

# THE RIGHT PRICE



After designing a piece of jewellery for a customer, a jeweller needs to source the materials and consider a sale price.

One way to calculate price is to:

- Multiply the costs of materials by 4
- Add VAT at 20%
- Add 10% for overheads
- Calculate hours taken to produce it by hourly rate.

Using the current costs of material calculate what you think this ring made in Birmingham in 1894 might sell for on today's prices.

Can you think of other costs you might also need to take into account?

To find out how rings are made:

<https://www.youtube.com/watch?v=kfyESCQJU6U>

It is made from:  
 18 carat gold ring weight 3.9 g  
 One 3.5mm pearl  
 Two 2.5mm pearls  
 Four 1.5mm diamonds  
 7 hours to make  
 1 hour to polish  
 Hallmarking

Prices:

18 carat gold is £35 per gram  
 3.5mm pearl £6.70  
 2.5mm pearl £4.85  
 1.5mm 2pt diamond £25  
 Hourly rate £50  
 Hallmark £100

(Figures are approx. and vary according to colour, clarity, carat & cut)