

Recipe

Really Easy Chocolate Fudge

from Sarah Algar, Farms & Estates Division



Stuck for a present idea? Buy a beautiful tin and fill it with this luscious fudge. It's a very easy recipe which my children enjoy making for bonfire night, shooting parties and as presents.

Ingredients:

500g Chocolate (any kind will do)
75g Unsalted butter
400g Condensed milk (one whole 397g tin)
1/2 teaspoon vanilla extract

Method:

Put the chocolate, butter and condensed milk into a pan over a low heat. Slowly melt the ingredients and do not let the mixture boil. When completely melted, remove from heat and beat in vanilla extract. Keep beating until the mixture begins to thicken, then pour into a greased tin and refrigerate until firm. Cut into small pieces and serve.

Comedy Corner

School children try their hand at analogy...

- The plan was simple, like my brother Phil. But unlike Phil, this plan might work.
- The young fighter had a hungry look, the kind you get from not eating for a while.
- His thoughts tumbled in his head, making and breaking alliances like underpants in a tumble dryer.
- Her hair glistened in the rain like nose hair after a sneeze.
- It was a working-class tradition, like fathers chasing kids around with their power tools.
- She walked into my office like a centipede with 98 missing legs.
- Her voice had that tense, grating quality, like a first generation thermal paper fax machine that needed a band tightened.
- It hurt the way your tongue hurts after you accidentally staple it to the wall.
- Her vocabulary was as bad as, like, whatever.
- She had a deep, throaty, genuine laugh, like that sound a dog makes just before it throws up.
- He was deeply in love. When she spoke, he thought he heard bells, as if she were a dustcart reversing.
- She grew on him like she was a colony of E coli and he was room-temperature British beef.

News from the Beach

winter 2007-2008

High & Dry: the latest on flood risk

Renovators Protection with JCT Contracts

A Winter of Discontent: the latest targets for farm theft

Calling It All Off: Cancellation Insurance

Escalating Duties: Directors and Officers Insurance and the new Companies Act 2006



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- Private Clients
- Farms & Estates
- Media & Arts
- Science & Technology

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Welcome



A warm welcome to our winter newsletter! I'm told that early migration of the pink-footed goose signals a harsh winter ahead – but perhaps even the geese are confused these days! This issue, we look at the latest twist in the UK flooding saga, contract terms for renovation projects, farm theft, Cancellation Insurance and the importance of Directors' and Officers' Insurance following the new Companies Act – plus a great recipe for sticky fudge for Christmas!

News from "The Beach" includes the launch of our "Golden Egg" series of business innovation events in Science & Technology, with top UK inventor Anne Miller launching her new book on creativity "The Myth of the Mousetrap". This ran alongside our young inventors competition for 8-11 year olds "My Big Idea" – winner to be announced shortly!

We're delighted to welcome a "gaggle" (still in the migrating birds vein) of new team members: Matthew Clark, Mike Cullen, Tracey McCreath, Gareth Cotton, Jennifer Jones and Sarah Algar have all joined ship since September.

Thank you for your continued support and we wish you a peaceful Christmas and a happy and prosperous New Year.

Alan Gale - Chairman

This newsletter and most policy information is available in large print - please let us know how we can make the information more accessible to you.

New Faces



Matthew Clark ACII
Director: Science & Technology Division



Mike Cullen
Private Client Senior Account Executive



Tracey McCreath
Media & Arts Account Executive



Gareth Cotton
Private Clients Account Handler



Sarah Algar
Farms & Estates Account Handler



Jennifer Jones
Finance Assistant

Life on the Ocean Waves



Congratulations to intrepid team member Sue Ephgrave, who successfully completed the Fastnet yacht race in August! "When training started six months prior to the race, the Lutine crew could not have imagined the harsh weather conditions that we'd encounter on the 630 mile race across the Celtic sea. It was likened to the 1979 conditions in which many lives were lost and many lessons learned. I'm proud to say that we were one of the few boats to finish the race which was a monumental achievement after losing our instruments and headsail, and on very little sleep over the 5 days at sea. We claimed 2nd position in our class – it was an extraordinary and unforgettable experience."



