

Registration number: 05449042

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 2017

Critchleys Audit LLP
Registered Auditors
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Council for Responsible Jewellery Practices Limited
trading as Responsible Jewellery Council

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Company Information (continued)

Directors who served during the year were as follows:

Director	Member	Appointed	Retired
Achten, M	HRD Antwerp	11/5/17	
Backaert, D	Bonas & Co	1/5/15	
Chaussepied, C	Piaget	15/4/14	11/5/17
Colaiacono, D	Eurocantera S.A.de C.V.	15/5/14	
Dembreville, JB	Baume & Mercier	5/6/16	11/5/17
Drummond, L	Metalor Technologies SA	1/5/15	
Fischler, S	IDMA	1/5/15	
Goyal, A	MMTC-PAMP India Pvt Ltd	5/6/16	
Hanna, M	Richline Group, Inc	11/5/17	
Hoerner, W	Argor-Heraeus SA	15/5/14	
Jenkins, M	Signet Jewelers Limited	16/12/05	
Jens, E	ABN AMRO BANK NV	30/6/16	11/5/17
Jobanputra, S	Sequel Logistics PVT LTD	1/5/15	
Karakchiev, P	ALROSA Group	23/11/16	
Kelsall, H	Harriet Kelsall Jewellery Design Ltd	5/6/16	
Kumbhat, A	Jewelex India Pvt Ltd	11/5/17	
Layton, S	The Birmingham Assay Office	15/5/14	11/5/17
Lev, B	Gem Lab Services	15/5/14	
Lussier, S	De Beers Group	11/5/05	
Malek, B	Cartier	5/6/16	
Merxem, Geelhand	Antwerp World Diamond Centre	11/5/17	
Morsel, J	Dali Diamond Company NV	15/5/14	11/5/17
Mueller-Schaefer, M	Heraeus Limited	23/11/16	11/5/17
New, P	Charles Perroud SAS	15/5/14	11/5/17
Pinet, B	Union Francaise de la BJOP	1/5/15	
Puzone, T	Vacheron Constantin	11/5/17	
Rawlinson, M	NAJ	14/9/15	11/5/17
Reisert, Dr P	C. Hafner GmbH + Co. KG	11/5/17	
Rocquigny, E A	Van Cleef & Arpels	11/5/17	
Rubins, S	Berker Bros Ltd	1/5/15	
Steinmetz, M	Leo Schachter Diamonds LLC	23/5/13	
Theraulaz, D	Piaget	11/5/17	
Villian, O	Van Cleef & Arpels	5/6/16	11/5/17
Zerouki, F	De Beers Group	23/5/13	

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Company Information (continued)

Individuals listed as directors are statutory directors of the company and are appointed by the Council and 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	Member	Appointed
Chaussepied, C	Piaget	11/5/17

Company secretary M A Jenkins

Registered office 9 Whitehall
First Floor
London
SW1A 2DD

Auditors Critchleys Audit LLP
Registered Auditors
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Directors' Report for the Year Ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Incorporation

The company was incorporated on 11 May 2005.

Principal activity

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

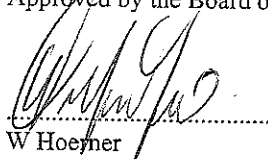
Disclosure of information to the auditors

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 of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 17/05/18 and signed on its behalf by:


.....
W Hoeyner
Chairman

Council for Responsible Jewellery Practices Limited

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Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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;
- 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.

Council for Responsible Jewellery Practices Limited

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

Opinion

We have audited the financial statements of Council for Responsible Jewellery Practices Limited (the 'company') for the year ended 31 December 2017, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, 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 FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Council for Responsible Jewellery Practices Limited

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

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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

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, and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Council for Responsible Jewellery Practices Limited

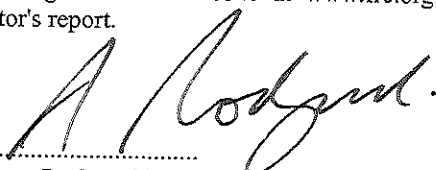
trading as Responsible Jewellery Council

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

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.

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.



.....
Andrew Rodzynski (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP, Statutory Auditor

Registered Auditors
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Date:.....

20/06/18

Council for Responsible Jewellery Practices Limited

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Profit and Loss Account for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Income		2,380,330	1,766,162
Administrative expenses		<u>(1,646,398)</u>	<u>(1,192,147)</u>
Operating surplus		<u>733,932</u>	<u>574,015</u>
Other interest receivable and similar income		<u>1,167</u>	<u>1,230</u>
		<u>1,167</u>	<u>1,230</u>
Surplus before tax	4	735,099	575,245
Taxation		<u>(233)</u>	<u>(246)</u>
Surplus for the financial year		<u><u>734,866</u></u>	<u><u>574,999</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 11 to 14 form an integral part of these financial statements.

