented and the aim has been to maintain a balance between purchasing work from young makers and those already well established. It is not constituted as a survey of the crafts overall, but reflects a wide and lively spectrum of activity in contemporary work. Acquired work has to be ambitious, innovative, and show new approaches to making, in keeping with Crafts Council's overall focus.

The primary objectives for the Collection are to:

- support the aims of Crafts Council;
- benefit the widest possible audience through its use in Crafts Council projects, including long and short term loans, partnership projects, touring exhibitions, displays on site and to support educational projects, published research and study;
- demonstrate excellence and quality in contemporary UK craft;
- stimulate an awareness of high quality work on the part of a wide audience;
- record key moments in craft practice through acquiring work from major exhibitions and from makers who are at an important stage of development in their career; and
- to position contemporary UK craft as an important and distinct creative discipline.

10.6 Notes to the Financial Statements (continued)

Decisions on acquisitions are currently made by an Acquisition Panel, consisting of two Trustees, the Executive Director and the Senior Collections and Exhibitions Manager. The Panel meets as necessary to discuss the proposals and approve acquisitions. Acquisitions under £1,000 can be made by the Senior Collections Manager with the agreement of the Executive Director.

Crafts Council has a long-term purpose and its permanent collections contribute to its stated objectives. There is a strong presumption against the disposal of any items in Crafts Council's Collection except as set out below.

In those cases where Crafts Council is legally free to dispose of an item it is agreed that any decision to sell or otherwise dispose of material from the Collection will be taken only after due consideration; decisions to dispose of items will not be made with the principle aim of generating funds. Once a decision to dispose of an item has been taken, priority will be given to retaining the item within the public domain and with this in view it will be offered first, by exchange, gift or sale to Accredited museums before disposal to other interested individuals or organisations is considered. A decision to dispose of an object will be the responsibility of the Crafts Council's Trustee Board. Full records will be kept of all such decisions and the items involved.

Crafts Council's full Acquisition and Disposal Policy is published on its website, it was last reviewed In 2020. We instigated a review of our Collection in June 2023 and will subsequently review the acquisition and disposal policy as one of the key recommendations in late 2024.

13. Debtors

	2024 £'000	2023 £'000
Amounts receivable within one year:		
Trade debtors	24	243
VAT receivable	74	58
Prepayments	103	64
Accrued income	143	120
	344	**485**

10.6 Notes to the Financial Statements (continued)

14. Creditors

a) Amounts falling due within one year:	2024 £'000	2023 £'000
Trade creditors	141	226
Other creditors including payroll taxation	30	57
Accruals	167	114
Deferred income: subscriptions received in advance 14 (b)	-	12
Deferred income: other 14 (c)	26	60
Balance as at 31March	**364**	**469**

b) Movements in subscriptions received in advance		
Balance as at 1 April	12	70
Year-end balance invoiced during the year	-	12
Opening balance released during the year	(12)	(70)
Balance as at 31 March	**-**	**12**

c) Movements in other deferred income		
Balance as at 1 April	60	23
Year-end balance invoiced during the year	26	60
Opening balance released during the year	(60)	(23)
Balance as at 31 March	**26**	**60**

15. Creditors After One Year

	2024 £'000	2023 £'000
Amounts falling after one year:		
Pension provision	-	-
Rent provision	166	186
Balance as at 31 March	**166**	**186**

10.6 Notes to the Financial Statements (continued)

Pension provision

No provision was required for Crafts Councils' present obligation to contribute towards the deficit relating to past service on the Arts Council Retirement Plan (1994), full details of which are given under Note 9.

Under the last formal triennial actuarial valuation which took place on 31 March 2022 the contribution rate has been reviewed and from 1 April 2023 Crafts Council was not required to make any annual contribution to the scheme deficit. Although at the valuation date there was a deficit, it was small enough that the scheme Trustees were comfortable it could be made good over a reasonable period purely through returns on the Plan's assets over and above the prudent allowance in the liability discount rate.

The provision was released at the end of 2023. As explained in note 9 above, Crafts Council is no longer a member of the Arts Council Retirement Plan and has no remaining liability due to the scheme.

	2024 £'000	2023 £'000
Movement in provision for pension deficit		
Balance as at 1 April	-	40
Amount released to SoFA during year	-	(7)
Release of reserve	-	(33)
Balance as at 31 March	**-**	**-**

10.6 Notes to the Financial Statements (continued)

Rent reserve

Crafts Council leases 44a Pentonville Road. The existing lease was due to expire in 2025. In 2019, we extended the lease to 2040. As an incentive the landlord agreed two periods of rent reduction. The first 18 months of the lease from January 2019 to June 2020 will be charged at half rent. This is followed by a further half rent period from January to December 2026. In accordance with Accounting Standards, the deemed benefit of the rent free period has been spread over the remainder of the lease. A reserve has been created to reflect and separately disclose this.

	2024 £'000	2023 £'000
Movements in rent reserve		
Balance as at 1 April	186	207
Reserve accrued during the year	(20)	(21)
Opening balance released during the year	-	-
Balance as at 31 March	**166**	**186**

16. Funds

a) Unrestricted undesignated funds	At 1 April 2023 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2024 £'000
General	621	3,353	(3,325)	131	780
Unrestricted designated funds					
Collection (heritage assets)	1,118	-	-	20	1,138
Intangible Assets (Digital assets)	49	-	-	(31)	18
Other tangible fixed assets	831	-	-	(88)	743
Rent reserve	(186)	-	-	20	(166)
Total-unrestricted-designated	1,812	-	-	(79)	1,733
Total unrestricted funds	2,433	3,353	(3,325)	52	2,513
Total restricted funds 17 (c)	3	178	(118)	(52)	11
Total funds	**2,436**	**3,531**	**(3,443)**	**-**	**2,524**

10.6 Notes to the Financial Statements (continued)

b) Prior year fund movements are shown below;	At 1 April 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted undesignated funds					
General	706	3,643	(3,892)	164	621
Unrestricted designated funds					
Collection (heritage assets)	990	-	-	128	1,118
Intangible assest (Digital assets)	76	-	-	(27)	49
Other tangible fixed assets	890	-	-	(59)	831
Programme 22/23	111	-	-	(111)	-
Programme 21/22	55	-	-	(55)	-
Rent reserve	(207)	-	-	21	(186)
Pension Reserve	(48)	-	-	(54)	-
Total-unrestricted-designated	1,866	-	-	(54)	1,812
Total unrestricted funds	2,573	3,643	(3,892)	109	2,433
Total restricted funds 17(c)	48	146	(82)	(109)	3
Total funds	**2,622**	**3,789**	**(3,974)**	**-**	**2,436**

Transfers between designated funds and undesignated funds represent:

- Acquisitions less depreciation of fixed assets.
- The creation of a rent reserve to show the accrual of rental income and spread the benefit of the rent-free period over the life of the new lease for 44a.

Transfers between restricted funds and unrestricted funds represent either:

- Allocations of restricted funds against fixed assets purchased and held for general purposes, in accordance with the terms and conditions of the donated funds;
- Deficits on restricted funds met from general unrestricted undesignated funds; or
- Surpluses on restricted funds at the end of the project moved to general unrestricted undesignated funds, provided this is in accordance with terms and conditions set by the funder.

10.6 Notes to the Financial Statements (continued)

c) Purpose of Designated Fund

Designation	Purpose of designated fund
Collection (heritage assets)	Equivalent to the net book value of the Collection
Digital assets (Intangible assets)	Equivalent to the net book value of digital intangible assets
Other tangible fixed assets	Equivalent to the net book value of all other fixed assets

d) Restricted Fund Analysis

	As at 1 Apr 23 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 24 £'000
Purpose of restricted fund:					
ACE transform funding	-	82	(82)	-	-
Exhibitions and collections	-	37	(35)	(2)	-
Learning & talent	3	22	(1)	(16)	8
Leadership R&P	-	8	-	(8)	-
Purchase of Assets for the Collection	-	29	-	(26)	3
Total net assets as at 31 March 2024	**3**	**178**	**(118)**	**(52)**	**11**

Prior Year

	As at 1 Apr 22 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 23 £'000
Purpose of restricted fund:					
44a redevelopment support	-	-	-	-	-
Exhibitions and collections	3	11	(14)	-	-
Gallery	-	-	-	-	-
Collect	-	-	-	-	-
Learning & talent	44	10	(51)	-	3
Leadership R&P	2	4	(4)	(2)	-
Innovative Programme	-	8	(3)	(5)	-
Purchase of Assets for the Collection	-	113	(10)	(103)	-
Total net assets as at 31 March 2023	**49**	**146**	**(82)**	**(110)**	**3**

Restricted funds are raised for a specific purpose within Crafts Council's charitable objectives.

10.6 Notes to the Financial Statements (continued)

Restricted funds are raised for a specific purpose within Crafts Council's charitable objectives.

Restricted income comes from a mixture of grants and donations from institutional donors and individuals.

e) Analysis of Net Assets Between Funds

	Unrestricted General Funds £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund balances represented by:				
Tangible fixed assets	-	1,899	-	1,899
Current assets	1,144	0	11	1,155
Current liabilities	(364)		-	(364)
Long Term Liabilities	0	(166)		(166)
Total net assets as at 31 March 2024	**780**	**1,1,733**	**11**	**2,524**

17. Commitments Under Operating Leases

a) As at 31 March, Crafts Council had the following Total commitments under operating leases:

	2024 £'000	2023 £'000
Leases expiring within one year: land and buildings	-	-
Leases expiring within two to five years: land and buildings	147	265
Leases expiring after five years: land and buildings	3,140	3,048
Leases expiring in two to five years: equipment	24	0

b) As at 31 March, Crafts Council had no income receivable under operating leases (2023: 0)

The lease on our Stables office building expires in June 2024.

10.6 Notes to the Financial Statements (continued)

18. Notes to the Cash Flow Statement

a) Reconciliation of net income to net cash used in operating activities

	2024 £'000	2023 £'000
Reconciliation of net income to net cash used in operating activities		
Net income for the year	88	(186)
Investment income receivable	(13)	(4)
Depreciation and Impairments	122	117
(Increase) / Decrease in stocks	0	0
(Increase) / Decrease in debtors	141	(92)
(Increase) in creditors	(126)	(136)
Net cash flow inflow from operating activities	**212**	**(301)**

Crafts' 50th birthday party.
Photo: Stefan Pop.

Crafts Council
44a Pentonville Road
London N1 9BY

hello@craftscouncil.org.uk
+44 (0)20 7806 2500

www.craftscouncil.org.uk

Registered Charity
Number 280956

Crafts Council is supported using public funding by Arts Council England

www.artscouncil.org.uk

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ARTS COUNCIL ENGLAND

CRAFTS COUNCIL

England & Wales - Charity number 280956

Accounts

Crafts Council Annual Report 2022/2023





***Wish*, by Liaqat Rasul.**
On display as part of New Positions, at Crafts Council Gallery, October 2023. Photograph: Elijah Serumaga.

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Our Purpose and Vision

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We inspire making, empower learning and nurture craft businesses. We believe craft skills and knowledge enrich and uplift us as individuals, and, in doing so, will change our world for the better.

The act of making is deeply human, instinctive, and empowering at an individual and collective level. Its unique power is in grounding us in the physical world; in developing our material skills, knowledge, and appreciation.

In a rapidly changing world craft's relevance is more vital than ever as a means of expression, self-improvement and problem-solving. Craft gives us the capability to effect change; creating positive impact on our health and well-being and communities; providing solutions and provoking debate when considering the environment; and sustaining fulfilling employment.

Our vision is a world where this potential for craft to be a positive force for good is realised. Where Crafts Council is trusted and recognised as the champion for craft and where, through our work, the craft community is more diverse and inclusive, and valued as an important cultural asset.

Craft will be celebrated as an enriching part of our lives, making a material difference to our economic, social, environmental, and cultural well-being.

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This report is structured by three critical objectives - inspiring making, empowering learning, and nurturing craft businesses. These objectives have guided our work over the last 12 months, a challenging year through which we have delivered exceptional levels of activity.

Underpinning these organisational objectives is our commitment to systemic change within the craft sector. We strive, with our networks of partners, to make the craft sector an equitable and inclusive space. This challenging, important work has been interspersed with moments of real celebration and tangible recognition of change. This has included the completion of the acquisition of 'New Positions' a capsule collection of 27 works by 13 makers who identify as Black, Asian, dual-heritage or from the Global South; funding from the Centre for Cultural Value to conduct the research report 'Wow! I did this! Making meaning through craft', with Glasgow Caledonian University London; and a commitment to appoint an alumni member from our Equity Advisory Council to the board of Trustees.



Right
Loom by Raissa Kabir, 2022. Cotton: Land, Labour and Body, Crafts Council Gallery, 2022. Photograph: Jessica Pierre Ross.

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Alongside the delivery of activities – spanning the country, and all ages, and levels of abilities and documented across the pages of this report, we have also focused on looking afresh at our assets and reconsidering how best they can support our activities and be more widely used across the country. This has included a diligent piece of work looking at the future care and use of Crafts Council Collection, and the formation of a property working group to consider our options for realising value from our building in central London in order to become a more financially resilient organisation.

As well as much activity, it has been a year of staff changes. Rosy Greenlees, OBE stepped down as Chief Executive in July 2022 after 16 years leading Crafts Council. Through an expansive programme of activity, the profile of the sector increased significantly during Rosy's tenure, and we thank her for her longstanding service. The year also saw Chair of Trustees Andrew Morlet step down, with Andy Marshall and Helen Hyde appointed as interim co-chairs. They have been a tremendous support to the organisation over the last 12 months.

In November 2022 we learnt that we would continue to be an Arts Council England National Portfolio Organisation (NPO) and would receive funding of £2,222,889 a year from 2023 – 2026, a reduction of 13%. With the invaluable support of the Arts Council, we reshaped our delivery plan in the light of this reduction and continue to deliver an impactful programme of national activity to champion craft.

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However, this reduction, along with the wider ramifications of the pandemic and its effect on the distribution of funding, the subsequent cost-of-living crisis, and a significant decline in earned income due to our unlet property has meant an extremely challenging financial situation. This led to the difficult decision in December to temporarily close Crafts Council Gallery and offer voluntary redundancy to staff to reduce our cost base. We thank our departing colleagues for their years of commitment and passion for the work that Crafts Council does, and our remaining colleagues for their energy and optimism in facing the future.

These challenges are not ours alone, as the cultural sector faces one of its most testing moments in recent history. As a sector much has been made of our need for resilience, but resilience is not drawn from an infinite well. Resilience requires time, self-care, and moments of reflection – all of which have, at times, this year been in very short supply for many of us. Rethinking the way in which we work – to ensure that we can create these moments to learn and improve what we do, is very much a live conversation with our team.



Right
Puppets, Teacher's Prize by Beverleigh Claypool, 2022. Craft School: A Summer of Playful Making, Crafts Council Gallery, 2022. Photograph: Jessica Pierre Ross.

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As we look forward to the rest of 2023 we will continue our work to make a more equitable craft sector, focusing on several key projects: growing our Young Craft Citizens programme; expanding the impact of Craft School, our national schools project through our partnership with the Eden Project; delivering our 20th anniversary edition of Collect in 2024; and continuing to shine a spotlight on the range and breadth of craft across the globe through *Crafts*, our biannual magazine and membership programme.

We are enormously proud of what our team has delivered during the last few difficult years and those that remain at Crafts Council are committed to carrying on all this valuable work. In a time of climate crisis, with many living in poverty and what seems like a deeply divided society we know that craft and making can aid mental wellbeing, provide a place for healing and act as an agent of change. We remain profoundly optimistic about the future of craft in the UK.



Right
Ceramicist Keith Brymer Jones visiting St*one: Ten bindings* by Faith Shannon, Crafts Council Gallery, 2023. Photograph: Elijah Serumaga.



Soap Casting Workshop by
Attua Apparicio, Crafts Council Gallery.

01. Inspiring Making

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1.1 Exhibitions and Collections

Gaining Ground, 13 April – 25 June 2022, at Crafts Council Gallery explored craft as a form of living knowledge that shapes global cultures and our relationship to nature. Curated by Ligaya Salazar, Gaining Ground highlighted global craft practices that value soil, biodiversity, local materials, and production systems. Nine projects were featured through a display of films, photography, audio, handbooks, raw materials, and craft objects. The exhibition drew on the British Council's Crafting Futures programme and included work by artisans and researchers from countries across the globe, including Bangladesh, the Philippines, the Democratic Republic of Congo, India, Argentina, Nicaragua, Guyana, Brazil, Indonesia, and the United Kingdom.

"The crafts, the films and the stories have moved me – and made me think differently about the women and the world around me. Thank you for providing this beautiful space to celebrate crafts and crafting around the world."

– Gaining Ground visitor

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Craft School: A summer of playful making, 9 July – 3 September 2022, saw Crafts Council Gallery become a hive of activity where visitors created, played, and experimented with clays, textiles, paper, and card at a 'making table'. The exhibition displayed winning entries from the national school's competition Craft School, developed in collaboration with multi-disciplinary British-Nigerian artist Yinka Ilori. Learners from across Key Stage 1 to Key Stage 4 were invited to explore themes of play, storytelling, and empowerment through making. Alongside these schools' projects, visitors interacted with pieces from Crafts Council Collections.

Cotton: labour, land and body, 21 September 2022 – 4 March 2023, explored how one of the world's most ubiquitous materials has shaped the relationship between Britain and South Asia. For thousands of years, cotton has been skilfully cultivated from seed to yarn and crafted into garments to support a growing expansion of trade and consumption. Today, cotton remains one of the most profitable crops in the world, yet the stories and histories that it holds are rarely told. The exhibition featured work by artists Raisa Kabir, Brigid McLeer, Bharti Parmar, and Reetu Sattar and was co-curated by Uthra Rajgopal and Super Slow Way.

"Moving, reverential, and very thoughtful. An important collection of work and collaboration."

– Cotton Visitor

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To mark the exhibition and delve deeper into its themes, *Crafts* curated Stories of Cotton, a symposium at Crafts Council Gallery in December 2022. The half-day event featured artists Michael McMillan, Bharti Parmar, Hetain Patel and Brigid McLeer; curators Christine Checinska, Dominique Heyse-Moore, Rose Sinclair and Uthra Rajgopal; fashion designer Nicholas Daley and fashion lecturer and writer Dal Chodha.

Stone: Ten Bindings by Faith Shannon, 15 March – 15 April 2023, curated by Designer Bookbinders, focused on the late artist's seminal series of ten bindings of 'Stone', a book comprising poems by George Mackay Brown and photographs by Gunnie Moberg. Created in and inspired by Faith's home on the west coast of Scotland, the project took a total of 16 years to complete, with the final collection of works now widely regarded as a masterpiece. The original ten bindings of Stone, accompanied by their poems and photographs were displayed alongside a small workshop offering a glimpse into the artist's mind and process of making, and some earlier bindings by Faith Shannon from Crafts Council Collection.

'Theatrical' and 'Botanical', 20 June - 22 September 2022, at 99 Bishopsgate and Aldgate Tower in London, a solo show by Christian Ovenlen, an artist who works with Intoart, a pioneering visual arts organisation that champions artists and designers with learning disabilities. Ovonlen won the Brookfield Properties Craft Award in 2022, and his prize included a solo show of work split across two Brookfield Properties' sites. Drawing on a range of influences, from the music of David Bowie and Elton John to the silk Kimonos and extended fashion collections of the V&A, Ovonlen's hanging textile pieces are unique, playful, and uplifting.

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Crafts Council Collection

21 items were loaned from the Collection in 2022-23.

Eighteen works from 12 makers were acquired, part of a collection entitled 'New Positions'. These works are:

- Shaheen Ahmed, Fortress Displaced
- Darren Appiagyei, Banksia Vessel
- Shawanda Corbett, Hold on to your confession and tell your neighbour's (From: 'The heavenly plan, wade in my water'), Two red cents for your last dime (From: 'The heavenly plan, wade in my water'), What's taking you so long (From: 'Neighbourhood Garden')
- Lorna Hamilton-Brown, We Mek Magazine
- Omeima Mudawi-Rowlings, Threads II, Threads II
- Bisila Noha, Two Legged Vessel
- Francisca Onumah, Pinch, Open and Pressed I, Open and Pressed II, Open and Pressed III
- Onome Otite, Untitled
- Christian Ovonlen Feathered Cape, Hand Painted and Printed Silk Cape Costume
- Bharti Parmer, Matching Pairs
- Moses Quiquine, The Sacrifice
- Sophie Sellu, Cut out Brush, Textured Brush, Texture and Shape Study.

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1.2 *Crafts*

Crafts magazine continues to champion craft as an agent of change and build on its reputation for highlighting craft excellence from across the globe.

Crafts underwent a significant transformation in autumn 2022, moving to a tiered membership model with an expanded biannual publication and a programme of live and online events, and a rich offering of digital content and exclusive offers from partners.

The first issue in its new form – Autumn/Winter 2022 (295) – featured as its cover star furniture restorer and TV star Jay Blades; artist and poet Cecilia Vicuña; weaver and jewellery maker Esna Su; pioneering fashion designer Bethany Williams; columns by Booker prize-winning author (and sometimes-knitter) Bernardine Evaristo, future forecaster Li Edelkoort, and the social entrepreneur Patrick Grant; articles on the east London foundry that makes works for the art world's A-listers, and the latest handmade cannabis accessories emerging after a wave of legalisation.

Talks and events since the re-launch have included: *Gaining Ground: How ancient craft knowledge can shape our future* with basket maker Annemarie O'Sullivan, ceramic artist Jay Mistry and Daniel Olatunji, founder of the slow fashion menswear label Monad London; and *Out of the Kiln: From Technique to Concept*, a talk hosted in partnership with the Hayward Gallery to coincide with their exhibition Strange Clay: Ceramics in Contemporary Art. Finally, the symposium Stories of Cotton was curated and presented by *Crafts*, with the support of the Bagri Foundation.

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1.3 Digital Content

Whilst the website traffic was comparable to 21/22 – in part due to the introduction of a paywall for some exclusive digital content – our social followers continued to grow exponentially.

416,879
Total Users

719,430
Total Social Followers

571,982
Total Sessions

49,126
Total E-comms Subscribers

1.4 Make! Craft! Live!

The year saw the final six months of our year-long national programme of events for Make! Craft! Live! The programme centred on showcasing makers with protected characteristics, exploring the positive impact craft can have on wellbeing and engaging with the environment. Events included: Stories From The Woods at the Whitworth Art Gallery that connected Manchester's inner-city children with nature and the changing of seasons, a collaboration with fashion designer Bethany Williams on a series of workshops with the Magpie Project for mums and under-fives living in temporary accommodation living in Newham, London, Presence and Absence at Farnham Gallery that questioned how they can diversify the histories of the items they acquire for their collections, and an online talk with Vanessa Marr that explored the stigma of so-called "women's work" through collaborative craft projects using yellow dusters.

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17,110

Visitors to Exhibitions

Social Followers

719,430

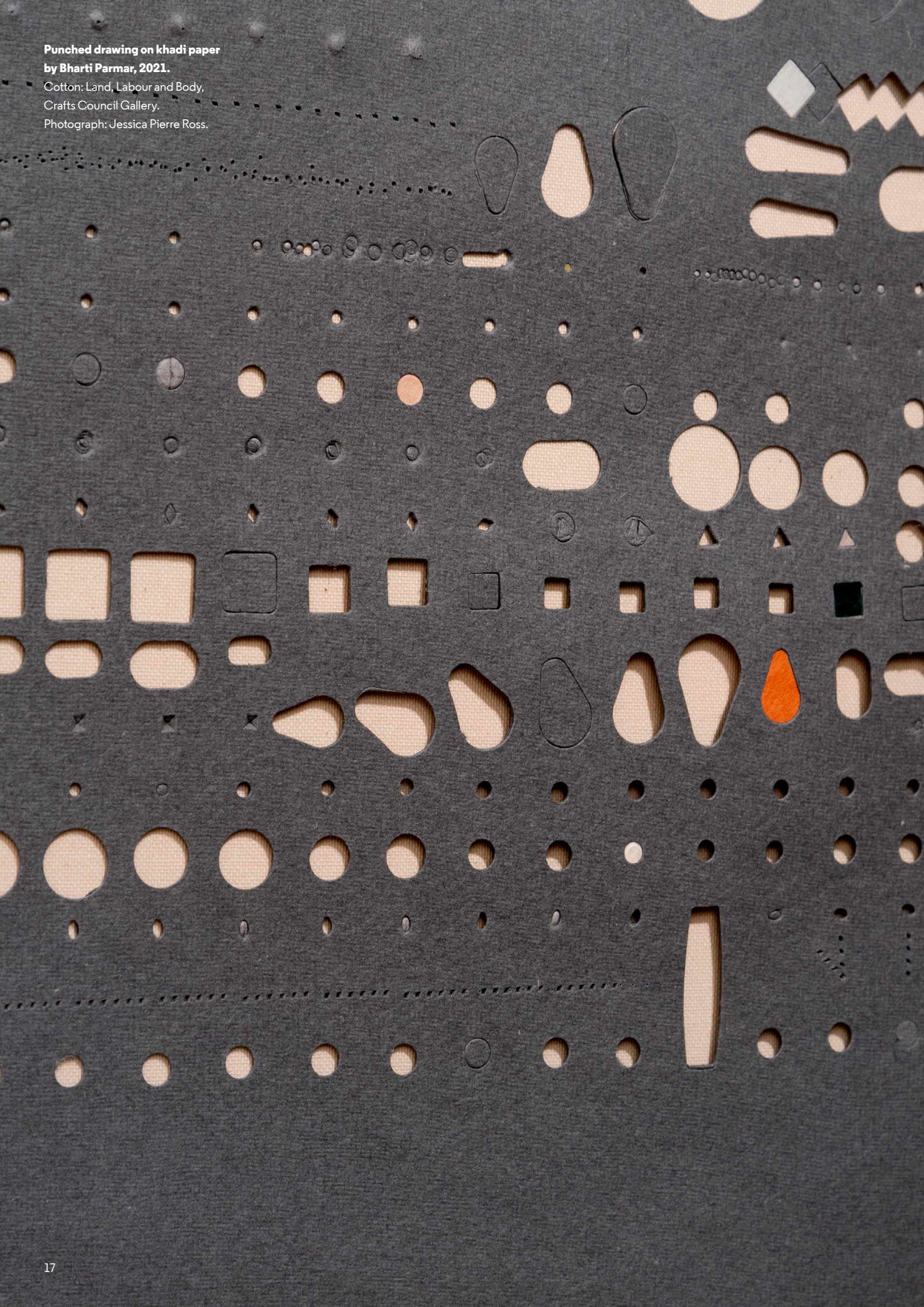
18

New Crafts Council Collections Acquisitions

Followers of *Crafts* Across Social Channels

295,000

More than



Punched drawing on khadi paper by Bharti Parmar, 2021.
Cotton: Land, Labour and Body, Crafts Council Gallery.
Photograph: Jessica Pierre Ross.

02. Empowering Learning

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2.1 Craft School

Craft School is a nationwide competition to get primary and secondary school students making. The programme is free and aimed at education providers and learners from Key Stage 1 to Key Stage 4. Every two years there is a challenge which encourages classrooms across the country to use hand skills to explore materials, take risks and make three-dimensional forms in response to a creative brief. There are also Continued Professional Development sessions offered to educators, and the accompanying teacher toolkit was downloaded over 19,000 times in the year.

> **“The CPD session was fun and joyful. I left very positive for the delivery of this year’s Yinka’s Challenge”**

– Attendee of a Craft School teacher event



Right
Loopy Ewes, Rafter Blanket in Hedgerow. Photo credit: Article Studio and Loopy Ewes.

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Crafts Council Trustee Yinka Ilori set the brief for the first iteration of the competition. The following winners were announced in May 2022 and featured in the *Craft School: A Summer of Playful Making* exhibition from 9 July – 3 September 2022.

- Key Stage 1: Richard Cloudesley School – whole group.
- Key Stage 2: Matilda Tuck of Southborough Church of England Primary School
- Key Stage 3: Fatima Tabib and Shreya Jondhale of King Edward VI Camp Hill School for Girls
- Key Stage 4: Diane Mwamikazi of Bury College
- Teacher's prize: Beverleigh Claypool of Bury College

Yinka Ilori also set the challenge for a second year, and this was launched in the summer of 2022 with 106 schools registering to take part.

"What a moment for young makers to see their work curated in the capital, alongside pieces by celebrated artists from Crafts Council Collection. I highly recommend you see the show and encourage youngsters to participate in the next challenge, it's such a great confidence builder for kids at any level."

– Chris Cox, Creative Director at Cox London,
Crafts Council Education and Business Skills Supporter.

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2.2 Make First

Make First is Crafts Council's craft education pedagogy, or method of teaching. We've examined our work with learners, teachers, and maker educators to pinpoint what's special about craft learning to create the Make First approach. In Make First, learners dive straight into making. They use materials to develop and test ideas—they tweak, and tinker based on how the materials respond. Make First embraces repetition, starting again, leaving a piece of work to come back to later, or working on several things at the same time. It is driven by learners' own interests. They make their own decisions about how to shape their work, giving them the opportunity to develop their voices as craftspeople. Learners will fail and try again. They learn that failure is part of the craft process, build their resilience and become braver makers.

At its heart, Make First is about the joyfulness and pleasure that comes from making—the excitement of new possibilities and the satisfaction of creating something.

2.3 Sky Arts Access All Arts week

Sky Arts 'Access All Arts' Week, which took place in June 2022, was a nationwide, week-long celebration of the arts, specially designed for primary schools. We contributed content exploring our 'Make First' pedagogy to the 3D Mark Making resource that had engagement with 106,065 learners, and recommended Favour Jonathan to be the featured maker. We also delivered 11 workshops to five Leeds primary schools in collaboration with maker Ibukun Baldwin, engaging a total of 308 pupils, and ran a CPD events at Leeds Arts University which was attended by five primary school teachers from Leeds.

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2.4 Let's Craft appeal

We teamed up with Hobbycraft and regional partners across England to launch a second Let's Craft appeal to get 15,000 craft packs into the hands of children who don't have art and craft supplies at home. For children, making with their hands builds cognitive skills, hand-eye coordination, self-confidence, and provides them with the ability to express themselves. With many families unable to afford art and craft materials at home, such as crayons and pencils, Let's Craft kits are distributed through a nationwide cohort, to ensure those most in need can access the mental health benefits that crafting brings. The regional partners are Artswork, Arts Connect, Curious Minds, Islington Council, Norwich and Norfolk Festival (previously known as Festival Bridge Norwich), Tyne & Wear Museums Archive (previously known as Culture Bridge), Royal Opera House, Scrapstore Plymouth and The Mighty Creatives.

Right
Recipient of a Let's Craft pack in Nottingham. Photograph: Lamar Francis.



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2.5 Young People

Our Young Craft Citizens group continued to grow its membership and there were 11 events over the year. Some members staffed a stand at We are Lewisham: Creative Careers Fest at Goldsmiths and as result 30 new young people joined Young Craft Citizens. There were 46 applications to be on the Young Craft Citizens Advisory Panel who will develop training sessions and consultations, centring the voices of young people and feeding back to Crafts Council. Of those that applied, half identify as young people who face barriers because of racism, ableism, and socio-economic factors. Six people were appointed to the panel.

At National Festival of Making in Blackburn, Young Craft Citizens Anisah and Jordan led a roundtable with Creative Alliance.

Young Craft Citizens Louise and Kulthum led a Black History Month Takeover in Crafts Council Gallery in October 2022 which 40 people attended. A panel discussion with Aliyah Hasinah, Joke Amusan, Khadija Niang and Tyreis Holder discussed Black British identity, craft and creative careers and sustaining good mental wellbeing. Joke Amusan and Stella Kajombo led creative workshops on zine-making and weaving. A reading list, playlist and locally sourced food from Black-owned businesses was supplied.

Young Craft Citizen Melody was recruited as a Saturday Club Facilitator.

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2.6 Other Craft-led Activity

- One Further Education/Higher Education pilot project roundtable
- One Higher Education craft courses roundtable

2.7 Crafts Council Participation Activity

- Three Gaining Ground family workshops with Ariane Frouquier, Ione Rojas, and Jay Mistry. There were 86 attendees; 64% of families were global majority ethnicities, 18% identified as being disabled or living with a long-term health condition and 27% identified as neurodivergent.
- Seven family workshops took place during Craft School and one school visit as part of Islington's 11 by 11 programme.
- Sixteen local children and their guardians were invited by Crafts Council to a summer workshop, led by Halina Edwards, where they were asked to design rugs that could be used during creative play sessions. The designs were then made into rugs by local business Floor Story, who donated them to Crafts Council Gallery.

“‘S’ started to feel excited when we just entered the grand design building. It has the best contemporary professional art gallery layouts, harmonious lights making you feel so relaxed, comfortable. He really engaged in the whole session with the friendly, soft coaching from the staff, he felt motivated to offer his feedback and even told them he wants to attend all the kids’ workshops in the near future.”

– Parent of workshop participant at Crafts Council Gallery.

500

Craft School learners

106,065

Learners engaged with Sky Arts Access All Arts

8,640

Let's Craft packs distributed

156

Young Craft Citizens event attendees

373

Participation workshop attendees

29 Magpie Project workshops

307 Crafts Council Gallery workshops

37 Crafting with Pride workshops

1300

Members of the Craft Educators Facebook page

***Chair* by Southborough Church of England Primary School, 2022.**
Craft School: A Summer of Playful Making, Crafts Council Gallery, 2022.
Photograph: Jessica Pierre Ross.



03. Nurturing Craft Businesses

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3.1 Liberty London

In partnership with Liberty London, we selected a group of eight makers from Crafts Council Directory to sell their work in a a beautifully designed showcase at the iconic London store from 21 April – 30 July 2022. The makers were Ash & Plumb, Ruby Cubes, Loopy Ewes, Elin Hughes, Isatu Hyde, Abeer Kayani, Porter + Trundle, par-avion.co, many of whom took part in talks and workshops to celebrate the showcase.

3.2 International Toolkit

Our new international toolkit, funded by the Department for International Trade (DIT) was launched to positive feedback from trade experts. It included guide templates, checklists, case studies and a film to help makers export internationally. It was presented to European partners at Homo Faber in Venice and to 130 people via two free webinars.

Right
Liberty London, Abeer Kayani.
Photo credit: Liberty London.



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3.3 Support and Opportunities for Makers

- We delivered 34 individual business sessions.
- Directory membership grew to 915 by the end of the year.
- We supported the #buylessbuybetterbuyhandmade campaign in the run up to Christmas to encourage shoppers to buy from makers.
- We hosted an online seminar to support all European participants of Crafting Europe and an online sharing event with 24 participants as part of FUSION programme.
- Five environmental roundtables were hosted which brought together selected makers from several disciplines - ceramics, leather, precious metal, textiles, and wood – to discuss challenges they faced in terms of making their businesses more environmentally sustainable.
- In partnership with the National Trust, Crafts Council Directory maker Josh Cadman won a commission for a rose arbor at National Trust property, the Red House.

Right
We Listen: Young Craft Citizens Takeover, Crafts Council Gallery. Photograph: Jessica Pierre Ross.



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3.4 Collect 2023

In March we returned to Somerset House for the 19th edition of Collect: the leading international fair for contemporary craft and design which saw 40 galleries, with artists from 40 nations across the world, and 14 Collect Open artists exhibiting. Collect showcases the very best specialist galleries and 96% of visitors surveyed said the quality of the works were 'good' or 'very good'. The number of visitors exceeded pre-pandemic figures with 12,600 people attending the fair in person, and a further 6,730 viewing the fair online at Artsy.net. Of those surveyed, 86% said they would attend the fair next year. There were over 500 private tour attendees invited by VIP partners and acquisitions made by institutions including the Victoria and Albert Museum, National Museums Scotland, and National Museums Northern Ireland.

> **"The curation of different artefacts was beyond excellent. It's just so immersive and uplifting to be surrounded by such fabulous work in such glorious surroundings"**
> – Collect 2023 visitor

> **"A walk across the fair at Somerset House will transport you across continents"**
> Financial Times

> **"The discoveries, the vibe, the impassioned, informed communicative gallerists and artists. Love it!"**
> Collect 2023 visitor

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3.5 Craft UK

Craft UK is a network for organisations from across the sector, facilitated by Crafts Council and free to join. There were 24 new members this year including The Black Artisans, The Potteries Museum & Art Gallery in Stoke-on-Trent, and the Harris Tweed Association which takes the membership to 105.

