



The Heritage Crafts Association
President: HRH The Prince of Wales

THE HERITAGE CRAFTS ASSOCIATION

A charity registered with the Charity Commission
no: 1133646

Annual Report and
Financial Statements
for the year ended
30 June 2012



LEGAL & ADMINISTRATIVE INFORMATION

PRESIDENT HRH The Prince of Wales

PATRONS Dr Roy Brigden
Sir Mark Jones
Professor Ted Collins
Alex Langlands
Emma Bridgewater

TRUSTEES

HONORARY OFFICERS

Chair Robin Wood
Vice Chair Patricia Lovett
Treasurer Catherine Dyson (from September 2011)
Ian Lovett (resigned September 2011)
Secretary Brian Crossley

Other Trustees

Greta Bertram
Daniel Carpenter
John Hamshere (from November 2011)
Tanya Harrod
Frank Hassard (resigned February 2012)
Carol Robinson (resigned March 2012)
Chris Rowley

Co-opted members

Steve Byrne

STAFF

Sally Dodson

Principal Office

Right Hand Police House
Lane Head Green, Edale
Hope Valley S33 7ZA

Charity number 1133646

Accounts examined by:

Richard Goatley LLB (Hons) KCL ACA
33 Kenley Road
St Margaret's
Twickenham
Middlesex
TW1 1JT

Bankers

CAF (Charities Aid Foundation)
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 JUNE 2012

The Trustees present their report along with the financial statements of the charity for the year ending 30 June 2012.

Structure, Governance and Management

The Heritage Crafts Association is a registered charity established in January 2010 as an unincorporated association. Membership is open to individuals over the age of eighteen, and organisations approved by the Trustees. A Trustee must be a member of the organisation or a nominated representative of an organisation that is a member of the charity. Trustees are appointed by the members at the Annual General Meeting and serve for three year terms (increased from one year at the March 2012 AGM), although they are eligible for re-election.

Objects and Activities

The Heritage Crafts Association is the advocacy body for traditional heritage crafts. Working in partnership with Government and key agencies it provides a focus for craftspeople, groups, societies and guilds, as well as individuals who care about the loss of traditional crafts skills, and works towards a healthy and sustainable framework for the future.

The charitable remit of the Heritage Crafts Association is to advance public knowledge and appreciation of traditional and heritage crafts, in particular but not exclusively through education advice and training.

This is done by:

- Surveying - researching the status of heritage crafts, identifying those crafts in decline or in imminent danger of being lost, and addressing the issues to ensure their survival.
- Advocating - communicating the vital importance of the heritage crafts to Government, key agencies and organisations.
- Celebrating - raising awareness and raising the status of heritage craft skills with the wider public through a programme of public relations, communications and showcase events.
- Safeguarding - working in partnership with key agencies in the education and learning sectors to identify and support new and innovative ways to ensure that the highest standard of heritage skills are passed from one generation to the next and where necessary recorded for posterity.
- Supporting - to support heritage crafts through a range of means, including advice, networking, training and access to public and private funding.

Our strategic plan can be found on our website at www.heritagecrafts.org.uk





CLARENCE HOUSE

I have always had a huge admiration for those who have the talent to use their hands, mind and eye in a way that can produce objects and buildings of great beauty. As President of the Heritage Crafts Association, I believe most strongly that it is vital to support and encourage such remarkable craftsmen and women to ensure the survival of such unique and special skills.

Traditional craft techniques and materials combine sustainability, utility and beauty and, at the same time, are important parts of our living, cultural heritage. Little detailed information exists about these important skills, but what we do know presents a picture of enormous diversity, both in the range of crafts themselves – from heritage building construction to the creative arts, from saddlery to mill-wrighting – and in craftworkers.

Traditional crafts and skills are at risk, like so much else that is of timeless value in this world. There has been a gradual and widespread loss of the family firm and master craftsmen, through whom traditional skills were passed down from generation to generation and from master to apprentices. Some skills could disappear completely, and local and regional styles of workmanship lost forever.

