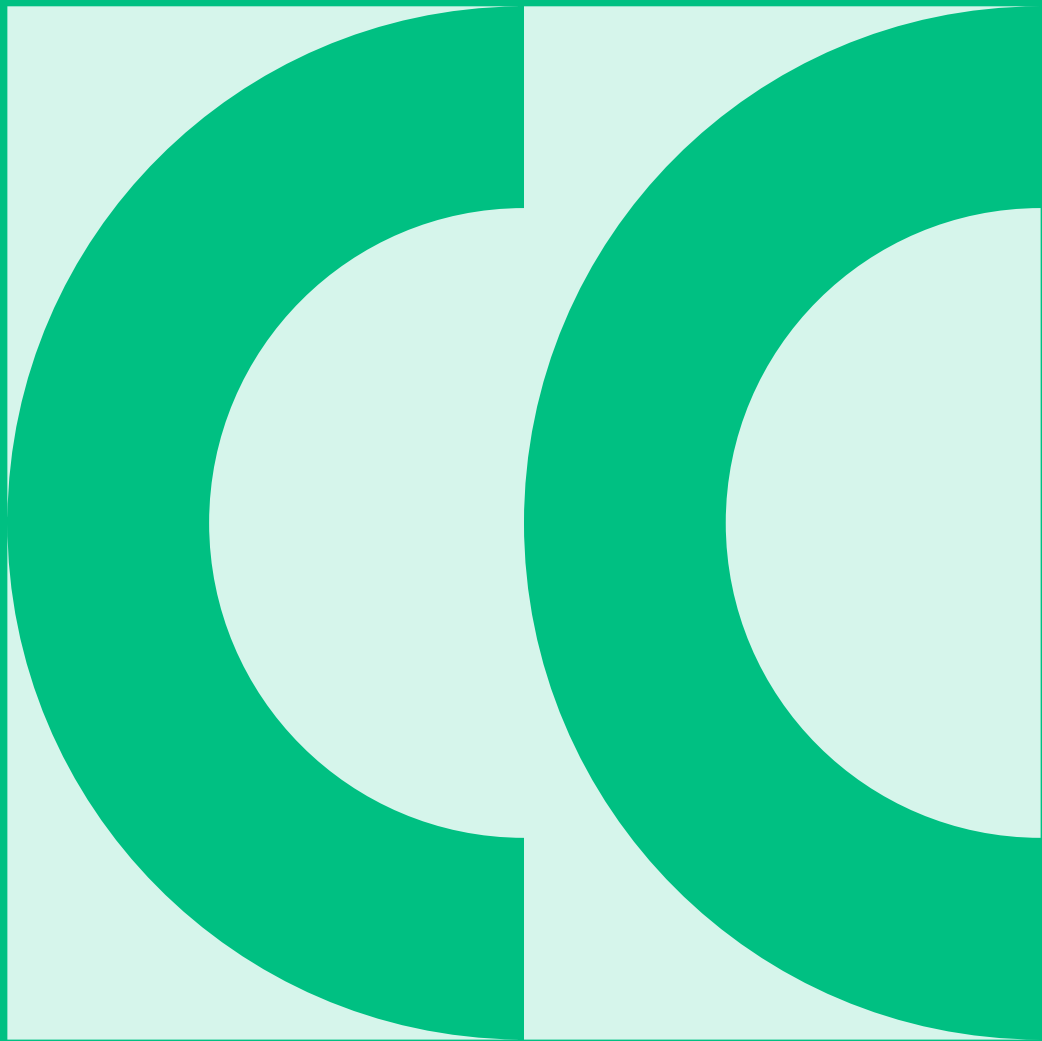


Crafts Council
Annual Report
2022/2023



***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.

Foreword

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





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. Ovenlen 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, Ovenlen'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

