### Business Interruption

Protecting the Earnings of your business when trading suffers as a result of an insured loss by helping to minimise the interruption to your business and restore it to a normal trading position as soon as possible.

Business interruption insurance protects your business after an insured loss by covering:

* EXTRA EXPENSES (for example, by having to relocate premises)
* OVERHEADS which continue and must be met despite the reduction in earnings
* WAGES/PAYROLL of employees who are retained during the period of interruption
* NET PROFIT lost

### Gross Profit — Declaration Linked

The cover for Business Interruption is based on Gross Profit as estimated by you. Therefore, please estimate the Gross Profit you expect to earn during the next twelve months (it may be helpful to use the formula below).

We recognise that, as your business grows, this estimate may prove inadequate.

This method of arranging Business Interruption insurance is known as a Declaration Linked Basis. On receipt of the annual Audited Gross Profit figure, an adjustment to the premium may be made. The following is to assist you in fixing the sum to be insured on Gross Profit

Turnover £

Closing Stock including

Work in Progress £

**Total** £

LESS

Opening Stock including

Work in Progress £

Purchases £

Uninsured Working Expenses £

Total £

Difference £

Increase necessary   
to allow for future trading £

Total (Estimated Gross Profit) £

Turnover £

Wages & Salaries Split

Clerical, secretarial,   
managerial, Sales £

Directors remuneration £

Drivers £

All other employees £

Payments to LOSC £

Payments to BFSC £

|  |  |  |  |
| --- | --- | --- | --- |
| Name (Please Print) |  | Signature |  |
| Position (Please Print) |  | Date |  |

### Please Note

* Salaries and Wages (known as Payroll) should be included.
* Uninsured Working Expenses are business charges which can confidently be expected to reduce proportionately with a drop in turnover following damage (items such as carriage and packing often fall into this category)
* Bad debts are not insured
* Your Sum Insured should include an amount in respect of Professional Accountants’ charges for producing and certifying details of a claim
* Where the indemnity period exceeds 12 months the sum insured should be increased proportionately