

Council for Responsible Jewellery Practices Limited

trading as Responsible Jewellery Council

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2013

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Contents

Company Information	1 to 2
Directors' Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Income and Expenditure Account	7
Balance Sheet	8
Notes to the Financial Statements	9 to 12

The following pages do not form part of the statutory financial statements:

Detailed Income and Expenditure Account	13 to 14
---	----------

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Company Information

Directors who held office in the year are as followed:

Director	Member	Appointed	Retired
Allchin, M	The Birmingham Assay Office	2 July 2009	
Baker, D M	Gemological Institute of America, Inc (GIA)	2 July 2009	21 October 2013
Batson, R	American Gem Society	2 May 2006	
Bonas, C	Bonas & Co. Ltd.	02 May 2006	
Brenner, J	Jaybee Trading Inc t/a !xamdiamonds.com	22 May 2012	
Chaudri, F	Exelco	24 May 2011	23 May 2013
De Blanchard, D	Cristofol Paris	24 May 2011	23 May 2013
Fornas, B	Cartier	11 May 2005	01 January 2013
Grandi, V	Rio Tinto	22 May 2012	
Hoare, M	National Association of Goldsmiths	11 May 2005	03 April 2013
Jenkins, M	Signet Jewelers Ltd	16 December 2005	
Leake, M	BHP Billiton Diamonds Inc	6 September 2010	23 May 2013
Leopold-Metzger, P	Piaget	2 May 2006	
Lussier, S	De Beers Group	11 May 2005	
Miyamoto, C	Rosy Blue NV	30 November 2011	
Morrison, S	Metalor	22 May 2012	
Palmer, D	Pluczenik Diamond Company NV	24 May 2011	
Pinet Cuoq, B	Union Francaise, BJOP	27 November 2009	
Simelane, Y	AngloGold Ashanti Limited	15 May 2009	
Suzman, J	De Beers Group	14 May 2009	04 April 2013
Taylor, R	The Fair Trade Jewellery Co	27 July 2012	
Bonaparte, D	Jewelers of America	01 January 2013	
Boquet, C	Syndicat Saint-Eloi Union du Commerce	23 May 2013	
Chauveau De Quercize, S J	Cartier	01 January 2013	
Ciabatti, I	Italpreziosi S.p.A.	22 May 2013	
Courage, J	Platinum Guild International	01 January 2013	
DiRoberto, M	Bulgari S.p.A.	23 May 2013	
Gavin, D	David Greg Jewellery	23 May 2013	
Hanna, M	Richline Group Inc.	08 September 2013	
Steinmetz, M	Leo Schachter Diamonds LLC	23 May 2013	
Harby, N	Rand Refinery (Pty) Limited	23 May 2013	
Hori, B	Gemological Institute of America, Inc (GIA)	08 September 2013	
Zerouki, F	De Beers Group	23 May 2013	

Individuals listed as directors are statutory directors of the company and are appointed by the Council's members as their representative on the board of the Council for Responsible Jewellery Practices Limited. Alternates are not statutory officers of the company but are appointed by individual directors to temporarily act on their behalf in relation to the company's affairs when required.

Alternates

Ait-Hocine, N	Cartier	19 May 2010
Backaert, D	Bonas & Co. Ltd.	01 December 2006
Chaussepied, C	Piaget	22 May 2012
Vanni, E	Goldlake I.P. S.p. A.	23 May 2013
McCarthy, J	Metalor Technologies SA	21 May 2013
Posnock, S T	Jewelers of America Inc.	07 March 2013

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Company Information

..... continued

Registered office First Floor Dudley House
34-38 Southampton Street
London
WC2E 7HF

Auditors Critchleys LLP
Registered Auditors
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Directors' Report for the Year Ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on and signed on its behalf by:

.....
J Courage
Chairman

.....
M A Jenkins (Honorary Secretary)
Director

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Auditor's Report to the Members of
Council for Responsible Jewellery Practices Limited**

We have audited the financial statements of Council for Responsible Jewellery Practices Limited for the year ended 31 December 2013, set out on pages 7 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Council for Responsible Jewellery Practices Limited**

..... continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime.

.....
Michael Good (Senior Statutory Auditor)
For and on behalf of Critchleys LLP, Statutory Auditor

Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Date:.....

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Income and Expenditure Account for the Year Ended 31 December 2013

	Note	2013 £	2012 £
Income		1,132,239	1,050,125
Administrative expenses		<u>(1,317,832)</u>	<u>(1,133,562)</u>
Operating surplus/(deficit)	2	(185,593)	(83,437)
Other interest receivable and similar income		<u>118</u>	<u>152</u>
Surplus/(deficit) on ordinary activities before taxation		(185,475)	(83,285)
Tax on surplus/(deficit) on ordinary activities	3	<u>(18)</u>	<u>(30)</u>
Surplus/(deficit) for the financial year	8	<u><u>(185,493)</u></u>	<u><u>(83,315)</u></u>

Council for Responsible Jewellery Practices Limited - Registration number: 05449042
trading as Responsible Jewellery Council
Balance Sheet at 31 December 2013