There were 10 events that took place over the year.

“I feel as if I am informed and part of a group of people who are endeavouring to provide a creative environment for others to enjoy. I am looking forward to getting more involved.”

– Craft UK member

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3.6 Research and Insight

We were successful in receiving £20,000 from Centre for Cultural Value to work with Glasgow Caledonian University London to undertake a 10-month Living Lab project. This project will explore, develop, and measure the cultural value and wellbeing attached to craft by racially minoritised communities who are excluded from the cultural space of craft.

Other research activity

- Eleven Policy Briefs
- Consultation feedback on the proposed regulations for future Level 3 alternative technical qualifications and responses to DCMS' Communications and Digital Committee Inquiry and the Runnymede x Freelands Visualise Enquiry
- Second Researching Craft briefing was published
- Contributed to Local Government Association Levelling Up Local Inquiry
- Contribution to RCA's Ecological citizens bid to catalyse sustainable practices in the digital environment
- Contributed a chapter to The Green Maker Initiative Book.

8 Makers selected for Liberty London showcase

915 Directory members

32 Business advice sessions

150 Craft UK members

2 Maker commissions **Josh Cadman** **Christian Ovonlen**

639 responses to annual Maker Needs Survey

Collect 2023 visitors **19,330**

7,000 Craft Opportunities Facebook followers

Maker newsletter subscribers **7,685**

7,740 Policy Brief subscribers



***Felt and CDs Installation* by Richard Cloudesley School, 2022.**
Craft School: A Summer of Playful Making, Crafts Council Gallery, 2022.
Photograph: David Parry.

04. Diversity and Inclusion

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4.1 Equity Advisory Council

The group that had been known as the Global Majority Advisory Committee changed its name to the Equity Advisory Council. They are a group of individuals with a shared passion for equity in craft. Drawn from racialised and underrepresented communities, the group work primarily to champion the voices of makers from marginalised backgrounds in the crafts sector, acting as a critical friend and offering expertise to Crafts Council on its anti-racism work and related intersectional issues. There are currently eight Equity Advisory Council members who will serve an 18-month term of office: Chinelo L. Njaka, Gift Ajimokun, Imogen Bright Moon, Jason Stocks-Young, Kim Chin, Omeima Mudawi-Rowlings, Tala Cloudwater and Tiya Dahyabhai. Five of the Council's founding members stepped down in March 2023. They were Melanie Eddy, Lorna Hamilton-Brown, Chanelle Joseph, Dr Karen Patel and Rose Sinclair (Chair). We would like to thank them for their invaluable input to the work of Crafts Council and commitment to change within the craft sector.

4.2 Toolkit for Change

Our Toolkit for Change, launched in spring 2023, was developed by staff at Crafts Council and Craft UK in partnership with our Equity Advisory Council. The toolkit contains practical guidance to help organisations of all sizes become more inclusive. Through this toolkit we aim to embed anti-racist and equitable practice into all organisation structures. Craft organisations big and small can follow the toolkit's guidance as it has been designed to suit all business needs. Whatever stage a business is at, it can be adapted to suit model, capacity, priorities, and existing actions. The practical support is designed to help museums, fairs, stores, galleries, education providers, studios, workshops, and even independent makers produce a tailored action plan.

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4.3 Diversity and Inclusion Programme Activity

Crafting with Pride was a weekly workshop programme created for older LGBTQIA+ people and run in partnership with Opening Doors London. Activity was led by Al Hill (he/they) and Eleanor West (they/she). Eleven workshops for 37 participants were held with a core group of between 10 and 14 people returning each week. The sessions offered a much-needed safe and sober space to Queer elders, giving them opportunity to meet others. Most of those who attended – 83% –said the session helped them feel better connected to others and 91% had tried a new craft.

To celebrate Pride Month Queer craft historian Daniel Fountain curated a series of workshops led by three LGBTQIA+ makers at Crafts Council Gallery from 2 to 4 June. Al Hill, Jacob V Joyce and Liaqat Rasul led the sessions, and 66 participants took part. In addition, Crafts Council Gallery presented a display of ceramics by the late queer artist Angus Suttie in the study.

“I have been suffering from depression and loneliness for a long time and was looking for a group just like this. As it is a queer group it makes it perfect. I cannot access other venues due to age and disability. I have enjoyed the session I attended, they give me something to look forward to and light up my day”

– Crafting with Pride participant

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We programmed a series of October half term family workshops celebrating Black History Month with Halina Edwards and Jahnavi Inniss. Halina Edwards ran a flag-making workshop, exploring how and why flags have been adopted by Black liberation and African countries to represent their unique identities and histories. Jahnavi Inniss' workshop encouraged participants to decorate and illuminate large typographic forms which represented Black people and events that have been historically overlooked.

4.4 New Voices

We continued with our series of Instagram takeovers by artists from marginalised communities. Three takeovers by artists Currie Goat, Farrah Riley Gray and Lady Kitt had combined impressions in excess of 178,000.

4.5 The Team

Fifteen percent of our staff and 27% of our board identify as Global Majority, 15% of staff, and 9% of our board have lived experience of disability. Thirteen percent of our staff and 9% of our board identify as LGBTQIA+.

Of six new freelance maker facilitators we worked with over the year, four identify as Global Majority, 3 identify as LGBTQIA+ and two identify as neurodivergent.



Bindings by Faith Shannon.
Stone: Ten Bindings by Faith Shannon, Crafts Council Gallery, 2023.
Photograph: Elijah Serumaga.

05. Environmental Responsibility

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We are committed to monitoring and reducing our own environmental impact.

Highlights this year include –

- Transition to *Crafts* membership model with an enhanced digital offer and fewer print publications, reducing the number of printed pages we produce from 2.4 million to 1.6 million. Deliveries were reduced from 24,000 to 8,000. And as part of the redesign the print publication is now printed on a carbon neutral printer using sustainably sourced paper.
- We contributed a chapter to the book published by the Green Maker Initiative.
- We hosted five round tables which were attended by 60 makers and focused on sustainability for craft businesses.
- We published a Circular Economy briefing paper
- We presented Gaining Ground, an exhibition in Crafts Council Gallery, with a programme of accompanying events. The exhibition focused on nine global sustainable craft projects and looked at how the innovation of these projects acts as a tool for climate action.



Right
Acrylic on canvas painting of a Jorōgumo by craftsperson Denzel Curry. Posted on Crafts Council's Instagram page during Denzel's Instagram takeover.

05. Environmental Responsibility

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Progress against our 2022/2023 environmental plan –

- Maintain and sustain our own reduced environmental impact at 57 tonnes CO2e.
  Of our 11 goals, 6 have been achieved, 2 part-achieved and 3 not achieved yet.

- Create a baseline and targets for the carbon footprint of key assets and activity.
  Of our 14 goals, 11 have been achieved and 3 not achieved yet.

- Embed understanding of carbon literacy and embed environmental responsibility across staff and Trustees through training and monitoring.
  Of our 5 goals, 1 has been achieved, 2 have been part-achieved and 2 not achieved yet.

- Create resources for craft businesses and act as a convenor to support the many small and micro-businesses only able to make a small impact through a collective effort.
  Of our 7 goals, 3 have been achieved, 2 have been part-achieved and 2 not achieved yet.

- Increase activity that champions the role of craft in environmental responsibility.
  Of our 7 goals, 5 have been achieved and 2 part-achieved.

06. Crafts Council Resilience

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At the beginning of the financial year, we were looking forward to getting back to "normality" after two years of Covid impact. Our Gallery had opened in July 2021 and we were looking forward to a full programme of events. We expected our art fair, Collect, to return to pre-pandemic performance (which it did). We were hoping to see a recovery in advertising income on *Crafts* magazine and were preparing our ACE NPO submission for 2023-26. We were accelerating a fundraising drive to support our program work going forward. We were hopeful we would sublet our excess space, although we did not include any financial upside in our plans for this.

In the event, this year has been a continuing challenge for us.

The reduction in our ACE NPO grant from April 2023, combined with the continued lack of sublet income, and the increased competition for funding from other sources has meant we needed to restructure our organisation to fit the expected future income level. Restructuring began in December 2022 and was completed in March 2023. As part of this, we reduced our headcount significantly. We put our Gallery programme on pause.

To support organisations facing grant reductions, ACE launched their Transform funding initiative. This recognised that a reduction in ACE investment would be challenging for organisations to adapt to in the current economic climate. ACE expressed their intention to support organisations to adapt to these circumstances in a measured and sustainable way, so that they can continue to bring creativity and culture to visitors and audiences in the years to come.

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We successfully applied for Transform funding totalling £600k, covering April 2023 to March 2026, to help us develop a new business model over the three years. This will help us to operate sustainably at reduced levels of ACE investment.

Property remains a key challenge for us, and in April 2023 we set up a Property Working Group to find a solution for our excess space. We expect a recommendation before the end of the financial year. We restructured our magazine offer into a membership offer, and are working with fundraising consultants to look at how we can increase our programme funding going forward, as fundraising becomes ever more competitive.

Our Gallery is available for hire, and our intention is to reopen the Gallery with a programme of exhibitions and events supported by the hire income generated.

We are adapting our way of working, as we now have fewer permanent members of staff, and are investing in organisational development to support this change.

We were fortunate that due to careful financial management through Covid and the generosity of our funders and supporters we began the year in a strong position on both reserves and cash. We funded the cost of restructuring from our reserves. With the continued support from ACE and the actions we have in place, we look forward to revitalising Crafts Council so we can continue our work in a financially stable manner.

Dalia James represented at Collect 2024 by Cavaliero Finn, Ane Christensen represented at Collect 2024 by FIVE.
Styling: Laura Fulmine.
Photograph: Beth Evans.



07. Future Impact

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We continue to prioritise building a more inclusive craft community and ensuring that Craft Council embraces and recognises the full breadth and richness of the making community, across all aspects of our work This will include recruiting a Trustee from alumni members of the Equity Advisory Council.

We delivered a rich programme of activity in 2023:

Inspiring Making

- To Boldly Sew, an exhibition by Alice Kettle, 5 July – 29 September 2023, at two Brookfield Properties' sites – 99 Bishopsgate and 30 Fenchurch St, London.
- New Positions, a display of new Crafts Council Collection acquisitions during Black History Month in October 2023, at Crafts Council Gallery.
- We loaned over 70 objects – our largest-ever loan – from Crafts Council Collection to History in the Making: Stories of materials and makers, 2000BC to now, an exhibition at Compton Verney, Sat 21 October 2023 – Sun 11 February 2024.
- Gaining Ground, an exhibition exploring craft as a form of living knowledge that shapes global cultures and our relationship to nature. This exhibition was shown at Crafts Council Gallery and then Haworth Art Gallery in 2023, part of the British Textile Biennial.
- *Crafts* magazine 50th anniversary celebrations.

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Empowering making

- Craft School, in partnership with Eden Project.
- Crafting with Pride, a series of monthly workshops at Crafts Council Gallery.
- Young Craft Citizens' events and programming at Crafts Council Gallery.
- Let's Craft, a fundraising appeal delivering over 20,000 boxes of craft materials to children across the UK.

Nurturing craft businesses

- Free online sessions for Directory makers to make the most of their paid Directory listing.
- Sustainability resources for makers.
- Celebrating the 20th anniversary of Collect, our international contemporary craft and design fair.

In addition, we will develop a plan for bringing our unoccupied premises at 44a Pentonville Road back into full use, continue to grow our Patrons scheme, and nurture new partnerships and activities with our Craft UK partners.



Liberty London, Porter + Trundle.
Photo credit: Liberty London.

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Thank you to all our partners, funders and sponsors without whom our work would not be possible.

Arts Connect
Arts Council England
Art Fund
Artswork
Bagri Foundation
Bethany Williams
British Council
British Textiles Biennial
Brigid Rentoul
Brookfield Properties
Cedric Smith
Centre for Cultural Value
Comino Foundation
Cox London
Culture Bridge North East
Curious Minds
Department for International Trade (DIT)
Designer Bookbinders
Festival Bridge
Floor Story
Hobbycraft
Islington Council
Judith Goodison
Liberty
LOEWE FOUNDATION
Lulu Lytle
Marc and Diane Grainer
The Mighty Creatives
National Festival of Making
Nicholas and Judith Goodison's Charitable Settlement
Plymouth Scrapstore
Preston Fitzgerald
Real Ideas
Richard Seager Foundation
Royal Opera House
Soane Britain
Super Slow Way
TOAST
Yinka Ilori

A special thank you to everyone who donated to Let's Craft, and to all those who wish to remain anonymous.

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9.1 Legal and Administrative Information

Charity Registration Number: 280956
Principal Office: 44a Pentonville Road, London, N1 9BY

Members of the Council ('Trustees')

Name	Role and Committees	Changes
Andrew Marshall	Co-Chair of Trustees (appointed October 2022) Finance and Business Committee Remuneration Committee	
Helen Hyde	Co-Chair of Trustees (appointed October 2022) Chair of Audit Committee	
Yinka Ilori		
Majeda Clarke	Nominations Comittee	
Ed Mathews-Gentle	Audit Comittee	
Lady Kitt		
Professor Geoffrey Crossick	Chair of Finance & Business Committee	Rejoined Oct 2022 Resigned Sep 2023
Melanie Eddy		Appointed Mar 2023
Ian Jindal	Finance & Business Committee	Appointed Mar 2023
Anant Sharma	Finance & Business Committee	Appointed Mar 2023
Yasmin Jones-Henry		Appointed June 2023
Andrew Morlet	Chair of Trustees Finance & Business Committee Remuneration Committee Nominations Committee	Resigned Oct 2022
Professor Bruce Brown	Chair of Finance & Business Committee Remuneration Committee	Resigned Jul 2022
Matt Durran	Audit Committee	Resigned Jul 2022
Dr Zoe Laughlin	Finance & Business Committee Remuneration Committee Nominations Committee Diversity Champion	Resigned Jul 2022
Clare Twomey	Acquisition Panel	Resigned Jul 2022
Philip Matthews	Finance & Business Committee	Resigned Oct 2022

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Senior Management Team

Name	Role and Committees	Changes
Natalie Melton	Acting Executive Director Creative Director	From Jul 2022
Rosy Greenlees OBE	Executive Director	Retired Jul 2022
Nicky Dewar	Learning & Skills Director	
Adele Hill-King	Finance & Commercial Director	

Auditor

Haysmacintyre LLP
10 Queen St Place
London
EC4R 1BE

Bank

RBS
Liverpool Grp of Branches
(C) Branch
1 Hardman Boulevard
Manchester M3 3AQ

Solicitor

Bates Wells
10 Queen St Place
London EC4R 1BE

The members of Crafts Council (being the Board of Trustees of Crafts Council) are pleased to present their Report together with the Financial Statements for the year ended 31 March 2022. The Financial Statements comply with the Charities Act 2011, the Royal Charter of Crafts Council, and the Statement of Recommended Practice 'Accounting and Reporting by Charities' which is applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

Andy Marshall
Co-Chair



Date: 19/12/2023

Helen Hyde
Co-Chair



Date: 19/12/2023

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9.2 Structure, Governance and Management

Constitution, composition of the Council and Trustee induction

Crafts Council is incorporated by Royal Charter. It is registered as a Charity, number 280956, in England and Wales. The Council consists of a Chair and not more than 14 Trustees. The Chair is appointed for a period of four years and may be reappointed for one further term. New Trustees are appointed by "the Council" and serve for four years. After this term they may put themselves forward for a further four years. No Trustee may serve for more than two consecutive terms of office.

The Council, comprising of all Trustees, is also described as the Board of Trustees. It meets at least quarterly to:

- Agree Crafts Council strategy.
- Review performance.
- Advise on programme activity.
- Consider risk management and reserves policy.

Crafts Council has four Committees:

- Audit Committee. Monitors the annual statutory audit and risk management.
- Finance and Business Committee. Reviews financial performance, business activities and risk.
- Remuneration Committee. Scrutinises staff compensation, pay and rewards.
- Nominations Committee. Supervises the skills and composition of the Board. Proposes new Trustee appointments.

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The induction process for a new Trustee includes meetings with the Chair, Executive Director and Senior Management Team. All new Trustees are given an induction pack containing key governance information.

Organisation and management

The day-to-day activities of Crafts Council are delegated to the Executive Director who leads a Senior Management Team.

Pay policy for senior staff

All Trustees give of their time freely. No Trustee received any payment for work during the year. Senior Management Team pay is reviewed annually by Trustees on our Remuneration Committee. There is no salary scale for the Senior Management Team. Each member of the Senior Management Team is formally appraised twice yearly by the Executive Director. The Chair reviews the performance of the Executive Director.

A report on Directors' performance is submitted to the Remuneration Committee. Pay increases are determined by:

- Inflation
- Comparable pay scales for similar roles
- Individual performance
- Any significant changes of role

Principal risks and uncertainties

Crafts Council maintains a Risk Register which is reviewed by Trustees every quarter. Additionally, the Finance and Business, and Audit Committees update the Risk Register at every meeting.

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During the year we maintained a strong financial position despite the financial impact of a significant restructure. As noted elsewhere, the restructure was in response to a cut in our ACE NPO income, taking effect from April 2023, and the difficult climate in the sector for raising funds from other sources.

During 2022/2023 and ongoing into 2023/2024 we have focused on developing our team, resolving the excess property issues we face, building our fundraising capabilities and commercial income.

2022/23 saw changes to our staffing and Trustee board. Rosy Greenlees, OBE stepped down as Chief Executive in July 2022 after 16 years leading Crafts Council. Chair of Trustees Andrew Morlet stepped down in September 2022. Natalie Melton was appointed acting Executive Director in July 2022, while Andy Marshall and Helen Hyde were appointed as interim co-chairs and have agreed to remain in post until Spring 2024.

Four of our Trustees came to the end of their second terms in July 2022. We would like to thank our previous Chair, Professor Geoffrey Crossick, who came back onto the board for one year and led our Finance and Business committee. In early 2023 we appointed four new Trustees, and will appointed a further three Trustees in October 2023 following a recruitment process.

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Principal risks:

- Property strategy; replacing lost revenue from unoccupied upper floors at 44a Pentonville Road.
- Income risks; particularly on commercial and fundraised income.
- Staff wellbeing following the restructure.
- Continued development of Crafts Council Gallery programme, Craft UK network, and the new Crafts magazine membership offer.
- Trustee succession; four Trustees came to the end of their second terms in July 2022. We want to ensure we retain their knowledge and replace their expertise.

Our key strategies to mitigate these include:

- Strong governance, process and Trustee oversight. For instance, we have instigated a Property Working Group led by Trustees to resolve our property issues.
- Training and recruitment to ensure we have the required professional skills in our teams. Investment in organisational development and team building.
- Strong financial controls and process. Regular review and forecasting of potential outcomes.
- Specialist cross-organisational staff working groups for key areas, such as equity, diversity and inclusion, and data insights.
- Continued progress on diversifying sources of income and increasing free reserves.
- Planning, project management, forecasting and other actions that allow operational flexibility.

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Fundraising Statement

All Crafts Council fundraising activities are compliant with the recognised standards of fundraising (set out in the Code of Fundraising Practice), including those required under charity law and wider law. The charity is a member of the Fundraising Regulator and is committed to conducting open, honest and respectful fundraising practices. We thank everyone who has supported our work.

We received no fundraising complaints in the period. Our fundraising from individuals is primarily focused around two areas of activity: our Patrons scheme and smaller individual donations to our Let's Craft appeal.

Our Patrons scheme solicits donations following a careful process of stewardship, in which we establish the potential Patron is happy to continue to be part of the Patrons scheme.

Let's Craft, a fundraising appeal supporting the provision of craft materials to children, is a more traditional public appeal with a starting donation of £10. We utilise our digital and social medial channels as well as e-mail to promote this appeal. We do not engage in any face-to-face street-based fundraising or phone calling campaigns. Crafts Council follows a safeguarding policy to protect and identify any vulnerable individuals.

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Reserves Policy

Crafts Council operates a dynamic Reserves Policy.

Our three key tests, in order of importance, are:

- Cashflow visibility: ensuring future cash headroom and operational flexibility.
- Requirements for reserves: based on analysis of potential risks and contingencies.
- Three months operating expenses: building higher reserves for reinvestment in impact.

During recent years we have grown our reserves to mitigate lower longer-term revenue visibility. This helped to cover the cost of the restructure, and provides a firm foundation for the organisation going forward.

Note 17 to the Financial Statements provides more detail on specific reserves.

Financial Review 2022/23

Performance

Our financial result for the year includes £203k for restructuring costs related to redundancy payments made in March 2023, as we reduced our headcount in preparation for the ACE NPO funding cut from April 2023.

We had carried over £165k of designated reserves for programme work which had been delayed due to the continued impact of Covid in 21/22. This work was delivered during the year, and the designated reserve has been released.

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Our main fundraising income related to our heritage collection, where we received funding from Brookfield Properties, Art Fund and our Patrons scheme to support new acquisitions.

We continue to carefully manage our resources as we seek to balance our progamme delivery to our expected income levels and look for further funding opportunities.

ACE NPO funding

This last ACE NPO funding period, 2018 – 2022, ended in financial year 21/22. During this period, we received £2.5m annually in NPO grant. Due to the pandemic, ACE designated 22/23 as an extension year. We applied for and were successful in being granted NPO funding at the same level.

During 22/23 we applied for NPO funding for the next funding round which covers three years, 2023 – 2026. We applied for stand-still funding at £2.5m, although ACE had indicated they would be seeking to move funds out of London. In November 2022 we were offered funding for the full three years at a reduced level of £2.2m annually, a 13% reduction. This has a significant impact on our finances.

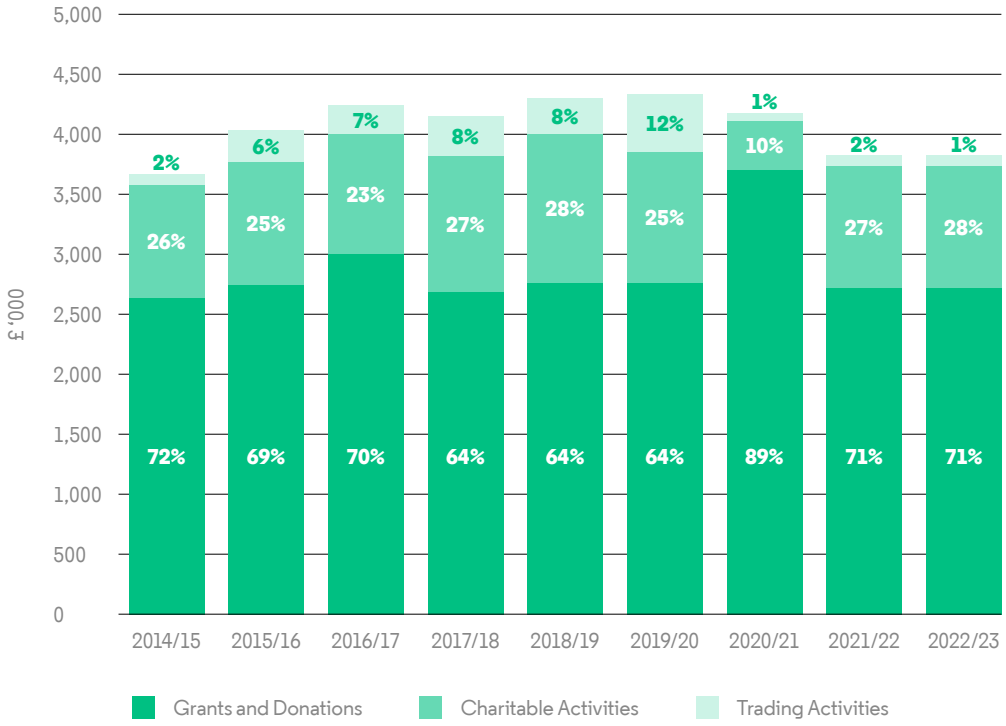
Revenue

We had shown a significant drop on our 21/22 income due to the continued impact of the pandemic. During 22/23, our income remained flat but there are some significant changes year on year.

Revenue from Collect fair increased significantly as we were returned to to pre-Covid Gallery attendance, and we achieved our highest-ever Collect ticket sales in 2023. This income increase was partly offset by cost increases on venue and delivery, as inflationary pressure began to hit.

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Year on year Revenue 2014 – 2023



Our magazine, Crafts, had seen a substantial advertising income drop following the pandemic, and the global move to online advertising. This led to significant losses. With no sign of significant recovery of this income, we restructured our magazine offer. Instead of a bi-monthly subscription offer, we now offer Crafts membership, where members pay either annually or monthly for a larger magazine published twice a year, alongside regular newsletters and exclusive access to talks and other events, alongside online access to the digitised back catalogue of Crafts' previous issues. Income reduced this year, with a corresponding drop on costs as we reduced the publishing frequency from six to two issues a year.

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The upper floors of Crafts Council Gallery, which measure 800 sq. metres, had been sublet to a tenant who moved out in early 2019. The income generated was around £275k per annum. The space has been marketed continually since then, but we have not been able to secure tenants. Crafts Council itself sublet this space on a long lease which runs to 2040, with a break clause in 2035. The space now requires investment to refurbish it so that it meets the standards required by the commercial rental market. A the same time, there is an excess of subprime space available for commercial rent across London.

The lease on the adjoining office block, in which the staff of Crafts Council currently works, ends in June 2025 at which point we expect to move back into the main building. From August 2022 We have marketed this space for commercial sublet since August 2022 but have not been successful in securing a tenant.

This represents one of the key challenges we face going forward and a key issue for our Property Working Group to resolve, along with the advice of external experts. Trustees have established a Property Working Group and have appointed external experts to help find a solution to our empty space. We expect a recommendation before the end of the financial year.

Reserves

We continue to carefully manage our free reserves to balance maximising spend on activities and impact, against having surplus to manage risk. Our aim is to have sufficient free reserves to:

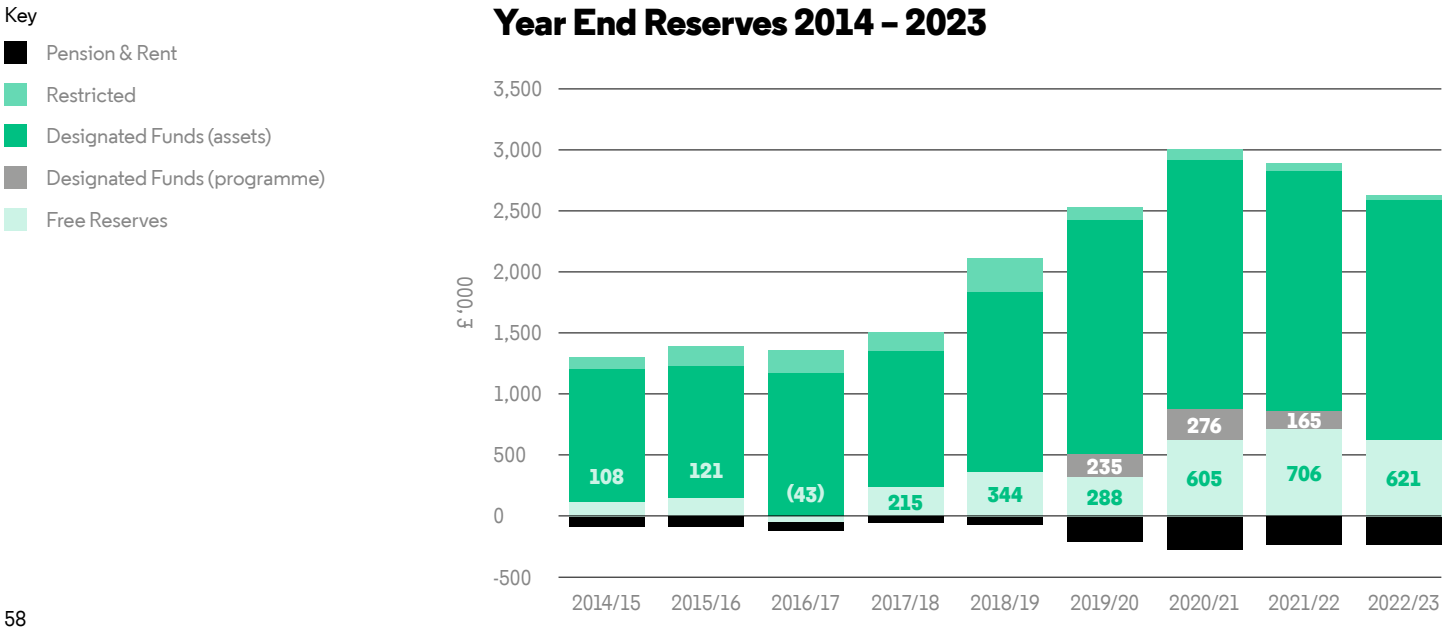
- Allow us operational flexibility.
- Give us the ability to invest in new projects and work.
- Manage risk and unexpected expenditure.

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Crafts Council is fortunate to receive NPO funding from ACE on a monthly basis which covers our main operating costs, and we have been awarded this funding up to March 2026. However, we still need to manage short-term cash flow fluctuations, set aside funds to maintain our property and cover any unexpected expenditure. We consider a level of £400k of free reserves is the minimum required to meet these requirements, our current reserves level of £621k exceeds this minimum and gives us room to cover some future investment in property.

We have grown our free reserves annually from 2016/17 to 2020/21. We ended 2021/22 with almost the same level of reserves as the prior year. This provided a strong foundation for us as we rebalanced our organisation to the new NPO funding level. The reserves supported the 2022/23 operating plan and activities carried over year end, and some longer-term investment, particularly in looking at how our property is used. The reserves level allowed us to cover restructuring costs of £203k during the financial year, and still left a free reserves position adequate for our needs.

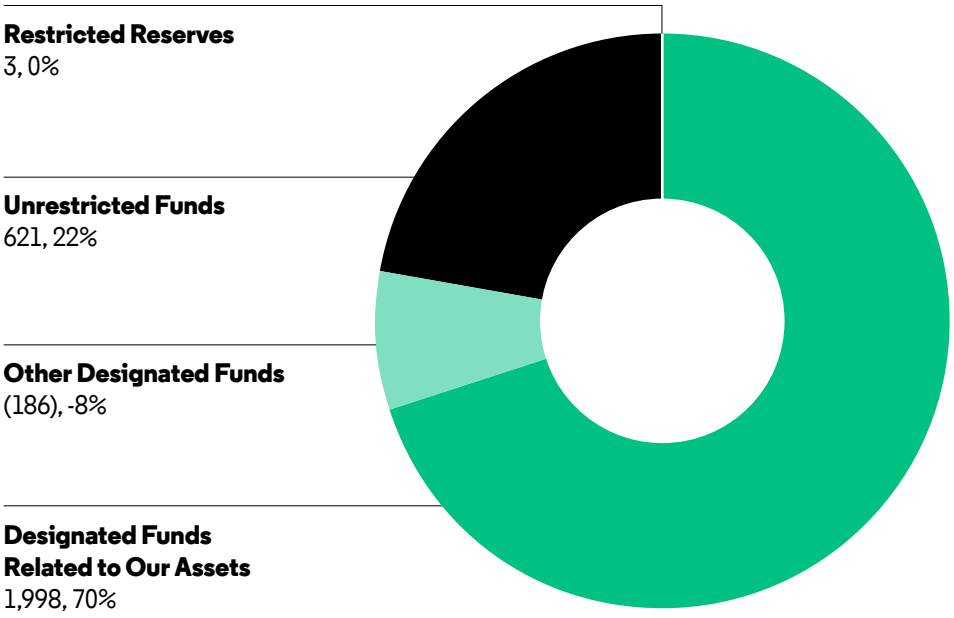
Year End Reserves 2014 – 2023



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The core of our designated reserves reflects the value of the objects that comprise Crafts Council Collection. It is recorded in our accounts at the historical cost of the artefacts. However, it has a commercial, cultural, and intangible value far beyond this. The collection is the only one of its kind in the UK, documenting contemporary craft since 1972 across all disciplines.

Closing reserves as of March 2023



21/23 Closing Reserves by Category	**£'000s**
Restricted Reserves	3
Designated Funds Related to Our Assets	1,998
Other Designated Funds	(186)
Unrestricted Funds	621
Total Reserves	2,436



Paper Playground Workshop with
Amy Leung, Crafts Council Gallery

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10.1 Trustees' Responsibilities in relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities Statement of Recommended Practice.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any departures.
- Disclose and explain in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised for issue by the Trustees and signed on their behalf by:

Andy Marshall
Co-Chair



Date: 19/12/2023

Helen Hyde
Co-Chair



Date: 19/12/2023

***Ballet Russes: Sunset Ballet & Mellow Waltz* by Christian Ovonlen, 2021.**
Crafts Council Collection. New Positions: Acquisitions to the Crafts Council Collection, Crafts Council Gallery, 2023.
Photograph: Jessica Pierre Ross.



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10.2 Independent Auditors Report

Opinion

We have audited the financial statements of Crafts Council for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as of 31 March 2022 and of the charity's net movement in funds for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

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Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Impact Report (which includes the Trustees' Annual Report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly

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stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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Responsibilities of Trustees for the Financial Statements

As explained more fully in the Trustees' responsibilities statement set out on p.61 and p.62, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework applicable to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual accounting journals.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular any unusual journal entries.
- Challenging assumptions made by management in their critical accounting estimates.

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



***Apple Laundry Basket* by Lois Walpole, 1995. Crafts Council Collection.**
Craft School: A Summer of Playful Making, Crafts Council Gallery, 2022. Photograph: David Parry.

10.3 Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total Funds £'000	2022 Total Funds £'000
Income					
Grants and donations	2	2,569	113	2,682	2,715
Income from charitable activities	3				
Artistic Programme: UK		758	11	769	617
Artistic Programme: Overseas		-	-	-	-
Learning & Talent Development		101	10	111	114
Innovation Programme		-	8	8	-
Leadership, Research & Policy		1	4	5	8
Audience Development		148	-	148	309
Gallery		4	-	4	3
Total Income from charitable activities		**1,012**	**33**	**1,045**	**1,051**
Other trading activities					
Rental income	4	-	-	-	-
Investment Income		4	-	4	-
Sponsor Events		0	-	0	6
Other Income	4	57	-	57	55
Total Income		**3,643**	**146**	**3,788**	**3,827**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total Funds £'000	2022 Total Funds £'000
Expenditure					
Raising funds					
Fundraising activities	5	236	11	247	333
Other trading activity: property surplus to requirements		228	-	228	219
Charitable activities					
Artistic Programme: UK		1,355	14	1,369	1,218
Artistic Programme: Overseas		0	-	0	6
Learning & Talent Development		607	52	659	585
Innovation Programme		10	3	13	45
Leadership, Research & Influencing Policy		105	4	109	234
Audience Development		791	-	791	935
Gallery		356	-	356	343
Restructuring Costs		204		204	-
Total Expenditure		**3,892**	**83**	**3,975**	**3,919**
Net Income		**(248)**	**63**	**(185)**	**(92)**
Transfers between funds		109	(109)	-	-
Net movement in funds		**(139)**	**(46)**	**(185)**	**(92)**
Total funds brought forward		2,573	48	2,621	2,713
Total funds at 31 March		**2,434**	**2**	**2,436**	**2,622**

The notes on p.75 – p.103 form an integral part of these financial statements.

10.4 Balance Sheet
for the Year Ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed Assets			
Intangible assets	10	49	76
Heritage assets	11	1,118	990
Other tangible fixed assets	11	831	891
		1,998	**1,957**
Current Assets			
Debtors	12	485	393
Cash at bank and in hand		609	1,066
		1,094	**1,459**
Creditors: Amounts Falling Due Within One Year	13	(470)	(546)
Net Current Assets		**624**	**912**
Total Assets Less Current Liabilities		**2,622**	**2,870**
Creditors due after 1 year	14	(186)	(247)
Net Assets		**2,436**	**2,622**
Represented by:			
Unrestricted funds			
General Fund		621	706
Pension Reserve		-	(47)
Rent Reserve		(186)	(207)
Designated Funds		1,998	2,121
Total Unrestricted Funds		**2,433**	**2,573**
Restricted Funds		**3**	**48**
Total Funds	**15**	**2,436**	**2,622**

The notes on p.75 – p.103 form an integral part of these financial statements.