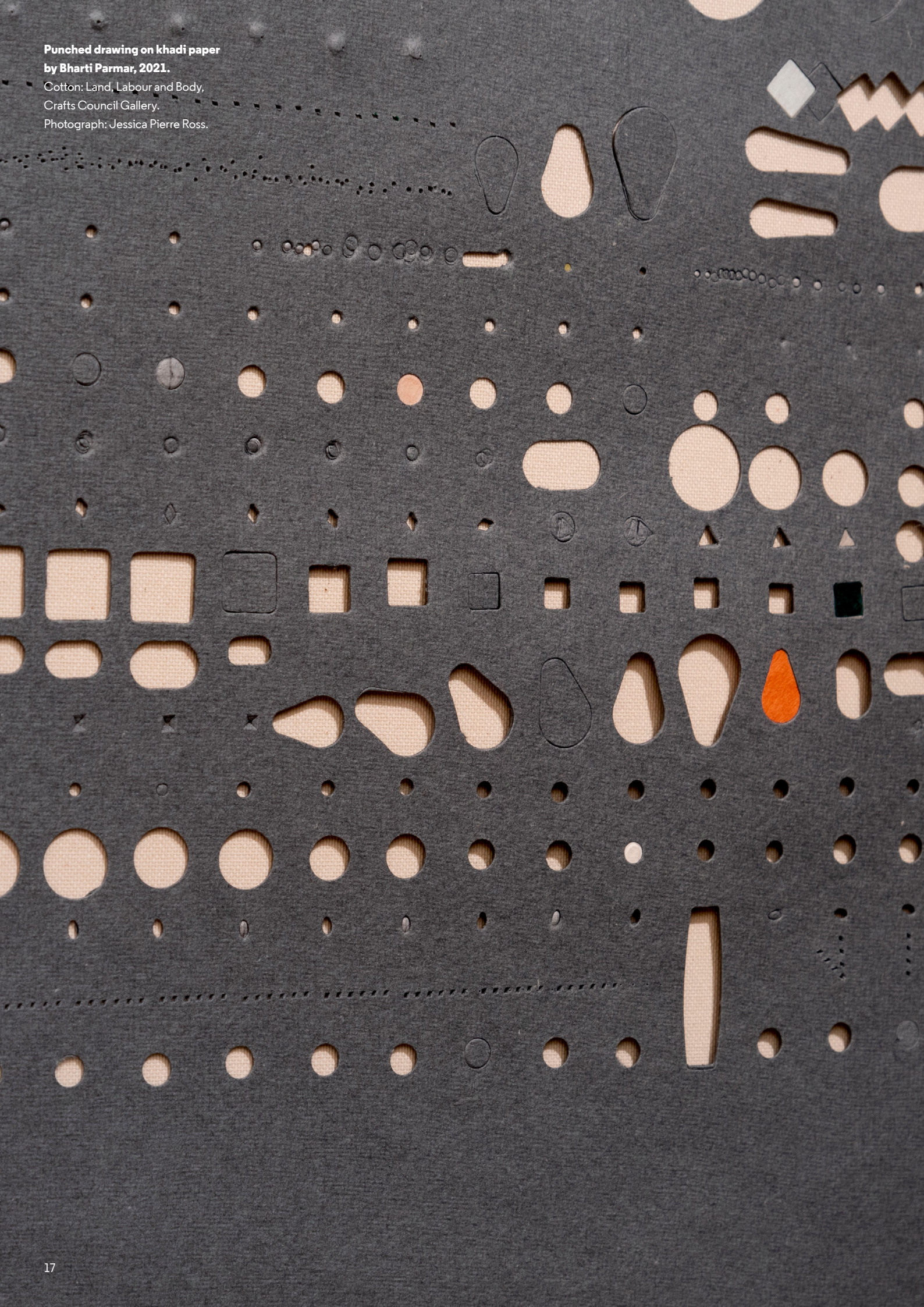
Punched drawing on khadi paper

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 Artsworld, 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 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 #buylesbuybetterbuyhandmade 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 Freeland's 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
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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 Jorôgumo by craftsperson Denzel Curry. Posted on Crafts Council's Instagram page during Denzel's Instagram takeover.



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Environmental
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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.

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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 Committee	
Ed Mathews-Gentle	Audit Committee	
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

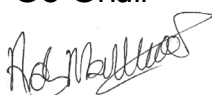
RBS
Liverpool Grp of Branches
(C) Branch
1 Hardman Boulevard
Manchester M3 3AQ