	Note	2013		2012	
		£	£	£	£
Fixed assets					
Tangible fixed assets	4		7,246		16,438
Current assets					
Debtors	5	59,046		67,295	
Cash at bank and in hand		<u>317,867</u>		<u>479,552</u>	
		376,913		546,847	
Creditors: Amounts falling due within one year					
	6	<u>(38,170)</u>		<u>(31,803)</u>	
Net current assets			<u>338,743</u>		<u>515,044</u>
Net assets			<u><u>345,989</u></u>		<u><u>531,482</u></u>
Capital and reserves					
Income and expenditure account	8		<u><u>345,989</u></u>		<u><u>531,482</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

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

.....
 J Courage
 Chairman

.....
 M A Jenkins (Honorary Secretary)
 Director

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

Income

Income, which excludes value added tax, represents the invoiced value of membership subscriptions and expenses recharged. Income is accounted for on an accruals basis.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Computer equipment	4 years straight line basis
Office Furniture and Fittings	5 years straight line basis

Foreign currency

Income and expenditure account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the income and expenditure account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the income and expenditure account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating surplus/(deficit)

Operating surplus/(deficit) is stated after charging:

	2013 £	2012 £
Auditor's remuneration - The audit of the company's annual accounts	2,750	2,700
Depreciation of tangible fixed assets	<u>10,927</u>	<u>13,382</u>

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

3 Taxation

The company has received dispensation due to its accepted mutual status such that it is not liable for corporation tax on any operating surplus. However corporation tax is payable on bank interest received by the company.

Tax on surplus/(deficit) on ordinary activities

	2013	2012
	£	£
Current tax		
Corporation tax charge	<u>18</u>	<u>30</u>

4 Tangible fixed assets

	Office furniture and fittings	Computer equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2013	56,297	27,186	83,483
Additions	<u>-</u>	<u>1,735</u>	<u>1,735</u>
At 31 December 2013	<u>56,297</u>	<u>28,921</u>	<u>85,218</u>
Depreciation			
At 1 January 2013	44,932	22,113	67,045
Charge for the year	<u>8,651</u>	<u>2,276</u>	<u>10,927</u>
At 31 December 2013	<u>53,583</u>	<u>24,389</u>	<u>77,972</u>
Net book value			
At 31 December 2013	<u>2,714</u>	<u>4,532</u>	<u>7,246</u>
At 31 December 2012	<u>11,365</u>	<u>5,073</u>	<u>16,438</u>

5 Debtors

	2013	2012
	£	£
Trade debtors	16,496	2,750
Other debtors	4,844	3,408
Prepayments and deferred income	<u>37,706</u>	<u>61,137</u>
	<u>59,046</u>	<u>67,295</u>

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

6 Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	19,490	12,667
Corporation tax	23	36
Other taxes and social security	-	3,400
Other creditors	250	1,650
Accruals and deferred income	18,407	14,050
	<u>38,170</u>	<u>31,803</u>

7 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

8 Reserves

	Income and expenditure account £	Total £
At 1 January 2013	531,482	531,482
Surplus/(deficit) for the year	<u>(185,493)</u>	<u>(185,493)</u>
At 31 December 2013	<u>345,989</u>	<u>345,989</u>

9 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £54,330 (2012 - £43,960).

Contributions totalling £250 (2012 - £825) were payable to the scheme at the end of the year and are included in creditors.

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Notes to the Financial Statements for the Year Ended 31 December 2013

..... *continued*

10 Commitments

Operating lease commitments

As at 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2013 £	2012 £
Within one year	<u>9,788</u>	<u>47,746</u>

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Detailed Income and Expenditure Account for the Year Ended 31 December 2013

	2013		2012	
	£	£	£	£
Income (analysed below)		1,132,239		1,050,125
Administrative expenses (analysed below)				
Employment costs	690,711		581,455	
General administrative expenses	616,194		538,725	
Depreciation costs	<u>10,927</u>		<u>13,382</u>	
		(1,317,832)		(1,133,562)
Other interest receivable and similar income (analysed below)		<u>118</u>		<u>152</u>
Surplus/(deficit) on ordinary activities before taxation		<u><u>(185,475)</u></u>		<u><u>(83,285)</u></u>

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council
Detailed Income and Expenditure Account for the Year Ended 31 December 2013

..... continued

	2013 £	2012 £
Income		
Membership income	1,066,380	989,302
Supporters	12,945	13,343
Auditor accreditation	52,914	47,480
	<u>1,132,239</u>	<u>1,050,125</u>
Employment costs		
Wages and salaries	625,438	509,583
Staff NIC (Employers)	10,943	27,912
Staff pensions	54,330	43,960
	<u>690,711</u>	<u>581,455</u>
General administrative expenses		
Office expenses	140,339	109,834
Communications and PR services	37,638	54,418
Local market outreach	1,071	-
IT costs	14,878	5,955
General project implementation and management	200,575	177,475
Auditor's remuneration	2,750	2,700
Auditors' remuneration - non audit work	618	450
Legal services	20,736	20,707
Tax and company secretarial services	17,178	16,826
Directors insurance	11,077	11,077
Staff travel & other expenses	169,334	139,283
	<u>616,194</u>	<u>538,725</u>
Depreciation costs		
Depreciation of office furniture and fittings	8,651	11,057
Depreciation of computer equipment	2,276	2,325
	<u>10,927</u>	<u>13,382</u>
Other interest receivable and similar income		
Bank interest receivable	118	152
	<u>118</u>	<u>152</u>