Approved and authorised for issue by the Council and signed on its behalf by:

Andy Marshall
Co-Chair
Date: 19/12/2023

Helen Hyde
Co-Chair
Date: 19/12/2023

10.5 Cashflow
for the Year Ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Cash used in operating activities	17	(301)	113
Cash flows from investing activities			
Investment income received		4	-
Payments to acquire intangible assets	10	(4)	(5)
Payments to acquire heritage assets	11	(128)	
Payments to acquire other tangible fixed assets	11	(27)	(12)
Net cash used in investing activities		(155)	(16)
Change in cash and cash equivalents	17	(456)	96
Cash and cash equivalents brought forward		1,065	969
Cash and cash equivalents carried forward	**17**	**609**	**1,065**

The notes on p.75 – p.103 form an integral part of these financial statements.

10.6 Notes to the Accounts

1. Accounting Policies

1.1a Basis of preparation of the Financial Statements

These Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Financial Statements. These Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) second edition, effective 1 January 2019and the Charities Act 2011.

Crafts Council constitutes a public benefit entity as defined by FRS102.

1.1b Preparation of the Financial Statements on a going concern basis

The Charity reported a cash outflow of £456k for the year. The Trustees are of the view that Crafts Council's status as an Arts Council England National Portfolio Organisation for the funding period ending 2023 to 2026 confirms that Crafts Council can continue as a going concern.

The Board of Trustees have given due consideration to the working capital and cash requirements of Crafts Council. The Board consider Crafts Council's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months and that there are no material uncertainties in respect of going concern.

1.1c Areas of material judgement and estimates

The accounting policies for material items are set out below. Those which are subject to material judgements and estimates are in the opinion of the Trustees: determination of the useful lives of assets. The Trustees do not believe that there are any items which are likely to be susceptible to material adjustment in future periods.

1.2 Fund accounting

Restricted funds comprise donations which the donor has specified are to be used solely for particular areas of the charity's work or for specific projects being undertaken by the charity.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects, at the discretion of the Trustees. Unrestricted general funds represent those monies which are freely available to spend on activities which further any of the purposes of the charity.

The Pension reserve deficit represents the net present value of Crafts Council's total expected contribution towards the Arts Council Retirement Plan Scheme balance. It is the equivalent to the balance sheet provision at the year end.

1.3 Income

General

All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Unless noted otherwise below, income is recognised as earned, that is as the related goods or services are provided. Earned income arising during the year relating to future events or provision of services is deferred until those activities have taken place.

Grants and Donations

Grants and donations are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Where grants are specifically restricted to future accounting periods, they are deferred and recognised in the relevant periods.

Other Income

Income due under the Exhibition Tax Credit scheme is recognised on a receivable basis in the period in which the related qualifying expenditure is incurred, and is categorised in the Statement of Financial Activities under Other Income

1.4 Donated Goods and Services

Donated goods and services, in as much as they are material and quantifiable, are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the us by the charity of the item is probable and that economic benefit can be measured reliably.

1.5 Expenditure

1.5a General

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of Raising Funds: Fundraising comprises the costs of the development (fundraising) team and associated support and governance costs.

Costs of Raising Funds: Other trading activity comprise the cost of subletting property which is surplus to operational requirements, and associated support and governance costs.

Expenditure on Charitable Activities includes costs of projects undertaken to further the purposes of the charity, and associated support and governance costs. Crafts Council divides its charitable activities into six areas of work which are shown on the face of the Statement of Financial Activities. For clarity, and to improve the reader's understanding of the activities outlined in the Trustees' report, some of these areas are broken down further in the Notes which follow.

Termination costs are accounted for when payable.

1.5b Allocation of support and governance costs

The cost of staff time that is not spent directly within the analysis headings on the Statement of Financial Activities (namely support and governance costs) is allocated in proportion to the directly attributable costs on those headings.

The average monthly full time equivalent head count is then calculated and used to allocate support general costs proportionally against direct activities, grant-making activities and governance general costs, within the Raising Funds and Charitable Activities analysis headings.

Lastly, governance general costs are analysed across the Raising Funds and Charitable Activities analysis headings, again in proportion to the average monthly full time equivalent head count.

1.5c Pension costs

The charity participates in a multi-employer defined benefit pension scheme and a defined contribution group personal pension plan. Both are accounted for as defined contribution schemes and full details are provided in Note 9.

Pension costs are allocated between funds in line with staff costs. For the defined benefit scheme, provision is made for the present value of the deficit contributions to be made.

1.6 Operating Leases

Payments under operating leases are charged on a straight line basis over the lease term.

1.7 Foreign Currency

Foreign currency transactions relate to income from subscriptions for Crafts magazine and sales at some overseas craft events and expenditure incurred by activities carried out abroad. Such income and expenditure is translated into sterling at the exchange ruling at the date of the transaction. Monetary assets or liabilities existing at the year-end are translated at the rate ruling at the balance sheet date. All exchange rate differences are recognised through the Statement of Financial Activities.

1.8 Taxation

As a registered charity carrying out charitable activities, Crafts Council is generally exempt from corporation tax except in limited circumstances. Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred. It is initially categorised as a support cost and included within the analysis headers as for other support costs.

Tax recovered under gift aid relating to donated income is recognised when the related income is receivable and is included within Donations and Legacies income.

1.9 Intangible Assets and Amortisation

Intangible assets are recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. All Intangible assets are amortised over 5 years.

1.10 Tangible Fixed Assets and Depreciation

Heritage Assets

Crafts Council Collection ("Collection") of craft objects is held for charitable purposes and is stated at cost. All items which form part of the collection are capitalised as fixed assets in the year of acquisition, principally through purchases from third parties.

Donated collection items are recognised initially at their fair value to the extent that this can be estimated with reasonable reliability. Where there is a lack of comparable information or market values, donated items are not reported on the balance sheet.

No provision is made for depreciation, as the items in Crafts Council Collection are deemed to have indeterminate lives and it is the Trustees' policy to maintain the Collection in good condition so that the items' residual values are at least equal to their carrying value on the Balance Sheet. All maintenance costs are recognized as expenditure in the financial year in which they are incurred. The carrying value is reviewed as part of an ongoing internal audit process and a provision in the Financial Statements is made, if necessary, for any impairment in value.

Other Fixed Assets

Fixtures, fittings and computer equipment costing £1,000 or more are capitalised and are initially stated at cost. Assets purchased as part of the same project may be treated in aggregate. They are depreciated over their estimated useful economic lives at the following rates:

• Leasehold improvements: over the remaining lease period

• IT equipment and software: over 3 years

• Other fixtures, fittings and equipment: over 5 years

With the exception of leasehold improvements, a full year's depreciation is charged on fixed assets acquired and brought into use during the year, and no depreciation is charged in the year of disposal.

1.11 Stocks

Bought stocks are stated at the lower of historical cost (which is not materially different from net current replacement cost) or net realisable value.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments held by the charity are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from Grants and Donations

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £'000	2022 Total Funds £'000
Arts Council England	2,550	-	2,550	2,669
Government Coronavirus job retention grant	-	-	-	36
Individual giving: Patrons & Donations	20	-	20	11
Brookfield – Heritage Collection		61	61	
Art Fund – Heritage Collection		42	42	
Various trusts, redevelopment project	-	-	-	-
Various – funding for the Heritage Collection	-	10	10	-
Total	**2,570**	**113**	**2,683**	**2,716**

There were no donations from Trustees in 2023 (2022: £50).

3. Income from Charitable Activities 2021

	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total Funds £'000	2022 Total Funds £'000
Artistic Programme UK:				
Exhibitions, Loans & Collection	66	11	77	83
Collect	691		691	534
Artistic Programme Overseas: Showcasing	-		-	-
Learning & Talent Development:			-	-
Learning programme	42	10	52	62
Talent development programme	59		59	53
Innovation	-8		8	
Leadership, Research & Influencing Policy	14		5	8
Audience Development			-	-
Crafts Magazine & other publishing	148	-	148	265
Other	-	-		45
Gallery	4		4	3
Total	**1,011**	**33**	**1,045**	**1,053**

4. Income from Other Trading Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total Funds £'000	2022 Total Funds £'000
Sponsor Events	-	-	-	6
Museum & Gallery Exhibitions Tax Relief	61	-	61	55

5a. Allocation of Expenditure 2023

	Direct Activities £'000	Direct Staff £'000	Grant-making activities incl staff time (i)	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2023 Total £'000	2022 Total £'000
Expenditure on raising funds									
Fundraising activities	93	100	-	31	16	3	4	247	332
Other trading activities	194	10	-	2	17	0	4	228	218
Charitable Activities									
Artistic Programme UK:									
Exhibitions, Loans & Collection	191	208	-	84	33	7	9	532	503
Collect	565	135	-	60	58	5	15	838	714
Artistic Programme Overseas:									
Showcasing	0	-	-	-	-	-	-	-	6
Learning & Talent Development:									
Learning programme	39	226	-	102	22	9	6	404	381
Talent development programme	57	124		50	15	4	4	254	204
Innovation	8	3	-	1	1	-	-	13	44
Leadership, Research & Influencing Policy	37	48	-	14	7	1	2	109	235
Audience Development & Communications:									
Crafts magazine & other publishing	171	115	-	37	23	3	6	356	553
Other	90	242	-	63	27	6	7	435	382
Gallery	162	95	-	67	21	7	6	356	344
Restructuring		184	-	-	15	-	4	203	-
Total resources expended	**1,607**	**1,488**	**-**	**511**	**255**	**45**	**67**	**3,975**	**3,919**

(i) Further analysis of staff costs is given in Note 8.

5b. Allocation of Expenditure 2022

	Direct Activities £'000	Direct Staff £'000	Grant making activities incl Staff time	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2021 Total £'000	2020 Total £'000
Expenditure on raising funds									
Fundraising activities	119	153	-	31	21	2	6	332	303
Other trading activities	185	12	-	2	15	0	4	218	214
Charitable Activities									
Artistic Programme UK:									
Exhibitions, Loans & Collection	181	203	-	75	30	6	8	503	544
Collect	470	126	-	56	46	4	12	714	340
Artistic Programme Overseas:									
Showcasing	0	5	-	1	-	0	0	6	6
Learning & Talent Development:									
Learning programme	74	202	-	73	21	5	6	381	297
Talent development programme	36	103		47	11	4	3	204	643
Innovation	14	14	-	13	2	-	1	44	84
Leadership, Research & Influencing Policy	86	106	-	22	15	2	4	235	182
Audience Development & Communications:									
Crafts magazine & other publishing	357	114	-	34	36	3	10	553	435
Other	73	228	-	48	23	4	6	382	409
Gallery	120	138	-	57	20	4	5	344	306
Redevelopment Costs			-	-	-	-		-	-
Total resources expended	**1,715**	**1,405**	**-**	**459**	**242**	**34**	**65**	**3,919**	**3,762**

5c. Nature of Support and Governance Costs 2022

	Support Costs £'000	Governance Costs £'000	2023 Total £'000	2022 Total £'000
Facilities costs	337	10	347	341
Finance & HR costs	110	3	113	63
IT costs	64	2	66	61
Audit fees	-	28	28	24
Trustee expenses	-	2	2	4
Support & governance sub-totals	**511**	**45**	**556**	**493**

5d. Nature of Support and Governance Costs 2022

	Support Costs £'000	Governance Costs £'000	2021 Total £'000	2020 Total £'000
Facilities costs	337	4	341	319
Finance & HR costs	62	1	63	44
IT costs	60	1	61	78
Audit fees	-	24	24	24
Trustee expenses	-	4	4	20
Support & governance sub-totals	**459**	**34**	**493**	**484**

6. Grants Payable

Crafts Council does not set out to be a grant giving organisation, no grants were paid in 2023 or 2022.

7. Auditors Remuneration

The auditor's remuneration constituted an audit fee of £21,500 (2022: £19,000) and additional tax advisory services of £900 (2021: £5,400).

8. Staff Costs

a) Staff costs consist of:

	2023 £'000	2022 £'000
Wages and salaries	1,594	1,432
Employer's national insurance contributions	150	126
Employer's contribution to defined contribution pension schemes and defined benefit pension schemes treated as defined contribution schemes	79	77
Operating costs of defined benefit pension schemes	(26)	28
Agency staff	13	47
Total staff costs	**1,810**	**1,710**

Included in the above are redundancy and termination payments of £184k in 2023 (2022: 28k).

b) Employee benefits received by higher paid employees

During the period, 4 employees (2022: 3) received employee benefits (excluding employer pension costs) of more than £60,000. Of these, 3 employees received benefits between £60,000 and £70,000 (2022: 2), 1 employees received benefits between £70,000 and £80,000 (2022: 0) and no employee received benefits between £80,000 and £90,000 (2022:1).

c) Remuneration and benefits received by key management personnel

The key management personnel of Crafts Council comprise the Board of Trustees, the Executive Director, the Finance & Commercial Director, the Creative Director, and the Learning Director . The total employee benefits of the key management personnel (including employer pension costs and employers national insurance contributions) were £305,321 (2022: £439,028).

d) Average number of employees

The average monthly head count was 47 staff (2022: 45 staff) and the average monthly number of full-time equivalent employees during the year (excluding short-term temporary workers) was 35 (2022 37), analysed as follows, rounded to the nearest whole number:

	2023 No.	2021 No.
Raising Funds		
Fundraising activities	2	2
Other trading activities	0	0
Charitable Activities		
Artistic Programme UK:		
Exhibitions, Loans & Collection	6	6
Collect	4	4
Artistic Programme Overseas: Showcasing	0	0
Learning & Talent Development:		
Learning programme	7	6
Talent development programme	3	4
Innovation:	0	1
Leadership, Research & Influencing Policy:	1	2
Audience Development:		
Crafts magazine & other publishing	3	3
Gallery	4	4
Other	5	5
Total	**35**	**37**

The average monthly FTE head count initially allocated to Governance was 1 (2022: 1). This has been reallocated across the other analysis headers above.

9. Trustees' Remuneration and Benefits and Related Party Transactions

Trustees claimed travel and subsistence expenses totalling £1,222 (2022: £496) in discharging their duties as Trustees. Trustees were either reimbursed on provision of receipts or the supplier was paid directly by Crafts Council. All meetings were held virtually during the year.

One Trustee received remuneration of £150 for services and £715 for travel expenses for work in support of our program during the year to 31 March 2023 (2022: 0). There were no further transactions with the Trustees during the year except for those detailed above.

Four (2022: 2) Trustees claimed reimbursement for travel expenses supported by receipts, the total claims were £1,222 (2022 : £496)

10. Pension Costs

Arts Council Retirement Plan (1994)

Crafts Council participates in the Arts Council Retirement Plan (1994) ("the Scheme"), a multi-employer defined benefit pension scheme, which is funded by its participants and complies with the Pension Act 2004 governing the funding of employer-sponsored pension arrangements in the UK. The assets of the Scheme are held in a separate fund administered by the Trustees of the Scheme.

During financial year, 22/23, Craft Council's last remaining active member of the Scheme retired. At this point, Crafts Council entered a period of grace of one year, agreed by the Trustees of the Scheme. This was later extended to a three year period of grace, which expires on 18th July 2025. Our intention is to add a new active member into the Scheme before the period of grace expires.

The statutory funding objective of the Scheme is to ensure that the Trustees build up sufficient assets to meet the expected cost of paying benefits to members of the Scheme, with the assets accumulating at the same rate as members' benefits are earned over their working lives. If the objective is met, the value of the Scheme's assets should, at any time, at least equal the estimated current cost of providing those members' benefits that have been earned to that date.

Crafts Council is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis and therefore, as required by FRS102 Chapter 28 'Employee Benefits', accounts for its obligations to the Scheme as if it were a defined contribution scheme, and recognises a provision for contributions towards eliminating the Scheme's deficit. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the Scheme less the portion of the provision released in respect of the accounting year.

The Scheme is formally valued every three years; the last available report dated 11 April 2023 stated the valuation results as at 31 March 2022, as valued by Bill Barnes, Fellow of the Institute and Faculty of Actuaries, of Hymans Robertson LLP, using the projected unit method. The financial assumptions chosen by the Trustees, which have the most significant effect on the result of the valuation, are shown in the table below:

Main actuarial assumptions:

Retail Prices Index (RPI)	Market implied RPI inflation curve (with allowance for 0.3% pa inflation risk premium)
Consumer Prices Index (CPI)	RPI assumption curve less 1.0% p.a. prior to February 2030 and less 0.1% p.a. from February 2030
Salary increases (including an allowance for promotional pay increases)	Assumed to be 3.5% p.a. until and including April 2024 increase and in line with CPI inflation thereafter
Discount rate before retirement	Market implied gilt yield curve plus 1.5% p.a.
Discount rate after retirement	Market implied gilt yield curve plus 2.5% p.a.

According to this report, the value of the assets of the Scheme, at the valuation date, excluding money purchase Additional Voluntary Contributions, was £232.4 million (2019: £178.1 million) and the value of the past service liabilities was £250.7 million (2019: £199.8 million) indicating a deficit of £18.3 million (2019: £21.7 million). The assets therefore were sufficient to cover 93% of the benefits which had accrued to members. Please note this relates to the whole Scheme which has five separate participating employers; Crafts Council's share of the liabilities is around 1% of the total.

The statutory funding objective was not met at the valuation date. While the funding position has improved since the previous valuation, deficit contributions will continue to be required. Deficit contributions payable by each employer have been revised to reflect their current share of Plan liabilities, and the latest assumptions about future plan experience as selected by the Trustees.

Following discussions, and the payment of additional lump sums of £1,337,100 and £115,900 by Arts Council England and The Arts Council of Wales respectively during March 2023, it has been agreed that the employers will pay shortfall contributions totalling £286.7k per annum with effect from 1 April 2023 until 31 March 2034. Additionally, the employers will pay contributions towards future service and expenses averaging approximately 19.4% of Salary.

The 2022 valuation shortfall is expected to be eliminated by 31 March 2034

The contribution rate to be paid by Crafts Council from 1 April 2023 following the latest valuation, is lower than prior years as we have no active member in the Scheme. Contributions are:

- No payment towards the accrual of new benefits for members, as we are in a Period of Grace.
- £10,800 per year in relation to Plan expenses only (2022 £7,000)
- No annual contribution towards eliminating the Scheme's deficit (2022 £7,600)

Therefore, the total cost of this Scheme included within Expenditure for the year was:

	2023 £	**2022 £**
Accrual of benefits for members	6,627	20,578
Annual contribution towards deficit	7,600	7,600
Less pension deficit provision released to SoFA during year	(7,244)	(7,418)
Release of reserve following fund review	(39,931)	
Plan expenses	7,000	7,000
Total staff costs	**(25,948)**	**27,760**

Under Staff Costs (note 11), all costs are disclosed within "Employer's contribution" with the exception of plan expenses which are disclosed as "Operating costs".

Group Personal Pension Plan

Permanent staff appointed on or after 31 March 2000 are eligible to join a Group Personal Pension Plan with Standard Life Assurance Company, a defined contribution scheme. For staff who joined before 1 April 2006, Crafts Council funds an employer's contribution of 15% of basic salary to the Standard Life Group Personal Pension. Only one person falls Into this category.

From 1 April 2006, the contribution by Crafts Council was reduced to 7% for all new employees and the minimum contribution for each employee is 3%.

Following the introduction of new pension regulation by the government, from May 2017 Crafts Council was required to operate an auto enrolment pension scheme for all employees. Crafts Council appointed Standard Life for the provision of this plan.

From its inception, Crafts Council offered a more generous contribution than the legal minimum stipulated in the legislation, initially contributing 3% for an employee contribution of 1% (government minimum 1% employee, 1% employer. It was permissible for the employer to contribute a higher proportion, so long as the total contribution from both employee and employer was at least 2%). All employees not currently part of the existing Crafts Council scheme were auto-enrolled into the new scheme in May 2017.

From April 2018 the legislation required an increase in contributions to a minimum of 3% employee, 2% employer. Crafts Council again offered a more generous 5% contribution for an employee contribution of 2%.

From April 2019 the legislation required an increase in contributions to a minimum of 5% employee, 3% employer. Crafts Council are currently offering a more generous 7% contribution for an employee contribution of 3%.

Amounts paid to the Group Personal Pension Plan in the year to 31 March 2023 were £78,911 (2022: £77,492).

11. Intangible Assets

	Digital assets	Total
	£'000	£'000
Cost		
At 1 Apr 2021	174	174
Additions	4	4
At 31 March 2022	**178**	**178**
Amortisation		
At 1 Apr 2021	97	97
Charge for the year and impairments	31	31
At 31 March 2022	**129**	**129**
Net Book Value		
At 31 March 2022	49	49
At 1 April 2021	105	105

12. Tangible Assets

a)

	Leasehold improvements £'000	Fixtures, fittings & equipment £'000	Heritage assets £'000	Total £'000
Cost				
At 1 Apr 2022	1,380	125	991	2,496
Additions	0	27	128	156
Disposals	-	(35)	-	(35)
At 31 March 2023	1,380	117	1,119	2,617

Depreciation				
At 1 Apr 2021	497	118	1	616
Charge for the year and impairments	78	8	-	86
Disposals	-	(35)	-	(35)
At 31 March 2022	575	91	1	667
Net Book Value				
At 31 March 2023	805	25	1,118	1,948
At 1 April 2022	883	7	990	1,880

b) Heritage Assets

Heritage assets are stated at cost. In the opinion of the Trustees, the market value of the heritage asset Collection is in excess of its book value.

(i) Five year summary of purchases	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Total cost of assets purchased in year	**128**	**-**	**26**	**83**	**5**

(ii) Nature of Heritage Assets held and acquisition and disposal policy

The Collection numbers circa 1,800 objects spanning all the main media (excluding fashion). The scope of the Collection is craft between circa 1960 and the present day that is made in the UK, originated in the UK, or made by a UK maker (either as domicile or citizen). Many internationally acclaimed makers are represented and the aim has been to maintain a balance between purchasing work from young makers and those already well established. It is not constituted as a survey of the crafts overall, but reflects a wide and lively spectrum of activity in contemporary work. Acquired work has to be ambitious, innovative, and show new approaches to making, in keeping with Crafts Council's overall focus.

The primary objectives for the Collection are to:

- support the aims of Crafts Council;
- benefit the widest possible audience through its use in Crafts Council projects, including long and short-term loans, partnership projects, touring exhibitions, displays at Crafts Council Gallery and to support educational projects, published research and study;
- demonstrate excellence and quality in contemporary UK craft;
- stimulate an awareness of high-quality work on the part of a wide audience;
- record key moments in craft practice through acquiring work from major exhibitions and from makers who are at an important stage of development in their career; and
- to position contemporary UK craft as an important and distinct creative discipline.

Decisions on acquisitions are made by an Acquisition Panel, consisting of two Trustees, the Executive Director, the Creative Director and the Head of Programmes. The Panel meets as necessary to discuss the proposals and approve acquisitions. Acquisitions under £1,000 can be made by the Head of Programmes with the agreement of the Creative Director.

Crafts Council has a long-term purpose and its permanent collections contribute to its stated objectives. There is a strong presumption against the disposal of any items in Crafts Council's Collection except as set out below.

In those cases where Crafts Council is legally free to dispose of an item, it is agreed that any decision to sell or otherwise dispose of material from the Collection will be taken only after due consideration; decisions to dispose of items will not be made with the principle aim of generating funds. Once a decision to dispose of an item has been taken, priority will be given to retaining the item within the public domain and with this in view it will be offered first, by exchange, gift or sale to Accredited museums before disposal to other interested individuals or organisations is considered. A decision to dispose of an object will be the responsibility of Crafts Council's Trustee Board. Full records will be kept of all such decisions and the items involved.

Crafts Council's full Acquisition and Disposal Policy is published on its website, it was last reviewed In 2020. We instigated a review of our Collection in June 2023 and will review the acquisition and disposal policy as part of this.

13. Debtors

	2023 £'000	2022 £'000
Amounts receivable within one year:		
Trade debtors	243	20
VAT receivable	58	76
Prepayments	64	81
Accrued income	120	216
	485	**393**

14. Creditors

a) Amounts falling due within one year:	2023 £'000	2022 £'000
Trade creditors	226	247
Other creditors including payroll taxation	57	32
Accruals	114	166
Deferred income: subscriptions received in advance 14 (b)	12	70
Deferred income: other 14 (c)	60	23
Pension contribution due within one year	-	7
Balance as at 31March	**469**	**564**

b) Movements in subscriptions received in advance

Balance as at 1 April	70	97
Year-end balance invoiced during the year	12	70
Opening balance released during the year	(70)	(97)
Balance as at 31 March	**12**	**70**

c) Movements in other deferred income

	2023 £'000	2022 £'000
Balance as at 1 April	23	36
Year-end balance invoiced during the year	60	23
Opening balance released during the year	(23)	(36)
Balance as at 31 March	**60**	**23**

15. Creditors After One Year

	2023 £'000	2022 £'000
Amounts falling after one year:		
Pension provision	-	40
Rent provision	186	207
Balance as at 31 March	**186**	**247**

Pension provision

The pension provision represented Crafts Council's present obligation to contribute towards the deficit relating to past service on the Arts Council Retirement Plan (1994), full details of which are given under Note 10.

Under the latest formal triennial actuarial valuation which took place on 31 March 2022 the contribution rate has been reviewed and from 1 April 2023 Crafts Council's is not required to make any annual contribution to the scheme deficit. Although at the valuation date there was a deficit, it was small enough that the scheme Trustees were comfortable it could be made good over a reasonable period purely through returns on the Plan's assets over and above the prudent allowance in the liability discount rate.

The provision was previously £7,000, this is an annual amount payable at the commencement of each year up to March 2029. The provision has now been released.

	2023 £'000	2022 £'000
Movement in provision for pension deficit		
Balance as at 1 April	40	47
Amount released to SoFA during year	(7)	(7)
Release of reserve	(33)	
Balance as at 31 March	**-**	**40**

Rent reserve

Crafts Council leases 44a Pentonville Road. The existing lease was due to expire in 2025. In 2019, we extended the lease to 2040. As an incentive the landlord agreed two periods of rent reduction. The first 18 months of the lease from January 2019 to June 2020 will be charged at half rent. This is followed by a further half rent period from January to December 2026. In accordance with Accounting Standards, the deemed benefit of the rent free period has been spread over the remainder of the lease. A reserve has been created to reflect and separately disclose this.

	2023 £'000	2022 £'000
Movements in rent reserve		
Balance as at 1 April	207	228
Reserve accrued during the year	(21)	(21)
Opening balance released during the year	-	-
Balance as at 31 March	**186**	**207**

16. Funds

a) Unrestricted undesignated funds	At 1 April 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2023 £'000
General	706	3,643	(3,892)	164	621
Unrestricted designated funds					
Collection (heritage assets)	990	-	-	128	1,118
Intangible Assets (Digital assets)	76	-	-	(27)	49
Other tangible fixed assets	890	-	-	(59)	831
Program 22/23	111	-	-	(111)	-
Program 21/22	55	-	-	(55)	-
Rent reserve	(207)	-	-	21	(186)
Pension reserve	(48)			48	-
Total-Unrestricted-designated	1,866	-	-	(54)	1,812
Total unrestricted funds	2,573	3,643	(3,892)	109	2,433
Total restricted funds 17 (c)	48	146	(82)	(109)	3
Total funds	**2,622**	**3,789**	**(3,974)**	**-**	**2,436**

b) Prior year fund movements are shown below;	At 1 April 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted undesignated funds					
General	604	3,609	(3,776)	268	705
Unrestricted designated funds					
Collection (heritage assets)	990	-	-		990
Intangible assest (Digital assets)	105	-	-	(29)	76
Other tangible fixed assets	962	-	-	(72)	890
Programme 22/23		-	-	110	110
Programme 21/22	276	-	-	(221)	55
Rent reserve	(228)	-	-	21	(207)
Pension Reserve	(55)	-	-	7	(48)
Total-Unrestricted-designated	2,050	-	-	(184)	1,867
Total unrestricted funds	2,654	3,609	(3,776)	85	2,573
Total restricted funds 17(c)	59	218	(143)	85	2,573
Total funds	**2,713**	**3,827**	**(3,919)**	**-**	**2,622**

Transfers between designated funds and undesignated funds represent:

- Acquisitions less depreciation of fixed assets.
- Pension deficit cash expenditure, less the portion of the pension deficit provision which was released during the period.
- The creation of a rent reserve to show the accrual of rental income and spread the benefit of the rent-free period over the life of the new lease for 44a Pentonville Road.
- At the end of 2020/21, the Trustees created a designated reserve of £276k for program spend which was delayed from 2020/21 to 2021/22 due to Covid restrictions. At the end of 21/22, some of this work still had not been completed so we carried forward £165k, which was spent in 22/23.

Transfers between restricted funds and unrestricted funds represent either:

- Allocations of restricted funds against fixed assets purchased and held for general purposes, in accordance with the terms and conditions of the donated funds;
- Deficits on restricted funds met from general unrestricted undesignated funds; or
- Surpluses on restricted funds at the end of the project moved to general unrestricted undesignated funds, provided this is in accordance with terms and conditions set by the funder.

c) Purpose of Designated Fund

Designation	Purpose of designated fund
Collection (heritage assets)	Equivalent to the net book value of the Collection
Digital assets (Intangible assets)	Equivalent to the net book value of digital intangible assets
Other tangible fixed assets	Equivalent to the net book value of all other fixed assets
Pension Reserve	The Pension Reserve deficit represents the net present value of Crafts Council's total expected contribution towards the Arts Council Retirement Plan Scheme deficit. It is the equivalent to the Balance Sheet provision at the year end.
Rent Reserve	The accrual of rental income to spread the benefit of the rent free period over the course of the lease for 44a.
22/23 Program spend	Program spend which was initially planned for 21/22 which has been delayed to 22/23 due to covid

d) Restricted Fund Analysis

	As at 1 Apr 22 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 23 £'000
Purpose of restricted fund:					
44a redevlopment support	-	-	-	-	-
Exhibitions and collections	3	11	(14)	-	-
Gallery	-	-	-	-	-
Collect	-	-	-	-	-
Learning & talent	44	10	(51)	-	3
Leadership R&P	2	4	(4)	(2)	-
Innovative Programme	-	8	(3)	(5)	-
Purchase of Assets for the Collection		113	(10)	(103)	-
Total net assets as at 31 March 2023	**49**	**146**	**(82)**	**(110)**	**3**

Prior Year

	As at 1 Apr 21 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 22 £'000
Purpose of restricted fund:					
44a redevelopment support	-	-	-	-	-
exhibitions and collections	-	17	(14)	-	3
Gallery	-	6	-	(6)	-
Collect		-	-	-	-
Learning & talent	41	81	(73)	(6)	43
Leadership R&P	9	114	(47)	(74)	2
Innovative Programme	9		(9)		
Total net assets as at 31 March 2022	**59**	**218**	**(143)**	**(86)**	**48**

Restricted funds are raised for a specific purpose within Crafts Council's charitable objectives.

Restricted income comes from a mixture of grants and donations from institutional donors and individuals.

e) Analysis of Net Assets Between Funds

	Unrestricted General Funds £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund balances represented by:				
Tangible fixed assets	-	1,998	-	1,998
Current assets	1,091	0	3	1,094
Current liabilities	(470)		-	(470)
Long Term Liabilities	0	(186)		(186)
Total net assets as at 31 March 2023	**621**	**1,812**	**3**	**2,436**

17. Commitments Under Operating Leases

a) As at 31 March, Crafts Council had the following Total commitments under operating leases:

	2023 £'000	2022 £'000
Leases expiring after five years: land and buildings	3,012	2,870
Leases expiring in one to two years: equipment	0	0
Leases expiring in two to five years: equipment	0	10

b) As at 31 March, Crafts Council had no income receivable under operating leases (2021: 0)

The tenant who previously sublet space at 44a Pentonville Road exercised the break clause and left the building in December 2019.

18. Notes to the Cash Flow Statement

	2023 £'000	2022 £'000
Reconciliation of net income to net cash used in operating activities		
Net income for the year	(186)	(92)
Investment income receivable	(4)	(92)
Depreciation and Impairments	117	
(Increase) / Decrease in stocks	0	-
(Increase) / Decrease in debtors	(92)	117
(Increase) in creditors	(136)	1
Net cash flow inflow from operating activities	**(301)**	**111**



Visitor to *Gaining Ground.*
Crafts Council Gallery.
Photograph: Ben Deakin.

Crafts Council
44a Pentonville Road
London N1 9BY

hello@craftscouncil.org.uk
+44 (0)20 7806 2500

www.craftscouncil.org.uk

Registered Charity
Number 280956

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www.artscouncil.org.uk

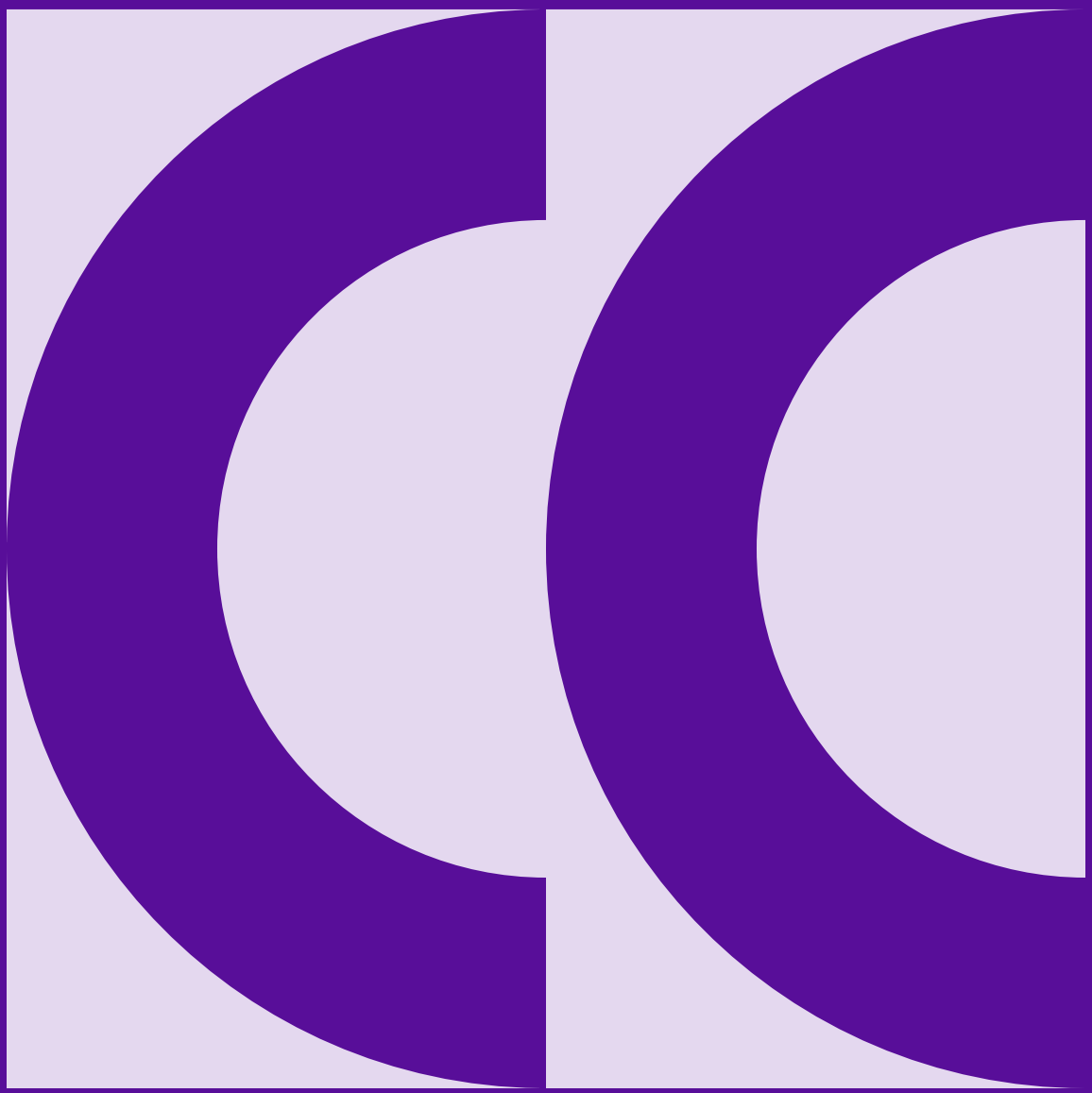
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CRAFTS COUNCIL

England & Wales - Charity number 280956

Accounts

Crafts Council Annual Report
2021/2022





The Experimental Weave Lab, Philippa Brock.

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Our Purpose and Vision

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Our purpose is to champion craft and its positive impact on society. Throughout our 50-year history we have provided leadership for the sector; supported and promoted thousands of craft businesses; advocated for children and young people to have access to craft materials and education; and created inspiring and thought-provoking content enjoyed by millions of people. At the heart of our work is a community of makers who we support and celebrate from everyday making to cutting-edge technology.

