

# Newsletter

## Autumn 2005

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### THE 2 MINUTE MANAGEMENT COURSE

**Lesson One-** An Eagle was sitting on the top of a tree resting, doing nothing. A small rabbit sees the eagle and asks him "Can I also sit like you and do nothing?" The eagle answers "Sure, why not" So the rabbit sits on the ground below the eagle and rests. All of a sudden a fox appears, jumps on the rabbit and eats it.

Management Lesson - To be sitting doing nothing, you must be sitting very, very high up.

**Lesson Two** - A turkey was chatting with a bull. I'd love to get to the top of that tree" sighed the turkey, "but I haven't got the energy." "Well, why don't you nibble on some of my droppings?" replied the bull "they're packed with nutrients" The turkey pecks at a lump of dung, and finds it actually gives him enough strength to reach the lowest branch of



the tree. The next day after eating some more dung, he reaches the second branch. Finally after a fourth night, he's proudly perched on the top of the tree - Then a hunter spots the turkey and shoots him.

Management Lesson - Bulls\*\*t might get you to the top, but it won't keep you there.

**Lesson Three** - Flying south for the winter a little bird gets so cold he freezes, falling to the ground in a large field. As he lay there, a cow comes along and drops some dung on him. Lying in the pile of cow dung, the little bird begins to realize how warm it is. The dung was actually thawing him out! Soon he's so warm and happy, he begins to sing with joy. This alerts a passing cat who follows the sound, and discovers the bird under the pile of cow dung - The cat digs up the little bird and eats him.

Management Lesson - (1) Not everyone who sh\*t's on you is your enemy. (2) Not everyone who gets you out of the sh\*t is your friend. (3) When you're in deep sh\*t, it's best to keep your mouth shut.



*Property for sale? Just send details and we will advertise it for you free of charge.*

#### **Self-Catering - Derbyshire**

2 Bedroom stone cottage in "Peak Practice" country. 4 star tourist board rating.

Mrs P Dwyer

01773 857 964

#### **B & B Lincoln**

Period 3 Bed prop with 3 self-cont B & B units, large grounds, potential for further development.

£325,000

Mr & Mrs Sloane 01526 378 528

#### **B & B Pembrokeshire**

6 bedrooms, good all year round trade, Centre of Tenby, 3 minutes from South Beach.

£285,000

Mr & Mrs Davis 01834 811 256

#### **Self Contained B & B West Wiltshire**

19<sup>th</sup> Century converted stone barn on tributary of River Avon (boat & fishing rights) Owner's live in 4 bed main barn, with 2 self-cont guest's en-suite bedrooms in attached converted milking parlour.

£585,000

Mr & Mrs Byrne 01380 828 308

Thanks to Jane Whitehead of Camberley, Surrey for the following.

#### **THE GUEST HOUSE** *Mevlana Jellaludin Rumi*

This being human is a guest house.  
Every morning a new arrival.

A joy, a depression, a meanness, as an unexpected visitor.

Welcome & entertain them all!  
Even if they're a crowd of sorrows,  
who violently sweep the house of its furniture,  
still treat each guest honourably.  
He may be clearing you out for some new delight.

The dark thought, the shame, the malice,  
meet them at the door laughingly,  
and invite them in.

Be grateful to whoever comes,  
because each has been sent  
as a guard from beyond.

## HOW MUCH SHOULD I INSURE MY HOUSE FOR?

Anyone down the pub can value your house, such is our national obsession with property prices – but what do you insure it for? In a recent survey of homeowners, 35% wrongly believed they should insure for the full market value.

Insurance aims to place you in the same financial position after a loss, as you enjoyed before the loss – either by repair or replacement. What someone will pay for your house is irrelevant. You insure for the *rebuilding cost*. i.e. the cost of rebuilding from scratch (plus extras for demolition, re-housing etc). Consider a house with stunning views in an up-market area; place the same house in a back street opposite the gas-works. Same rebuilding costs – but wildly different sale price.

Premiums are calculated on the sum insured. So to over insure is a waste of money, equally to underinsure is folly.

**A cautionary tale of 3 little pigs**, whose identical houses would cost £200,000 to rebuild, but sell for £400,000 in Toytown's buoyant property market.

**The first little pig** was a wise little pig; found the correct figure, insuring his house for £200,000. Fully covered if the big bad wolf calls, he pays the correct premium.



**The second little pig** was a lazy little pig; insuring his house for £400,000. He's also covered if the big bad wolf calls - but pays double for his insurance.

**The third little pig** was a penny-pinching little pig, only insuring his house for £100,000. Then one day, the big bad wolf huffed and puffed causing £100,000 of damage. "Phew!" said the third little pig. "Just what I'm insured for" "Not so fast" cried his insurer " We only insure half the house, so we 're only paying half the claim - here's £50,000."



### Boring technical explanation

The third little pig's insurer applied the *average clause*, which states "The insured acts as their own insurer for the difference between the actual value and declared value" In this case the actual value (rebuilding cost) being £200,000 and the declared value (what it was insured for) £100,000. In effect the little pig was his own insurer for half the property – and so had to pay half the claim.

*O.K. How do I find the correct figure?* We recommend a survey by a member of the Royal Institute of Chartered Surveyors (RICS). Several clients have reduced their sum insured enough to pay the fee – Could go the other way of course, but at least you're correctly insured.

Less reliable is the DIY method. Measure your house, and calculate the sum insured using a leaflet produced by the Association of British Insurers (available from ourselves). We are not however qualified to offer further advice.

Good News! Establish the correct figure now, and your sum insured automatically increases annually using an index produced by RICS.

### HOW TO TAKE THE P\*\*\*

Discovering urine stains on a bed base, Mrs Bruford of Chichester remembered a tip she had seen on TV's "How clean is your house?"

Using a wet cloth, rub ordinary household soap (not liquid soap) into the stained area. Do not wipe off, but cover with a towel and then stand on it, this absorbs the urine. Leave to dry, the soap neutralizes the urine and the smell disappears. "It really works" Reports Mrs. Bruford.