

Registration number: 05449042

# Council for Responsible Jewellery Practices Limited

trading as  
Responsible Jewellery Council

(A company limited by guarantee)

Directors' Report and Financial Statements

for the Year Ended 31 December 2010

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

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

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

**Officers and Advisers**

**Directors who held office in the year are as follows:**

<b>Director</b>	<b>Member</b>	<b>Appointed</b>	<b>Retired</b>
Ait-Hocine, N	Metalor	14 May 2007	19 May 2010
Allchin, M	The Birmingham Assay Office	2 July 2009	
Backaert, D	Bonas & Co. Ltd.	1 December 2006	6 July 2010
Baker, D M	Gemological Institute of America, Inc (GIA)	2 July 2009	
Batson, R	American Gem Society	2 May 2006	
Bonas, C	Bonas & Co. Ltd.	2 May 2006	
Burman, T	Signet Group plc	11 May 2005	31 January 2011
Caillens, P	Cartier	14 September 2006	19 May 2010
Cox, B	Rio Tinto	1 January 2009	
Cunningham, V	H. Cunningham Fine Jewelry Inc	14 May 2007	
Fornas, B	Cartier	11 May 2005	
Garsek, Z	Zale Corporation	16 July 2008	10 March 2010
Goldberg, N	Zale Corporation	16 July 2008	10 March 2010
Gumm, G	Zale Corporation	10 March 2010	6 July 2010
Hall, J	Rio Tinto	15 July 2008	
Headley, R	Jewelers of America	16 December 2005	6 July 2010
Hoare, M	National Association of Goldsmiths	11 May 2005	
Jenkins, M	Signet Group plc	16 December 2005	
Killion, T	Zale Corporation	10 March 2010	
Kowalski, M	Tiffany & Co.	11 May 2005	
Leake, M	BHP Billiton Diamonds Inc	6 September 2010	
Leopold-Metzger, P	Piaget	2 May 2006	
Lussier, S	De Beers Group	11 May 2005	
Mehta, D	Rosy Blue NV	11 May 2005	
Mehta, R	Dimexon Diamonds Ltd	2 May 2006	
Miyamoto, C	Rosy Blue NV	16 December 2005	6 July 2010
Parikh, N	Diarough NV	16 December 2005	6 July 2010
Parikh, S	Diarough NV	11 May 2005	
Pinet Cuocq, B	Union Francaise, BJOP	27 November 2009	
Roche, M	BHP Billiton Diamonds Inc	28 March 2008	19 May 2010
Runci, M	Jewelers of America	11 May 2005	
Ryder, C	BHP Billiton Diamonds Inc	10 January 2007	6 September 2010
Simelane, Y	AngloGold Ashanti Limited	15 May 2009	
Suzman, J	De Beers Group	14 May 2009	

**Alternates**

Ait-Hocine, N	Cartier	19 May 2010
Backaert, D	Bonas & Co. Ltd.	1 December 2006
Gumm, G	Zale Corporation	10 March 2010
Headley, R	Jewelers of America	15 May 2009
Miyamoto, C	Rosy Blue NV	16 December 2005
Parikh, N	Diarough NV	16 December 2005

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 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. Some alternates were incorrectly listed as statutory officers and this has now been corrected.

**Council for Responsible Jewellery Practices Limited**  
**trading as**  
**Responsible Jewellery Council**  
**Officers and Advisers**

**Secretary** M A Jenkins

**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**  
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**Directors' Report for the Year Ended 31 December 2010**

The directors present their report and the audited financial statements for the year ended 31 December 2010.

**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 they have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 profit or loss of the company for that period. In preparing these financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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.

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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

**Principal activity**

The principal activity of the company is to promote responsible, ethical, social and environmental practices throughout the industry from mine to retail.

**Directors**

The directors who served during the year are shown on page 1.