The Covid pandemic, Black Lives Matter and climate emergency have posed new challenges and have highlighted inequalities in the craft world and society. These events inform our work as the champion for craft and highlight the need for the Crafts Council to engage with a wider and more diverse audience, and to focus on the process of craft and its social and economic benefits. Our aim is to do this, working with our stakeholders and communities to shape activity of the highest quality and delivered at the local, national and international level.

Acting Executive Director Introduction

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The start of our 50th anniversary year was completely different to the one that we had envisaged just 15 months before. This significant milestone had meant to act as a catalyst for new and progressive activities that would set us up for another 50 years. Instead, the challenges of the pandemic meant that forward-planning had become almost impossible, with new variants and ever-shifting regulations challenging us every step of the way.

So, when we finally opened the Crafts Council Gallery in July 2021 it was a moment for a restrained celebration. Our exhibition programme, outlined in this report was supported by a rich programme of talks, workshops, debates and discussions that drew a new audience in to the Crafts Council . That of local families and young people, students from neighbouring colleges and universities, craft professionals and the culturally curious. Programming has continued to challenge perceptions of who the Crafts Council is for, as well as expanding an understanding of who makes and why.

Right
The Crafts Council Gallery.
Photo: David Grandorge.



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A little later than planned – and shaped to reflect the concerns of the moment, we launched Make! Craft! Live! – a programme of 50 events from across the UK that celebrated craft in its many guises. An open call encouraged a wide variety of organisations to submit projects to be part of this shared endeavour to create a snapshot of the diversity of making across the country to mark our anniversary. The range, quality, and passion inherent in these projects has been inspiring, with many working with the Crafts Council for the first time. We look forward to strengthening these ties in the future.

Work with makers has been driven by their needs and concerns emerging from the pandemic. Digital delivery of talks and one-to-one sessions has seen us reach ever greater numbers of makers, alongside several international projects that have helped makers gain new skills and forge new connections. The sense of community that these programmes generate is palpable, and increasingly vital in a post-pandemic world that continues to present significant challenges for makers – the fall out of Brexit.

The launch of our school's programme, Craft School, spearheaded by Crafts Council Trustee Yinka Ilori, saw 100 schools sign up to take part. The peer network for teachers has been an especially valuable aspect of the programme, helping to instil teacher confidence and create space for play and experimentation.

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These are just a few highlights from a year that as this report is testament to, offers up a staggering amount of activity across all our programmes. None of this is possible without the passion and dedication of our staff. Their deep knowledge, boundless enthusiasm, and curiosity all ensure that the quality of our output and activities is consistently high and increasingly shaped in dialogue with our audiences.

Their work would not be made possible without the support of our funders, supporters and trustees.

It is a privilege to work amongst them, and a joy to share a report that demonstrates the impact that their actions can have.

Natalie Melton
Acting Executive Director





Maker's Eye at the Crafts Council Gallery.

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Our public programming is an opportunity to explore a range of social and cultural issues through craft and making, demonstrating the role that craft can play in addressing issues. Our programming has helped us reach new audiences, cementing the gallery as an important addition to the local cultural landscape in Islington, providing a new space for marginalised communities to connect with issues that resonate with them. After a long period of social isolation, the gentle emergence of an audience for our space has been a welcome addition to our portfolio of activities.

1.1 Exhibitions and Collections

Maker's Eye: Stories of Craft, 7 July 2021 – 9 October 2021, was the first exhibition in the new Crafts Council Gallery. It celebrated the breadth, diversity and qualities of craft with a showcase of more than 150 craft objects from our Collections, made in the UK over the last 50 years. This exhibition was curated by 13 makers, putting their views on craft and making at its centre. Together, they represented a cross-section of craft interests, disciplines, career stages and models of practice. We asked them to select up to 15 objects in response to the brief "What does craft look like and mean to you?".



Right
Maker's Eye selector Esna Su with piece by Alison Britton. Photo: Jamie Stoker.

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After the murder of George Floyd in May 2020 and subsequent formation of the Crafts Council's Global Majority Advisory Group, curator Dr Christine Checinska was asked to provide additional curatorial input by adding the untold stories of makers of colour. Her selection of works by contemporary makers played tribute to the founding ethos of the Collection – to document innovative practices by emerging makers. Her additions helped animate conversations about the value of collections, what history is documented, what stories are told, who they are for, and who decides what is in them.

"Maker's Eye: Stories of Craft knits together the full gamut of production.

Like the lining of a fine suit, the space is comfortable, carefully tailored and slightly surprising."

– The Financial Times on the new Crafts Council Gallery

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We Gather, 17 November 2021– 12 March 2022, at the Crafts Council Gallery featured five female artists of Black and Asian heritage and came out of Craft Expertise, the AHRC-funded UKRI/RCUK Innovation Fellowship led by Dr Karen Patel of Birmingham City University, in collaboration with Crafts Council. The exhibition was curated by Rosie Ross & Griffi, whose playful, bold and curious approach animated the space with rich narratives from artists Shaheen Ahmed, Lorna Hamilton-Brown, Omeima Mudawi-Rowlings, Francisca Onumah and Onome Otite. The title We Gather referred to the gathering of ideas, skills and emotions embedded within these five craft practices. It was also a symbol of gratitude towards the communities who gathered their courage, bodies, and voices in support of justice for Black Lives.

Right
Work by Francisca Onumah (foreground) and Omeima Mudawi-Rowlings (background), part of the We Gather exhibition. Photo: Ben Deakin.



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We Gather saw a shift in our audience demographic with 31% visitors under 29 years old, 74% first-time visitors and 12.5% deaf or disabled. We had a 20% increase in Black visitors and 11% increase in visitors of Asian heritage. 59% visitors reported increased understanding of issues regarding equality and diversity in craft and 77% strongly agreed it introduced them to new perspectives and voices in craft.

An extensive programme of talks, tours and workshops accompanied the exhibition run, with both the curators and the artists playing a key role in the design and production of these events. In addition, our Young Craft Citizens staged a takeover event at the gallery and three workshops were offered to local families with a particular focus on working with children and families.

“This exhibition has offered us a unique opportunity to curate in honour of women who share similar experiences and frames of reference to our own, but also within a mainstream cultural organisation that we haven’t traditionally seen ourselves reflected in.”

– Curators of We Gather, Rosie Ross & Griffi

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The Show Windows: Reflections, 1 March – 1 April 2022, saw parents select works from the Crafts Council Collections to be displayed in shop windows in a Coventry city centre arcade. Quiet Down There, a Coventry-based charity worked with women from the Coffee Tots, a community café, to explore the theme 'amazing women' by looking at a range of works from the Crafts Council Collections and asking questions about what it means to be a woman in society today. This inspired conversations about womanhood, the female body, cultural identity, race, class, faith and how all these feed into how women are seen by others and most importantly how they see themselves. The project was co-produced by Historic England, Quiet Down There and Coventry BID for Coventry UK City of Culture, 2021.

> **"We have been loving seeing the various works in the windows – the rainbows across from us have particularly attracted a lot of attention."**
>
> – Coffee Tots participant



Right
The Show Windows with work by Simone Brewster and Claire Curneen. Photo: Hannah Ford.

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On Tenterhooks, 21 June – 1 October 2021, was a presentation of works by textile artist Anna Ray at two Brookfield Properties sites in the City of London. Ray was the recipient of the Brookfield Properties Crafts Council Collection Award 2021. Inspired by Ray's own Huguenot ancestors who settled in Spitalfields as textile makers in the 18th century, the exhibition explored the past and present of textile making. As well as including a solo exhibition, the Brookfield Properties Crafts Council Collection Award (given at Collect each year) meant two pieces by Ray – Capture and Weave – were acquired into the Crafts Council Collections.

> **"In a difficult year, it was fuel for the fire. It's been an incredible boost – the end of one chapter and the beginning of another."**
>
> – Anna Ray



Right
Weave by Anna Ray, Crafts Council Collections, 2021.6. Photo courtesy of House on Mars Gallery.

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Over 200 works from the Crafts Council Collections were loaned over the year including Magdalene Odundo DBE's Asymmetrical Reduced Black Piece which was loaned to Maximillian William Gallery. Their Embodying Anew show attracted 600 visitors during its run and was received with critical acclaim.

New pieces were acquired for the primary collection from Danny Flynn and Eri Funazaki*, Sarah Flynn*, Max Frommeld*, Rozanne Hawksley*, Kate Haywood*, Mark Laban*, Liaqat Rasul, Anna Ray, Freddie Robins*, Will Shannon*, Castro Smith* and Julian Stair*.

*All acquired with the support of Art Fund



Right
Golden Heart ring by Castro Smith,Crafts Council Collections, 2019.11. Acquired with support from the Art Fund. Photo: Stokes Photo Ltd.

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1.2 *Crafts* magazine

Crafts magazine published six issues over the year. With its leading position in the craft world, a strong editorial reputation, a loyal readership and extensive reach and influence, the magazine has made a conscious effort to become more global in its scope and to reflect the demographic and cultural shifts in the UK and the wider world. A 2021 reader survey showed that 90% of respondents rated the magazine as good or very good and 73% said they were likely, or very likely to recommend it to a friend. Contributors over the six issues included Maria Amidu, Jay Blades, Namita Gupta Wiggers, Omeima Mudawi-Rowlings, Magdalene Odundo DBE, Dr Karen Patel, and Seetal Solanki.

A survey in 2021 revealed that 67% of readers were interested in watching talks online. The magazine hosted seven talks (in-person, online and hybrid) over the year. These were attended by over 700 people and ranged from Under the skin: How artists are opening the secrets of minds and bodies, to Healing Hands: Could makers help regenerate the earth?

1.3 Digital Content

We continued to publish inspiring digital content on our website, run several highly engaged social media accounts (primarily across Instagram, Twitter, Facebook, LinkedIn and YouTube) and manage and grow several e-newsletter subscriber lists.

Total users	478,673
Total sessions	662,827
Total social followers	493,765
Total e-comms subscribers	38,339

We conducted a benchmarking exercise in August 2021 to find out more about our digital audiences so we can attract younger and more diverse audiences in the future.

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1.4 Make! Craft! Live!

October 2021 saw the start of a national, year-long programme of 50 collaborative events showcasing makers with protected characteristics, championing equality and social justice, highlighting cutting-edge practice, prioritising collaborative and collective ways of working, exploring the positive impact of craft on wellbeing and demonstrating its role in protecting and restoring the environment.

To date events have included: a LGBTQIA+-friendly event at Blackpool Central Library hosted by Auntie Social CIC, Creative Share at Manchester Craft & Design Centre, a showcase of ceramic works made during an artist residency programme at Pure Art Studio, a registered charity that supports people with a learning disability or autism, Flock Together, an embroidery workshop to collectively work on The Red Dress which has travelled to 136 countries, and been embroidered by 259 women and five men – including refugees from Palestine, victims of war in Kosovo, Rwanda and DR Congo, as well as women in South Africa, Mexico, Egypt, the USA, Russia, the UK and elsewhere, and Body Vessel Clay at Two Temple Place in London, celebrating clay, one of the world's oldest artforms by looking at work by seminal potter Ladi Kwali in 1950s Nigeria and experimental new work by women of colour working today.

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1,454 Maker's Eye visitors

We Gather visitors **1,376**

40,125 The Show Windows Footfall

Crafts magazine subscribers **3,122**

703 *Crafts* magazine talk attendees

Website users **478,673**

493,765 Social followers

E-newsletter subscribers **38,339**



Pik'd at Collect 2022.
Photo: Iona Wolff.

02. Growing the Market for Craft

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A pivot to digital delivery of talks, seminars and advice sessions during the pandemic has seen a significant number of makers benefit from our services, alongside more bespoke and tailored programmes. The desire from makers to learn, evolve and progress their business and their practice has been a testament to their resilience.

2.1 Spring-back Talks

The Covid pandemic dramatically changed the landscape for small businesses. The Spring-back talk series was online, free, held at lunchtime and covered essential marketing advice for makers to help them 'spring back' from a difficult year and grasp the new opportunities available to them. Each talk covered a different topic, from making the most of Instagram, to effectively engaging with the media and honing writing skills. The talks were delivered by the Crafts Council's business skills team and invited industry experts. There was opportunity for interacting with the experts and questions were gathered and answered in the form of a follow-up written resource. All talks were also recorded and published as a playlist on YouTube. Over 5,675 people attended or subsequently watched the recorded talks.

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2.2 Crafting Europe Programmes

We led a work package around business skills development for emerging craft businesses, in partnership with Crafting Europe. Crafting Business saw 26 businesses complete eight modules from May to September 2021. We produced an adaptable programme with supporting resources and provided a thorough induction for partners, a series of professional seminars broadcast digitally and a Trade Voucher scheme for craft businesses.

In partnership with STEAMhouse Birmingham we recruited 20 participants to take part in iAtelier, a Creative Europe funded programme that aims to bring digital and craft makers together to share skills and knowledge and collaborate to develop new products and projects. Five collaborative projects were selected involving ten of the participants.

FUSION (Fashion Up-Skilling Innovation Open Network) is an international partnership project, funded by Creative Europe. It provided designers/makers training in digital fabrication skills and co-designing methodologies towards the development of bespoke products, across fashion, textiles and wearables for active ageing citizens. Two designer/makers from the UK were selected.

Below, left to right

Crafting business 2021 reflection event at the Crafts Council.

iAtelier event.

FUSION participants, Turin 2022.







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2.3 Support and Opportunities for Makers

- 76 individual business advice and/or continued professional development sessions were delivered by the business skills team.
- Crafts Council activity generated six new maker commissions: from Shaheen Ahmed, Lorna Hamilton-Brown, Omeima Mudawi-Rowlings, Francisca Onumah and Onome Otite (all featured in Crafts Council's We Gather exhibition), and Sam Brown who created a new family learning station for the Crafts Council Gallery, developed in collaboration with local families.
- In April 2021 with funding from the Department for International Trade (DIT) we launched a Brexit resource, aiming to help the sector navigate the complexities of EU–UK trade.
- Our Directory membership grew to 844 by the end of the year.
- We brokered partnerships exclusively for Directory members including with the National Trust's Red House who commissioned Angus Ross to create new furniture for their garden.



Right
Crafts Council Directory maker Abigail Brown.

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2.4 Collect 2022

After a digital-only version in 2021, 2022 saw us back at Somerset House for the 18th edition of Collect: the leading international fair for contemporary craft and design. Collect showcases the very best specialist galleries from across the globe and raises the profile of exceptional, new contemporary craft. Over 80% of works were made in the past five years by living artists and much work was made specifically for the fair. At Collect 2022 40 galleries represented over 440 artists from 33 different nations with 13 artists and collectives featured in Collect Open. For 2022, creating the blend of a live and online event was key to broadening the reach of the fair. Somerset House welcomed 9,100 visitors with a further 7,060 joining the fair via Artsy.net and our live streamed talks programme, resulting in a total hybrid audience of 16,160. Our audience survey revealed that 90% of visitors gave Collect 2022 a positive rating and 85% said they were likely to visit again.

> **“For the uninitiated, it’s not your typical craft fair. It’s THE fair for beautiful things made by some of the most exciting artists around, from the emerging to the iconic.”**
> – Evening Standard

> **“Amazing to be able to view such an incredible variety of works in one visit.”**
> – Collect 2022 visitor

> **“We love the setting of Somerset House, people coming into our space are open and receptive to seeing something new.”**
> – Intoart, Collect 2022 exhibitor

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2.5 Craft UK

Craft UK is a network for organisations from across the craft sector, facilitated by the Crafts Council and free to join. The network is a UK-wide community that promotes opportunities, encourages partnerships, and provides regular insight on the craft sector and market to its members. Membership grew 10% over the year and welcomed new members Makers Guild Wales, The National Festival of Making, National Glass Centre, The Hub Sleaford, the Royal School of Needlework and the Society of Designer Craftsmen. Eight events over the year included three general meetings and two meetings of the newly-formed education specialist group. Work progressed on the Toolkit for Change – a new set of resources and guidance organisations to make a step-change towards intersectional equity within the craft sector.

2.6 Research and Insight

Making Changes in Craft is part of the Craft Expertise project, an Arts and Humanities Research Council (AHRC) funded UKRI/RCUK (UK Research and Innovation) Innovation Fellowship led by Dr Karen Patel of Birmingham City University, in collaboration with Crafts Council. The research in this report is the first to highlight the lived experiences of women makers of colour in contemporary craft. Women makers from ethnically diverse backgrounds were the primary research participants here because of the stark gender, ethnic and socioeconomic inequalities in the UK craft sector, as highlighted in industry data. Making Changes in Craft reveals challenges to women of colour that include racism and microaggressions in craft spaces and on social media, and the issues with gaining recognition as expert makers.

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The Market for Craft data tool is an open-access dashboard providing data from 5,300 respondents on their habits and behaviours regarding buying craft. The Market for Craft report (Crafts Council and partners, 2020) was the most extensive research into the market in over a decade, and in 2021 all the data gathered from those surveyed was made available for free via an online database. Users can gain detailed insight into customer's demographics, behaviours, motivations, and barriers to help inform their business strategies.

The Covid pandemic saw millions of people turn to making things with their hands as a source of comfort. Live experiences and connecting with others have become even more significant. The Power of Experiences resources included a guide, a film of six case studies and a practical checklist. It was developed for makers and craft businesses who want to add an additional income stream to their business by offering by craft experiences.



Right
Turning Earth Haringay, one of the case studies in *The Power of Experiences.*

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Other research and insight activity

- Eleven policy briefs were produced within the year.
- Three consultations including submitting to the Department for Digital, Culture, Media & Sport (DCMS) call for evidence on cultural placemaking and the levelling-up agenda in February 2022.
- Continued work with Higher Education to support innovation and new skills. Partnerships including Kingston University with Nicola Dillon on cultural diversity in UK craft, with University College London (UCL) MARCH Mental Health Network, with University of Northumbria in crafting a healthier internet of things, and with University of the Arts (UAL) and Veronika Kapsali on a framework for biometric textile design.

5,675	Spring-back talk attendees
26	Crafting Business makers
20	iAtelier makers
8	FUSION makers
76	1-2-1 sessions delivered
6	Maker commissions
853	Directory members
9,000	Collect 2022 visitors
103	Craft UK members
8	Craft UK events
101	Making Changes in Craft report launch attendees
50	Market for Craft data tool launch attendees
62	The Power of Experiences launch event attendees
15,510	Maker newsletter subscribers
5,100	Craft Opportunities Facebook subscribers
7,785	Policy Brief subscribers



Family learning station created by Sam Brown and co-designed with local children for the Crafts Council Gallery. Funded by The Richard Seager Arts, Craft and Design Award.

03. Increasing Levels of Craft Education

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There is clear evidence that craft was a source of comfort and a way to connect during the Covid pandemic. Ensuring everyone has access to craft and the opportunity to make with their hands is one of our priorities. This year we focused this activity on children and young people aged 16–30 years old.

3.1 Craft School: Yinka's Challenge

In July 2021 the Crafts Council launched the pilot year of Craft School: Yinka's Challenge in collaboration with artist, designer, craft maker and Trustee Yinka Ilori. Craft School is an exciting step-change in our learning work, providing a platform through which schools nationwide can access our support in delivering high-quality, open-ended making activity in the classroom. The programme launched with a creative brief set by Ilori and saw 736 learners taking part. Supported by a programme of online continued professional development (CPD) and a set of resources, teachers work alongside learners to develop their own creative response to the brief, exploring a range of materials and craft disciplines.

"I used the teacher's toolkit and student workbooks which were extremely helpful for our Key Stage 2 Art Club children. I used online videos and discussions to ignite the challenge. Everybody was very excited and keen to participate."

– Alison Gallagher, Brooklands Farm Primary School

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3.2 Other Craft Education Activity

- We hosted a maker-facilitator breakfast in March 2022 which 20 educators attended. We heard about the challenges and opportunities facing those who work directly with communities around the country. All these conversations will inform future activity, including exploration of developing a new national network of local craft ambassadors.
- A growing community of practice of over 1,100 educators from the UK and beyond via our dedicated Facebook Group. Plus, a smaller focus group of 15 teachers who meet to inform and shape our education offer.
- Two roundtables were convened focusing on Further Education and Higher Education, drawing representatives from across the country.
- Our Education Manager joined National Society for Education in Art and Design (NSEAD)'s anti-racism educational group to assist in the production of school assets and checklists which support teachers of art, design and craft to move towards a more diverse and representative curriculum.
- We were engaged in the development of the Heritage Craft Apprenticeship.
- We were part of a steering group shaping proposal for Craft Academy – a new approach to craft apprenticeships in partnership with CC Skills, Heritage Crafts Association, Building Crafts College and National Trust.
- Our Young People's Producer and Learning and Skills Co-ordinator both trained as Gold Arts Award Advisors.

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3.3 Young People

The Crafts Council's young people's programme – Young Craft Citizens (YCC) – works collaboratively with young people aged 16–30 years old to deliver a monthly meeting, one youth-led event per year and three paid 12-week work placements. In addition to these activities, we connect young people in our network – sharing information with them about work opportunities, residencies, and relevant training. We have an active mailing list of 277 YCC members, who are registered with us and regularly attend events. 160 young people have engaged with events this year. The programme prioritises young people who face barriers to entry into the creative industries because of racism, classism and other forms of discrimination.

In addition to the YCC programme, Reframe, Rethink, Reclaim was a programme of activity for young people that ran in 2021. Supported by funding from Islington Giving, the programme of creative workshops with professional designer-makers, and youth-led activity supported young people from Islington to develop their confidence and creativity. It also addressed social issues using crafting as a vehicle to address their chosen subject matters.

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3.4 Crafts Council Participation Activity

Our commitment to participation builds on previous community projects delivered over the last decade including Craft Club, Hey Clay! and Make:Shift:Do. These initiatives produced deep understanding of the needs of local craft facilitators and their role of encouraging everyday making and providing activities tackling issues such mental health, well-being, and loneliness for local communities. Our approach is based on the principles of collaboration and co-creation – sharing our learning through case studies, toolkits and seminars. From the gallery opening in July 2021, we started a participation programme that quickly grew a loyal family audience with 223 attendees to events over the year.

Activity included

- Hey Craft! 14 – 16 May 2021. We led a nationwide weekend of craft participation events as part of Get Creative Festival. Over the weekend 34 partners delivered 63 online events to an audience of 1,827, 96% of whom had not previously attended a workshop led by that partner.
- The online Summer Craft Challenge – six activities designed by Emily Otchie, Ayo Ogundayo, Sam Hutchinson, Community Kite Project, Tanvi Kant and Theo Tan as part of the Get Creative campaign.
- A series of family workshops at the Crafts Council Gallery to mark the launch of Make! Craft! Live! in October 2021, led by artist Ray G Brown, illustrator Niallycat, 3D-designer Sam Brown and La Basketry and Black Girl Knit Club.

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- A series of making workshops at the Crafts Council Gallery to respond to the themes and artists in We Gather in March 2022. This included a zine making workshop with Sadsthil, collaging with upcycled textiles with Onome Otite, sculpture-building with Favour Jonathan and jewellery-making with Eve Lam.
- The commissioning of a playful and interactive learning station. Designed by 3D-designer Sam Brown from Studio Nice One who co-created the Craftmobile with local families in early 2022. Young people with their parents and carers helped to develop the design, choose the colours, and select a name. The Craftmobile is funded by The Richard Seager Arts, Craft and Design Award.

“My son and I attended the knitting and weaving workshop at the Crafts Council during half-term. He has complex additional needs and wasn’t interested in this topic at all. However, he really engaged in the whole session with the friendly, soft coaching from the staff, he felt motivated to offer his feedback and even told them he wants to attend all the kids’ workshop in the near future.”

– Attendee of October Workshop

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223 Participation workshop attendees

Craft educator CPD event attendees **157**

16 Online teacher meet ups

Craft School: Yinka's Challenge learners **736**

1,189 Craft educators Facebook followers

12,672 views of posts

FE and HE roundtables **2**

160 Young Craft Citizens event attendees



Make! Craft! Live! workshop participant lino printing with illustrator NiallyCat.

04. Diversity and Inclusion

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Diversity of all kinds enriches creative practice, and we recognise the moral, economic and social reasons to make diversity, inclusion, and equality central to our work. Our ambition is to achieve greater equality across our work with a focus on race, disability, and socio-economic background through testing new ways of working, building partnerships with new groups and individuals, and improved recruitment and training of our staff. Consultant, Lily Eindhorn, undertook internal and external conversations to inform our strategy for social justice. Identifying three themes: Visibility and Representation, Local Regional Structures, and Collaboration and Co-creation. These are now being embedded across all our activity and programmes.

4.1 Global Majority Advisory Group

This group supports the Crafts Council on its diversity and social justice aims and inform our wider programming. They met eight times this year and appointed Rose Sinclair as Chair of the group and contributed to the appointment of a relationship manager, a part-time post employed by the Crafts Council. Members of the Global Majority Advisory Group contributed to a bid to the Centre for Cultural Value's Collaborate fund: advised on education posts and resources: consulted on the development of the Crafts Council's Toolkit for Change: advised on Black History Month activity for the Crafts Council: and started to develop a terms of reference for the group.

4.2 Making Changes in Craft Report

See 2.6 Research and Insight, p.24

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4.3 Toolkit for Change

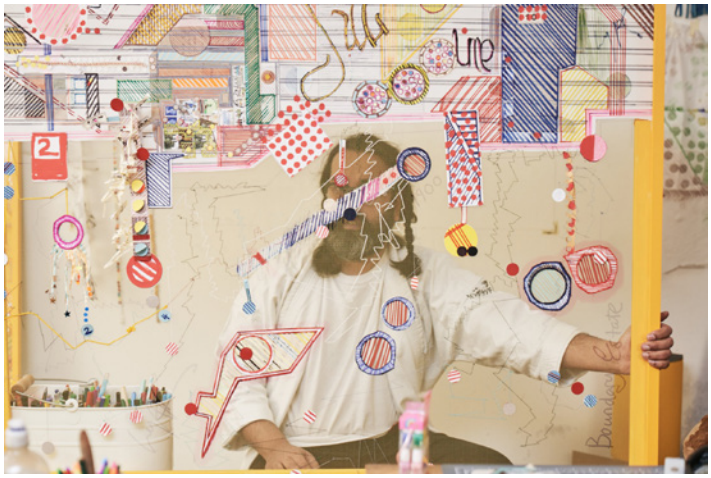
A small working group has been developing a set of resources to support craft organisations to become more inclusive. These resources will be rolled out to the Craft UK network in 2023.

4.4 New Voices

- Liaqat Rasul was selected as the TOAST maker-in-residence in October 2021.
- We Gather at the Crafts Council Gallery was the first time the Crafts Council had presented an exhibition exclusively featuring Black and Asian female artists.
- We Gather artist Lorna Hamilton-Brown delivered a talk – Knit'n'Tings – in January 2022.

Below Left
Liaqat Rasul.

Below Right
We Gather artists left to right: Onome Otite, Francisca Onumah, Lorna-Hamilton Brown, Shaheen Ahmed, Omeima Mudawi-Rowlings, Rosie Ross, Dr Karen Patel, Griffi. Photo: Jess Pierre-Ross.





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- The Instagram takeovers continued to showcase makers from under-represented and mis-represented communities and this year included the following makers:
  - Darren Appiagyei in September 2021
    Total impressions: 67,521
  - Jo Sealy of The Black Artisans in October 2021
    Total impressions: 51,937
  - Meron Wolde in November 2021
    Total impressions: 41,258
  - Bisila Noha in January 2022
    Total impressions: 72,349
- The Brookfield Properties Craft Award 2022 (awarded at Collect) was given to Christian Ovonlen, an artist represented by Intoart whose vision is that people with learning disabilities be visible, equal and established artists.

“Being surrounded by women who look like me and participating in a session of craft together, really lifted my spirits and by the end of the session my mood had lifted. It really was a wonderful and meaningful experience.”

– Participant of Knit and Weave workshop with Black Girl Knit Club and La Basketry, October 2021

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Above
Bisila Noha post from her Instagram takeover.
Photo courtesy of @aucoot.

Right
The Brookfield Properties Craft Award 2022 winner Christian Ovonlen receiving his award at Collect 2022.
Photo: Iona Wolff.

4.5 The Team

The Board of Trustees reflects our community and priority audiences with representation of everyday making, participation and social justice. 25% of our board identify as Global Majority, 14% have lived experience of disability and 33% identify as neurodivergent. Staff representation has increased to 25% global majority.



Handcarved scoops by Directory maker Slow Made Goods made from locally sourced timber.

05. Environmental Responsibility

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We are committed to monitoring and reducing our own environmental impact: helping makers and craft businesses reduce their environmental impact and supporting those who want to do more, championing and celebrating the good practice that already exists, and promoting the role craft practices can have on society's ability to become more sustainable.

In 2021–22, the Crafts Council office footprint decreased by 4 tonnes, however, there has been an overall increase from 17 to 57 tonnes CO2e due to the opening of the Crafts Council Gallery. Each year we review and update our Environmental Policy and Action Plan as we seek to reduce our carbon footprint further.

In this year we set out an environmental plan for 2022/2023 with aim to:

- Maintain and sustain our own reduced environmental impact at 57 tonnes CO2e.
- Create a baseline and targets for the carbon footprint of key assets and activity.
- Embed understanding of carbon literacy and embed environmental responsibility across staff and Trustees through training and monitoring.
- Create resources for craft businesses and act as a convenor to support the many small and micro-businesses only able to make a small impact through a collective effort.
- Increase activity that champions the role of craft in environmental responsibility.

06. Crafts Council Resilience

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We began the year in the grip of the pandemic, with restrictions in place on indoor and outdoor gatherings. Some furlough arrangements continued for the first few months, but by May 2021 we were fully back to work, although mainly working from home.

As restrictions lifted in July 2021, we were able to finally open our gallery and offices, with appropriate measures in place, and restart our full programme.

The effects of the pandemic continued to affect our finances, particularly advertising income for *Crafts* magazine. The Collect fair was planned and scheduled to run in February 2022 at Somerset House. However, just as we were due to confirm significant payments to Somerset House the Omicron variant surged, putting the fair in jeopardy. UK restrictions were fully lifted just before it opened, however continued overseas restrictions meant several international galleries were unable to travel. This had an impact on fair income.

An ongoing impact from Covid is that the office space we would usually sublet has remained vacant for two and a half years. Demand for office space remains depressed and continues to represent a significant loss of income for us.

Once again, our financial stability was underpinned by the generosity of our funders and supporters especially those providing recovery funding. We carried forward designated funds from the prior year to support our programme, some of which were then carried into 2021/22. We ended the year in a strong position on both reserves and cash.



Loop Loop by Elizabeth Ashdown, Experimental Weave Lab, Make! Craft! Live! event

07. Future Impact

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Our future priorities reflect our commitment to a more representative craft community, and one that welcomes new audiences with open arms. Creating opportunities to showcase makers 'in real life' has also played a role in our planning for the year ahead, and has accelerated our thinking on how we can support makers to shape their action on environmental responsibility.

Engaging new audiences next year

- Gaining Ground, Craft School, Cotton: labour, land and body, and Faith Shannon with Designer Bookbinders will be the exhibitions in the Crafts Council Gallery in 2022/2023.
- Christian Ovonlen solo showcases at two Brookfield Properties in the City of London.
- Develop a new Collection strategy that makes most effective use of this asset and ensures it is a vital and diverse representation of contemporary craft.
- Continue to work with partner venues on Make! Craft! Live! events across the UK.

Growing the market for craft

- Showcase of directory members at Liberty London.
- Collect 2023 at Somerset House.
- New business skill resources, business booster sessions and expansion of the Directory.

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Increasing levels of craft education at all levels

- Craft School exhibition.
- Expand work of Young Craft Citizens (YCC) to evolve it into a UK-wide network.
- Recruit for a YCC advisory board.
- Let's Craft appeal 2023.
- Launch of Craftmobile (family learning station) and monthly Craft Club in the gallery.
- Launch the Make First craft education pedagogy.

Diversity and inclusion

- Further widening of access to the Directory.
- Publication of the Toolkit for Change.
- Celebration of Pride month in June 2022 and Black History Month in October 2022.
- Disrupting the craft canon – the cultural value of craft with Glasgow Caledonian University London, supported by the Centre for Cultural Value's Collaborate fund.



Workshop participants creating cardboard ceramics with Ray G Brown.

08. Thank You

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Our gratitude extends to the many individuals who support us through donations at all levels and to those who wish to remain anonymous.

Thank you to all our partners, funders and sponsors without who our work would not be possible.

Access All Arts
ACEArts, Somerton
Almaborealis
APDIG
Art Fund
Aspex Gallery, Portsmouth
The Balvenie
Birmingham City University
Blackpool Central Library
Bluecoat Display Centre and Walker Art Gallery, Liverpool
The Box, Plymouth
The Britford Bridge Trust
British Ceramics Biennial, Stoke-on-Trent
Brigid Rentoul
Brookfield Properties
Bureau Centre for the Arts, Blackburn
Centre for Fine Print Research (CFPR)
Comino Foundation
Coventry BID for Coventry UK City of Culture 2021
Cox London
Crafts Study Centre, Farnham
Crafting Europe
Creative Europe
Department for International Trade
Design-Nation
Devon Guild of Crafts
FarGo Village, Coventry
Ferrous Festival, Hereford
Get Creative
Historic England
Islington Council
Islington Giving
Jerwood Space, London
Kingston University
Limerick Institute of Technology
LOEWE FOUNDATION
LOEWE
Made & Design Exchange
Magpie Project
Manchester Craft and Design Centre
Max Rollitt
mima, Middlesborough
National Trust
Northumbria University
NSEAD (National Society for Education in Art and Design)
Plymouth College of Art
Quiet Down There
Richard Seager Foundation
Reading Agency
Royal College of Art (RCA)
STEAMhouse Birmingham
Tatty Devine
Techne
TM Lighting
TOAST
Two Temple Place, London
UAL (University of the Arts London)
UCL (University College London)
World Crafts Council
Yinka Ilori

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9.1 Legal and Administrative Information

Charity Registration Number: 280956
Principal Office: 44a Pentonville Road, London, N1 9BY

Members of the Council ('Trustees')

Name	Role and Committees	Changes
Andrew Marshall	Co-Chair of Trustees (appointed October 2022) Finance and Business Committee Remuneration Committee Audit Committee	
Helen Hyde	Co-Chair of Trustees (appointed October 2022) Chair of Audit Committee	
Yinka Ilori		
Majeda Clarke		
Ed Mathews-Gentle		
Lady Kitt		
Professor Geoffrey Crossick		Rejoined Oct 2022
Andrew Morlet	Chair of Trustees Finance & Business Committee Remuneration Committee Nominations Committee	Appointed July 2021 Resigned Oct 2022
Professor Bruce Brown	Chair of Finance & Business Committee Remuneration Committee	Resigned Jul 2022
Matt Durran	Audit Committee	Resigned Jul 2022
Michael Eden	Audit Committee	Resigned Jul 2021
Reyahn King	Nominations Committee	Resigned Jul 2021
Dr Zoe Laughlin	Finance & Business Committee Remuneration Committee Nominations Committee Diversity Champion	Resigned Jul 2022
Clare Twomey	Acquisition Panel	Resigned Jul 2022
Philip Matthews	Finance & Business Committee	Resigned Oct 2022

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Senior Management Team

Name	Role and Committees	Changes
Natalie Melton	Acting Executive Director Creative Director	From Jul 2022
Rosy Greenlees OBE	Executive Director	Retired Jul 2022
Nicky Dewar	Learning & Skills Director	
Adele Hill-King	Finance & Commercial Director	Appointed Jan 2022
Henry Wrigley	Finance & Commercial Director	Resigned Dec 2021
Andy McGlynn	Insight and Development Director	Resigned Feb 2022

Auditor

Haysmacintyre LLP
10 Queen St Place
London
EC4R 1BE

Bank

RBS
Liverpool Grp of Branches
(C) Branch
Hardman Boulevard
Manchester M3 3AQ

Solicitor

Bates Wells
10 Queen St Place
London EC4R 1BE

The members of the Crafts Council (being the Board of Trustees of the Crafts Council) are pleased to present their Report together with the Financial Statements for the year ended 31 March 2022. The Financial Statements comply with the Charities Act 2011, the Royal Charter of the Crafts Council, and the Statement of Recommended Practice 'Accounting and Reporting by Charities' which is applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

Andy Marshall
Co-Chair



Date: 8/12/2022

Helen Hyde
Co-Chair



Date: 8/12/2022

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9.2 Structure, Governance and Management

Constitution, composition of the Council and Trustee induction.