Council for Responsible Jewellery Practices Limited
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Statement of Comprehensive Income for the Year Ended 31 December 2017

	2017 £	2016 £
Surplus for the year	<u>734,866</u>	<u>574,999</u>
Total comprehensive income for the year	<u><u>734,866</u></u>	<u><u>574,999</u></u>

Council for Responsible Jewellery Practices Limited

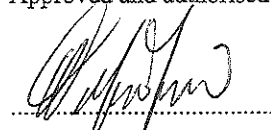
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**(Registration number: 05449042)
Balance Sheet as at 31 December 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	56,060	58,705
Current assets			
Debtors	6	269,200	122,327
Cash at bank and in hand		<u>2,376,611</u>	<u>1,741,401</u>
		2,645,811	1,863,728
Creditors: Amounts falling due within one year	7	<u>(769,053)</u>	<u>(724,481)</u>
Net current assets		<u>1,876,758</u>	<u>1,139,247</u>
Net assets		<u>1,932,818</u>	<u>1,197,952</u>
Capital and reserves			
Profit and loss account		<u>1,932,818</u>	<u>1,197,952</u>
Total equity		<u>1,932,818</u>	<u>1,197,952</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 17/05/18 and signed on its behalf by:



W Hoefner
Chairman

Council for Responsible Jewellery Practices Limited

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Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

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

The address of its registered office is:

9 Whitehall
First Floor
London
SW1A 2DD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Income

Income comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Income is shown net of sales/value added tax, returns, rebates and discounts.

Foreign currency transactions and balances

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

Tax

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 payable on bank interest received by the company.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

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Notes to the Financial Statements for the Year Ended 31 December 2017

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer equipment	4 years straight line basis
Office furniture and fittings	5 years straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Council for Responsible Jewellery Practices Limited

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Notes to the Financial Statements for the Year Ended 31 December 2017

3 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>3,200</u>	<u>3,030</u>
Other fees to auditors		
All other non-audit services	<u>950</u>	<u>720</u>

4 Profit before tax

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	<u>23,767</u>	<u>20,427</u>

5 Tangible assets

	Office furniture and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2017	109,050	26,515	135,565
Additions	<u>5,337</u>	<u>15,785</u>	<u>21,122</u>
At 31 December 2017	<u>114,387</u>	<u>42,300</u>	<u>156,687</u>
Depreciation			
At 1 January 2017	64,402	12,458	76,860
Charge for the year	<u>17,465</u>	<u>6,302</u>	<u>23,767</u>
At 31 December 2017	<u>81,867</u>	<u>18,760</u>	<u>100,627</u>
Carrying amount			
At 31 December 2017	<u>32,520</u>	<u>23,540</u>	<u>56,060</u>
At 31 December 2016	<u>44,648</u>	<u>14,057</u>	<u>58,705</u>

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Notes to the Financial Statements for the Year Ended 31 December 2017

6 Debtors

	2017 £	2016 £
Trade debtors	160,140	62,421
Prepayments	94,866	59,906
Other debtors	14,194	-
	<u>269,200</u>	<u>122,327</u>

7 Creditors

	2017 £	2016 £
Due within one year		
Trade creditors	59,009	40,141
Taxation and social security	-	3,069
Accruals and deferred income	710,041	664,427
Other creditors	3	16,844
	<u>769,053</u>	<u>724,481</u>

8 Financial commitments, guarantees and contingencies

Amounts not disclosed in the balance sheet

Not included in the balance sheet are financial commitments of £119,981 (2016 - £159,975) relating to operating leases.

Lease commitments due within one year were £53,325 (2016: £39,994).

Lease commitments due between two and five years were £66,656 (2016: £119,981).

9 Related party transactions

Key management personnel

Services to the value of £19,000 (2016: £nil) were purchased from Chairman, C Chaussepied, through a related company Combin Conseil sarl in the year.

A gift of £nil (2016: £650) was paid to C Chaussepied as outgoing chairman.

Council for Responsible Jewellery Practices Limited

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Detailed Profit and Loss Account for the Year Ended 31 December 2017

	2017 £	2016 £
Income (analysed below)	<u>2,380,330</u>	<u>1,766,162</u>
Gross surplus (%)	100%	100%
Administrative expenses		
Employment costs (analysed below)	(931,716)	(771,611)
General administrative expenses (analysed below)	(690,915)	(400,109)
Depreciation costs (analysed below)	<u>(23,767)</u>	<u>(20,427)</u>
	<u>(1,646,398)</u>	<u>(1,192,147)</u>
Operating surplus	733,932	574,015
Other interest receivable and similar income (analysed below)	<u>1,167</u>	<u>1,230</u>
Surplus before tax	<u><u>735,099</u></u>	<u><u>575,245</u></u>

Council for Responsible Jewellery Practices Limited

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Detailed Profit and Loss Account for the Year Ended 31 December 2017

	2017	2016
	£	£
Income		
Membership income	2,323,730	1,734,682
Supporters	10,000	14,180
Auditor accreditation	46,600	17,300
	<u>2,380,330</u>	<u>1,766,162</u>
Employment costs		
Wages and salaries	805,622	663,850
Staff NIC (Employers)	61,154	48,720
Staff pensions (Defined contribution)	64,940	59,041
	<u>931,716</u>	<u>771,611</u>
General administrative expenses		
Office expenses	129,796	111,044
Communications and PR services	72,113	19,892
IT costs	36,361	22,366
General project implementation and management	230,510	130,056
Directors insurance	10,932	10,232
Travel and subsistence	129,048	125,971
Auditor's remuneration - The audit of the company's annual accounts	3,200	3,030
Auditors' remuneration - non audit work	950	720
Legal and professional fees	6,989	1,814
Tax and company secretarial services	21,683	17,902
Foreign currency losses/(gains)	49,333	(42,918)
	<u>690,915</u>	<u>400,109</u>
Depreciation costs		
Depreciation of fixtures and fittings (owned)	17,464	17,753
Depreciation of office equipment (owned)	6,303	2,674
	<u>23,767</u>	<u>20,427</u>
Operating surplus	733,932	574,015
Other interest receivable and similar income		
Bank interest receivable	1,167	1,230
Surplus before tax	<u>735,099</u>	<u>575,245</u>

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