The skills and expertise of craftsmen and women continue to make an invaluable contribution to this country's heritage. Therefore, I am delighted that your conference will celebrate and promote the best of British craftsmanship, while demonstrating that maintaining those skills and traditions is not simply hanging on to the past, but ensuring that they continue to bring genuine economic and cultural benefits to our communities today – and for generations to come.

Achievements and Performance 2011-12

The year has been dominated by the HCA working closely with John Hayes, Minister for Adult Education, Skills and Lifelong Learning, and officials at the Department of Business, Innovation and Skills to develop a new strategy to promote and sustain heritage craft skills.

Major effort has gone into a mapping project with the HCA represented by Robin Wood and Greta Bertram on the steering group for this, which set out to map, for the first time, the economic contribution and skills profile of the sector; the final report will be published in November 2012.

Another strand of the work has been developing a new Craft Skills Award with the aim of highlighting the skills within the sector and raising the status of craftspeople; the HCA are represented on the steering group by Patricia Lovett.

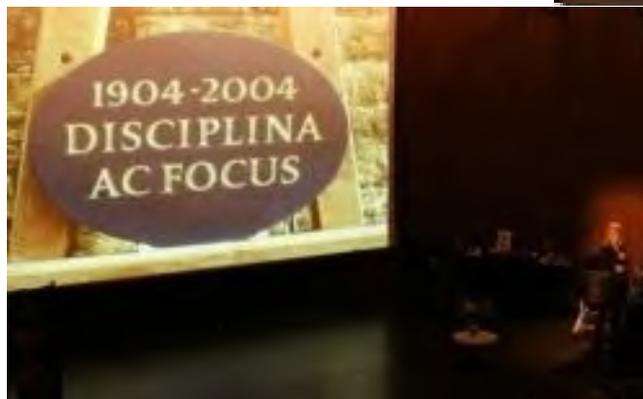
Finally the HCA have worked closely with the Creative and Cultural Skills Sector Council to make progress on developing a new generic apprenticeship framework for heritage crafts, leading to a generic craft qualification. The HCA Trustees Greta Bertram and Patricia Lovett represent the Association on this steering group, and Greta Bertram also heads the HCA's Craft Skills Working Group which feeds information from the sector in to policy makers.

The HCA Spring Conference March 2012

In March, for the HCA's second major Conference at the V&A we moved to the largest lecture theatre which was just about full to capacity. The theme of this year's conference was 'Evolving Craft Communities', the idea being that the survival of traditional craft skills has always relied on adaptation to new social technologies and ways of relating to each other, from the mediaeval apprenticeship system to the way in which online social networking not only enables the continuation of these skills, but influences their future development by allowing people to go back to the essence of what it means to craft.

Attendees were welcomed by vice-chair Patricia Lovett reading a message of endorsement from the HCA President, HRH The Prince of Wales.

The day started with a talk by the HCA Patron Emma Bridgewater on her business at Stoke in the Potteries. She focused on training, and this theme was continued by our second speaker, Lida Cardozo Kindersley, who runs the letter cutting workshop in Cambridge.



Photographs of heritage crafts by Steve Kenwood were shown during the lunch hour. Ele Carpenter, Robin Wood and Stuart Mitchell then spoke about their craft activities.

Patricia Lovett closed the conference by talking about recent initiatives in heritage crafts, many of them as a result of work by HCA Trustees.

The HCA AGM took place, and there was an Instant Gallery of heritage craft on display throughout the day.

As part of the Spring Conference the first Marsh Awards for Heritage Crafts were introduced by the HCA Patron Alex Langlands and were presented by representatives of the Marsh Christian Trust.

The winners were: Wayne Parrott, master hand engraver in the 'Trainer' category and James Portus in the 'Volunteer' category, for his work at Fishstock, Brixham.