Crafts Council is incorporated by Royal Charter. It is registered as a Charity, number 280956, in England and Wales.

The Council consists of a Chair and not more than 14 Trustees. The Chair is appointed for a period of four years and may be reappointed for one further term. New Trustees are appointed by the Council and serve for four years. After this term they may put themselves forward for a further four years. No Trustee may serve for more than two consecutive terms of office.

The Council, comprising of all Trustees, is also described as the Board of Trustees. It meets at least quarterly to:

- Agree the strategy of the Crafts Council.
- Review performance.
- Advise upon areas of programme activity.
- Consider risk management and reserves policy.

The Crafts Council has four Committees:

- Audit Committee. Monitors the annual statutory audit and risk management. Finance and Business Committee. Reviews financial performance, business activities and risk.
- Remuneration Committee. Scrutinises staff compensation, pay and rewards.
- Nominations Committee. Supervises the skills and composition of the Board. Proposes new Trustee appointments.
- Finance and business committee – business activities and risk

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The induction process for a new Trustee includes meetings with the Chair, Executive Director and Senior Management Team. All new trustees are given an induction pack containing all key governance information.

Organisation and management

The day-to-day activities of the Crafts Council are delegated to the Executive Director who leads a Senior Management Team.

Pay policy for senior staff

All Trustees give of their time freely. No Trustee received any payment for work during the year. Senior Management Team pay is reviewed annually by Trustees on our Remuneration Committee. There is no salary scale for the Senior Management Team. Each member of the Senior Management Team is formally appraised twice yearly by the Executive Director. The Chair reviews the performance of the Executive Director.

A report on Directors' performance is submitted to the Remuneration Committee. Pay increases are determined by:

- Inflation
- Comparable pay scales for similar roles
- Individual performance
- Any significant changes of role.

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Principal risks and uncertainties

The Crafts Council maintains a Risk Register which is reviewed by Trustees quarterly. Additionally, the Finance and Business, and Audit Committees update the Risk Register every meeting. During the year we have maintained our financial position and progressed the last year of our four-year funding plan with Arts Council England (ACE). Due to the pandemic, ACE designated 22/23 an extension year and we agreed a business plan which secured our funding for 22/23.

In early 2020/21, our focus shifted to dealing with the ramifications of the Covid crisis internally and across the craft sector. The effects of Covid were still apparent in 2021/22, and this was a year of recovery.

During 2021/22 our main risks centred upon delivering this business plan and preparing the plans for our next funding bid, ensuring major projects and regular programmes were delivered on time and within budget; and creating the desired impact.

During 2022/2023 we applied for the next three year-round of NPO funding (for April 2023 to March 2026) and have been offered continued funding, although at a reduced level as ACE moves funds out of London. Our funding was £2.5m per annum, it will be £2.2m per annum from April 2023.

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Risks include:

- Income risks; particularly on commercial and fundraised income following Covid.
- Continued development of the Gallery programme, the Craft UK network, and new *Crafts* magazine membership offer.
- Implementing initiatives, such as our diversity and inclusion, environmental, and digital action plans. Embedding these across all our projects and programmes.
- Compliance with changing laws, particularly around data and fundraising.

Our key strategies to mitigate these include:

- Strong governance, process and Trustee oversight.
- Training and recruitment to ensure we have the required professional skills in our teams.
- Strong financial controls and process. Regular review and forecasting of potential outcomes.
- Specialist cross-organisational staff working groups for key areas, such as diversity or data.
- Continued progress on diversifying sources of income and increasing free reserves.
- Planning, project management, forecasting and other actions that allow operational flexibility.

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Fundraising Statement

All Crafts Council fundraising activities are compliant with the recognised standards of fundraising (set out in the Code of Fundraising Practice). As well as those required under charity law and wider law. The charity is a member of the Fundraising Regulator and is committed to conducting open, honest and respectful fundraising practices. We thank everyone who has supported our work.

We received no fundraising complaints in the period. Our fundraising from individuals is primarily focused around two areas of activity, our patron's scheme and smaller individual donations for our Let's Craft appeal. Regarding our patron's scheme, we only solicit donations following a careful process of stewardship, in which we establish the potential patron is happy to continue to be part of the patron's scheme. Let's Craft, an initiative to provide craft materials to children who do not have access to them, is a more traditional public appeal with a starting donation of £10. We utilise our social medial channels, platforms and newsletters and we do not engage in any sort of face-to-face street-based fundraising or phone calling campaigns. Crafts Council follows a safeguarding policy to protect and identify any vulnerable individuals.

Reserves Policy

The Crafts Council operates a dynamic Reserves Policy. Our three key tests, in order of importance, are:

- Cashflow Visibility: ensuring future cash headroom and operational flexibility.
- Requirements for Reserves: based on analysis of potential risks and contingencies.
- Three Months Operating Expenses: building higher reserves for reinvestment in impact.

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Our aim during the initial years of our four-year business plan had been to reinvest surplus in building an organisation able to create greater impact long term. In the later years of the business plan, we have grown our reserves to mitigate lower longer term revenue visibility.

Note 17 to the Financial Statements provides more detail on specific reserves.

9.3 Financial Review 2021/22

Performance

As we began the year with Covid restrictions still in place this was a year of recovery. We had carried over designated reserves to fund programme spend delayed from 20/21, in the event we still weren't able to deliver some of what we planned, and this delivery is expected in 22/23.

We were able to raise funding to support our Business Skills and Exhibitions programme, and we increased our income from sponsorship.

- Over the past two years, we secured Arts Council England (ACE) Culture Recovery Funds amounting to £364k, of which £114k was paid out in 21/22.
- Raised income in the prior year was the highest ever, in response to the Covid crisis. This included £388k for Hardship grants, which did not repeat.
- Furlough income was £36k (£259k in 2021), covering the first few months of the financial year.
- *Crafts* magazine was back to a bi-monthly publication cycle, although advertising was down on pre-pandemic levels.

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- Collect returned to a physical fair. Due to continued restrictions, some of our international galleries were unable to attend. We were able to reduce costs to mitigate some of the income loss.
- Our Gallery fully opened in July with the Maker's Eye exhibition. The costs for this exhibition were mainly in the prior financial year, as the exhibition was installed and ready to go just as the first lockdown was announced in March 2020. Costs this year were for storage and reinstallation.

With continued careful management in an uncertain period, we ended the year with a smaller than expected deficit and high free reserves. These resources have been carried into the 2022/23 financial year to fund activity.

ACE NPO funding

This financial year was the last of the 2018 – 2022 ACE NPO funding programme, we received £2.5m annually in our NPO grant. Due to the pandemic, ACE designated 22/23 as an extension year, and we applied for and were successful in being granted NPO funding at the same level.

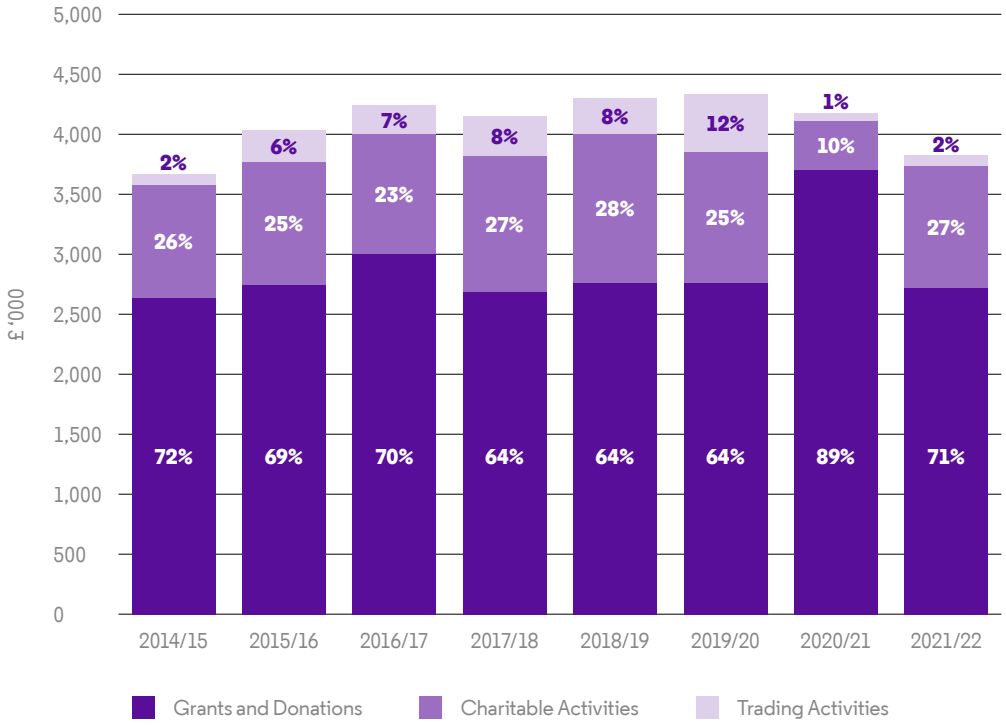
During 22/23 we applied for NPO funding for the next funding round which covers 3 years, 2023 – 2026. We applied for stand-still funding at £2.5m, although ACE had indicated they would be seeking to move funds out of London. In November 2022 we were offered funding for the full 3 years at a reduced level of £2.2m annually, a 13% reduction.

Revenue

The continued impact of the pandemic meant that income – principally from *Crafts* magazine, Collect and property sub-letting – was still challenging in 2021/22.

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Year on year Revenue 2014 – 2022



The upper floors of our Gallery, which measure 800 sq metres, had been sublet to a tenant who moved out in early 2019. The space has been marketed continually since then, but we have seen very little interest. We sublet this space on a long lease which runs to 2040. The space requires investment to bring it up to modern standards, and there is an excess of subprime space available across London.

The lease on the adjoining office block ends in June 2025 at which point we will move back into the main building. We are advised by our property agent that this building is more suitable for a short term, possibly fully furnished let, so from August 2022 we are offering it for sublet with a view to moving our offices back into part of the Gallery building.

This represents one of the key challenges we face going forward.

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Reserves

We continue to carefully manage our free reserves to balance maximising spend on activities and impact, against having surplus to manage risk. Our aim is to have sufficient free reserves to –

- Allow us operational flexibility.
- Give us the ability to invest in new projects and work.
- Manage risk and unexpected expenditure.

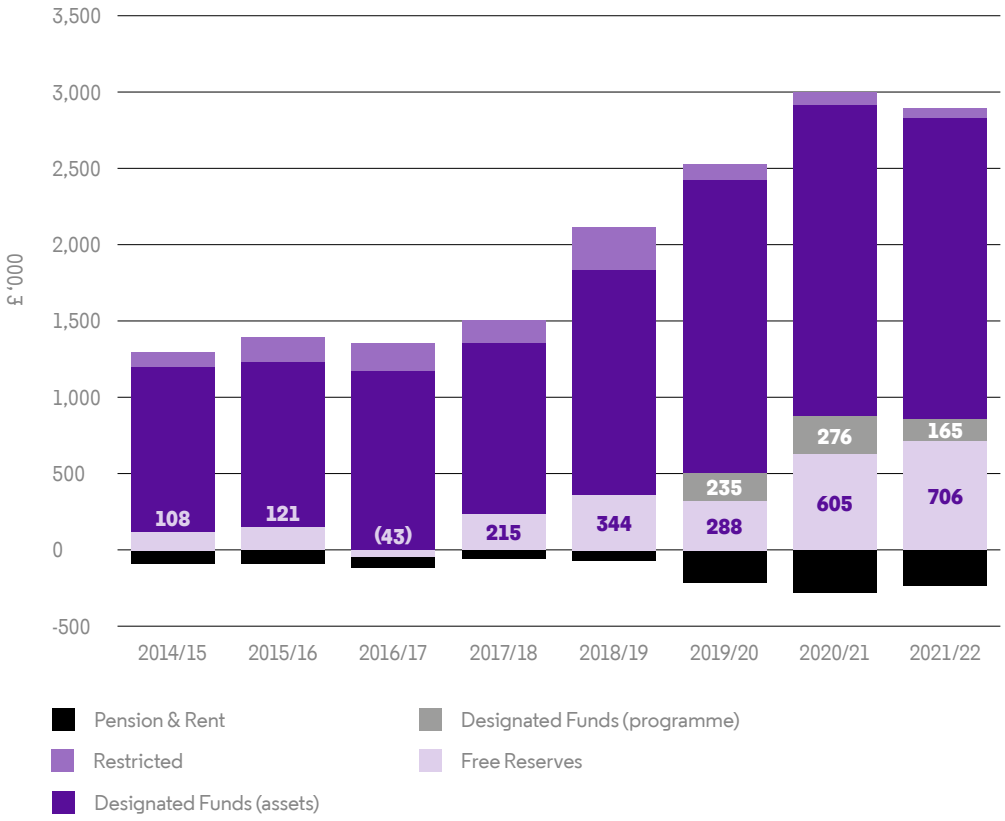
Crafts Council are fortunate to receive NPO funding from ACE on a monthly basis which covers our main operating costs, and we have been awarded this funding up to March 2026. However, we still need to manage short-term cash flow fluctuations, set aside funds to maintain our property and cover any unexpected expenditure. We consider a level of £400k of free reserves is sufficient to meet our requirements.

We have grown our free reserves annually from 2016/17 to 2020/21. We ended 2021/22 with almost the same level of reserves as the prior year.

This provides a strong foundation for us as we rebalance our organisation to the new NPO funding level. The reserves will also support the 2022/23 operating plan and activities carried over year end, and some long-term investment, particularly in looking at how our property is used.

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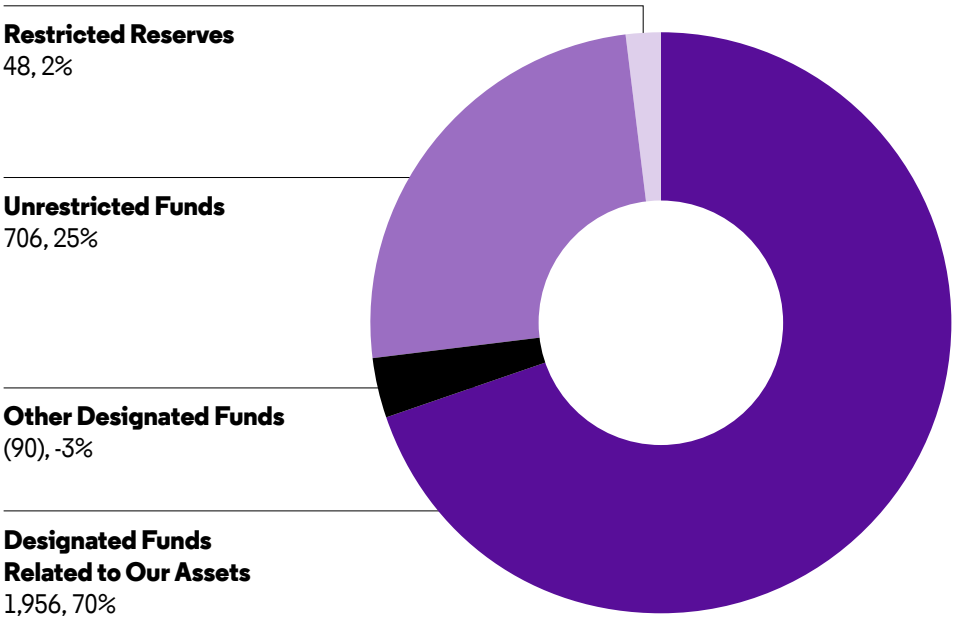
Year End Reserves 2014 – 2022



The core of our designated reserves reflects the value of our Collection. It is recorded in our accounts at the historical cost of the artefacts. However, it has a commercial, cultural and intangible value far beyond this. Our Collection presents a snapshot of the best making in UK since 1972. It forms the only collection in the UK that documents contemporary craft across all disciplines.

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Closing Reserves as of March 2022



21/22 Closing Reserves by Category	**£'000s**
Restriced Reserves	48
Designated Funds Related to Our Assets	1,956
Other Designated Funds	(90)
Unrestricted Funds	706
Total Reserves	2,622

Other designated funds are made up of programme funds carried forward to 22/23 due to Covid delays, £165k. These will be spent during 22/23. Offsetting this are designated reserves for the forward liability for pension deficit contributions, £57k which will be released over the next 7 years, and the rent-free period relief we negotiated as part of extending our lease agreement on our building, £207k which will reduce over the remaining life of the lease.



Time Rock Stack XVII by Dawn Bendick. Photo: Jake Curtis Styling: Laura Fulmine.

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10.1 Trustees' Responsibilities in relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any departures
- Disclose and explain in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised for issue by the Trustees and signed on their behalf by:

Andy Marshall
Co-Chair



Date: 8/12/2022

Helen Hyde
Co-Chair



Date: 8/12/2022



Crafts Council Gallery foyer space, May 2021. Courtesy of AOC. Photo: David Grandorge.

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10.2 Independent Auditors Report

Opinion

We have audited the financial statements of the Crafts Council for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as of 31 March 2022 and of the charity's net movement in funds for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

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Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Impact Report (which includes the Trustees' Annual Report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly

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stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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Responsibilities of Trustees for the Financial Statements

As explained more fully in the Trustees' responsibilities statement set out on p.61 and p.62, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework applicable to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual accounting journals.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular any unusual journal entries.
- Challenging assumptions made by management in their critical accounting estimates.

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



A selection of ceramic tableware by potter Florian Gadsby. Photo courtesy the artist.

10.3 Statement of Financial Activities
for the Year Ended 31 March 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Income					
Grants and donations	2	2,596	119	2,715	3,232
Income from charitable activities	3				
Artistic Programme: UK		600	17	617	245
Artistic Programme: Overseas		-	-	-	-
Learning & Talent Development		33	81	114	452
Innovation Programme		-	-	-	1
Leadership, Research & Policy		8	-	8	18
Audience Development		309	-	309	182
Gallery		3	-	3	9
Total Income from charitable activities		**953**	**98**	**1,051**	**907**
Other trading activities					
Rental income	4	-	-	-	-
Investment Income		-	-	-	-
Sponsor Events		6	-	6	
Other Income	4	55	-	55	37
Total Income		**3,610**	**217**	**3,827**	**4,176**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Expenditure					
Raising funds					
Fundraising activities	5	333	-	333	303
Other trading activity: property surplus to requirements		219	-	219	214
Charitable activities					
Artistic Programme: UK		1,204	14	1,218	884
Artistic Programme: Overseas		6	-	6	6
Learning & Talent Development		512	73	585	939
Innovation Programme		36	9	45	84
Leadership, Research & Influencing Policy		187	47	234	182
Audience Development		935	-	935	844
Gallery		343	-	343	306
Total expenditure		**3,775**	**143**	**3,919**	**3,762**
Net Income		**(167)**	**75**	**(92)**	**414**
Transfers between funds		85	(85)	-	-
Net movement in funds		**(82)**	**(10)**	**(92)**	**414**
Total funds brought forward		2,654	59	2,713	2,299
Total funds at 31 March		**2,573**	**49**	**2,622**	**2,713**

The notes on pages p.75 – p.100 form an integral part of these financial statements.

10.4 Balance Sheet
for the Year Ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Fixed Assets			
Intangible assets	11	76	105
Heritage assets	12	990	990
Other tangible fixed assets	12	891	962
		1,957	**2,057**
Current Assets			
Debtors	13	393	386
Cash at bank and in hand		1,066	970
		1,459	**1,356**
Creditors: Amounts Falling Due Within One Year	14	(546)	(424)
Net Current Assets			**932**
Total Assets Less Current Liabilities		**2,870**	**2,989**
Creditors due after 1 year	15	(247)	(276)
Net Assets		**2,622**	**2,713**
Represented by:			
Unrestricted funds			
General Fund		706	604
Pension Reserve		(47)	(55)
Rent Reserve		(207)	(228)
Designated Funds		2,121	2,333
Total Unrestricted Funds		**2,573**	**2,654**
Restricted Funds		**48**	**59**
Total Funds	**16**	**2,622**	**2,713**

The notes on p.75 – p.100 form an integral part of these financial statements.

Approved and authorised for issue by the Council and signed on its behalf by:

Andy Marshall
Co-Chair
Date: 8/12/2022

Helen Hyde
Co-Chair
Date: 8/12/2022

10.5 Cashflow
for the Year Ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Cash used in operating activities	18	113	670
Cash flows from investing activities			
Investment income received		-	-
Payments to acquire intangible assets	11	(5)	(67)
Payments to acquire heritage assets	12		(26)
Payments to acquire other tangible fixed assets	12	(12)	(154)
Net cash used in investing activities			(247)
Change in cash and cash equivalents	18	96	423
Cash and cash equivalents brought forward		969	547
Cash and cash equivalents carried forward		**1,065**	**970**

The notes on pages p.75 – p.100 form an integral part of these financial statements.

10.6 Notes to the Accounts

1. Accounting Policies

1.1a Basis of preparation of the Financial Statements

These Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Financial Statements. These Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015 and the Charities Act 2011. The Crafts Council constitutes a public benefit entity as defined by FRS102.

1.1b Preparation of the Financial Statements on a going concern basis

The Charity reported a cash inflow of £95k for the year. The Trustees are of the view that the Crafts Council's status as an Arts Council England National Portfolio Organisation for the funding period ending 2023 to 2026 confirms that the Crafts Council can continue as a going concern.

The Board of Trustees have given due consideration to the working capital and cash requirements of the Crafts Council. The Board consider the Crafts Council's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

1.1c Areas of material judgement and estimates

The accounting policies for material items are set out below. Those which are subject to material judgements and estimates are in the opinion of the trustees: determination of the useful lives of assets. The Trustees do not believe that there are any items which are likely to be susceptible to material adjustment in future periods.

1.2 Fund accounting

Restricted funds comprise donations which the donor has specified are to be used solely for particular areas of the charity's work or for specific projects being undertaken by the charity.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects, at the discretion of the Trustees. Unrestricted general funds represent those monies which are freely available to spend on activities which further any of the purposes of the charity.

The Pension reserve deficit represents the net present value of Crafts Council's total expected contribution towards the Arts Council Retirement Plan Scheme deficit. It is the equivalent to the balance sheet provision at the year end.

1.3 Income

General

All income is recognised once the charity has entitlement to income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Unless noted otherwise below, income is recognised as earned, that is as the related goods or services are provided. Earned income arising during the year relating to future events or provision of services is deferred until those activities have taken place.

Grants and Donations

Grants and donations are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Where grants are specifically restricted to future accounting periods, they are deferred and recognised in the relevant periods.

Other Income

Income due under the Exhibition Tax Credit scheme is recognised on a receivable basis in the period in which the related qualifying expenditure is incurred, and is categorised in the Statement of Financial Activities under Other Income

1.4 Donated Goods and Services

Donated goods and services, in as much as they are material and quantifiable, are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the us by the charity of the item is probable and that economic benefit can be measured reliably.

1.5 Expenditure

1.5a General

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Costs of Raising Funds: Fundraising comprises the costs of the development (fundraising) team and associated support and governance costs

Other trading activity comprise the cost of subletting property which is surplus to operational requirements, and associated support and governance costs.

Expenditure on Charitable Activities includes costs of projects undertaken to further the purposes of the charity, and associated support and governance costs. Crafts Council divides its charitable activities into seven areas of work which are shown on the face of the Statement of Financial Activities. For clarity, and to improve the reader's understanding of the activities outlined in the trustees' report, some of these areas are broken down further in the Notes which follow.

Termination costs are accounted for when payable.

1.5b Allocation of support and governance costs

The cost of staff time that is not spent directly within the analysis headings on the Statement of Financial Activities (namely support and governance costs) is allocated in proportion to the directly attributable costs on those headings.

The average monthly full time equivalent head count is then calculated and used to allocate support general costs proportionally against direct activities, grant-making activities and governance general costs, within the Raising Funds and Charitable Activities analysis headings.

Lastly, governance general costs are analysed across the Raising Funds and Charitable Activities analysis headings, again in proportion to the average monthly full time equivalent head count.

1.5c Pension costs

The charity participates in a multi-employer defined benefit pension scheme and a defined contribution group personal pension plan. Both are accounted for as defined contribution schemes and full details are provided in Note 9.

Pension costs are allocated between funds in line with staff costs. For the defined benefit scheme, provision is made for the present value of the deficit contributions to be made.

1.6 Operating Leases

Payments under operating leases are charged on a straight-line basis over the lease term.

1.7 Foreign Currency

Foreign currency transactions relate to income from subscriptions for *Crafts* magazine and sales at some overseas craft events and expenditure incurred by activities carried out abroad. Such income and expenditure are translated into sterling at the exchange ruling at the date of the transaction. Monetary assets or liabilities existing at the year-end are translated at the rate ruling at the balance sheet date. All exchange rate differences are recognised through the Statement of Financial Activities.

1.8 Taxation

As a registered charity carrying out charitable activities, Crafts Council is generally exempt from corporation tax except in limited circumstances. Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred. It is initially categorised as a support cost and included within the analysis headers as for other support costs.

Tax recovered under gift aid relating to donated income is recognised when the related income is receivable and is included within Donations and Legacies income.

1.9 Intangible Assets and Amortisation

During the year, the Crafts Council changed its classification of Digital Assets from Tangible to Intangible Assets. The value of Intangible assets represents investments in our new Website and Brand design, launched In 20/21.

Intangible assets are recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. All Intangible assets are amortised over 5 years.

1.10 Tangible Fixed Assets and Depreciation

Heritage Assets

The Crafts Council Collection ("Collection") of craft objects is held for charitable purposes and is stated at cost. All items which form part of the collection are capitalised as fixed assets in the year of acquisition, principally through purchases from third parties.

Donated collection items are recognised initially at their fair value to the extent that this can be estimated with reasonable reliability. Where there is a lack of comparable information or market values, donated items are not reported on the balance sheet.

No provision is made for depreciation, as the items in the Crafts Council Collection are deemed to have indeterminate lives and it is the Trustees' policy to maintain the Collection in good condition so that the items' residual values are at least equal to their carrying value on the Balance Sheet. All maintenance costs are recognised as expenditure in the financial year in which they are incurred. The carrying value is reviewed as part of an ongoing internal audit process and a provision in the Financial Statements is made, if necessary, for any impairment in value.

Other Fixed Assets

Fixtures, fittings and computer equipment costing £1,000 or more are capitalised and are initially stated at cost. Assets purchased as part of the same project may be treated in aggregate. They are depreciated over their estimated useful economic lives at the following rates:

• Leasehold improvements: over the remaining lease period

• IT equipment and software: over 3 years

• Other fixtures, fittings and equipment: over 5 years

With the exception of leasehold improvements, a full year's depreciation is charged on fixed assets acquired and brought into use during the year, and no depreciation is charged in the year of disposal.

1.11 Stocks

Bought stocks are stated at the lower of historical cost (which is not materially different from net current replacement cost) or net realisable value.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments held by the charity are initially recognised at transaction value and subsequently measured at their settlement value.

2. Income from Grants and Donations

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds	2021 Total funds
			£'000	£'000
Arts Council England	2,550	119	2,669	2,829
Government Coronavirus job retention grant	36	-	36	259
Individual giving: Patrons & Donations	10	1	11	7
Various trusts, redevelopment project	-	-	-	100
Various – funding for the Heritage Collection	-	-	-	27
Other funding	-	-	-	10
Total	**2,596**	**120**	**2,716**	**3,232**

Donations of cash from trustees in 2022 included above were £50 (2021: £165).

3. Income from Charitable Activities 2021

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Artistic Programme UK:				
Exhibitions, Loans & Collection	66	17	83	72
Collect	534		534	172
Artistic Programme Overseas: Showcasing	-		-	-
Learning & Talent Development:			-	-
Learning programme	15	47	62	60
Talent development programme	19	34	53	393
Innovation:				1
Leadership, Research & Influencing Policy:	8		8	17
Audience Development:			-	-
Crafts magazine & other publishing	265	-	265	154
Other	45	-	45	29
Gallery	3		3	9
Total	**955**	**98**	**1,053**	**907**

4. Income from Other Trading Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Rental income and related charges on surplus property	-	-	-	-
Sponsor Events	6	-	6	
Exhibition related merchandising	-	-	-	-
Museum & Gallery Exhibitions Tax Relief	55	-	55	37

Our previous tenant gave notice in line with the break clause in the lease agreement, which was effective from May 2020. Although the property is being marketed for sublet, have not had a tenant since then.

5a. Allocation of Expenditure 2022

	Direct Activities £'000	Direct Staff £'000	Grant-making activities incl staff time (i)	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2022 Total £'000	2021 Total £'000
Expenditure on raising funds									
Fundraising activities	119	153	-	31	21	2	6	332	303
Other trading activities	185	12	-	2	15	0	4	218	214
Charitable Activities									
Artistic Programme UK:									
Exhibitions, Loans & Collection	181	203	-	75	30	6	8	503	544
Collect	470	126	-	56	46	4	12	714	340
Artistic Programme Overseas: Showcasing	0	5	-	1	-	0	0	6	6
Learning & Talent Development:									
Learning programme	74	202	-	73	21	5	6	381	297
Talent development programme	36	103		47	11	4	3	204	643
Innovation	14	14	-	13	2	-	1	44	84
Leadership, Research & Influencing Policy	86	106	-	22	15	2	4	235	182
Audience Development & Communications:									
Crafts magazine & other publishing	357	114	-	34	36	3	10	553	435
Other	73	228	-	48	23	4	6	382	409
Gallery	120	138	-	57	20	4	5	344	306
Redevelopment Costs			-	-	-	-		-	-
Total resources expended	**1,715**	**1,405**	**-**	**459**	**242**	**34**	**65**	**3,919**	**3,762**

(i) Further analysis of staff costs is given in Note 8.

5b. Allocation of Expenditure 2021

	Direct Activities £'000	Direct Staff £'000	Grant making activities incl Staff time	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2021 Total £'000	2020 Total £'000
Expenditure on raising funds									
Fundraising activities	62	181		32	19	4	5	303	297
Other trading activities	178	14		2	16	0	4	214	185
Charitable Activities									
Artistic Programme UK:	108	290		94	31	12	9	544	702
Exhibitions, Loans & Collection	143	124		41	21	5	6	340	827
Collect	0	5		1	-	0	0	6	7
Artistic Programme Overseas: Showcasing									
Learning & Talent Development:	57	154		57	17	7	5	297	376
Learning programme	39	117	389	38	43	5	12	643	302
Talent development programme	9	49		19	4	2	1	84	101
Innovation	67	77		21	11	3	3	182	213
Leadership, Research & Influencing Policy									
Audience Development & Communications:	291	82		22	29	3	8	435	454
Crafts magazine & other publishing	80	227		63	24	8	7	409	545
Other									
Gallery	104	132		41	19	5	5	306	
Redevelopment Costs	0			-	-	-	-	-	86
Total resources expended	**1,138**	**1,452**	**389**	**431**	**234**	**54**	**64**	**3,762**	**4,097**

5c. Nature of Support and Governance Costs 2022

	Support Costs £'000	Governance Costs £'000	2022 Total £'000	2021 Total £'000
Facilities costs	337	4	341	319
Finance & HR costs	62	1	63	44
IT costs	60	1	61	78
Audit fees	-	24	24	24
Trustee expenses	-	4	4	20
Support & governance sub-totals	**459**	**34**	**493**	**484**

5d. Nature of Support and Governance Costs 2021

	Support Costs £'000	Governance Costs £'000	2021 Total £'000	2020 Total £'000
Facilities costs	312	7	319	450
Finance & HR costs	43	1	44	193
IT costs	76	2	78	77
Audit fees	-	24	24	19
Trustee expenses		20	20	1
Support & governance sub-totals	**431**	**54**	**484**	**740**

6. Grants Payable

Crafts Council does not set out to be a grant giving organisation, however, due to the specific circumstances as a result of Covid during the previous financial year we were able to administer hardship grants covering England and Scotland. Funding was provided by the Radcliffe Trust for England, and by the Scottish Government for Scotland.

Project	Purpose of grant	Grant £'000	Support costs £'000	2022 £'000	2021 £'000
Scottish Hardship Fund	This fund was provided by Scottish Government to support freelance craft practitioners working in Scotland who were experiencing immediate financial hardship due to the loss of income as a result of the COVID-19 pandemic. The fund offered a one-off bursary of up to £2,000 to those who were most deeply impacted and disadvantaged as a result of COVID-19.	-	-	-	309
Hardship fund England	Grants of £500 supported makers who, during the Covid-19 lockdown, lost more than 75% of their income and didn't qualify for any form of government support.	-	-	-	80
		-	**-**	**-**	**389**

7. Auditors Remuneration

The auditor's remuneration constituted an audit fee of £19,000 (2021: £19,000) and additional tax advisory services of £5,400 (2021: £5,875).

8. Staff Costs

a) Staff costs consist of:

	2022 £'000	2021 £'000
Wages and salaries	1,432	1,502
Employer's national insurance contributions	126	140
Employer's contribution to defined contribution pension schemes and defined benefit pension schemes treated as defined contribution schemes	77	84
Operating costs of defined benefit pension schemes	28	32
Agency staff	47	2
Total staff costs	**1,710**	**1,760**

There were termination payments of £28k in 2022 (2021: 25k).

b) Employee benefits received by higher paid employees

During the period, 3 employees (2021: 5) received employee benefits (excluding employer pension costs) of more than £60,000. Of these, 2 employees received benefits between £60,000 and £70,000 (2021: 3), and no employee received benefits between £70,000 and £80,000 (2021: 1) and 1 employee received benefits between £80,000 and £90,000 (2021:1)

c) Remuneration and benefits received by key management personnel

The key management personnel of Crafts Council comprise the Board of Trustees, the Executive Director, the Finance & Commercial Director, the Creative Director, Development Director and the Learning Director. The total employee benefits of the key management personnel (including employer pension costs and employers' national insurance contributions) were £429,648 (2021: £439,029).

d) Average number of employees

The average monthly head count was 45 staff (2021: 47 staff) and the average monthly number of full-time equivalent employees during the year (excluding short-term temporary workers) was 37 (2021: 41), analysed as follows, rounded to the nearest whole number:

	2022 No.	2021 No.
Raising Funds		
Fundraising activities	2	3
Other trading activities	0	0
Charitable Activities		
Artistic Programme UK:		
Exhibitions, Loans & Collection	6	9
Collect	4	4
Artistic Programme Overseas: Showcasing	0	0
Learning & Talent Development:		
Learning programme	6	5
Talent development programme	4	4
Innovation:	1	2
Leadership, Research & Influencing Policy:	2	2
Audience Development:		
Crafts magazine & other publishing	3	2
Gallery	4	4
Other	5	6
Total	**37**	**41**

The average monthly FTE head count initially allocated to Governance was 1 (2021: 1). This has been reallocated across the other analysis headers above.

9. Trustees' Remuneration and Benefits and Related Party Transactions

Trustees claimed travel and subsistence expenses totalling £496 (2021: £363) in discharging their duties as Trustees. Trustees were either reimbursed on provision of receipts or the supplier was paid directly by the Crafts Council. All meetings were held virtually during the year.

No Trustee received remuneration for any service during the year to 31 March 2022. There were no transactions with the Trustees during the year except for those detailed above.

Two (2021: 1) trustees claimed reimbursement for travel expenses supported by receipts, the total claims were £496 (2021: £373)

10. Pension Costs

Arts Council Retirement Plan (1994)

Crafts Council participates in the Arts Council Retirement Plan (1994) ("the Scheme"), a multi-employer defined benefit pension scheme, which is funded by its participants and complies with the Pension Act 2004 governing the funding of employer-sponsored pension arrangements in the UK. There is one present staff member accruing benefits in the Scheme. The assets of the Scheme are held in a separate fund administered by the Trustees of the Scheme.

The statutory funding objective of the Scheme is to ensure that the Trustees build up sufficient assets to meet the expected cost of paying benefits to members of the Scheme, with the assets accumulating at the same rate as members' benefits are earned over their working lives. If the objective is met, the value of the Scheme's assets should, at any time, at least equal the estimated current cost of providing those members' benefits that have been earned to date.

Crafts Council is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis and therefore, as required by FRS102 Chapter 28 'Employee Benefits', accounts for its obligations to the Scheme as if it were a defined contribution scheme and recognises a provision for contributions towards eliminating the Scheme's deficit. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the Scheme less the portion of the provision released in respect of the accounting year.