**Auditors**

The auditors, Critchleys LLP, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

**Council for Responsible Jewellery Practices Limited**  
trading as  
**Responsible Jewellery Council**  
**Directors' Report for the Year Ended 31 December 2010**

..... continued

**Small company provisions**

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

Approved by the Board and signed on its behalf by:



M A Runci  
Director

Date: 24.05.11

**Independent Auditors' Report to the Members of  
Council for Responsible Jewellery Practices Limited  
trading as  
Responsible Jewellery Council**

We have audited the financial statements of Council for Responsible Jewellery Practices Limited for the year ended 31 December 2010, 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 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

**Independent Auditors' Report to the Members of  
Council for Responsible Jewellery Practices Limited  
trading as  
Responsible Jewellery Council**

..... continued

**Opinion on 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 2010 and of its loss 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.

**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: 28 June 2011



**Council for Responsible Jewellery Practices Limited**  
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**Income and Expenditure Account for the Year Ended 31 December 2010**

	Note	2010 £	2009 £
Turnover		799,729	1,043,154
Administrative expenses		(928,131)	(729,263)
<b>Operating (deficit)/surplus</b>	2	<u>(128,402)</u>	<u>313,891</u>
Other interest receivable and similar income		159	167
<b>(Deficit)/surplus on ordinary activities before taxation</b>		<u>(128,243)</u>	<u>314,058</u>
Tax on (deficit)/surplus on ordinary activities	3	(32)	(92)
<b>(Deficit)/surplus for the financial year</b>	10	<u><u>(128,275)</u></u>	<u><u>313,966</u></u>

The notes on pages 9 to 12 form an integral part of these financial statements.

**Council for Responsible Jewellery Practices Limited**  
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**Balance Sheet as at 31 December 2010**

		2010		2009	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		35,700		47,072
<b>Current assets</b>					
Debtors	6	46,693		41,224	
Cash at bank and in hand		<u>517,814</u>		<u>588,040</u>	
		564,507		629,264	
<b>Creditors: Amounts falling due within one year</b>					
	7	<u>(82,788)</u>		<u>(30,642)</u>	
<b>Net current assets</b>			<u>481,719</u>		<u>598,622</u>
<b>Net assets</b>			<u>517,419</u>		<u>645,694</u>
<b>Capital and reserves</b>					
Income and expenditure reserve	10		<u>517,419</u>		<u>645,694</u>
			<u>517,419</u>		<u>645,694</u>

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

Approved by the Board on 24.05.11 and signed on its behalf by:



M A Runci  
Director

**Council for Responsible Jewellery Practices Limited**  
trading as  
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**Notes to the Financial Statements for the Year Ended 31 December 2010**

**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).

**Cash flow statement**

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.

**Turnover**

Turnover, which excludes value added tax, represents the invoiced value of membership subscriptions and expenses recharged. Turnover 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 lives as follows:

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

**Foreign currencies**

Profit and loss 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 profit and loss account.

**Pensions**

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

**2 Operating (deficit)/surplus**

Operating (deficit)/surplus is stated after charging:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
The audit of the company's annual accounts	2,600	2,350
Depreciation of tangible fixed assets	14,599	15,252

**Council for Responsible Jewellery Practices Limited**  
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**Notes to the Financial Statements for the Year Ended 31 December 2010**

..... continued

**3 Taxation**

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

**Analysis of current period tax charge**

	2010 £	2009 £
<b>Current tax</b>		
Corporation tax charge	32	42
(Over)/under provision in previous year	-	50
	<u>32</u>	<u>92</u>
UK Corporation tax	<u>32</u>	<u>92</u>

**4 Directors' emoluments**

No emoluments were paid to the directors during the year (2009: £nil).