Wayne Parrott was awarded the very first Trainer Award at the 2012 Marsh Awards

The HCA's Advocacy and Representation work

During the year the HCA continued our aim of representing crafts and craftspeople at all levels and being a strong advocate for crafts. Some of the notable meetings and work done were:

- The HCA represented craftspeople as the Heritage Lottery Fund considered their strategy for the next five years. The outcome was a commitment to expand their work in supporting heritage skills.
- The HCA were represented at Glastonbury festival by Mastercrafts mentors Guy Mallinson and Sophie Hussein along with Robin Wood. The HCA also had a stand at Art in Action.
- September saw the HCA at Dartington Hall for the "Making Futures" conference followed by the "Connecting Craft and Communities" networking project.
- The HCA had advocacy meetings through the year with Matthew Taylor and Jocelyn Cunningham of the RSA, Lady Garden, Guy Salter of Walpole, Martina Milburn and Emily Hodges of the Prince's Trust, Emily Cherrington of Clarence House, Hank Dittmar and Edith Platten of the Prince's Foundation for Building Community, Sir Tom Shabbeare, and Clara Arokiasamy of ICOMOS UK.
- The HCA has worked with various TV companies and journalists feeding craft stories through to mainstream media. Most notable have been John Craven's 'Heritage Heroes' and Ade Edmonson's 'Ade in Britain'.

The HCA Trustee and Patron news

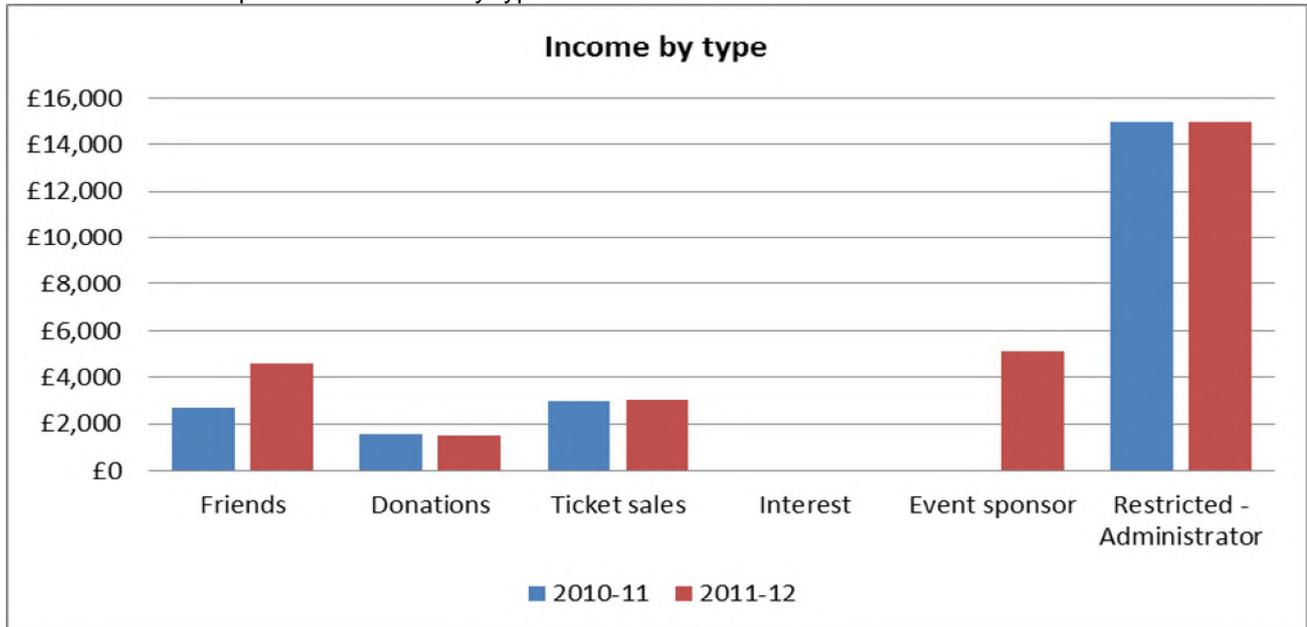
Trustees Frank Hassard and Carol Robinson resigned their posts and the HCA thanked them for their service to heritage crafts. We also welcomed new Trustees John Hamshere and Catherine Dyson (Treasurer) and new HCA Patron Emma Bridgewater.