Matthew Mullee, Private Client Director

Case Study:



Flooding left an entire basement devastated in South London. The draining and drying process, and replacement of contemporary art, home cinema equipment and a substantial CD collection cost £300,000. Unfortunately a combination of bad advice from the broker and a hard-nosed insurer left the owner dismally short: the policy wording clearly stated that in the event of *underinsurance*, the settlement would be reduced proportionately.

Wrong broker.
Wrong policy.
Wrong settlement!

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HIGH AND DRY?

From James Scott Brown at Criterion Loss Adjustors



"It'll never flood here!" How many times have I heard those words recently? In the UK, we're no strangers to burst river banks, flooded fields and sea water defences being breached, but this summer saw vast areas, previously unscathed, under flood waters of biblical proportions.

As a Loss Adjuster I've seen many a householder up to his knees in water, scratching his head and muttering the words "it never floods here". Even if the property is away from a water course and not in a low-lying or "high risk" area, damage is being caused by runoff from the surrounding fields or subterranean water courses that have broken their banks. This means that hill-top and hill-side properties, and whole

streets in built-up areas with basements can be at risk. The difference here is that property is flooded with a heady mix of rainwater and raw sewage that has backed up through the drains - causing not only damage but also considerable discomfort!

Ordinarily, advice would be to move to the hills and avoid sea-level and valleys – but even the higher ground is not safe from the un-seasonal deluges we are experiencing. The best thing you can do is:

- Make sure you're with the right insurance company: the cost of repairs is continually rising, so it's important to get advice on the correct building reinstatement cost and to buy a policy with unlimited guarantees with the likes of Hiscox, Chubb, AIG, Zurich.
- Make sure your broker thoroughly understands not only the policy wording but also the ethos of the insurance company. This is something you can't learn from trawling the internet for the lowest quote, the easiest website to navigate or the catchiest advert on the television. Many insurance policies would not pay for "runoff" damage. It's only the specialist High Net Worth policies that cater for such incidences and it is only specialist brokers that are able to offer proper advice.



Have you been successful in business?

When it comes to protecting your wealth and assets, comprehensive household insurance is only part of the solution. See Science and Technology Division page to see how Directors' & Officers' Insurance can save you from ruinous legal costs.

Renovators Protection with JCT Contracts



The response to our new Renovation Portfolio policy has been phenomenal: people up and down the country are renovating period properties, old churches, even chimneys – and insuring the works can be a real headache! The next step is finalising a contract with your builder – but how do you choose one?

When you undertake a renovation project, it's important to establish the right contract between you (the employer) and your contractor. Usually this will be a JCT (Joint Contract Terms), which is the standard basis for most substantial renovation contracts. The JCT insurance clauses set out:

- The key risks to be covered
- The minimum cover the contractor should hold. It's important not to finalise the contract until proper evidence of that insurance has been provided

But there's widespread confusion over which JCT contract to use, and insurers are often reluctant to cover them. To clarify:

- **Works under £50,000:** the JCT Minor Works Contract will deal with most projects where one contractor is appointed to manage the sub-contractors
- **Works over £50,000:** the Intermediate JCT Contract may be more appropriate – it's more detailed and flexible, and draws sub-contractors into the terms required of the main contractor. It provides better protection for the employer (you)
- **Insurance:** you need an insurance product that will cope with JCT contracts for your "existing structure" and "contract works". Many insurers don't like JCT and won't comply with the clauses requesting insurance in joint names (of contractor and employer)

The Intermediate JCT Contract may cost £1,000 in legal advice but it's well worth getting it right – a small slip on a £300,000 project could cost very dear. We recommend using a law firm with a specialist construction discipline such as Mills & Reeve (www.mills-reeve.com).

For more advice about JCT, do contact us. Your home may well be your most substantial asset; it would be a shame to lose it because no contract was in place between you and your builder, or because your insurers were unaware of the works you were undertaking and voided your cover!