Solicitor

Bates Wells
10 Queen St Place
London EC4R 1BE

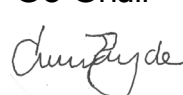
The members of Crafts Council (being the Board of Trustees of Crafts Council) are pleased to present their Report together with the Financial Statements for the year ended 31 March 2022. The Financial Statements comply with the Charities Act 2011, the Royal Charter of Crafts Council, and the Statement 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 programme 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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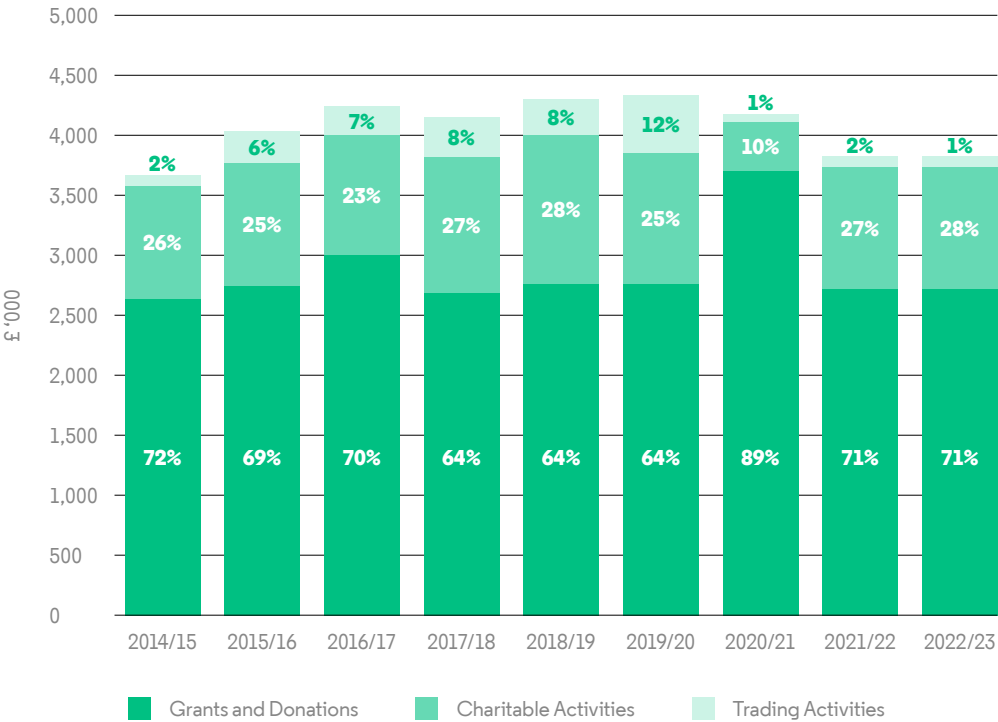
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Year on year Revenue 2014 – 2023