The Scheme is formally valued every three years; the last available report dated 31 March 2019 stated the valuation as at 31 March 2019, as valued by Bill Barnes, Fellow of the Institute and Faculty of Actuaries, of Hymans Robertson LLP, using the projected unit method. The financial assumptions chosen by the Trustees, which have the most significant effect on the result of the valuation, are shown in the table below:

Main actuarial assumptions:

Retail Prices Index (RPI)	Market implied RPI inflation curve (with allowance for 0.3% pa inflation risk premium)
Consumer Prices Index (CPI)	RPI curve less 1.0% p.a.
Salary increases (including an allowance for promotional pay increases)	In line with CPI inflation
Discount rate before retirement	Market implied gilt yield curve plus 1.25% p.a.
Discount rate after retirement	Market implied gilt yield curve plus 2.3% pa.

According to this report, the value of the assets of the Scheme, at the valuation date, excluding money purchase Additional Voluntary Contributions, was £178.1million (2016: £132.1 million) and the value of the past service liabilities was £199.8 million (2016: £157.6 million) indicating a deficit of £21.7 million (2016: £25.5 million). The assets therefore were sufficient to cover 89% of the benefits which had accrued to members.

The statutory funding objective was not met at the valuation date. While the funding position has improved since the previous valuation, deficit contributions will continue to be required. Deficit contributions payable by each employer have been revised to reflect their current share of Plan liabilities, and the latest assumptions about future plan experience as selected by the Trustees. The Trustees have proposed a revised contribution package for the sponsoring employers, taking effect from 1 April 2022, which continues to target elimination of the funding shortfall by 31 March 2029. This is set out below;

The contribution rate to be paid by Crafts Council from 1 April 2022 following the latest valuation.

- for the accrual of new benefits for members, 30.9% of pensionable salary plus £583 per month in relation to plan expenses (previously 23.2% and £583 per month)
- an annual contribution of £7,600 towards eliminating the Scheme's deficit (2021 £7,000)

During the financial year from 1 April 2021 to 31 March 2022, Crafts Council had one current member of the Scheme.

Therefore, the total cost of this Scheme included within Expenditure for the year was:

	2022 £	2021 £
Accrual of benefits for members	20,578	20,578
Annual contribution towards deficit	7,600	7,600
Less pension deficit provision released to SoFA during year	(7,418)	(7,418)
Revaluation of reserve following fund review		4,728
Plan expenses	7,000	7,000
Total staff costs	**27,760**	**32,488**

Under Staff Costs (note 11), all costs are disclosed within "Employer's contribution" with the exception of plan expenses which are disclosed as "Operating costs".

Group Personal Pension Plan

Permanent staff appointed on or after 31 March 2000 are eligible to join a Group Personal Pension Plan with Standard Life Assurance Company, a defined contribution scheme. For staff who joined before 1 April 2006, the Crafts Council funds an employer's contribution of 15% of basic salary to the Standard Life Group Personal Pension.

From 1 April 2006, the contribution by the Crafts Council was reduced to 7% for all new employees and the minimum contribution for each employee is 3%.

Following the introduction of new pension regulation by the government, from May 2017 Crafts Council was required to operate an auto enrolment pension scheme for all employees. Crafts Council appointed Standard Life for the provision of this plan.

From its inception, the Crafts Council offered a more generous contribution than the legal minimum stipulated in the legislation, initially contributing 3% for an employee contribution of 1% (government minimum 1% employee, 1% employer. It is permissible for the employer to contribute a higher proportion, so long as the total contribution from both employee and employer is at least 2%). All employees not currently part of the existing Crafts Council scheme were auto-enrolled into the new scheme in May 2017.

From April 2018 the legislation required an increase in contributions to a minimum of 3% employee, 2% employer. Crafts Council again offered a more generous 5% contribution for an employee contribution of 2%.

From April 2019 the legislation required an increase in contributions to a minimum of 5% employee, 3% employer. Crafts Council are currently offering a more generous 7% contribution for an employee contribution of 3%.

Amounts paid to the Group Personal Pension Plan in the year to 31 March 2022 were £77,492 (2021: £84,232).

11. Intangible Assets

	Digital assets	Total
	£'000	**£'000**
Cost		
At 1 Apr 2021	169	169
Additions	5	5
Disposals	-	-
At 31 March 2022	**174**	**174**
Amortisation		
At 1 Apr 2021	64	64
Charge for the year and impairments	33	33
Disposals	-	-
At 31 March 2022	**97**	**97**
Net Book Value		
At 31 March 2022	76	76
At 1 April 2021	105	105

12. Tangible Assets

a)

	Leasehold improvements £'000	Fixtures, fittings & equipment £'000	Heritage assets £'000	Total £'000
Cost				
At 1 Apr 2021	1,380	114	991	2,485
Additions	1	11	-	12
Disposals	-	-	-	-
At 31 March 2022	1,381	125	991	2,497
Depreciation				
At 1 Apr 2021	419	112	1	532
Charge for the year and impairments	78	6	-	84
Disposals	-		-	-
At 31 March 2022	497	118	1	616
Net Book Value				
At 31 March 2022	883	7	990	1,880
At 1 April 2021	960	2	990	1,952

b) Heritage Assets

Heritage assets are stated at cost. In the opinion of the Trustees, the market value of the heritage asset Collection is in excess of its book value.

(i) Five year summary of purchases

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Total cost of assets purchased in year	**-**	**26**	**83**	**5**	**24**

(ii) Nature of Heritage Assets held and acquisition and disposal policy

The Collection numbers circa 1,800 objects spanning all the main media (excluding fashion). The scope of the Collection is craft between circa 1960 and the present day that is made in the UK, originated in the UK, or made by a UK maker (either as domicile or citizen). Many internationally acclaimed makers are represented, and the aim has been to maintain a balance between purchasing work from young makers and those already well established. It is not constituted as a survey of the crafts overall but reflects a wide and lively spectrum of activity in contemporary work. Acquired work must be ambitious, innovative, and show new approaches to making, in keeping with the Crafts Council's overall focus.

The primary objectives for the Collection are to:

- support the aims of the Crafts Council;
- benefit the widest possible audience through its use in Crafts Council projects, including long and short-term loans, partnership projects, touring exhibitions, displays on site and to support educational projects, published research and study;
- demonstrate excellence and quality in contemporary UK craft;
- stimulate an awareness of high-quality work on the part of a wide audience;
- record key moments in craft practice through acquiring work from major exhibitions and from makers who are at an important stage of development in their career; and
- to position contemporary UK craft as an important and distinct creative discipline.

In 2023/24 a new acquisition panel will be established, with internal representation form the Executive Director, Creative Director, Head of Public Programmes and a number of external representatives.

The Crafts Council has a long-term purpose, and its permanent collections contribute to its stated objectives. There is a strong presumption against the disposal of any items in the Crafts Council's Collection except as set out below.

In those cases where the Crafts Council is legally free to dispose of an item it is agreed that any decision to sell or otherwise dispose of material from the Collection will be taken only after due consideration; decisions to dispose of items will not be made with the principle aim of generating funds. Once a decision to dispose of an item has been taken, priority will be given to retaining the item within the public domain and with this in view it will be offered first, by exchange, gift or sale to Accredited museums before disposal to other interested individuals or organisations is considered. A decision to dispose of an object will be the responsibility of the Crafts Council's Trustee Board. Full records will be kept of all such decisions and the items involved.

Crafts Council's full Acquisition and Disposal Policy is published on its website and will be reviewed every five years. The last review was approved by the Board in July 2014.

13. Debtors

	2022 £'000	2021 £'000
Amounts receivable within one year:		
Trade debtors	20	40
Other debtors	-	2
VAT receivable	76	19
Prepayments	81	112
Accrued income	216	213
	393	**386**

14. Creditors

a) Amounts falling due within one year:	2022 £'000	2021 £'000
Trade creditors	248	146
Other creditors including payroll taxation	32	45
Accruals	166	93
Deferred income: subscriptions received in advance 14 (b)	70	97
Deferred income: other 14 (c)	23	36
Pension contribution due within one year	7	7
Balance as at 31March	**546**	**424**

b) Movements in subscriptions received in advance

Balance as at 1 April	97	77
Year-end balance invoiced during the year	70	97
Opening balance released during the year	(97)	(77)
Balance as at 31 March	**70**	**97**

c) Movements in other deferred income

Balance as at 1 April	36	15
Year-end balance invoiced during the year	23	36
Opening balance released during the year	(36)	(15)
Balance as at 31 March	**23**	**36**

15. Creditors After One Year

	2022 £'000	2021 £'000
Amounts falling after one year:		
Pension provision	40	48
Rent provision	207	228
Balance as at 31 March	**247**	**276**

Pension provision

The pension provision represents the Crafts Councils' present obligation to contribute towards the deficit relating to past service on the Arts Council Retirement Plan (1994), full details of which are given under Note 10.

Under the latest formal triennial actuarial valuation which took place on 31 March 2019 the contribution rate has been reviewed and from 1 April 2020 the Crafts Council's annual contribution to the scheme deficit was revised to £7,000 (previously £8,100). This is an annual amount payable at the commencement of each year up to March 2029 (8 years). The contribution has been discounted back to its present value at the reporting date and the reserve reflects the current best estimate of the settlement amount.

Rent reserve

Crafts Council leases 44a Pentonville Road. The existing lease was due to expire in 2025. In 2019, we extended the lease to 2040. As an incentive the landlord agreed two periods of rent reduction. The first 18 months of the lease from January 2019 to June 2020 will be charged at half rent. This is followed by a further half rent period from January to December 2026. In accordance with Accounting Standards, the deemed benefit of the rent-free period has been spread over the remainder of the lease. A reserve has been created to reflect and separately disclose this.

	2022 £'000	2021 £'000
Movements in rent reserve		
Balance as at 1 April	228	146
Reserve accrued during the year	(21)	82
Opening balance released during the year	-	-
Balance as at 31 March	**207**	**228**

16. Funds

a) Unrestricted undesignated funds	At 1 April 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2022 £'000
General	604	3,609	(3,776)	268	705
Unrestricted designated funds					
Collection (heritage assets)	990	-	-		990
Intangible Assets (Digital assets)	105	-	-	(29)	76
Other tangible fixed assets	962	-	-	(72)	890
Program 22/23		-	-	110	110
Program 21/22	276	-	-	(221)	55
Rent reserve	(228)	-	-	21	(207)
Pension reserve	(55)			7	(48)
Total-Unrestricted-designated	2,050	-	-	(183)	1,867
Total unrestricted funds	2,654	3,609	(3,776)	84	2,573
Total restricted funds 17 (c)	59	218	(143)	(84)	48
Total funds	**2,713**	**3,827**	**(3,919)**	**-**	**2,622**

b) Prior year fund movements are shown below;	**At 1 April 2021 £'000**	**Incoming Resources £'000**	**Resources Expended £'000**	**Transfers £'000**	**At 31 March 2022 £'000**
Unrestricted undesignated funds					
General	288	3,473	(3,213)	56	604
Unrestricted designated funds					
Collection (heritage assets)	963	-	-	27	990
Digital assets	59	-	-	46	105
Other tangible fixed assets	893	-	-	69	962
Gallery development	88	-	-	(88)	-
Website and Brand review	72	-	-	(72)	-
Dilapidations on 44a	75	-	-	(75)	-
				276	276
Rent free period reserve	(146)	-	-	(82)	(228)
Pension Reserve	(57)		-	2	(55)
	1,947	-	-	103	2,050
Total unrestricted funds	2,235	3,473	(3,213)	159	2,654
Total restricted funds	64	703	(549)	(159)	59
Total funds	**2,299**	**4,176**	**(3,762)**	**-**	**2,713**

Transfers between designated funds and undesignated funds represent:

- Acquisitions less depreciation of fixed assets.
- Pension deficit cash expenditure, less the portion of the pension deficit provision which was released during the period.
- The creation of a rent reserve to show the accrual of rental income and spread the benefit of the rent-free period over the life of the new lease for 44a.
- At the end of 2020/21, the trustee created a designated reserve of £276k for programme spend which was delayed from 2020/21 to 2021/22 due to Covid restrictions. We have still seen some impact from the pandemic in this financial year which has delayed certain activities and will again carry forward designated reserves of £165k to cover these costs.

Transfers between restricted funds and unrestricted funds represent either:

- Allocations of restricted funds against fixed assets purchased and held for general purposes, in accordance with the terms and conditions of the donated funds;
- Deficits on restricted funds met from general unrestricted undesignated funds; or
- Surpluses on restricted funds at the end of the project moved to general unrestricted undesignated funds, provided this is in accordance with terms and conditions set by the funder.

c) Purpose of Designated Fund

Designation	Purpose of designated fund
Collection (heritage assets)	Equivalent to the net book value of the Collection
Digital assets (Intangible assets)	Equivalent to the net book value of digital intangible assets
Other tangible fixed assets	Equivalent to the net book value of all other fixed assets
Pension Reserve	The Pension Reserve deficit represents the net present value of Crafts Council's total expected contribution towards the Arts Council Retirement Plan Scheme deficit. It is the equivalent to the Balance Sheet provision at the year end.
Rent Reserve	The accrual of rental income to spread the benefit of the rent-free period over the course of the lease for 44a.
22/23 Program spend	Programme spend which was initially planned for 21/22 which has been delayed to 22/23 due to covid

d) Restricted Fund Analysis

	As at 1 Apr 21 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 22 £'000
Purpose of restricted fund:					
44aredevlopment support	-	-	-	-	-
Exhibitions and collections	-	17	(14)	-	3
Gallery	-	6	-	(6)	-
Collect		-	-	-	-
Learning & talent	41	81	(73)	(6)	43
Leadership R&P	9	114	(47)	(74)	2
Innovative Programme	9		(9)		
Total net assets as at 31 March 2022	**59**	**218**	**(143)**	**(86)**	**48**

The restricted fund analysis for 2020/21 is shown below.

	As at 1 Apr 20 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 Mar 21 £'000
Purpose of restricted fund:					
Home for Craft redevelopment support	-	131	-	(131)	-
Gallery	-	9	(9)		-
Exhibitions	6	55	(60)	-	-
Learning and talent	49	440	(438)	(1)	50
Innovation programme	9	-	-	-	9
Purchase of assets for the Collection	-	27	-	(27)	-
Total net assets as at 31 March 2021	**64**	**703**	**(549)**	**(159)**	**59**

Restricted funds are raised for a specific purpose within the Crafts Council's charitable objectives.

Restricted income comes from a mixture of grants and donations from institutional donors and individuals.

e) Analysis of Net Assets Between Funds

	Unrestricted General Funds £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund balances represented by:				
Tangible fixed assets	-	1,956	-	1,956
Current assets	1,245	165	48	1,458
Current liabilities	(546)		-	(546)
Long Term Liabilities	-	(247)		(247)
Total net assets as at 31 March 2022	**699**	**1,874**	**48**	**2,621**

17. Commitments Under Operating Leases

a) As at 31 March, Crafts Council had the following Total commitments under operating leases:

	2022 £'000	2021 £'000
Leases expiring after five years: land and buildings	2,870	2,870
Leases expiring in one to two years: equipment	0	0
Leases expiring in two to five years: equipment	10	10

b) As at 31 March, Crafts Council had no income receivable under operating leases (2021: 0)

The tenant who previously sublet space at 44a Pentonville Road exercised the break clause and left the building in December 2019.

18. Notes to the Cash Flow Statement

	2022 £'000	2021 £'000
Reconciliation of net income to net cash used in operating activities		
Net income for the year	(92)	414
Investment income receivable	(-)	-
Depreciation and Impairments	117	106
(Increase) / Decrease in stocks	0	1
(Increase) / Decrease in debtors	(7)	90
(Increase) in creditors	93	59
Net cash flow inflow from operating activities	**111**	**670**



Colour Breeze#1 by mischer'traxler studio at Craft School. Photo: Steve Bainbridge.

Crafts Council
44a Pentonville Road
London N1 9BY

hello@craftscouncil.org.uk
+44 (0)20 7806 2500

www.craftscouncil.org.uk

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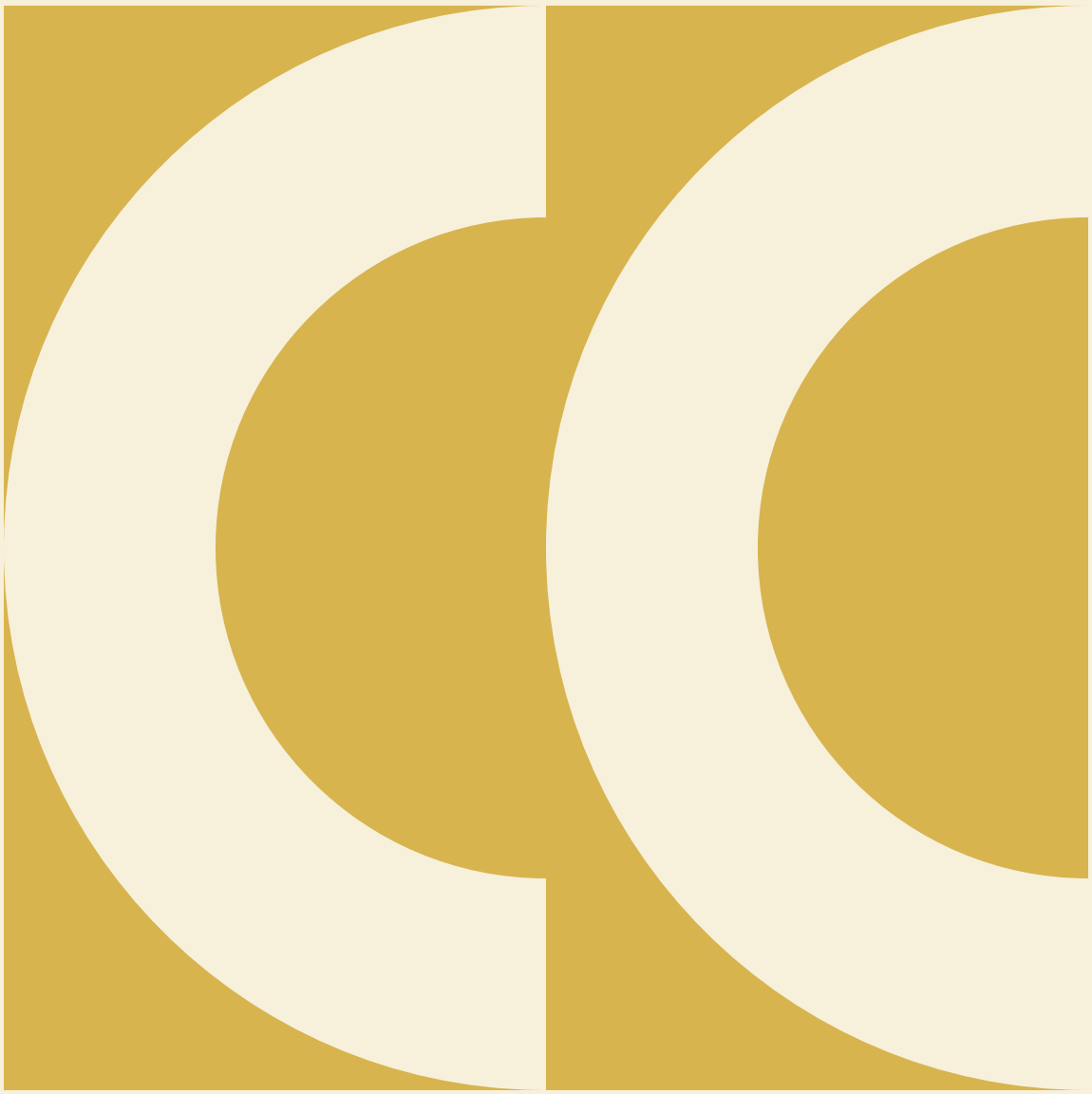
England & Wales - Charity number 280956

Accounts

Crafts Council

Annual Report and Financial Statements

The Board of Trustees of the Crafts Council
(Year ended 31 March 2021)



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The Case for Craft

The urge to make is human. Making is constructive, positive and fulfilling.

It enables us to think, learn and create. It encourages us to appreciate beauty, ideas and to care about how things are made.

Craft skills help everyone discover their practical abilities and develop their creative talents. Craft connects us to the physical world in a digital age and supports sustainability in a time of waste and declining resources. It celebrates diversity and builds bridges within and between communities.

From master goldsmiths to makers who build film sets and props, from the small batch production of designer makers to one-off museum quality craft objects, from Cumbrian swill baskets to the costumes of Notting Hill Carnival and from the grass roots makers of everyday craft to cutting-edge digital making, craft skills promote wellbeing and community, open the doors to an incredible range of careers; and inspire the innovations that shape the future.

In an ever-changing world, we need craft more than ever.

Executive Director Introduction

Welcome to our 2020/21 annual report. We are incredibly proud of the positive impact we were able to create during what was an extraordinarily challenging year for the craft sector.



Image: Rosy Greenlees OBE, chair and executive director of the Crafts Council

The measures to control the pandemic had a devastating impact on makers and craft businesses and the ability of people of all backgrounds to participate in practical craft activities.

Almost overnight, galleries and craft fairs shut their doors. Makers and craft businesses lost their customers and income. Children were cut off from the creative support and materials available in schools – often the only source of resources for many young people living in poverty.

As the national charity for craft, we acted quickly to offer support where we could: adapting our programmes for digital delivery and support, offering hardship funds for makers and craft

businesses, advocating for the sector with government and policy makers and delivering vital creative materials to children with the greatest need.

Our activities were focussed in three major areas: supporting the sector, championing craft; and ensuring the resilience of the Crafts Council so that we could continue to offer support where it was most needed. This report outlines our activities in each area and the impact we achieved.

During what was also a challenging year for the Crafts Council, we couldn't have achieved this without the dedicated support of our funders, partners, staff and Trustees. Together they have demonstrated a passionate commitment to the importance of craft and its ability to make a positive impact on our society.

Our thanks go to all those who have worked with and supported us during the year.

This has allowed us to consider new opportunities, build new partnerships and, in adapting our programmes for the post-lockdown world, shape our plans to build a more sustainable future for craft.

We are passionate about craft and the positive role it can play in the lives of everyone.

However, there is much work to do to ensure that the sector recovers from the pandemic and that

craft addresses the pressing issues of social justice and environmental responsibility.

As we celebrate our 50th anniversary in 2021, our focus will be on addressing these issues through our strategic goals of championing craft and its positive impact on society, increasing levels of craft education at all ages and growing the market for craft.

We look forward to working collaboratively with partners from across the craft sector, and beyond, to build on the positive achievements of the last year and ensure a bright future for craft.

Rosy Greenlees OBE
executive director, Crafts Council

1

Supporting the Sector



The pandemic had a swift and widespread effect on the craft sector. We responded quickly, talking to as many people as possible to understand their challenges and develop practical ways to give support where it was most needed.

Understanding the scale of the crisis

We consulted with as many of the communities we work with as possible to understand how the pandemic had impacted on them.

We surveyed makers, craft educators, galleries, and fairs. We held regular face to face meetings and roundtables with Craft UK members, teachers, with participants in our Young Craft Citizens group and with our funding partners.

From this research we were able to act where it was most needed.

Delivering Support

For craft businesses, we:

- Delivered group or 1-1 sessions to over 500 craft businesses through our Craft Business Skills programme
- Offered free digital subscriptions to our Directory members, with an additional 100 craft businesses and 10 graduates using the platform to showcase their products

- Provided regular updates on government guidance and measures to support small businesses
- Created a new programme of fortnightly lunchtime Maker Meet Ups to give information and training in key topics such as crowdfunding, social media, legal advice and templates, e-commerce, and website optimisation
- Purchased works from makers listed on the #artistsupportpledge to add to our national Collection of craft
- Revised our Hothouse 2020 programme, delivering all activities digitally and supporting 26 craft businesses
- Created guidelines for social distancing with a consortium of craft fairs

'Thank you for everything this year. I think the Hothouse Zoom sessions gave me some order through the lockdown period when everything else seemed to be in chaos.'

Hothouse participant

To support young and emerging makers, we:

- Worked with CHEAD (Council for Higher Education in Art and Design) to survey Higher Education Institution craft course leaders to understand how they were supporting students and what role the Crafts Council could play in ensuring craft education continued through the pandemic
- Delivered a webinar, 'Rethinking the Grad show' in partnership with Brighton University
- Promoted online graduate showcases through our website and social media
- Worked with New Designers, Art Thread, and the Goldsmiths Centre to identify how to join-up graduate support
- Set up a network, through our Young Craft Citizens group, connecting cultural organisations, young people's programmers and young people which matched opportunities with participants
- Delivered four online tutorials for young people
- Produced a resource on Live Streaming Craft Workshops, encouraging Craft Clubs and Makers to connect with their audiences
- Created the Summer Craft Challenge, sharing one challenge a week for 6 weeks

Alongside these packages of support, we delivered a number of key initiatives to support the sector and champion craft as widely as possible.

'You have all gone above and beyond and I have to count my lucky stars I applied this year as I do feel the arms of the Crafts Council around me.'

Maker

Image: Hothouse induction day



Hardship Funds

From our regular covid surveys of makers and craft businesses it was clear that an immediate issue was the sudden loss of income and the significant number who were falling through the gaps in government support schemes, especially those in the early stages in their career; or who had portfolio careers and generated limited profits through their craft businesses.

Responding to this urgent need, our first hardship fund ran in June 2020, with support from the Radcliffe Trust. Funds were targeted at those who had lost 75% or more of their income and were unable to access other forms of support.

Our second fund ran in November 2020 and was supported by Creative Scotland. Funds were targeted at freelancers working in the Scottish craft sector. Grants of up to £2,000 were available.

Impact

The Radcliffe Trust supported Hardship Fund awarded 154 makers and craft businesses a grant of £500.

The Creative Scotland supported Hardship Fund supported 162 craft professionals and distributed £296,500 in grants.

These funds provided a much need lifeline for makers and craft professionals during an incredibly difficult time. 37% of those receiving a grant paid bills they would otherwise have been unable to

afford and 28% said the grant offset a loss of earnings.

'This funding was helpful in helping with day to day living expenses after 4 months of no income. I am extremely grateful for the support.'

Grant recipient

Artist Support Pledge

Founded in March 2020 by artist Matthew Burrows, #artistsupportpledge was an artist-led movement on Instagram that supported artists of all types, including makers, during Covid-19.

The #artistsupportpledge asked artists to post works for sale up to the value of £200 on Instagram. For every £1,000 of sales, an artist pledged to buy £200 of work from other artist. This spirit of mutual support and generosity enabled artists to maintain a vital income stream at a time when most sales channels had disappeared overnight.

From May 2020, we worked with Matthew and his team to broaden the reach of the pledge to the craft community, to engage more makers in the initiative, and provide support and expertise. We also helped establish a press office for the campaign and provided essential administrative support.

Throughout the year, we promoted makers and craft businesses taking part in the pledge through our website and social media.

Impact

Since its launch, the pledge has seen over 130,000 posts by participating artists on Instagram worldwide and driven millions of pounds worth of sales across the globe from the UK to Europe, North and South America, Russia, Taiwan, Japan and many more.

'The feedback from artists and buyers taking part has been profound. It's been really humbling, hearing how Artist Support Pledge has literally transformed the lives of so many at such a difficult time, and has helped sustain livelihoods. The spill out (or spin offs) from this is amazing too: posting work on the hashtag has for some led to bigger and more expensive artwork sales and even offers of international gallery representation. I'm delighted to have the expertise of the Crafts Council to encourage even greater participation by makers across the UK.'

Matthew Burrows, artist and director of Artist Support Pledge



Image: Precious Disposables, Adi Toch and Nicola Tree, 2020. Limited edition print acquired by the Crafts Council permanent collection as part of #artistsupportpledge

Future Edit

Future Edit was a showcase of the best craft and design graduate talent from 2020.

With all physical graduate degree shows cancelled the exhibition gave graduates the chance to launch their work to industry, media and the public as they would normally do via their physical degree shows.

Makers were selected for their creative flair, thoughtful design, and skilled execution.

The exhibition was a selling showcase, displayed in the Crafts Council Gallery. Although physical visits were restricted, all works were available to buy via the Future Edit online store.

Impact

- 134 craft graduates applied to be part of the exhibition.
- 44 were selected to take part by a panel including Shai Akram (founder and design director, Studio Alt Shift), Janice Blackburn OBE (Sotheby's, Chatsworth House, Liberty, Daniel Olatunji (founder and maker, Monad London) and Ayesha Patel (jewellery designer, artist and one of Crafts Council's Young Craft Citizens)
- 220 works were shown
- 5,149 people visited the online exhibition



'A really fantastic experience as it helped to give me confidence in my work and realise that there are people out there who like it and would want to own it.'

Future Edit participant



Image: Foreground — Fenomenal jewellery collection, Olivia Barthe, recycled silver and gold plate. Background — Silk kimono and felt beret, Hisae Abe. Photo by Eva Herzog

Collect

Collect is the leading international art fair for contemporary craft and design.

After a successful ten-year residency at the Saatchi Gallery, Collect debuted at Somerset House in February 2020.

In 2021, plans for an expanded second year in its new home were disrupted by the pandemic but determined to deliver this vital showcase for the sector during such a difficult time, Collect took place as digital only fair between 26 February and 2 March 2021.

The digital Collect was hosted by Artsy.net, with a rich programme of talks and events for VIPs and public audiences taking place on the Crafts Council's channels.

Each exhibiting gallery created an online booth on Artsy.net, through which collectors were able to purchase works. These booths remained open until the 26 March to extend the opportunities to buy.

Impact

- 32 international galleries showed the work of almost 400 artists
- Almost 65,000 people attended Collect 2021. Of these, 22,170 visited the digital fair on Artsy.net

- 128 works were sold. $600,000 of these sales came through Artsy.net
- 14,123 people from 53 countries attended the talks and events programme, through which 57 separate events were delivered

'In terms of pageviews and unique visitors per exhibitor, Collect was the best-performing fair hosted on Artsy to date'.

Artsy.net

Thank you

Associate Supporter – Loewe Foundation
Award Partner – Brookfield Property
VIP Programme Sponsor – Loewe
VIP Programme Supporter – Cox London



Craft UK

Craft UK is a network for organisations from across the craft sector. Facilitated by the Crafts Council, it is free to join.

The network is a UK wide community that promotes opportunities, encourages partnerships, and provides regular insight on the craft sector and market to its members.

Alongside holding bi-annual networking events and opportunities, Craft UK has regular digital catch ups ensuring that issues are discussed as they arise. Craft UK also facilitates focus groups to encourage learning and experience sharing within the network on specific topics of interest to the network.

During the pandemic, Craft UK grew significantly – demonstrating the power of collaboration and mutual support.

Following the events of 2020, two Craft UK working groups were established. The first to create a diversity charter - ensuring a sector wide commitment to making craft more diverse and inclusive. The second identified strategic challenges the sector faced and ways to tackle these. Through action individual members are made stronger and in turn the wider sector can become more resilient.

Craft UK currently has 93 members.

Ireland
- Craft NI

London
- Association for Contemporary Jewellery
- Contemporary Applied Arts
- Contemporary British Silversmiths
- Craft Potters Association & Ceramic Review
- Cockpit Arts
- Excelsior
- Future Icons
- Goldsmiths' Company
- Handmade in Britain
- Just Got Made
- The Kiln Rooms
- London Metropolitan University
- Intoart
- Radcliffe Trust
- Richmond Art School
- Shape Arts
- The Design Trust
- The Exchange
- The Goldsmiths' Centre
- The Institute of Conservation
- The New Craftsmen
- The Queen Elizabeth Scholarship Trust
- Vessel Gallery

Midlands
- Banks Mill Studios
- Birmingham Institute of Jewellery,
- Fashion and Textiles
- British Ceramics Biennial
- Crafty Fox Market & Shopping With Soul
- Craftspace
- Creative Lancashire
- Design Nation
- Earth & Fire Ceramic Fair Guild of Glass Engravers
- Craft Town England, Farnham
- Farnham Maltings
- Fitzwilliam Museum
- Huguenot Museum
- New Ashgate Gallery
- Norfolk County Council
- Suffolk Craft Society
- Tutton & Young
- The Guild of Glass Engravers
- University for the Creative Arts, Farnham
- Watts Gallery
- West Dean
- Wedgewood V&A

Southwest
- Arnolfini
- Aspex
- Bristol Creatives
- Craft Festival
- Craft Net
- Devon Guild
- Heritage Crafts Association
- Leach Pottery
- University of the West of England
- Whitegold

Wales
- Maokwo Arts
- National Centre for Craft and Design
- Stitches and Hos

North England
- Bluecoat Display Centre
- Bolton University
- Folksy
- Great Northern Events
- Harewood House
- Lakeland Arts
- Leeds Museums and Galleries
- Manchester Art Gallery
- Manchester Craft and Design Centre
- Manchester Metropolitan University
- Museums Sheffield
- Nottingham Museums and Galleries
- Sheffield Institute of Arts
- Sheffield Halam University
- NW Craft Network
- The Bowes Museum
- The Hepworth Wakefield
- Tees Valley Arts & North Ormesby Big Local CCC
- Towneley Hall Museum
- UCEN Manchester
- University of Bolton
- Walker Art Gallery
- Williamson Art Gallery
- Yorkshire Artspace

Scotland
- Applied Art Scotland
- Creative Lives
- Craft Scotland

Southeast
- Ballroom Arts
- Craft in Focus

'As a member of Craft UK, Applied Arts Scotland gains a broader perspective of activity, opportunity, best practice and leadership in the craft sector and making community across UK.'

Helen Voce, Advisor at Applied Arts Scotland



Image: Darren Appiagyei in his Cockpit studio. Photo by Gareth Hacker

Let's Craft

Covid-19 and the subsequent lockdown significantly impacted thousands of families, who struggled to access learning and creative resources with schools shut.

Let's Craft was developed to address this need.

Each Let's Craft pack cost £10 to create. The packs were filled with creative materials and gifted to families and children who couldn't afford to buy art and craft supplies during lockdown. The packs were distributed through a nationwide network of schools, community centres, foodbanks, and volunteers.

These materials and the activity sheets included with them played a huge part in ensuring the growing number of children living in poverty could access the learning and wellbeing benefits that come with getting creative.

The appeal for funds to make Let's Craft possible inspired our audiences. More than a thousand people donated £10 or more to the cause, spread the word through social media or gave creative materials for distribution.

Impact

Between June 2020 and May 2021, 11,700 children and young people across England received a Let's Craft pack.

Image: Students from Bygrove Primary School holding Let's Craft packs. Photo by Kingsley Koranteng



University of Dundee research during 2021 showed that art boxes given to families during lockdown:

- Provided creative opportunities that families didn't otherwise have access to
- Created new and positive playful interactions between parents and their children
- Helped parents feel more confident starting creative activities with their children
- Improved the wellbeing of parents and children doing creative activities together

'This has helped my grandson with his mental health issues, and he has learnt to express himself more effectively using art.'

Recipient, Humberside



'My kids loved the activity packs, and we all had a brilliant time as a family making some plasticine models and exploring art in ways, we would never have otherwise had the opportunity. Thank you for bringing a piece of joy to us!'

Mother of two children, who received Let's Craft packs through their primary school in Yorkshire

Thank you

The Let's Craft appeal was supported by hundreds of individual donors as well as companies and foundations including:

- Hobbycraft
- Cox London
- Yodomo
- TOAST
- Immediate Media
- MADE MAKERS
- The Works
- Forest + Found.
- The Britford Bridge Trust
- Comino Foundation

2

Championing Craft



During a pandemic that touched every aspect of life in the UK, we were determined that the benefits of craft and the needs of the sector were as widely championed as possible.

Our advocacy, campaigning and policy activities underpinned our work to support the sector and reach those for whom craft was a vital source of positivity during the long months of lockdown.

From the first days of the measures to control the pandemic, we shared our insight into the impact on the craft sector with government, funders, and wider creative industry partners. We raised the challenges faced by craft businesses in accessing government support and lobbied for policy changes to help recovery of the sector.

To support the effectiveness of our communications, and as preparation ahead of our 50th anniversary in 2021, we launched a new website and brand in June 2020.

Our audience reach through the year was significant.

More than 478,000 people visited our website over the year and more than 450,000 followed us through social media.

These audiences enjoyed hundreds of articles, emails and social media stories promoting

exceptional makers, highlighting opportunities, to take part in craft activities in their local area and celebrating the benefits of craft to wellbeing and mental health.