Manage Your Risk



Safe as Houses

As the Christmas party season approaches, we'll soon be out more often than we are in! Homes left empty over the holiday period make easy pickings for burglars - in fact home burglaries actually peak on New Year's Day.

The Keyholding Company provides a variety of security and essential home services designed to protect homes, support busy schedules and get you out of late-night lost key situations! They safeguard a set of your keys in order to provide authorised access, respond to your alarm 24/7, carry out regular security checks and even clear the post, water plants, feed pets, or turn lights on/off to create an illusion of occupancy. For further details, call 0800 064 4357 or go to www.keyholding.com.

Specialist insurance services for large farms, contract farmers and estate and land-based businesses.



Douglas Brown, Divisional Director



Wheat Values Soar Is your grain covered?

A combination of flooding, drought and crop disease worldwide has resulted in poor global harvests of wheat and barley this year. Conversely, global demand for grain is surging.

As a result, grain prices have escalated to record levels on global commodity markets. Whilst this change of fortunes is not overdue, it brings with it some additional responsibilities (other than ordering new machinery).

Despite yields being lower this year, many farmers will find that their total revenue from crop production is increasing as a result of the higher prices: last year, grain was worth around £80-90 per tonne, while this year prices are

in the region of £180-200 per tonne in the UK, more than doubling the value of the produce and potential revenue. If grain is likely to be a key crop, it's important to adjust your sums insured, both for produce and for revenue, to ensure that cover remains adequate. Producers and warehouse keepers storing grain should also ensure that their insurance cover is adequate for the current value of crops in store.

For more information, contact: Douglas Brown
T: 01223 200656 Email: douglas.brown@laplaya.co.uk

A Winter of Discontent

As economic downturn seems almost inevitable, the incidence of theft is again increasing. Against this backdrop, the price of metals and heritage salvage is increasing sharply, prompting a rise in opportunistic metal theft. In addition, well organised gangs are looking for the larger rewards associated with high value machinery theft.

Hot property this year seems to be:

- Metals of any sort – especially high value non-ferrous and stainless
- Agricultural machinery – tractors, and in particular John Deere
- Building Material Salvage – tiles, timber, lead and stone

Manage your risk:

- Weigh in scrap as soon as you have a load
- Keep entrance gates locked when you are out of the farmyard
- Avoid leaving stainless steel water bowsers at outlying farms
- Lock and remove keys from tractors
- Fit tracking devices on high value machinery
- Store valuable materials out of site
- Strip valuable materials from buildings in disrepair and either store them or realise their value and replace them with cheaper modern alternatives



Photo: Tony Jegri

Mark Boon, Managing Director

Welcome to new clients

We're delighted to welcome new clients

including Activate, Arts Connection, Cherrybomb Productions, E2 Events, Lightning Ensemble, Northern Chamber Orchestra, The Listening Room and Waveform Project.

Cancellation Case Studies

Adverse weather: an outdoor opera company cancelled two performances due to the 2007 floods as neither audience nor orchestra could access the site since all access roads were under water. **Settlement: £32,000.**

Non appearance: an opera singer fell ill with laryngitis days before a European

festival appearance. A last minute replacement was found, contracted and travelled in time to start rehearsals. **Settlement: £80,000**

Travel delays: a leading British orchestra arrived at London Heathrow prior to an international tour to find the airport closed due to a strike. Cancellation of the

tour would have cost £35,000 and so insurers paid for the orchestra to be transported to Gatwick, where a private plane was chartered to fly them to the first country of the tour. **Settlement: £14,000**

Calling It All Off: Cancellation Insurance



What is Cancellation Insurance?

Cancellation Insurance provides protection for an event which is unavoidably postponed, abandoned, cancelled, curtailed or relocated in circumstances beyond your control.

What can be covered?