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. At 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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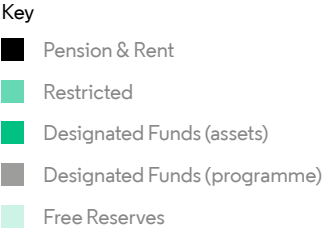
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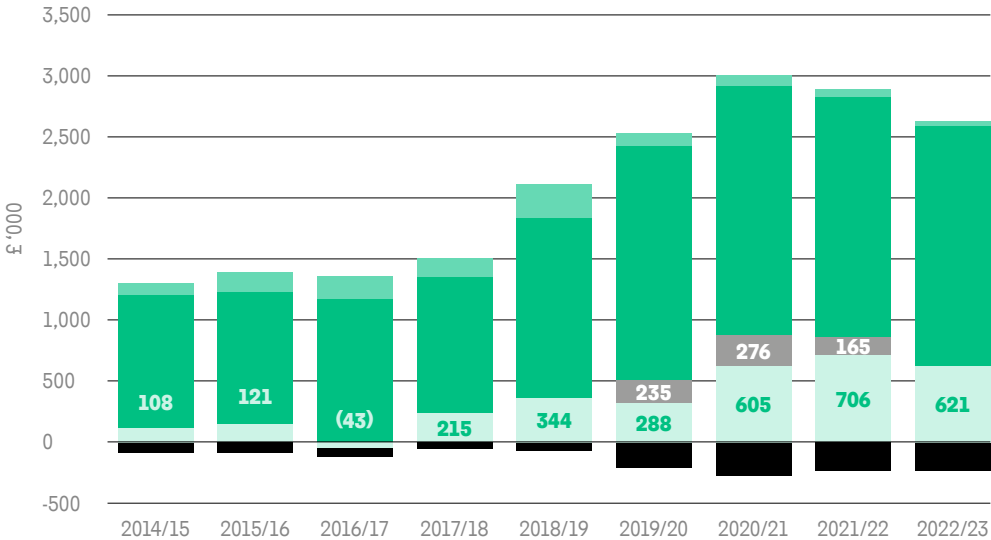
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Crafts Council is fortunate to receive NPO funding from ACE on a monthly basis which covers our main operating costs, and we have been awarded this funding up to March 2026. However, we still need to manage short-term cash flow fluctuations, set aside 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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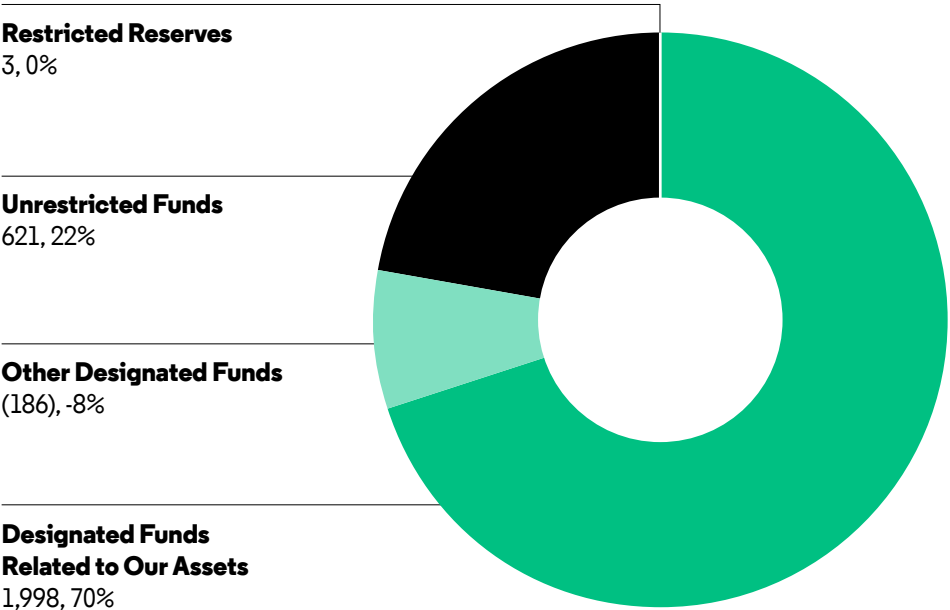
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The core of our designated reserves reflects the value of the objects that comprise Crafts Council Collection. It is recorded in our accounts at the historical cost of the artefacts. However, it has a commercial, cultural, and intangible value far 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



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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.

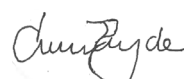
Approved and authorised for issue by the Trustees and signed on their behalf by:

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
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

				2023	2022
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	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
<i>Other trading activities</i>					
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

				2023	2022
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Total Funds £'000
Expenditure					
<i>Raising funds</i>					
Fundraising activities	5	236	11	247	333
Other trading activity: property surplus to requirements		228	-	228	219
<i>Charitable activities</i>					
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:			
<i>Unrestricted funds</i>			
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.

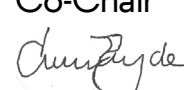
Approved and authorised for issue by the Council and signed on its behalf by:

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
<i>Cash flows from investing activities</i>			
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 2019 and 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 use 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			-	-
<i>Crafts Magazine</i> & 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									
<i>Artistic Programme UK:</i>									
Exhibitions, Loans & Collection	191	208	-	84	33	7	9	532	503
Collect	565	135	-	60	58	5	15	838	714
<i>Artistic Programme Overseas:</i>									
Showcasing	0	-	-	-	-	-	-	-	6
<i>Learning & Talent Development:</i>									
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
<i>Audience Development & Communications:</i>									
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									
<i>Artistic Programme UK:</i>									
Exhibitions, Loans & Collection	181	203	-	75	30	6	8	503	544
Collect	470	126	-	56	46	4	12	714	340
<i>Artistic Programme Overseas:</i>									
Showcasing	0	5	-	1	-	0	0	6	6
<i>Learning & Talent Development:</i>									
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
<i>Audience Development & Communications:</i>									
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		
<i>Artistic Programme UK:</i>		
Exhibitions, Loans & Collection	6	6
Collect	4	4
Artistic Programme Overseas: Showcasing	0	0
<i>Learning & Talent Development:</i>		
Learning programme	7	6
Talent development programme	3	4
Innovation:	0	1
Leadership, Research & Influencing Policy:	1	2
<i>Audience Development:</i>		
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 31 March	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 asset (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
<i>Purpose of restricted fund:</i>					
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

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
<i>Reconciliation of net income to net cash used in operating activities</i>		
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.





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