Highlights include:

- Sharing 20 learning activities to support teachers and home learning
- Delivering Hey Clay! 2020 as a virtual event with 20 partner organisations
- Working with fashion brand Toast, to create a new, virtual residency programme supporting artist Kate Owens to reach new audiences with her work
- Producing three video tutorials, with makers Ronaldo Wiltshire, Black Girl Knit Club and Sarah Drew

Diversity and Inclusion

The pandemic has also brought into sharp focus the gap between rich and poor and in the summer of 2020, the Black Lives Matter movement highlighted the racism and inequality that exists in our society – and within the craft sector.

As the national charity for craft, we were challenged to address these issues.

In response we held a series of events, in partnership with Inc Arts, and published a revised set of diversity and inclusion commitments.

The feedback we received has had a profound effect on our activities.

We have established a Global Majority Branch of the Crafts Council. This network for makers and craft professionals will provide a much-needed safe space for the community and a critical friend to the Crafts Council helping shape and inform our future programmes.

This commitment to change was reflected in our programming, with Dr Christine Checinska was invited to make a curatorial intervention in the Maker's Eye, the exhibition which would have opened our new Gallery programme in March 2020, but which was delayed until July 2021.

Since 2019, we have partnered Dr Karen Patel of Birmingham City University in her research into exploring and addressing inequalities in UK craft and in 2020/21 supported the delivery of a series of workshops to inform this work. The outcome of this research is informing our own work with the report being launched in 2021.

Through 2020, we also hosted deaf textile artist Omeima Mudawi Rowlings as our resident Clore Fellow. Omeima has made recommendations for improving access to our maker Directory and these will be implemented in 2021.

We made a step change in our efforts to increase the diversity of our Trustees and staff. We introduced a number of measures including guaranteed interviews, extending our recruitment advertising and ensuring that selection panels are representative.

We publish six-monthly progress reports against our diversity and inclusion commitments on our website and promote sector-wide anti-racist and equality work on through the hashtag #socialjustice on our website.

Visit: www.craftscouncil.org.uk/topics/socialjustice

Market for Craft

Published in June 2020, The Market for Craft was the first report in over a decade to identify and gauge the appetite for British craft.

Commissioned prior to the pandemic, the report was layered with further findings from surveys with craft businesses during lockdown.

The report revealed that the British passion for craft has never been greater - 73% of UK adults had bought craft in 2019 – snapping up almost 25 million handcrafted objects. In a significant shift, almost a third (32%) of today's buyers are aged under 35 – making this demographic the biggest buyer of craft today.

As makers look to secure their futures and to rebuild and strengthen their practice, the evidence within the report gives direction to the whole sector – from individual makers to the galleries, fairs, markets, and businesses that support them – helping us to understand in much greater depth who our consumers are and what drives their appreciation of craft.

Regularly cited in other research papers and press reports including a Financial Times feature, the Market for Craft report has established itself as a unique resource for the sector.

'The report provides valuable evidence to understand more about how best to stimulate, support and grow the craft market.'

Rosy Greenlees, executive director, Crafts Council

The report was implemented by the Crafts Council and eight partners:

- Arts Council of Wales
- Contemporary Visual Arts Network
- Craft NI
- Craft Scotland
- Creative Scotland
- Creative United
- The Goldsmiths Company
- Great Northern Contemporary Craft Fair

Download the full report on our website:

www.craftscouncil.org.uk/about/research-and-policy/market-for-craft

Crafts Magazine

Crafts magazine is the leading international authority on contemporary craft.

For nearly 50 years it has championed the finest makers, artists, and designers in the UK and across the world.

After a hiatus due to the pandemic, *Crafts* was re-launched in September 2020 with a fresh new design and an editorial approach exploring how making can enhance all aspects of our lives.

Crafts draws inspiration from a diverse range of contributors to present a rich mix of stories exploring craft and making from a range of perspectives.

Through 2020 and 2021, *Crafts* has run themed issues including 'mind and body' and 'place'.

Impact

The magazine has a circulation of 11,000 and an overall readership of 38,000.

During lockdown we made the full digital archive of Crafts free to access, resulting in more than 17,000 users accessing nearly 50 year's' worth of issues.

Crafts

SEPT | OCT 20

ISSUE NO 284



'Over the past few months, the world has undergone a seismic shift. It therefore feels right for Crafts to be more responsive to the complexities of the world around it, delving deeper into the context in which work is created, shedding light on a broader range of narratives and forms of making, and working with a wider range of contributors within the cultural sector, all while continuing to celebrate skill and the joys of making.'

Malaika Byng, *Crafts* editor

'I love the inclusivity, diversity and contemporary feel.'

Reader survey response, June 2021

3

Crafts Council Resilience



The impact of the pandemic on our finances was significant and sudden but with the support of our dedicated staff and Trustees we acted quickly to ensure our own stability and create a steady platform from which we could support the sector.

We cancelled or delayed a range of our programmes – pushing our Gallery opening from March 2020 to July 2021, pausing our touring exhibitions and programmes bringing craft direct to schools. Reacting to the drop in advertising income caused by lockdown, we paused publication of Crafts magazine — re-launching with a new design in September 2020. Other activities shifted to digital where possible.

Our offices were closed and those staff working on paused programmes were furloughed whilst others reverted to work full time from home.

Our stability during the year was underpinned by the generosity of our funders and supporters, especially those providing recovery funding that both compensated from the loss of income from our cancelled activities and enabled us to support the wider sector.

This support, and the pause in many of our activities, created the capacity to evolve our business model. We developed a new framework that delivers a set of core activities alongside project funded additional activities which increase our impact.

To deliver this new model, we re-structured our exhibitions and collections and learning and skills teams – to help us deliver integrated programmes and ensuring we can draw on an increased diversity of skills and background across those we work with.

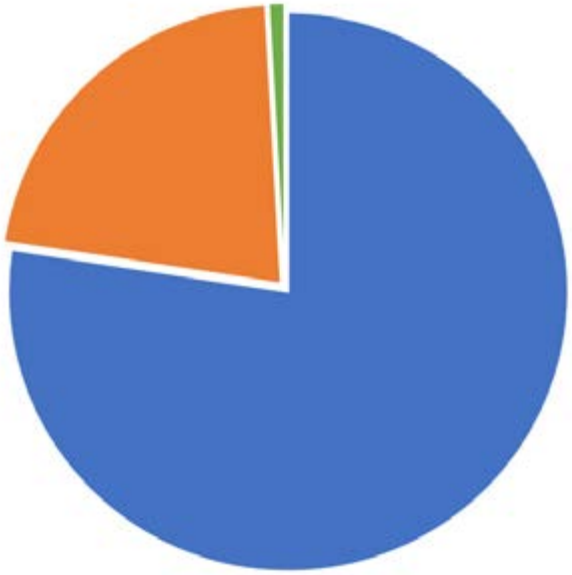
We recruited a number of new Trustees advertising for a range of skills and made four new appointments. With our Chair Professor Geoffrey Crossick retiring at the end of his second term in July 2021 we undertook the search for a successor. Andrew Morlet, Chief Executive of the Ellen MacArthur Foundation was appointed by the Trustees with effect from July 2021.

These changes will ensure we emerge from this period as a more resilient, agile, and diverse organisation, delivering significant impact in 2022/23 and beyond.

Our performance

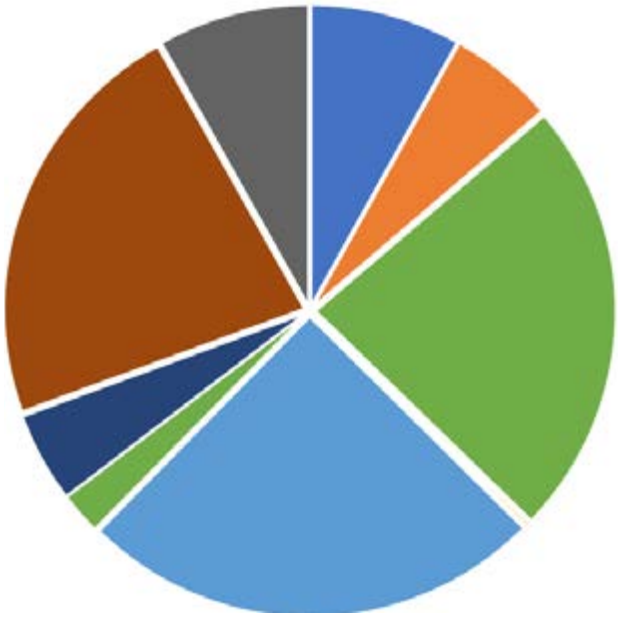
Income

- Grants and donations = £3,232,000 / 77%
- Income from charitable activities = £907,000 / 22%
- Trading activities = £37,000 / 1%



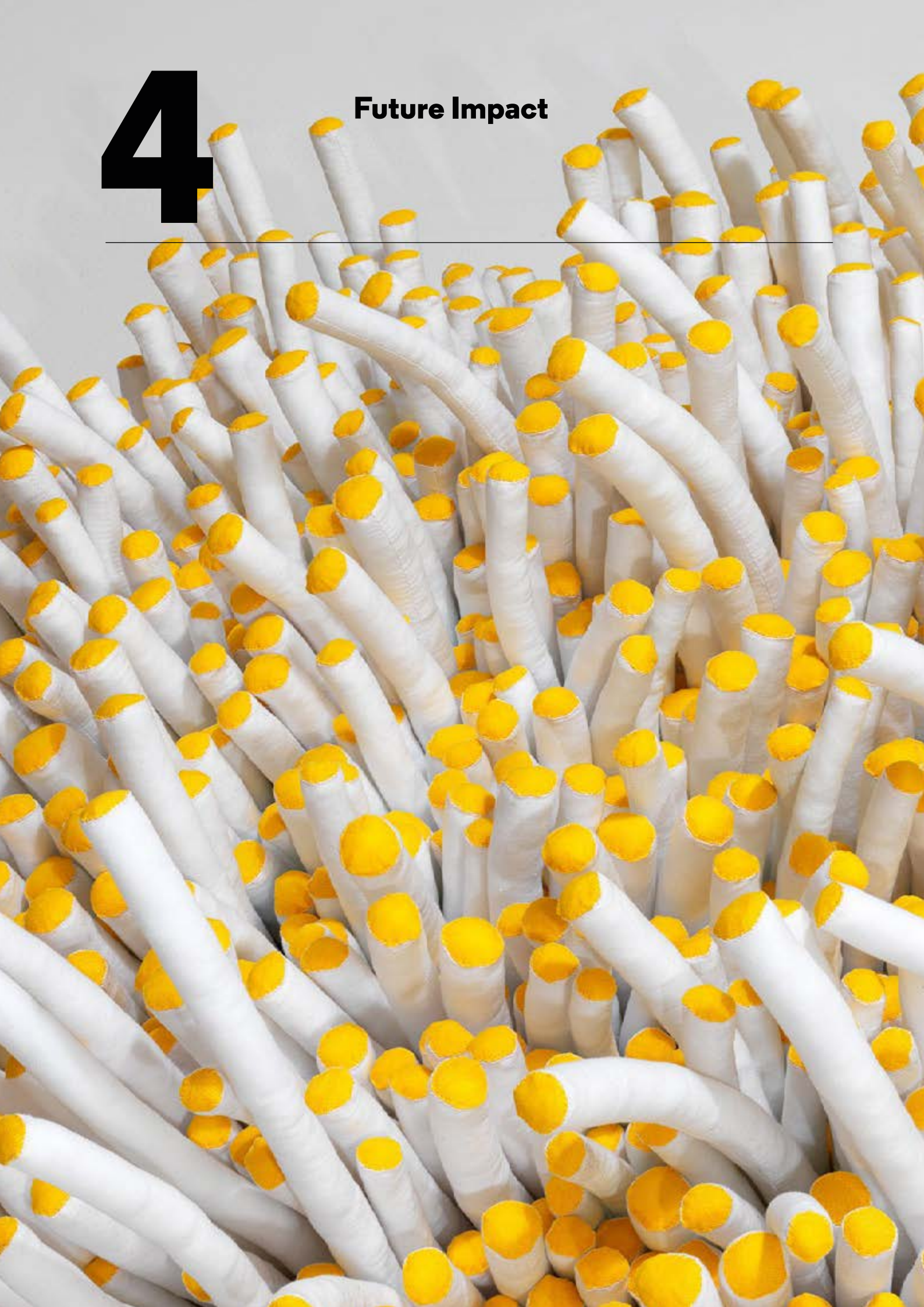
Expenditure

- Fundraising = £305,000 / 8%
- Trading activities = £214,000 / 6%
- Artistic Programme UK = £884,000 / 24%
- Artistic Programme Overseas = £6,000 / 0%
- Learning and Talent Development = £940,000
- Innovation Programme = £84,000 / 2%
- Leadership, Research and Policy = £182,000 / 5%
- Audience Development = £844,000 / 22%
- Gallery = £306,000 / 8%



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Future Impact



Our immediate focus in 2021/22 will be continuing support for the craft sector as it recovers from effects of the pandemic and Brexit.

2021 marks our 50th anniversary and this landmark, alongside the opening of our new Gallery, will create a platform to elevate the profile of craft across the country.

Our targets for 2021/22

Championing Craft

We will:

- Open the new Crafts Council Gallery presenting 3 new exhibitions by April 2021 and attracting an audience of at least 5,000
- Deliver a programme of activities that marks our 50th anniversary by showcasing the diversity and depth of contemporary craft in the UK
- Expand the activities of our Young Craft Citizens
- Publish 6 editions of Crafts magazine, including at least two themed editions tackling key topical issues
- Produce Hey Craft! As part of the Get Creative Festival
- Increase the display of our Collection through exhibitions and curated digital displays

Increasing levels of craft education for all ages

We will:

- Launch a nationwide school craft challenge reaching at least 75 schools
- Support 265 craft educators through our events programme
- Increase membership of our craft educators Facebook group to more than 900
- Increase the reach of our craft education resources
- Publish and share four research papers
- Pilot the franchise model of our Make your Future schools programme with two partners

Growing the market for craft

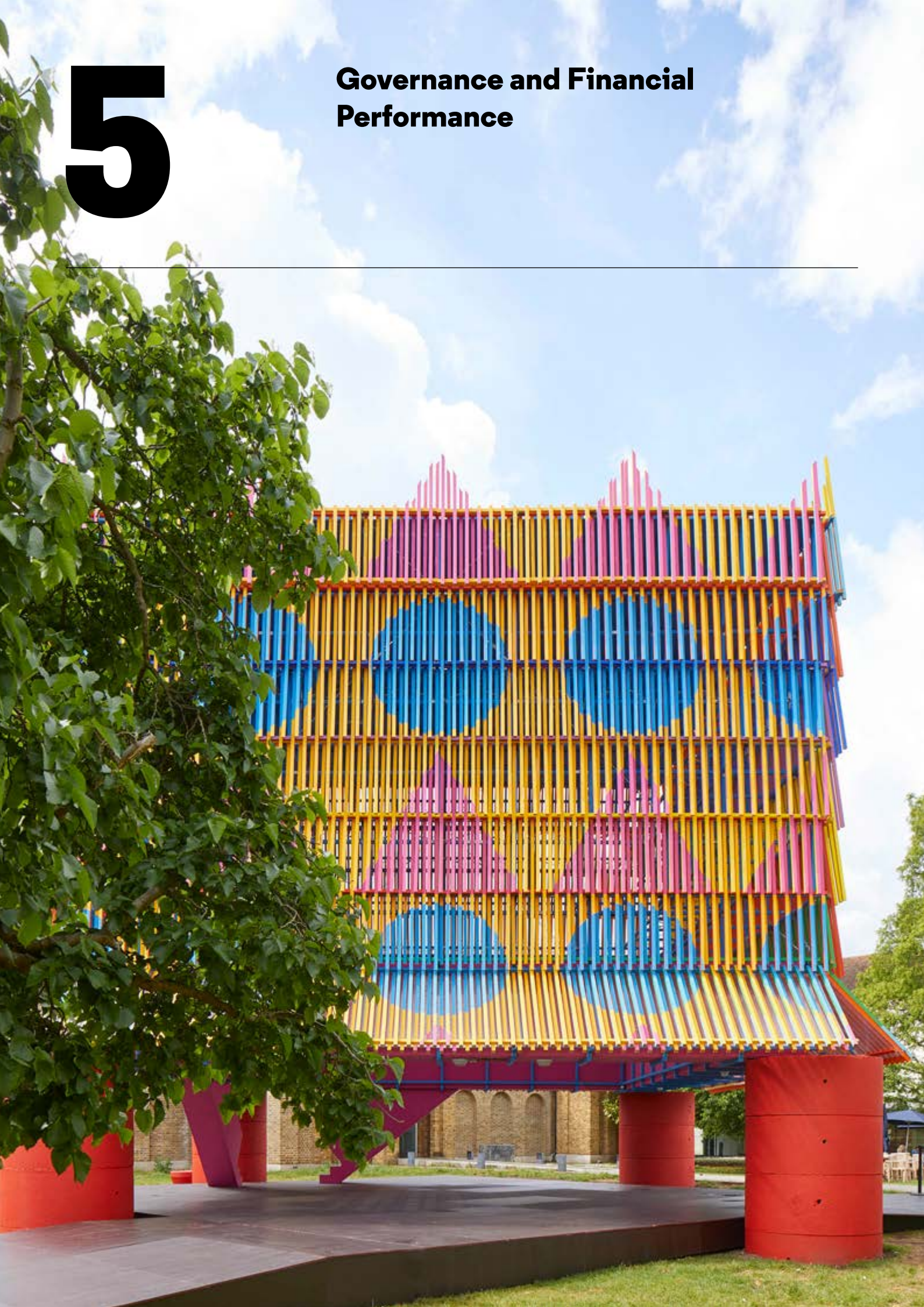
We will:

- Increase membership of the Crafts Council Directory by 125 (20%)
- Support 43 craft businesses through our Crafting Europe projects
- Deliver 90 1-1 advice sessions
- Deliver Collect 2022 as a physical fair at Somerset House
- Secure five commercial partnerships to create new opportunities for craft businesses

- Grow the Craft UK network, attracting 15 new members
- Through Craft UK launch the Toolkit for Change, outlining sector wide commitments to diversity and inclusion

5

Governance and Financial Performance



Legal and Administrative Information

CHARITY REGISTRATION NUMBER: 280956

PRINCIPAL OFFICE: 44a Pentonville Road, London, N1 9BY

MEMBERS OF THE COUNCIL ('TRUSTEES')

Name	Role and committees	Changes
Professor Geoffrey Crossick	Chair of Trustees and Nominations Committee Finance & Business Committee Remuneration Committee	Resigned July 2021
Maria Amidu	Acquisition Panel Nominations Committee	Resigned June 2020
Professor Bruce Brown	Chair of Finance & Business Committee and Remuneration Committee	
Matt Durran	Audit Committee	
Michael Eden	Audit Committee	
Reyahn King	Nominations Committee	
Dr Zoe Laughlin	Finance & Business Committee Remuneration Committee Nominations Committee Diversity Champion	
Professor Anthony Lilley OBE		Resigned December 2020
Andrew Marshall	Finance and Business Committee Remuneration Committee Audit Committee	
Brigid Rentoul	Chair of Audit Committee Lead Trustee for Safeguarding	Resigned June 2020
Beverley Rider	Nominations Committee	Resigned June 2020

Clare Twomey	Acquisition Panel	
Helen Hyde		
Yinka Ilori		Appointed September 2020
Majeda Clarke		Appointed February 2021
Ed Mathews Gentle		Appointed February 2021
Lady Kitt		Appointed February 2021
Philip Mathews		Appointed March 2021
Andrew Morlet	Chair of Trustees and Nominations	Appointed July 2021

SENIOR MANAGEMENT TEAM

Rosy Greenlees OBE	Executive Director
Nicky Dewar	Learning & Skills Director
Andy McGlynn	Insight and Development Director
Natalie Melton	Creative Director
Henry Wrigley	Finance & Commercial Director

Auditor	Haysmacintyre LLP 10 Queen St Place London EC4R 1BE
Bank	Royal Bank of Scotland 40 Islington High Street London N1 8XB
Solicitor	Bates Wells 10 Queen St Place London EC4R 1BE

The members of the Crafts Council (being the Board of Trustees of the Crafts Council) are pleased to present their Report together with the Financial Statements for the year ended 31 March 2021. The Financial Statements comply with the Charities Act 2011, the Royal Charter of the Crafts Council, and the Statement of Recommended Practice 'Accounting and Reporting by Charities' which is applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.



Andrew Morlet
Chair

Date: 22/11/2021

Structure, governance and management

Constitution, composition of the Council and Trustee induction

Crafts Council is incorporated by Royal Charter. It is registered as a Charity, number 280956, in England and Wales.

The Council consists of a Chair and not more than 14 Trustees. The Chair is appointed for a period of four years and may be reappointed for one further term. New Trustees are appointed by the Council and serve for four years. After this term they may put themselves forward for a further four years. No Trustee may serve for more than two consecutive terms of office.

The Council, comprising of all Trustees, is also described as the Board of Trustees. It meets at least quarterly to:

- Agree the strategy of the Crafts Council.
- Review performance.
- Advise upon areas of programme activity.
- Consider risk management and reserves policy.

The Crafts Council has four Committees:

- Audit Committee. Monitors the annual statutory audit and risk management.
- Finance and Business Committee. Reviews financial performance, business activities and risk.
- Remuneration Committee. Scrutinises staff compensation, pay and rewards.
- Nominations Committee. Supervises the skills and composition of the Board. Proposes new Trustee appointments.

In addition, two Trustees sit on the Heritage Assets Acquisition Panel.

The induction process for a new trustee includes meetings with the Chair, Executive Director and Senior Management Team. All new trustees are given an induction pack containing all key governance information.

Organisation and management

The day-to-day activities of the Crafts Council are delegated to the Executive Director who leads a Senior Management Team of four other Directors.

Pay policy for senior staff

All Trustees give of their time freely. No Trustee received any payment for work during the year.

Senior Management Team pay is reviewed annually by Trustees on our Remuneration Committee.

There is no salary scale for the Senior Management Team. Each member of Senior Management Team is formally appraised twice yearly by the Executive Director. The Chair reviews the performance of the Executive Director.

A report on Directors' performance is submitted to the Remuneration Committee. Pay increases are determined by:

- Inflation
- Comparable pay scales for similar roles
- Individual performance
- Any significant changes of role.

Principal risks and uncertainties

The Crafts Council maintains a Risk Register which is reviewed by Trustees quarterly. Additionally, the Finance and Business, and Audit Committees update the Risk Register every meeting.

During the year we have improved our financial position and progressed our four-year funding plan with ACE. Therefore, during 2019/20 our main risks centred upon delivering this business plan: ensuring major projects and regular programmes were delivered on time and within budget; and creating the desired impact.

In early 2020/21, our focus shifted to managing the Covid 19 crisis internally and with the sector. During the next few years of recovery and change our emphasis will be on delivering the most appropriate sector support

Risks include:

- Income risks; particularly on commercial and fundraised income following Covid 19.
- Management of significant projects. Such as development of the Gallery programme, the Craft UK network, and new magazine publisher.
- Implementing initiatives, such as our diversity and inclusion, environmental, and digital action plans. Embedding these across all our projects and programmes,
- Compliance with changing laws, particularly around data and fundraising.

Our key strategies to mitigate these include:

- Strong governance, process and Trustee oversight.
- Training and recruitment to ensure we have the required professional skills in our teams.
- Strong financial controls and process. Regular review and forecasting of potential outcomes.
- Specialist cross organisational staff working groups for key areas, such as diversity or data
- Continued progress on diversifying sources of income and increasing free reserves.
- Planning, project management, forecasting and other actions that allow operational flexibility.

Fundraising Statement

All Crafts Council fundraising activities are compliant with the recognised standards of fundraising (set out in the Code of Fundraising Practice). As well as those required under charity law and wider law. The charity is a member of the Fundraising Regulator and is committed to conducting open, honest and respectful fundraising practices.

We thank everyone who has supported our work.

Reserves Policy

The Crafts Council operates a dynamic Reserves Policy. Our three key tests, in order of importance, are:

- Cashflow Visibility: ensuring future cash headroom and operational flexibility.
- Requirements for Reserves: based on analysis of potential risks and contingencies.
- Three Months Operating Expenses: building higher reserves for reinvestment in impact.

Our Arts Council England funding is confirmed for the next three years. Our aim during the initial years of our four year business plan has been to reinvest surplus in building an organisation able to create greater impact long term. In the later years of the business plan, we have grown our reserves to mitigate lower longer term revenue visibility.

Note 17 to the Financial Statements provides more detail on specific reserves.

Financial Review 2020/21

Performance

Our financial year began in April 2020, two weeks after the government mandated lockdown. We reviewed our 2020/21 budget immediately in order to assess the potential impact on Crafts Council.

From this we created a stripped back Covid Budget that was not dependent on income for which there was lower visibility of receiving. Against this revised income base, we managed our activities and costs accordingly.

All year we progressed largely in line with our Covid Budget. However:

- We secured Arts Council England ('ACE') Culture Recovery Funds amounting to £353k. This allowed us more activity and covered our operating deficit.
- Raised income was the highest ever, in response to the Covid crisis. This included £388k for Hardship grants, £132k for our Gallery, and £50k from Lets Craft packs sent to schools and young people.
- Furlough income was £258k for the year, allowing us to retain public facing staff.
- Two magazine issues were cancelled due to poor advertising revenue.
- Our art fair, Collect was not physical, so revenue and costs were lower.
- Further cost savings accrued as continued restrictions limited physical activity levels. Our Gallery and office remained shut all year.

Due to this careful management in an uncertain period, we ended the year with a significant surplus and high free reserves. These resources have been carried into the 2021/22 financial year to fund activity as the situation improves. However, we are also very proud of the high impact and engagement we achieved during the 2020/21 financial year, despite an ever-changing macro-situtaion.

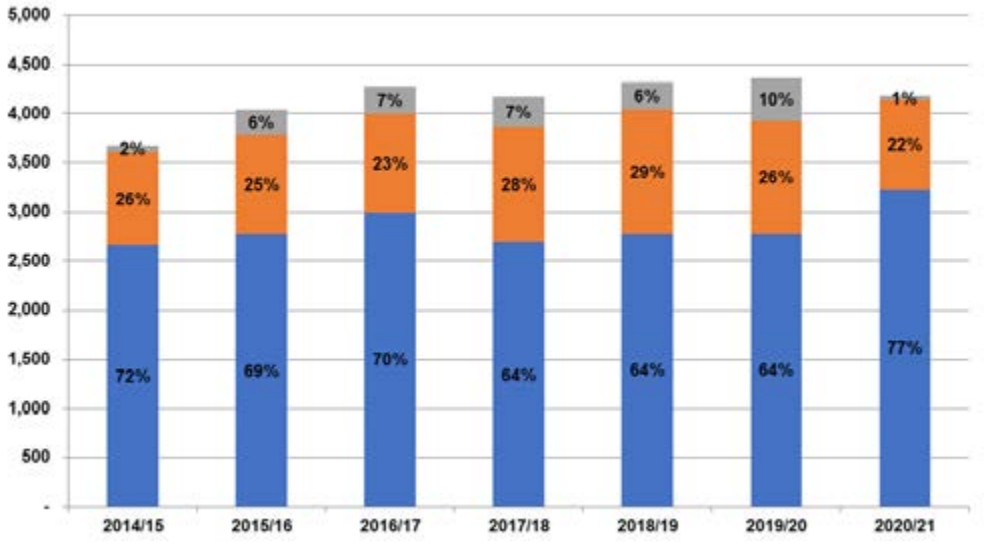
Revenue

ACE remains our largest funder. This year we completed the third year of a four-year funding agreement with them. This funding was extended for a further year during 2020. Each year until 2022/23, we will receive £2.5m of unsecured income from ACE. This is a great foundation for our work.

The pandemic meant that trading income - principally from Crafts magazine, Collect and property sub-letting - was extremely challenging in 2020/21. However, we were successful in raising emergency funds to support the sector. This left our revenue broadly comparable with previous years.

Graph: Year-on-year revenue, 2014-2021

- Trading activities
- Charitable activities
- Grants and donations



The Financial Impact of Covid

The disruption of the pandemic drove us to realise new ways of working to support the craft sector. We come out of 2020/21 financially stable. Furthermore, we have created impact in a resource efficient manner for a sector that needed our support more than ever. We remain keen to work with new funders and partners to build and grow this impact.

Reserves

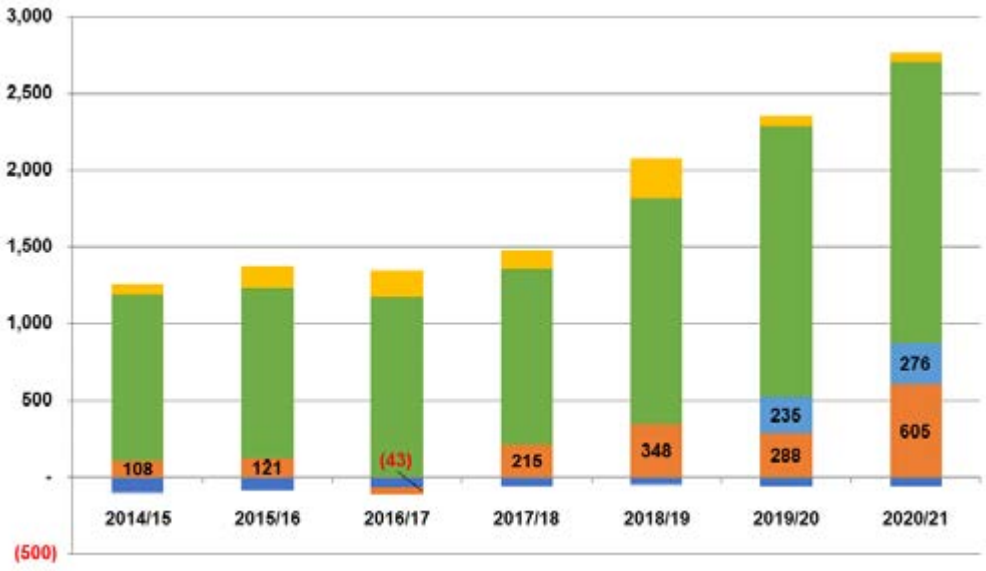
We carefully manage our free reserves to balance maximising spend on activities and impact, against having surplus to manage risk.

Our aim is to have sufficient free reserves to:

- Allow us operational flexibility.
- Give us the ability to invest in new projects and work.
- Manage risk and unexpected expenditure.

Graph: Year end reserves, 2014-2021

- Restricted reserves
  Designated funds
- Programme designated funds
- Free reserves
- Pension reserves



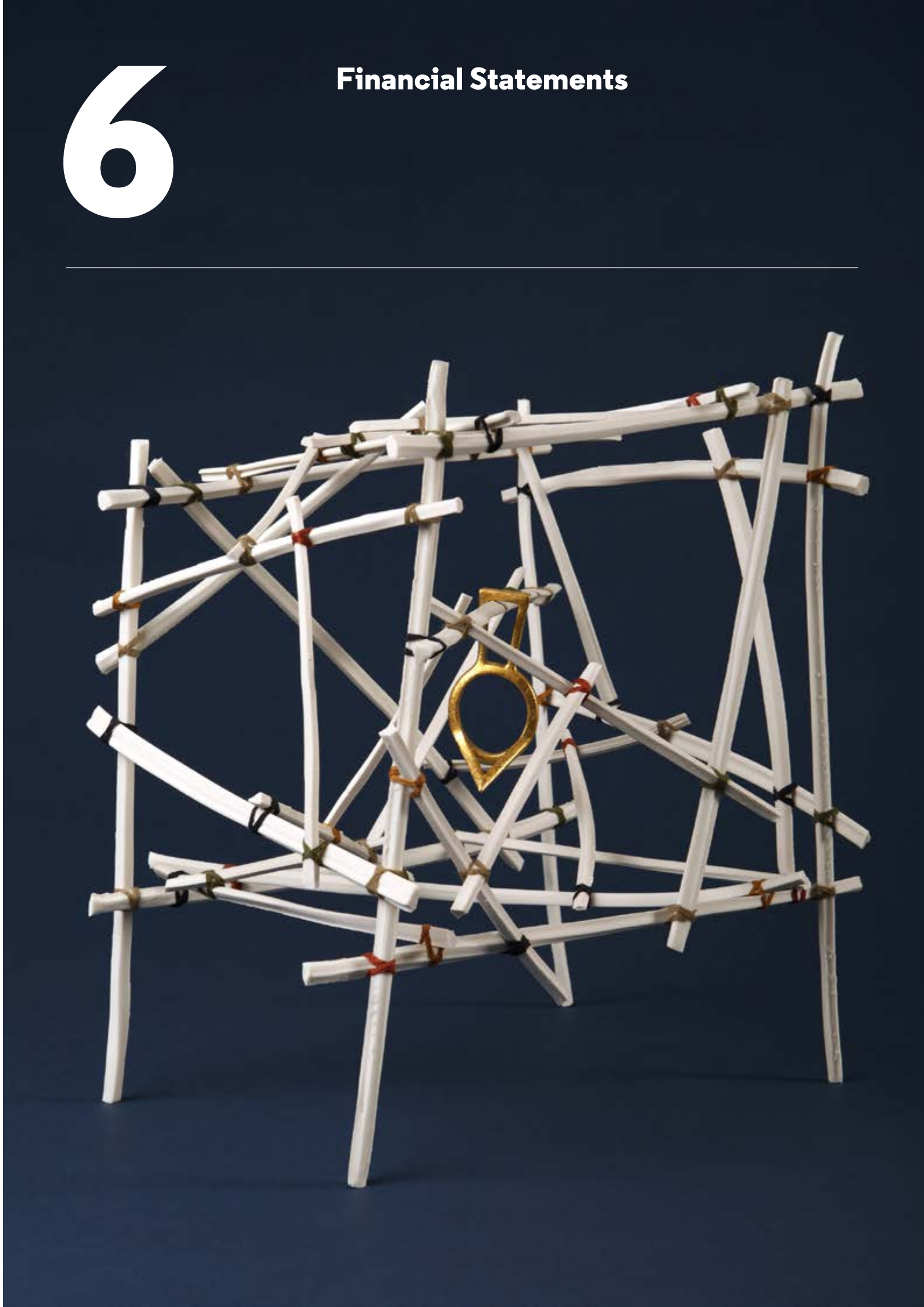
We have grown our free reserves annually since 2016/17. We ended 2020/21 with a high level of free reserves. We are using these to support the 2021/22 operating plan and activities carried over year end, and some long term investment in work to improve future impact. These reserves also provide a cushion should our 2021/22 plans change due to Covid.

We completed the redevelopment of our Gallery, brand and website in 2020/21. The value of these new assets are now reflected on our Balance Sheet.

The core of our designated reserves reflects the value of our Collection. It is recorded in our accounts at the historical cost of the artefacts. However, it has a commercial, cultural and intangible value far beyond this. Our Collection presents a snapshot of the best making in UK since 1972. It forms the only collection in the UK that documents contemporary craft across all disciplines.

6

Financial Statements



Trustees' Responsibilities in relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

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

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised for issue by the Trustees and signed on their behalf by



Andrew Morlet

Chair

Date: 22/11/21

Independent Auditors Report

Opinion

We have audited the financial statements of the Crafts Council for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Impact Report (which includes the Trustees' Annual Report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 62, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework applicable to registered charities, and we considered the extent to which non-compliance might have

a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular any unusual journal entries;
- Challenging assumptions made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.h

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London EC4R 1AG

06 December 2021

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

For the year ended 31 March 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
INCOME					
Grants and donations	2	3,063	169	**3,232**	2,781
Income from charitable activities	3				
Artistic Programme: UK		150	95	**245**	682
Artistic Programme: Overseas		-	-	**-**	5
Learning & Talent Development		33	419	**452**	34
Innovation Programme		1	-	**1**	1
Leadership, Research & Policy		7	11	**18**	27
Audience Development		182	-	**182**	324
Gallery		-	9	**9**	-
Total Income from charitable activities		**373**	**534**	**907**	**1,073**
Other trading activities					
Rental income	4	-	-	**-**	436
Product Sales	4	-	-	**-**	2
Investment Income		-	-	**-**	1
Other Income	4	37	-	**37**	73
Total Income		**3,473**	**703**	**4,176**	**4,367**
Expenditure					
Raising funds					
Fundraising activities	5	303	-	**303**	297
Other trading activity: property surplus to requirements		214	-	**214**	185
Charitable activities					
Artistic Programme: UK		783	101	**884**	1,529
Artistic Programme: Overseas		6	-	**6**	9
Learning & Talent Development		511	428	**939**	678
Innovation Programme		84	-	**84**	101
Leadership, Research & Influencing Policy		171	11	**182**	213
Audience Development		844	-	**844**	998
Gallery		297	9	**306**	-
Gallery Development Costs		-	-	**-**	86
Total expenditure		3,213	549	**3,762**	4,097
Net Income		260	154	**414**	270
Transfers between funds		159	(159)	**-**	-
Net movement in funds		419	(5)	**414**	270
Total funds brought forward		2,235	64	**2,299**	1,420
Total funds at 31 March		2,654	59	**2,713**	1,691

The notes on pages 69-86 form an integral part of these financial statements.