**5 Tangible fixed assets**

	Office furniture & fittings £	Computer equipment £	Total £
<b>Cost</b>			
As at 1 January 2010	52,132	19,771	71,903
Additions	-	3,227	3,227
As at 31 December 2010	<u>52,132</u>	<u>22,998</u>	<u>75,130</u>
<b>Depreciation</b>			
As at 1 January 2010	13,007	11,824	24,831
Charge for the year	10,426	4,173	14,599
As at 31 December 2010	<u>23,433</u>	<u>15,997</u>	<u>39,430</u>
<b>Net book value</b>			
As at 31 December 2010	<u>28,699</u>	<u>7,001</u>	<u>35,700</u>
As at 31 December 2009	<u>39,125</u>	<u>7,947</u>	<u>47,072</u>

**Council for Responsible Jewellery Practices Limited**  
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**Notes to the Financial Statements for the Year Ended 31 December 2010**

..... continued

**6 Debtors**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,829	1,883
Other debtors	4,472	-
Prepayments and accrued income	38,392	39,341
	<u>46,693</u>	<u>41,224</u>

**7 Creditors: Amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade creditors	23,977	10,203
Corporation tax	40	42
Social security and other taxes	2,429	4,153
Other creditors	-	1,044
Accruals and deferred income	56,342	15,200
	<u>82,788</u>	<u>30,642</u>

**8 Pension scheme**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £28,072 (2009 - £21,774).

Contributions totalling £nil (2009 - £1,044) were payable to the scheme at the end of the period and are included in creditors.

**9 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.

**Council for Responsible Jewellery Practices Limited**  
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**Notes to the Financial Statements for the Year Ended 31 December 2010**

..... continued

**10 Reserves**

	<b>Income and expenditure reserve</b>
	£
Balance at 1 January 2010	645,694
Transfer from income and expenditure account for the year	<u>(128,275)</u>
Balance at 31 December 2010	<u><u>517,419</u></u>

**11 Operating lease commitments**

As at 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	<b>2010</b>	<b>2009</b>
	£	£
Within two and five years	<u>47,746</u>	<u>47,746</u>

**Council for Responsible Jewellery Practices Limited**  
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**Detailed Profit and Loss Account for the Year Ended 31 December 2010**

	<b>2010</b>		<b>2009</b>	
	£	£	£	£
<b>Turnover</b>				
Membership income	778,167		1,032,964	
Supporters	10,000		10,000	
Other income	<u>11,562</u>		<u>190</u>	
		799,729		1,043,154
<b>Administrative expenses</b> <i>(analysed below)</i>				
Employment costs	430,116		313,560	
General administrative expenses	483,416		400,451	
Depreciation costs	<u>14,599</u>		<u>15,252</u>	
		<u>(928,131)</u>		<u>(729,263)</u>
<b>Operating (deficit)/surplus</b>		(128,402)		313,891
<b>Other interest receivable and similar income</b>				
Bank interest receivable		<u>159</u>		<u>167</u>
<b>(Deficit)/surplus on ordinary activities before taxation</b>		<u>(128,243)</u>		<u>314,058</u>

This page does not form part of the statutory financial statements.

**Council for Responsible Jewellery Practices Limited**  
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**Detailed Profit and Loss Account for the Year Ended 31 December 2010**

..... continued

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Employment costs</b>		
Wages and salaries	379,607	274,404
Staff NIC (Employers)	22,437	17,382
Staff pensions (Defined contribution)	28,072	21,774
	<u>430,116</u>	<u>313,560</u>
	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>General administrative expenses</b>		
Office expenses	76,308	98,888
Communications and PR services	75,860	20,605
Other expenses	10,927	5,948
General project implementation and management	154,958	114,984
Directors insurance	11,550	11,550
Staff travel & other expenses	95,497	74,573
The audit of the company's annual accounts	2,600	2,350
Auditors' remuneration - non-audit work	250	500
Legal services	38,418	50,699
Tax and company secretarial services	17,048	20,354
	<u>483,416</u>	<u>400,451</u>
	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Depreciation costs</b>		
Depreciation of office furniture & fittings	10,426	10,398
Computer equipment depreciation	4,173	4,854
	<u>14,599</u>	<u>15,252</u>

This page does not form part of the statutory financial statements.