- Your irrecoverable costs & expenses
- Loss of net revenue or profit
- Additional expenses to reduce a loss
- Damages resulting from failure to vacate a venue for which you are legally liable under contract
- Future event protection to minimise adverse effects on subsequent events in a series

You can also extend your cover to include:

- Terrorism
- Enforced Reduced Attendance if a specific incident impacts attendance
- Foot & Mouth Disease
- National/Court Mourning

For advice on Cancellation Insurance, contact:

Paula Hawthorne
T: (01223) 200654
E: paula.hawthorne@laplaya.co.uk

Client Spotlight: E2 Events: Cambridge on Ice



It may be around 350 years since Dutch engineers first began to skate on the fens, but finally, thanks in part to a Cambridge entrepreneur who likes a challenge, the ice comes alive. Lizzy Dickinson's E2 Events has launched Cambridge's first temporary outdoor ice rink running for six weeks from 24 November 2007 to 6 January 2008 – Cambridge on Ice.

The ice rink will be large enough for 200 skaters and Cambridge on Ice are expecting around 36,000 skaters over the six week period. Alongside the festively decorated ice rink, skaters and spectators will enjoy seasonal food and drink at the Ice Café.

To pre-book ice rink tickets, call 01223 354424 or visit www.cambridgeonice.co.uk

Conveniently located at the hub of Cambridge's flourishing technology scene, our specialist team provides advice and cover for businesses in Life Science, ICT, Nanotechnology, Cleantech and other emerging technologies.



Photo: Tony Jegri

Matthew Clark, Divisional Director

Welcome to new clients

We're delighted to welcome new clients

including Advanshare, Labstract, Antitope, Dickinson Associates, Smartseal DRFP, Endurance Estates Trading, Karus Therapeutics, Kazimir Partners, Pronovotech, Redrat and Xendou

Case Studies

- The HSE took action against directors of a manufacturing firm following their failure to respond within deadlines to a notice to control dust emissions.
- The director of a travel agency was named in a constructive dismissal claim from a former employee alleging dismissal for whistle blowing after the firm had let a trading licence lapse.
- A customer sued directors when the company went into liquidation and it was revealed his money had not been held in trust as agreed.

Escalating Duties: Directors' & Officers' Liability



The actions of company directors are now subject to tighter scrutiny than ever before. If you think your firm's Limited Liability status will protect you, think again – says Matthew Clark, La Playa's new Science & Technology Director.

Executive and non-executive directors have a complex and challenging job, making difficult decisions within significant legislative control. They face unprecedented levels of personal responsibility for decisions they make on behalf of the company - putting their personal assets at risk if those decisions are tested in the courts.

Legally, the directors of a company are separate entities from the company itself and so both may be defendants, separately or jointly, in any legal action or prosecution. To protect the personal assets

of individual directors and managers and, crucially, to cover the costs of legal defence, Directors' and Officers' (D&O) insurance is now commonplace. Claims can come from:

- Shareholders
- Creditors
- Staff
- Customers
- Regulators
- Prosecutors
- Liquidators
- Fellow directors

Modern D&O policies also extend to protect the company itself, thereby acting to protect the value of a director's personal holding in the company.

In the UK alone over 200 pieces of labyrinthine legislation are heaping burdensome duties and responsibilities on corporate managers, even more so since the new Companies Act 2006. Firms doing business in North America face even greater exposure.

If your company were unable or unwilling to assist you, could you stump up the cost of a barrister's full legal defence, possibly lasting months or even years, let alone any eventual compensation awarded against you?

For more information or to get a quote, contact Matthew Clark

T: 01223 200667,
Email: matthew.clark@laplaya.co.uk

Client Spotlight: Smartseal



Sheffield-based SmartSeal has developed a radically different root filling system for dentists, drawing upon innovative research involving hydrophilic polymers - water-loving compounds that SmartSeal believes will deliver better patient outcomes in the area of root canal work.

Established by entrepreneur and angel investor John Wreford (voted Business Angel of the Year 2007), Smartseal employs technology developed by Dr. Don Highgate and Dr Jon Lloyd of Cranfield University.

Hydrophilic polymers have useful properties in maintaining watertight seals and sterility. They have applications in catheters, contact lens cleaners, waterproofing materials, surface treatment of wet wipes and nappies and wound dressings... and now dental filling paste!

www.smart-seal.co.uk