Financial review

The Heritage Crafts Association's net incoming resources for the year were £29,243 (2011: £22,200) and the closing cash reserves held at 30 June 2011 were £27,336 (2011: £16,017). Of the closing cash reserves at 30 June 2012 £14,818 relates to restricted funding received in advance for the 2012-13 financial year. During the year the HCA opened a savings account with CAF Bank to benefit from an increased rate of interest on our cash reserves.

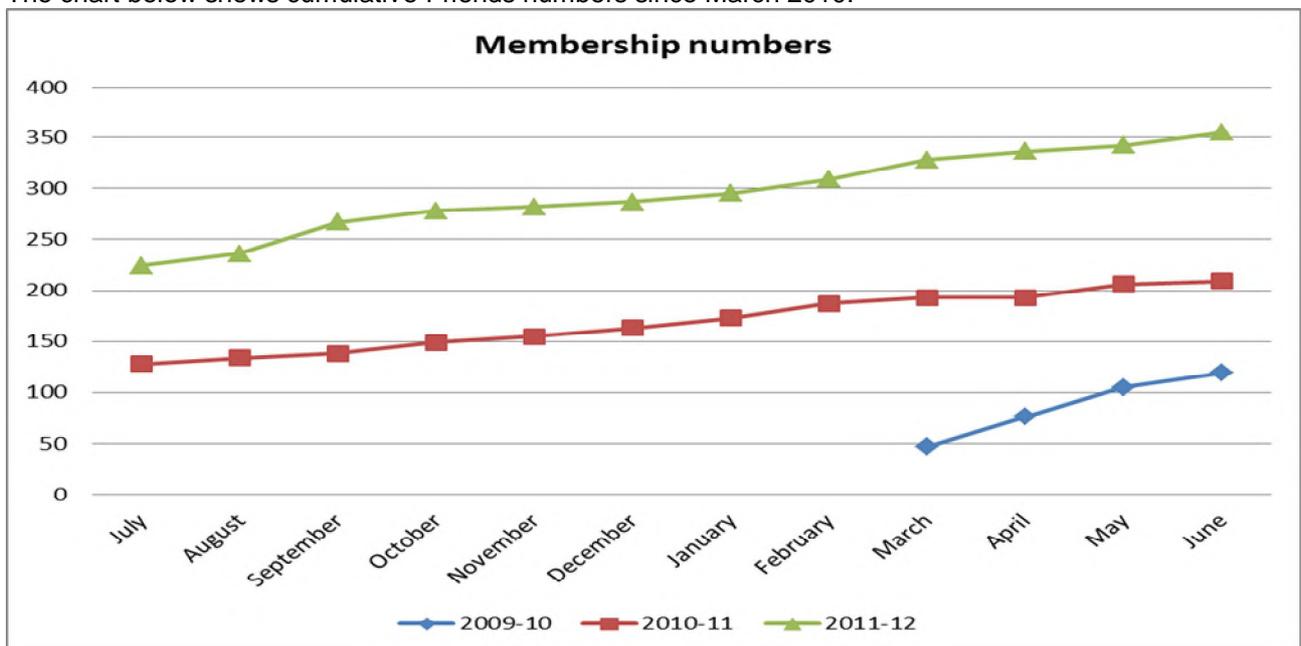
We are pleased to report this increase in funding and thank all donors who have made this possible. The chart below shows a comparison of income by type for 2011-12 and 2010-11:



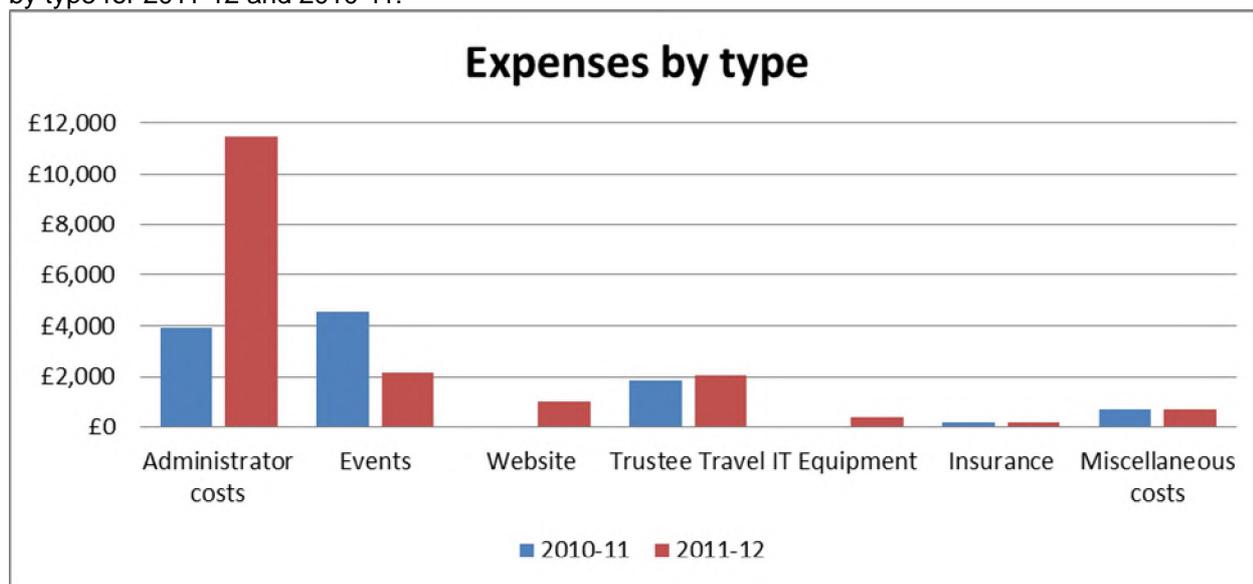
As shown above the largest reason for the increase compared to the previous year has been the increase in Friends membership and the funding received during the year for the Skills Forum event. The Headley Trust provided £15,000 during the year as the second payment from their grant to fund the administrator of the HCA.

The growth of our Friends membership base is key to our growth plans for HC and ensures we can demonstrate the wide support for our policies. We have kept our membership fees constant at £12 for individuals and continued to increase our membership during the year, and at 30 June 2012 had 353 Friends (30 June 2011: 206 Friends). Of this total 57 Friends are organisations and 296 are individuals (30 June 2011: 37 and 169 respectively).

The chart below shows cumulative Friends numbers since March 2010:



We have continued to manage costs as prudently as possible. The chart below shows a comparison of expenses by type for 2011-12 and 2010-11:



The largest item of expenditure is the cost of our administrator; the increase from the previous year is because the administrator role only began during the year ended 30 June 2011 and so it did not represent twelve months of costs.

The second largest area of cost at 12% of total costs is in running events and our aim is that our major events such as the Spring Conference should raise funds to cover the cost of the event through ticket sales and donations. This was achieved for the 2012 and 2011 Spring Conferences. The costs of events have decreased compared to the previous year as only one event was held during the year ended 30 June 2012 compared to two in the previous year.

Trustees are not remunerated for their work with the HCA, travel costs incurred in attending committee meetings are reimbursed and as the Trustees are based throughout the UK this remains relatively large at 12% of total costs (2011: 17%).

Reserves Policy

The Trustees agreed that the equivalent of three month's expenditure should be kept in reserve from unrestricted funds to ensure that the charity could continue to work through any period of unforeseen difficulty. The Trustees assess the reserves policy on an annual basis. The agreed level of reserves was maintained throughout the period.

Risk management policy

Actions have been taken to resolve the principal risks identified by the Trustees in a recent Risk Management Review. There were:

- Failure to generate effective fundraising strategy. To minimise this risk, Trustees will agree a fundraising strategy for one to three years, review fundraising activities and options at each Trustee meeting. They will appoint one Trustee to provide oversight of fundraising opportunities and activities.
- Failure to generate necessary income. To minimise this risk, Trustees will agree an annual budget identifying planned expenditure and the level of income required. They will ensure that accurate financial records are kept and will monitor income and expenditure to date at each Trustee meeting.