Balance Sheet

For the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Intangible assets	11	105	59
Heritage assets	12	990	963
Other tangible fixed assets	12	962	893
		2,057	1,916
CURRENT ASSETS			
Stocks	13	-	1
Debtors	14	386	476
Cash at bank and in hand		970	547
		1,356	1,025
CREDITORS: amounts falling due within one year	15	(424)	(445)
Net Current Assets		932	580
TOTAL ASSETS LESS CURRENT LIABILITIES		2,989	2,495
Creditors due after 1 year	16	(276)	(196)
NET ASSETS		2,713	2,299
Represented by:			
Unrestricted funds			
General Fund		604	288
Pension Reserve		(55)	(57)
Rent Reserve		(228)	(146)
Designated Funds		2,333	2,150
Total unrestricted funds		2,654	2,235
Restricted funds		59	64
TOTAL FUNDS	17	2,713	2,299

The notes on pages 69-86 form an integral part of these financial statements

Approved and authorised for issue by the Council and signed on its behalf by:



Andrew Morlet
Chair

Date: 22/11/21

Cashflow

For the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
Cash used in operating activities	19	670	445
Cash flows from investing activities			
Investment income received		-	2
Payments to acquire intangible assets	11	(67)	
Payments to acquire heritage assets	12	(26)	(83)
Payments to acquire other tangible fixed assets	12	(154)	(740)
Net cash used in investing activities		(247)	(821)
Change in cash and cash equivalents	19	423	(376)
Cash and cash equivalents brought forward		547	921
Cash and cash equivalents carried forward	19	970	547

The notes on pages 69-86 form an integral part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

1.1a Basis of preparation of the Financial Statements

These Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Financial Statements. These Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015 and the Charities Act 2011.
The Crafts Council constitutes a public benefit entity as defined by FRS102.

1.1b Preparation of the Financial Statements on a going concern basis

The Charity reported a cash inflow of £422,319 for the year. The trustees are of the view that the Crafts Council's status as an Arts Council England National Portfolio Organisation for the funding period ending 2022/23 confirms that the Crafts Council can continue as a going concern.

The Board of Trustees have given due consideration to the working capital and cash requirements of the Crafts Council. The Board consider the Crafts Council's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

1.1c Areas of material judgement and estimates

The accounting policies for material items are set out below. Those which are subject to material judgements and estimates are in the opinion of the trustees: determination of the useful lives of assets. The Trustees do not believe that there are any items which are likely to be susceptible to material adjustment in future periods.

1.2 Fund accounting

Restricted funds comprise donations which the donor has specified are to be used solely for particular areas of the charity's work or for specific projects being undertaken by the charity.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects, at the discretion of the trustees. Unrestricted general funds represent those monies which are freely available to spend on activities which further any of the purposes of the charity.

The Pension reserve deficit represents the net present value of Crafts Council's total expected contribution towards the Arts Council Retirement Plan Scheme deficit. It is the equivalent to the balance sheet provision at the year end.

1.3 Income

General
All income is recognised once the charity has entitlement to income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Unless noted otherwise below, income is recognised as earned, that is as the related goods or services are provided. Earned income arising during the year relating to future events or provision of services is deferred until those activities have taken place.

Grants and donations
Grants and donations are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Where grants are specifically restricted to future accounting periods, they are deferred and recognised in the relevant periods.

Other Income
Income due under the Exhibition Tax Credit scheme is recognised on a receivable basis in the period in which the related qualifying expenditure is incurred, and is categorised in the Statement of Financial Activities under Other Income.

1.4 Donated goods and services

Donated goods and services, in as much as they are material and quantifiable, are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the us by the charity of the item is probable and that economic benefit can be measured reliably.

1.5 Expenditure

1.5a General

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of Raising Funds: Fundraising comprises the costs of the development (fundraising) team and associated support and governance costs.

Costs of Raising Funds: Other trading activity comprise the cost of subletting property which is surplus to operational requirements, and associated support and governance costs.

Expenditure on Charitable Activities includes costs of projects undertaken to further the purposes of the charity, and associated support and governance costs. Crafts Council divides its charitable activities into six areas of work which are shown on the face of the Statement of Financial Activities. For clarity, and to improve the reader's understanding of the activities outlined in the trustees' report, some of these areas are broken down further in the Notes which follow.

Termination costs are accounted for when payable.

1.5b Allocation of support and governance costs

The cost of staff time that is not spent directly within the analysis headings on the Statement of Financial Activities (namely support and governance costs) is allocated in proportion to the directly attributable costs on those headings.

The average monthly full time equivalent head count is then calculated and used to allocate support general costs proportionally against direct activities, grant-making activities and governance general costs, within the Raising Funds and Charitable Activities analysis headings.
Lastly, governance general costs are analysed across the Raising Funds and Charitable Activities analysis headings, again in proportion to the average monthly full time equivalent head count.

1.5c Pension costs

The charity participates in a multi-employer defined benefit pension scheme and a defined contribution group personal pension plan. Both are accounted for as defined contribution schemes and full details are provided in Note 11.

Pension costs are allocated between funds in line with staff costs. For the defined benefit scheme, provision is made for the present value of the deficit contributions to be made.

1.6 Operating leases

Payments under operating leases are charged on a straight line basis over the lease term.

1.7 Foreign currency

Foreign currency transactions relate to income from subscriptions for Crafts magazine and sales at some overseas craft events and expenditure incurred by activities carried out abroad. Such income and expenditure is translated into sterling at the exchange rate at the date of the transaction. Monetary assets or liabilities existing at the year-end are translated at the rate at the balance sheet date. All exchange rate differences are recognised through the Statement of Financial Activities.

1.8 Taxation

As a registered charity carrying out charitable activities, Crafts Council is generally exempt from corporation tax except in limited circumstances. Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred. It is initially categorised as a support cost and included within the analysis headers as for other support costs.

Tax recovered under gift aid relating to donated income is recognised when the related income is receivable and is included within Donations and Legacies income.

1.9 Intangible assets and amortisation

During the year the Crafts Council changed its classification of Digital Assets from Tangible to Intangible Assets. The value of Intangible assets represents investments in our new Website and Brand design, launched In 20/21.

Intangible assets are recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. All Intangible assets are amortised over 5 years.

1.10 Tangible fixed assets and depreciation

Heritage assets
The Crafts Council Collection ("Collection") of craft objects is held for charitable purposes and is stated at cost. All items which form part of the collection are capitalised as fixed assets in the year of acquisition, principally through purchases from third parties.

Donated collection items are recognised initially at their fair value to the extent that this can be estimated with reasonable reliability. Where there is a lack of comparable information or market values, donated items are not reported on the balance sheet.

No provision is made for depreciation, as the items in the Crafts Council Collection are deemed to have indeterminate lives and it is the Trustees' policy to maintain the Collection in good condition so that the items' residual values are at least equal to their carrying value on the Balance Sheet. All maintenance costs are recognised as expenditure in the financial year in which they are incurred. The carrying value is reviewed as part of an ongoing internal audit process and a provision in the Financial Statements is made, if necessary, for any impairment in value.

Other Fixed Assets
Fixtures, fittings and computer equipment costing £1,000 or more are capitalised and are initially stated at cost. Assets purchased as part of the same project may be treated in aggregate. They are depreciated over their estimated useful economic lives at the following rates:

Leasehold improvements:	over the remaining lease period
IT equipment and software:	over 3 years
Other fixtures, fittings and equipment:	over 5 years

With the exception of leasehold improvements, a full year's depreciation is charged on fixed assets acquired and brought into use during the year, and no depreciation is charged in the year of disposal.

1.11 Stocks
Bought stocks are stated at the lower of historical cost (which is not materially different from net current replacement cost) or net realisable value.

1.12 Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments held by the charity are initially recognised at transaction value and subsequently measured at their settlement value.

2 INCOME FROM GRANTS AND DONATIONS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £'000	2020 Total Funds £'000
Arts Council England	2,800	29	2,829	2,570
Government Coronavirus job retention grant	259	-	259	-
Individual giving: Patrons & Donations	4	3	7	39
Various trusts, redevelopment project	-	100	100	40
Various – funding for the Heritage Collection	-	27	27	70
Other funding	-	10	10	62
Total	**3,063**	**169**	**3,232**	**2,781**

Donations of cash from trustees in 2021 included above were £165 (2020: £1,031).

3 INCOME FROM CHARITABLE ACTIVITIES 2021

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £'000	2020 Total Funds £'000
Artistic Programme UK:			-	
Exhibitions, Loans & Collection	17	55	72	46
Collect	132	40	172	636
Artistic Programme Overseas: Showcasing	-		-	5
Learning & Talent Development:			-	
Learning programme	14	46	60	11
Talent development programme	19	373	393	23
Innovation:	1		1	1
Leadership, Research & Influencing Policy:	7	11	17	27
Audience Development:			-	
Crafts Magazine & other publishing	154	-	154	276
Other	29	-	29	48
Gallery	-	9	9	-
Total	**373**	**534**	**907**	**1,073**

4 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £'000	2020 Total Funds £'000
Rental income and related charges on surplus property	-	-	-	436
Exhibition related merchandising	-	-	-	1
Museum & Gallery Exhibitions Tax Relief	37	-	37	73

In 2020, rental Income was received in respect of the top 2 floors of the leasehold property at 44a Pentonville Road, London, N1 9BY. Our tenant gave notice in line with the break clause in the lease agreement, which was effective from May 2020. We agreed that the tenant would vacate the building in December 2019, paying £70,000 of dilapidations costs and rent and service charges up to the date of the lease termination. This income is included above in 2020.

5a Allocation of Expenditure 2021

	Direct Activities £'000	Direct Staff £'000	Grant-making activities incl staff time (i)	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2021 Total £'000	2020 Total £'000
Expenditure on raising funds									
Fundraising activities	62	181	-	32	19	4	5	**303**	**297**
Other trading activities	178	14	-	2	16	0	4	**214**	**185**
Charitable Activities									
Artistic Programme UK:	108	290	-	94	31	12	9	**544**	**702**
Exhibitions, Loans & Collection	143	124	-	41	21	5	6	**340**	**827**
Collect	0	5	-	1	-	0	0	**6**	**7**
Artistic Programme Overseas:									
Showcasing									
Learning & Talent Development:									
Learning programme	57	154	-	57	17	7	5	**297**	**376**
Talent development programme	39	117	389	38	43	5	12	**643**	**302**
Innovation	9	49	-	19	4	2	1	**84**	**101**
Leadership, Research & Influencing Policy	67	77	-	21	11	3	3	**182**	**213**
Audience Development & Communications:	291	82	-	22	29	3	8	**435**	**454**
Crafts Magazine & other publishing	80	227	-	63	24	8	7	**409**	**545**
Other									
Gallery	104	132	-	41	19	5	5	**306**	**-**
Redevelopment Costs	0	0	-	-	-	-		**-**	**86**
Total resources expended	**1,138**	**1,452**	**389**	**431**	**234**	**54**	**64**	**3,762**	**4,097**

(i) Further analysis of staff costs is given in Note 8.

5b Allocation of Expenditure 2020

	Direct Activities £'000	Direct Staff £'000	Support Costs £'000	Support Staff £'000	Governance costs (6b) £'000	Governance staff £'000	2020 Total £'000	2019 Total £'000
Expenditure on raising funds								
Fundraising activities	110	126	34	20	2	4	**297**	**309**
Other trading activities	156	10	2	14	0	3	**185**	**202**
Charitable Activities								
Artistic Programme UK:	203	273	166	41	10	9	**702**	**502**
Exhibitions, Loans & Collection	545	127	79	58	5	13	**827**	**781**
Collect	2	4	1	1	0	0	**7**	**46**
Artistic Programme Overseas: Showcasing								
Learning & Talent Development:	89	154	102	21	6	5	**376**	**332**
Learning programme	88	121	67	18	4	4	**302**	**306**
Talent development programme	8	54	31	5	2	1	**101**	**85**
Innovation	74	87	32	14	2	3	**213**	**164**
Leadership, Research & Influencing Policy								
Audience Development & Communications:	265	101	46	32	3	7	**454**	**526**
Crafts Magazine & other publishing	135	251	111	33	7	7	**545**	**449**
Other Redevelopment Costs	0	52	27	4	2	1	**86**	**4**
Total resources expended	**1,674**	**1,360**	**698**	**263**	**42**	**58**	**4,097**	**3,706**

5c Nature of Support and Governance Costs 2021

	Support Costs	Governance Costs	2021 Total	2020 Total
	£000	£000	£000	£000
Facilities costs	312	7	319	450
Finance & HR costs	43	1	44	193
IT costs	76	2	78	77
Audit fees	-	24	24	19
Trustee expenses	-	20	20	1
Support & governance sub-totals	**431**	**54**	**484**	**740**

5d Nature of Support and Governance Costs 2020

	Support Costs	Governance Costs	2020 Total	2019 Total
	£000	£000	£000	£000
Facilities costs	437	14	450	404
Finance & HR costs	187	6	193	127
IT costs	74	2	77	79
Audit fees	-	19	19	19
Trustee expenses	-	1	1	1
Support & governance sub-totals	**698**	**42**	**740**	**630**

6 GRANTS PAYABLE

Crafts Council does not set out to be a grant giving organisation, however, due to the specific circumstances as a result of Covid we were able to administer hardship grants covering England and Scotland. Funding was provided by the Radcliffe Trust for England, and by the Scottish Government for Scotland.

Project	Purpose of grant	Grant £000	Support costs £000	2021 £'000	2020 £'000
Scottish Hardship Fund	This fund was provided by Scottish Government to support freelance craft practitioners working in Scotland who were experiencing immediate financial hardship due to the loss of income as a result of the COVID-19 pandemic. The fund offered a one-off bursary of up to £2,000 to those who were most deeply impacted and disadvantaged as a result of COVID-19.	297	12	**309**	-
Hardship fund England	Grants of £500 supported makers who, during the Covid-19 lockdown, lost more than 75% of their income and didn't qualify for any form of government support.	77	3	**80**	-
		374	15	**389**	-

7 AUDITORS REMUNERATION

The auditor's remuneration constituted an audit fee of £19,000 (2020: £19,000) and additional tax advisory services of £5,875 (2019: £4,500).

8 STAFF COSTS

	2021 £'000	2020 £'000
a) Staff costs consist of:		
Wages and salaries	1,502	1,415
Employer's national insurance contributions	140	132
Employer's contribution to defined contribution pension schemes and defined benefit pension schemes treated as defined contribution schemes	84	76
Operating costs of defined benefit pension schemes	32	41
Agency staff	2	20
Total staff costs	**1,760**	**1,682**

There were termination payments of £25k in 2021 (2020: nil).

b) Employee benefits received by higher paid employees

During the period, 5 employees (2020: 5) received employee benefits (excluding employer pension costs) of more than £60,000. Of these, 3 employees received benefits between £60,000 and £70,000 (2020: 3), and 1 employee received benefits between £70,000 and £80,000 (2020: 1) and 1 employee received benefits between £80,000 and £90,000 (2020:1)

c) Remuneration and benefits received by key management personnel

The key management personnel of Crafts Council comprise the Board of Trustees, the Executive Director, the Finance & Commercial Director, the Creative Director, Development Director and the Learning Director. The total employee benefits of the key management personnel (including employer pension costs and employers national insurance contributions) were £439,029 (2020: £430,444).

8 STAFF COSTS (continued)

d) Average number of employees

The average monthly head count was 47 staff (2020: 45 staff) and the average monthly number of full-time equivalent employees during the year (excluding short-term temporary workers) was 39 (2020: 39), analysed as follows, rounded to the nearest whole number:

	2021 No.	2020 No.
Raising Funds		
Fundraising activities	3	2
Other trading activities	0	0
Charitable Activities		
Artistic Programme UK:		
Exhibitions, Loans & Collection	9	9
Collect	4	4
Artistic Programme Overseas: Showcasing	0	0
Learning & Talent Development:		
Learning programme	5	6
Talent development programme	4	4
Innovation:	2	2
Leadership, Research & Influencing Policy:	2	2
Audience Development:		
Crafts Magazine & other publishing	2	3
Redevelopment Project / Gallery	4	2
Other	6	6
Total	**41**	**40**

The average monthly FTE head count initially allocated to Governance was 1 (2020: 1). This has been reallocated across the other analysis headers above.

9 TRUSTEES' REMUNERATION AND BENEFITS AND RELATED PARTY TRANSACTIONS

Trustees claimed travel and subsistence expenses totalling £363 (2020: £881) in discharging their duties as Trustees. Trustees were either reimbursed on provision of receipts or the supplier was paid directly by the Crafts Council. All meetings were held virtually during the year.

No Trustee received remuneration for any service during the year to 31 March 2021. There were no transactions with the Trustees during the year except for those detailed above.

One (2020: 5 trustees) trustee claimed reimbursement for travel expenses supported by receipts, the total claims were £373 (2020 : £881).

10 PENSION COSTS

Arts Council Retirement Plan (1994)
Crafts Council participates in the Arts Council Retirement Plan (1994) ("the Scheme"), a multi-employer defined benefit pension scheme, which is funded by its participants and complies with the Pension Act 2004 governing the funding of employer-sponsored pension arrangements in the UK. There is one present staff member accruing benefits in the Scheme. The assets of the Scheme are held in a separate fund administered by the Trustees of the Scheme.

The statutory funding objective of the Scheme is to ensure that the Trustees build up sufficient assets to meet the expected cost of paying benefits to members of the Scheme, with the assets accumulating at the same rate as members' benefits are earned over their working lives. If the objective is met, the value of the Scheme's assets should, at any time, at least equal the estimated current cost of providing those members' benefits that have been earned to date.

Crafts Council is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis and therefore, as required by FRS102 Chapter 28 'Employee Benefits', accounts for its obligations to the Scheme as if it were a defined contribution scheme, and recognises a provision for contributions towards eliminating the Scheme's deficit. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the Scheme less the portion of the provision released in respect of the accounting year.

The Scheme is formally valued every three years; the last available report dated 31 March 2019 stated the valuation as at 31 March 2019, as valued by Bill Barnes, Fellow of the Institute and Faculty of Actuaries, of Hymans Robertson LLP, using the projected unit method. The financial assumptions chosen by the Trustees, which have the most significant effect on the result of the valuation, are shown in the table below:

Main actuarial assumptions:

Retail Prices Index (RPI)	Market implied RPI inflation curve (with allowance for 0.3% pa inflation risk premium)
Consumer Prices Index (CPI)	RPI curve less 1.0% p.a.
Salary increases (including an allowance for promotional pay increases)	In line with CPI inflation
Discount rate before retirement	Market implied gilt yield curve plus 1.25% p.a.
Discount rate after retirement	Market implied gilt yield curve plus 2.3% pa.

According to this report, the value of the assets of the Scheme, at the valuation date, excluding money purchase Additional Voluntary Contributions, was £178.1million (2016: £132.1 million) and the value of the past service liabilities was £199.8 million (2016: £157.6 million) indicating a deficit of £21.7 million (2016: £25.5 million). The assets therefore were sufficient to cover 89% of the benefits which had accrued to members.

The statutory funding objective was not met at the valuation date. While the funding position has improved since the previous valuation, deficit contributions will continue to be required. Deficit contributions payable by each employer have been revised to reflect their current share of Plan liabilities, and the latest assumptions about future plan experience as selected by the Trustees. The Trustees have proposed a revised contribution package for the sponsoring employers, taking effect from 1 April 2020, which continues to target elimination of the funding shortfall by 31 March 2029. This is set out below;

The contribution rate to be paid by Crafts Council from 1 April 2020 following the latest valuation;

- for the accrual of new benefits for members, 23.2% of pensionable salary plus £583 per month in relation to plan expenses (previously 31.2% and £550 per month)
- an annual contribution of £7,600 towards eliminating the Scheme's deficit (2020 £8,100)

During the financial year from 1 April 2020 to 31 March 2021, Crafts Council had one current member of the Scheme.

Therefore, the total cost of this Scheme included within Expenditure for the year was:

	2021 £	2020 £
Accrual of benefits for members	20,578	20,844
Annual contribution towards deficit	7,600	8,100
Less pension deficit provision released to SoFA during year	(7,418)	(6,706)
Revaluation of reserve following fund review	4,728	12,645
Plan expenses	7,000	6,600
Total staff costs	**32,488**	**41,483**

Under Staff Costs (note 11), all costs are disclosed within "Employer's contribution" with the exception of plan expenses which are disclosed as "Operating costs".

Group Personal Pension Plan

Permanent staff appointed on or after 31 March 2000 are eligible to join a Group Personal Pension Plan with Standard Life Assurance Company, a defined contribution scheme. For staff who joined before 1 April 2006, the Crafts Council funds an employer's contribution of 15% of basic salary to the Standard Life Group Personal Pension.

From 1 April 2006, the contribution by the Crafts Council was reduced to 7% for all new employees and the minimum contribution for each employee is 3%.

Following the introduction of new pension regulation by the government, from May 2017 Crafts Council was required to operate an auto enrolment pension scheme for all employees. Crafts Council appointed Standard Life for the provision of this plan.

From its inception, the Crafts Council offered a more generous contribution than the legal minimum stipulated in the legislation, initially contributing 3% for an employee contribution of 1% (government minimum 1% employee, 1% employer. It is permissible for the employer to contribute a higher proportion, so long as the total contribution from both employee and employer is at least 2%). All employees not currently part of the existing Crafts Council scheme were auto-enrolled into the new scheme in May 2017.

From April 2018 the legislation required an increase in contributions to a minimum of 3% employee, 2% employer. Crafts Council again offered a more generous 5% contribution for an employee contribution of 2%.

From April 2019 the legislation required an increase in contributions to a minimum of 5% employee, 3% employer. Crafts Council are currently offering a more generous 7% contribution for an employee contribution of 3%.

Amounts paid to the Group Personal Pension Plan in the year to 31 March 2021 were £84,232 (2020: £76,624).

11 INTANGIBLE ASSETS

	Digital assets £'000	Total £'000
Cost		
At 1 Apr 2020	102	102
Additions	67	67
Disposals	-	-
At 31 March 2021	169	169
Amortisation		
At 1 Apr 2020	43	43
Charge for the year and impairments	21	21
Disposals	-	-
At 31 March 2021	64	64
Net Book Value		
At 31 March 2021	105	105
At 1 April 2020	59	59

12 TANGIBLE ASSETS

(a)

	Leasehold improvements £'000	Fixtures, fittings & equipment £'000	Heritage assets £'000	Total £'000
Cost				
At 1 Apr 2020	1,226	114	965	2305
Additions	154	-	26	180
Disposals	-	-	-	-
At 31 March 2021	1,380	114	991	2,485
Depreciation				
At 1 Apr 2020	342	105	1	448
Charge for the year and impairments	78	7	-	85
Disposals	-		-	-
At 31 March 2021	419	112	1	533
Net Book Value				
At 31 March 2021	960	2	990	1,952
At 1 April 2020	885	9	963	1,857

(b) Heritage Assets

Heritage assets are stated at cost. In the opinion of the Trustees, the market value of the heritage asset Collection is in excess of its book value.

(i) Five year summary of purchases	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Total cost of assets purchased in year	26	83	5	24	109

(ii) Nature of Heritage Assets held and acquisition and disposal policy

The Collection numbers circa 1,800 objects spanning all the main media (excluding fashion). The scope of the Collection is craft between circa 1960 and the present day that is made in the UK, originated in the UK, or made by a UK maker (either as domicile or citizen). Many internationally acclaimed makers are represented and the aim has been to maintain a balance between purchasing work from young makers and those already well established. It is not constituted as a survey of the crafts overall, but reflects a wide and lively spectrum of activity in contemporary work. Acquired work has to be ambitious, innovative, and show new approaches to making, in keeping with the Crafts Council's overall focus.

The primary objectives for the Collection are to:

- support the aims of the Crafts Council;
- benefit the widest possible audience through its use in Crafts Council projects, including long and short term loans, partnership projects, touring exhibitions, displays on site and to support educational projects, published research and study;
- demonstrate excellence and quality in contemporary UK craft;
- stimulate an awareness of high quality work on the part of a wide audience;
- record key moments in craft practice through acquiring work from major exhibitions and from makers who are at an important stage of development in their career; and
- to position contemporary UK craft as an important and distinct creative discipline.

Decisions on acquisitions are made by an Acquisition Panel, consisting of two Trustees, the Executive Director, the Creative Director, the Head of Exhibitions & Collections, and the Keeper of Collections. The Panel meets as necessary to discuss the proposals and approve acquisitions. Acquisitions under £1,000 can be made by the Keeper of Collections with the agreement of the Head of Exhibitions & Collections.

The Crafts Council has a long-term purpose and its permanent collections contribute to its stated objectives. There is a strong presumption against the disposal of any items in the Crafts Council's Collection except as set out below.

In those cases where the Crafts Council is legally free to dispose of an item it is agreed that any decision to sell or otherwise dispose of material from the Collection will be taken only after due consideration; decisions to dispose of items will not be made with the principle aim of generating funds. Once a decision to dispose of an item has been taken, priority will be given to retaining the item within the public domain and with this in view it will be offered first, by exchange, gift or sale to Accredited museums before disposal to other interested individuals or organisations is considered. A decision to dispose of an object will be the responsibility of the Crafts Council's Trustee Board. Full records will be kept of all such decisions and the items involved.

Crafts Council's full Acquisition and Disposal Policy is published on its website and will be reviewed every five years. The last review was held by the board in 2019.

13 STOCK

	2021 £'000	2020 £'000
Paper for Crafts magazine	-	-
Stock of items for resale	-	1
Total Stock	-	1

14 DEBTORS

	2021 £'000	2020 £'000
Amounts receivable within one year:		
Trade debtors	40	84
Other debtors	2	24
VAT receivable	19	120
Prepayments	112	118
Accrued income	213	130
	386	476

15 CREDITORS

		2021 £'000	2020 £'000
(a)	**Amounts falling due within one year:**		
Trade creditors		146	242
Other creditors including payroll taxation		45	37
Accruals		93	67
Deferred income: subscriptions received in advance	15 (b)	97	77
Deferred income: other	15 (c)	36	15
Pension contribution due within one year		7	7
Balance as at 31March		424	445

	2021 £'000	2020 £'000
(b) Movements in subscriptions received in advance		
Balance as at 1 April	77	82
Year-end balance invoiced during the year	97	77
Opening balance released during the year	(77)	(82)
Balance as at 31 March	97	77

	2021 £'000	2020 £'000
(c) Movements in other deferred income		
Balance as at 1 April	15	83
Year-end balance invoiced during the year	36	15
Opening balance released during the year	(15)	(83)
Balance as at 31 March	36	15

16 CREDITORS AFTER 1 YEAR

	2021 £'000	2020 £'000
Amounts falling after one year:		
Pension provision	48	50
Rent provision	228	146
Balance as at 31 March	276	196

(a) Pension provision

The pension provision represents the Crafts Councils' present obligation to contribute towards the deficit relating to past service on the Arts Council Retirement Plan (1994), full details of which are given under Note 10.

Under the latest formal triennial actuarial valuation which took place on 31 March 2019 the contribution rate has been reviewed and from 1 April 2020 the Crafts Council's annual contribution to the scheme deficit was revised to £7,000 (previously £8,100). This is an annual amount payable at the commencement of each year up to March 2029 (8 years). The contribution has been discounted back to its present value at the reporting date and the reserve reflects the current best estimate of the settlement amount.

(b) Creation of rent reserve

Crafts Council leases 44a Pentonville Road.

The existing lease was due to expire in 2025. Last year, we extended the lease to 2040. As an incentive the landlord agreed two periods of rent reduction. The first 18 months of the lease from January 2019 to June 2020 will be charged at half rent. This is followed by a further half rent period from January to December 2026. In accordance with Accounting Standards, the deemed benefit of the rent free period has been spread over the remainder of the lease. A reserve has been created to reflect and separately disclose this.

	2021 £'000	2020 £'000
Movements in rent reserve		
Balance as at 1 April	146	29
Reserve accrued during the year	82	117
Opening balance released during the year	-	-
Balance as at 31 March	228	146

17	FUNDS	At 1 April 2020	Incoming Resources	Resources Expended	Transfers	At 31 March 2021
(a)		£'000	£'000	£'000	£'000	£'000
	Unrestricted undesignated funds					
	General	288	3,473	(3,213)	56	604
	Unrestricted designated funds					
	Collection (heritage assets)	963	-	-	27	990
	Intangible Assets (Digital assets)	59	-	-	46	105
	Other tangible fixed assets	893	-	-	69	962
	Gallery development	88	-	-	(88)	-
	Website and Brand review	72	-	-	(72)	-
	Dilapidations on 44a	75	-	-	(75)	-
	21/22 Program spend				276	276
	Rent free period reserve	(146)	-	-	(82)	(228)
	Pension Reserve	(57)		-	2	(55)
		1,947	-	-	103	2,050
	Total unrestricted funds	2,235	3,473	(3,213)	159	2,654
	Total restricted funds 17 (c)	64	703	(549)	(159)	59
	Total funds	2,299	4,176	(3,762)	-	2,713

Prior year fund movements are shown below;

		At 1 April 2019	Incoming Resources	Resources Expended	Transfers	At 31 March 2020
(b)		£'000	£'000	£'000	£'000	£'000
	Unrestricted undesignated funds					
	General	347	4,105	(4,003)	(161)	288
	Unrestricted designated funds					
	Collection (heritage assets)	881	-	-	82	963
	Digital assets	-	-	-	59	59
	Other tangible fixed assets	291	-	-	602	893
	Gallery development	250	-	-	(162)	88
	Website and Brand review	75	-	-	(3)	72
	Dilapidations on 44a	-	-	-	75	75
	Rent free period reserve	(29)	-	-	(117)	(146)
	Pension Reserve	(51)		-	(6)	(57)
		1,417	-	-	531	1,947
	Total unrestricted funds	1,764	4,105	(4,003)	369	2,235
	Total restricted funds 17 (c)	265	262	(94)	(369)	64
	Total funds	2,029	4,367	(4,097)	-	2,299

Transfers between designated funds and undesignated funds represent:

- Acquisitions less depreciation of fixed assets.
- Pension deficit cash expenditure, less the portion of the pension deficit provision which was released during the period.
- The creation of a rent reserve to show the accrual of rental income and spread the benefit of the rent-free period over the life of the new lease for 44a.
- The Trustees established designated funds at the end of 2019/20 for web and brand development projects, Crafts Council Gallery and dilapidations costs on 44a development. These were fully utilised in the year
- At the end of 2020/21, the trustee created a designated reserve of £276,000 for program spend which Is delayed from 2020/21 to 2021/22 due to Covid restrictions

Transfers between restricted funds and unrestricted funds represent either:

- Allocations of restricted funds against fixed assets purchased and held for general purposes, in accordance with the terms and conditions of the donated funds;
- Deficits on restricted funds met from general unrestricted undesignated funds; or
- Surpluses on restricted funds at the end of the project moved to general unrestricted undesignated funds, provided this is in accordance with terms and conditions set by the funder.

(c) Purpose of Designated Fund

Designation	Purpose of designated fund
Collection (heritage assets)	Equivalent to the net book value of the Collection
Digital assets (Intangible assets)	Equivalent to the net book value of digital intangible assets
Other tangible fixed assets	Equivalent to the net book value of all other fixed assets
Pension Reserve	The Pension Reserve deficit represents the net present value of Crafts Council's total expected contribution towards the Arts Council Retirement Plan Scheme deficit. It is the equivalent to the Balance Sheet provision at the year end.
Rent Reserve	The accrual of rental income to spread the benefit of the rent free period over the course of the lease for 44a.
Web and Brand	Setting aside funds for the ongoing web and brand development, funds were all used In 20/21
Gallery	The development of the Crafts Council Gallery at 44a Pentonville Road commenced during August 2019, expected opening was early 2020 but was deferred to July 2021 due to Covid.
21/22 Program spend	Program spend which was initially planned for 20/21 which has been delayed to 21/22 due to covid

(d) Restricted Fund Analysis

	As at 1 Apr 20	Income	Expenditure	Transfers	As at 31 Mar 21
	£'000	£'000	£'000	£'000	£'000
Purpose of restricted fund:					
Home for Craft redevelopment support	-	131	-	(131)	-
Curatorial placement	6	-	(6)		6
Exhibitions	-	108	(105)	-	-
Learning and talent	49	440	(438)	(1)	50
Innovation programme	9	-	-	-	9
Purchase of assets for the Collection	-	27	-	(27)	-
Total net assets as at 31 March 2019	64	703	(549)	(159)	59

The restricted fund analysis for 2019/20 is shown below;

	As at 1 Apr 19	Income	Expenditure	Transfers	As at 31 Mar 20
	£'000	£'000	£'000	£'000	£'000
Purpose of restricted fund:					
Home for Craft redevelopment support	170	129	-	(299)	-
Curatorial placement		10	(4)		6
Learning and talent	95	43	(89)	-	49
Innovation programme	-	9	-		9
Purchase of assets for the Collection	-	70	-	(70)	-
Total net assets as at 31 March 2019	265	262	(93)	(369)	64

Restricted funds are raised for a specific purpose within the Crafts Council's charitable objectives.
Restricted income comes from a mixture of grants and donations from institutional donors and individuals.

(e)	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted General Funds £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
	Fund balances represented by:				
	Tangible fixed assets		2,057	-	2,057
	Current assets	1,021	276	59	1,356
	Current liabilities	(417)	(7)	-	(424)
	Long Term Liabilities	-	(276)		(276)
	Total net assets as at 31 March 2020	604	2,050	59	2,713

18	COMMITMENTS UNDER OPERATING LEASES	2021 £'000	2020 £'000
(a)	**As at 31 March, Crafts Council had the following Total commitments under operating leases:**		
	Leases expiring after five years: land and buildings	2,870	2,988
	Leases expiring in one to two years: equipment	0	0
	Leases expiring in two to five years: equipment	10	10

(b) As at 31 March, Crafts Council had no income receivable under operating leases (2020: 0)

The tenant who previously sublet space at 44a Pentonville Road exercised the break clause and left the building in December 2019.

19	NOTES TO THE CASH FLOW STATEMENT	2021 £'000	2020 £'000
(a)	**Reconciliation of net income to net cash used in operating activities**		
	Net income for the year	414	270
	Less Value of Donated Heritage Assets	-	-
	Investment income receivable	-	(2)
	Depreciation	106	78
	Decrease in stock	1	11
	Decrease (Increase) in debtors	90	(90)
	Increase in creditors	59	178
	Net cash flow inflow from operating activities	670	445

Image credits:

1. Japanese artist and LOEWE collaborator Arko creates one-off wall-mounted artworks from rice straw.
2. Hand carved rowan wood brush with Gumatti fibre bristles by Crafts Council Directory maker Henry Neville Wood and Grain and Knot.
3. Future Edit installation. Foreground from left — Jean Izard, Liz Tiranti, Dominic Flavell and Helen Owens. Photo: Eva Herzog.
4. Bi-valve by Helen O'Shea, reused plastic milk bottles, threads and pins. Photo by Roland Paschhoff. Courtesy of Ting-Ying Gallery.
5. Student from Bygrove Primary School with Let's Craft pack. Photo by Kingsley Koranteng.
6. En-Tir V by quilter maker and Crafts Council Directory member, Julius Arthur aka House of Quinn.
7. Crafts Magazine, issue 284: The Change Makers, September/October 2020. Fernando Laposse cover feature in rural Mexico. Photo: Pepe Molina
8. Weaver Christabel Balfour demonstrating techniques in an online tutorial. Photo courtesy of the artist.
9. Bloom (Marguerite), Todd-White by 2021 Brookfields Properties award winner Anna Ray. Cotton, plywood, polyester, machine and hand stitch.
10. Colour Palace by Crafts Council trustee and multi-disciplinary artist Yinka Ilori. Photo: Andy Stagg
11. Amulet by Crafts Council Directory member Kate Haywood, porcelain, silk, steel and gold leaf. Photo by Christopher Stock.

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