



## BUSINESS INTERRUPTION SUM INSURED CALCULATION SHEET

### How to calculate your Insurable Gross Profit

Insurable Gross Profit is the sum of your Turnover, Closing Stock & Work in Progress (**derived from your business at your Business premises**), less the sum of your Closing Stock & Work in Progress. **This has no relation to your taxable gross profit, either net or gross.** In certain situations you may wish to nominate some expenses that you do not wish to insure. This will save you some money in the form of your premium but it is fraught with danger, particularly in the case of a partial loss where such expenses may continue to occur.

Total Turnover/Sales ( <b>derived from your business at your business premises</b> )	\$ _____
<b>Plus</b> Closing Stock & Work in Progress	\$ _____
<b>Less</b> Opening Stock & Work in Progress	\$ _____
<b>Sub Total A (Turnover)</b>	<b>\$ _____</b>

**Less** Nominated Uninsured Working Expenses (*if any*):

- Purchases of Consumables, Stock, etc \$ \_\_\_\_\_
- Commissions \$ \_\_\_\_\_
- Freight & Packaging \$ \_\_\_\_\_
- Sub-Contractors &/or Labour Hire \$ \_\_\_\_\_
- Wages (*please only exclude here if cover for wages is not required for the full Indemnity Period add then back in below under optional covers*) \$ \_\_\_\_\_
- Other: \$ \_\_\_\_\_
- Other: \$ \_\_\_\_\_

**Less** Total Uninsured Working Expenses \$ \_\_\_\_\_

**Sub Total B (Insurable Gross Profit)** **\$ \_\_\_\_\_**

**Plus** adjustment for trend of business since last accounting period @ \_\_\_\_\_% \$ \_\_\_\_\_

**Plus** adjustment for trend of business during policy period @ \_\_\_\_\_% \$ \_\_\_\_\_

**Plus** adjustment for trend of business during indemnity period @ \_\_\_\_\_% \$ \_\_\_\_\_

**Your Insurable Gross Profit for a 12 month Indemnity Period is** **\$ \_\_\_\_\_**

**Please multiply the above by:**

**a) 150% for an 18 month Indemnity Period** **\$ \_\_\_\_\_**

**b) 200% for an 24 month Indemnity Period** **\$ \_\_\_\_\_**

**Your insured Rate of Gross Profit is** (Sub Total B divide Sub Total A) \_\_\_\_\_%

**Plus the following optional covers**

- Additional Increase in Cost of Working (**minimum 10% of Sub Total A**) \$ \_\_\_\_\_
- Annual Gross Rentals (including all out goings) \$ \_\_\_\_\_
- Outstanding Debtors /Accounts Receivable \$ \_\_\_\_\_
- Wages: ( \_\_\_\_\_ % for \_\_\_\_\_ months) \$ \_\_\_\_\_  
                   ( \_\_\_\_\_ % for \_\_\_\_\_ months) \$ \_\_\_\_\_
- Claims Preparation Costs (*only nominate if standard limit is inadequate*) \$ \_\_\_\_\_