Trustees' and examiner's responsibilities in relation to the financial statements

The charity's Trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act), and
- to state whether particular matters have come to my attention

Basis of independent examiner's report:

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement:

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements
 - to keep accounting records in accordance with section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act; have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed by independent examiner

Signature



Name

Richard Goatley LLB (Hons) KCL ACA

Date of approval

8 December 2012

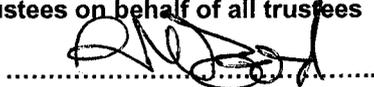
Relevant professional qualification: Chartered accountant

Address

33 Kenley Road
St Margaret's
Twickenham
Middlesex
TW1 1JT

Signed by Chair of trustees on behalf of all trustees

Signature



Name

Robin Wood

Date of approval

8 Dec 2012

RECEIPTS AND PAYMENTS

| | Note | Unrestricted funds to the nearest £ | Restricted funds to the nearest £ | Endowment funds to the nearest £ | Total funds to the nearest £ | Last year to the nearest £ |
|---|------|--|--------------------------------------|-------------------------------------|---------------------------------|-------------------------------|
| RECEIPTS | | | | | | |
| Donations | 5 | 1,509 | 15,000 | - | 21,649 | 19,512 |
| Friends membership | 6 | 4,576 | - | - | 4,576 | 2,674 |
| Events | 7 | 8,135 | - | - | 2,995 | - |
| Interest | | 23 | - | - | 23 | 14 |
| Gift aid receipts | | - | - | - | - | - |
| Sub total | | 14,243 | 15,000 | - | 29,243 | 22,200 |
| Asset and investment sales | | - | - | - | - | - |
| Sub total | | - | - | - | - | - |
| TOTAL RECEIPTS | | 14,243 | 15,000 | - | 29,243 | 22,200 |
| PAYMENTS | | | | | | |
| Staff costs | 3 | - | 11,426 | - | 11,426 | 3,927 |
| Events | 7 | 2,142 | - | - | 1,793 | 4,516 |
| Trustee travel expenses | 4 | 2,070 | - | - | 2,070 | 1,880 |
| Administration costs | 2 | 1,887 | - | - | 2,236 | 891 |
| Sub total | | 6,099 | 11,426 | - | 17,525 | 11,214 |
| Asset and investment purchases | | - | 399 | - | 399 | - |
| Sub total | | - | 399 | - | 399 | - |
| TOTAL PAYMENTS | | 6,099 | 11,825 | - | 17,924 | 11,214 |
| NET OF RECEIPTS/ (PAYMENTS) TRANSFER BETWEEN FUNDS | | 8,144 | 3,175 | - | 11,319 | 10,986 |
| TOTAL FUNDS LAST YEAR END | | 4,944 | 11,073 | - | 16,017 | 5,031 |
| TOTAL FUNDS THIS YEAR END | | 13,088 | 14,248 | - | 27,336 | 16,017 |

STATEMENT OF ASSETS AND LIABILITIES AT THE END OF THE PERIOD

| At 30 June 2012 | | Unrestricted funds | Restricted funds | Endowment funds | Total to nearest £ |
|------------------------------------|---------------------|-----------------------|---------------------|--------------------|--------------------------|
| | | to nearest £ | to nearest £ | to nearest £ | £ |
| ASSETS | | | | | |
| Cash Funds | Cash in CAF account | 8,249 | 14,818 | - | 23,067 |
| | PayPal | 4,269 | - | - | 4,269 |
| Total Cash Funds | | 12,518 | 14,818 | - | 27,336 |
| LIABILITIES | | | | | |
| | | - | - | - | - |
| TOTAL FUNDS AT 30 JUNE 2012 | | 12,518 | 14,818 | - | 27,336 |

| At 30 June 2011 | | Unrestricted funds | Restricted funds | Endowment funds | Total |
|------------------------------------|---------------------|-----------------------|---------------------|--------------------|--------------|
| | | to nearest £ | to nearest £ | to nearest £ | to nearest £ |
| ASSETS | | | | | |
| Cash Funds | Cash in CAF account | 1,977 | 11,073 | - | 13,050 |
| | PayPal | 2,967 | - | - | 2,967 |
| Total Cash Funds | | 4,944 | 11,073 | - | 16,017 |
| LIABILITIES | | | | | |
| | | - | - | - | - |
| TOTAL FUNDS AT 30 JUNE 2011 | | 4,944 | 11,073 | - | 16,017 |

Signed by Chair of trustees on behalf of all trustees

Signature 

Name Robin Wood

Date of approval 8 Dec 2012

Notes to the Accounts

1. Accounting policies

a) Basis of Accounting

The Heritage Crafts Association currently has gross income of less than £250,000 per annum and so prepares receipts and payment accounts as permitted by the Charities Commission.

b) Incoming resources

All income, donations and subscriptions are accounted for as received by the Association.

c) Restricted Funds

Restricted Funds are funds which are used in accordance with specific instructions imposed by the donor. The Heritage Crafts Association currently has one donor which provides restricted funds, these have been provided by Headley Trust to fund a part time administrator role for two years.

d) Resources expended

Resources expended are recognised in the period in which they are incurred.

2. Administration Expenses

Administration costs, excluding staff costs are as follows:

| | 2012 | 2011 |
|--------------------------------------|----------------|--------------|
| | £ | £ |
| Website development | (990) | - |
| Public Liability Insurance | (188) | (188) |
| Stationery | (130) | (183) |
| Payment processing fees | (254) | (143) |
| Miscellaneous | (325) | (377) |
| Total administration expenses | (1,887) | (891) |

3. Staff Costs

In January 2011 the Heritage Crafts Association employed an administrator. The administrator role is currently 2 days a week and is funded by the donation provided by The Headley Trust. This funding is for two years and as the Heritage Crafts Association received the second funding payment of £15,000 during the year the portion which is still to be used is shown within the restricted funds balance at 30 June 2012.

4. Trustee expenses

The Trustees of Heritage Crafts Association are all unpaid. Expenses are claimed for travel to committee meetings and other events that they are required to attend. Trustees are also reimbursed for any expenses they occur on behalf of the Heritage Crafts Association, these costs are included within Administration costs above.

| | 2012 | 2011 |
|-------------------------|----------------|---------|
| | £ | £ |
| Trustee travel expenses | (2,070) | (1,880) |

5. Donations

Unrestricted donations were received from individuals and organisations of £1,509 (2011: £4,512).

In addition £5,140 was received during the year from The Balvenie for sponsorship of the Skills Forum held in May 2011. As discussed in Note 3 above a restricted donation of £15,000 (2011: £15,000) was received during the year from The Headley Trust to fund the administrator post.

We are extremely grateful to all our donors for providing this vital funding.

6. Friends membership

As at 30 June 2012 the Heritage Crafts Association had 353 members through its Friends scheme (2011: 206 members). A total of £4,576 was raised through the Friends scheme during the year to 30 June 2012 (2011: £2,414).

7. Events

The following key events were held during the period:

| | 2012 £ | 2011 £ |
|---|--------------|----------------|
| Spring Conference | | |
| Income | 2,925 | 2,928 |
| Expense | (1,493) | (1,207) |
| Marketing Conference September 2012 | | |
| Income | 70 | - |
| Expense | (300) | - |
| Forum | | |
| Income | 5,140 | - |
| Expense | (349) | (3,309) |
| Total income/(expense) from events | <u>5,993</u> | <u>(1,588)</u> |

At the end of the year planning had already begun for the September 2012 Marketing Conference, some costs had been incurred and income received during the current year.

The May 2011 Skills Forum was kindly sponsored by The Balvenie, however, the £5,140 donation was not received until August 2011 and so is reflected in these accounts while the costs were incurred in the prior year.

8. Taxation

As a registered charity the Heritage Crafts Association is exempt from corporation tax since all income is applied for charitable purposes.