

ASSETS
(\$'000)

Page		Current Year 01	Prior Year 03
	Cash..... 01	454	0
	Investment Income due and accrued..... 02	<u>26</u>	38
	Investments:		
	Term Deposits..... 04	<u>525</u>	0
	Bonds and Debentures..... 05	<u>3,046</u>	3,337
	Mortgage Loans 06	<u>0</u>	0
	Preferred Shares..... 07	<u>214</u>	0
	Common Shares..... 08	<u>215</u>	629
40.70	Real Estate..... 09	<u>0</u>	0
40.80	Other Investments..... 10	<u>0</u>	0
40.05 or/ou 40.10	Total Investments (lines 04 to 10)..... 19	4,000	3,966
	Receivables:		
50.20	Unaffiliated Agents and Brokers 20	<u>1,130</u>	901
	Policyholders..... 21	<u>0</u>	0
	Instalment Premiums..... 22	<u>0</u>	0
50.30	Other Insurers..... 23	<u>107</u>	1,295
	"Facility Association" and the "P.R.R."..... 24	<u>0</u>	0
50.40	Subsidiaries, Affiliates and Partnerships 25	<u>1,930</u>	711
	Income Taxes..... 26	<u>0</u>	0
50.20	Other Receivables..... 27	<u>0</u>	0
	Recoverable from Reinsurers:		
60.10	Unearned Premiums..... 30	<u>800</u>	2,418
60.30	Unpaid Claims and Adjustment Expenses..... 31	<u>883</u>	2,652
	Other Recoverables on Unpaid Claims..... 37	<u>0</u>	0
50.40	Investment in Subsidiaries, Affiliates & Partnerships..... 40	<u>0</u>	0
40.70	Real Estate for Insurer's own use..... 41	<u>0</u>	0
	Deferred Policy Acquisition Expenses..... 43	<u>482</u>	379
	Future Income Taxes..... 44	<u>0</u>	0
50.50	Other Assets..... 88	<u>751</u>	942
	TOTAL ASSETS..... 89	10,563	13,302

LIABILITIES AND EQUITY
(\$'000)

Page			Current Year 01	Prior Year 03
	LIABILITIES			
	Overdrafts.....	01		101
	Borrowed Money and Accrued Interest.....	02		0
	Payables:			
<u>50.20</u>	Unaffiliated Agents and Brokers	03	133	0
	Policyholders.....	04		0
<u>50.30</u>	Other Insurers.....	05	654	1,324
<u>50.40</u>	Subsidiaries, Affiliates and Partnerships	06	0	56
	Expenses due and accrued.....	07	137	75
	Income Taxes due and accrued.....	08		0
	Other Taxes due and accrued.....	09	433	258
	Policyholder Dividends and Rating Adjustments.....	10		0
<u>40.70</u>	Encumbrances on Real Estate.....	11	0	0
<u>60.10</u>	Unearned Premiums.....	12	3,640	3,407
<u>60.30</u>	Unpaid Claims and Adjustment Expenses.....	13	2,752	3,923
<u>80.10</u>	Unearned Commissions.....	14	161	589
	Premium Deficiency.....	15	0	0
	Future Income Taxes.....	21		0
<u>50.50</u>	Other Liabilities.....	28	0	0
	Total Liabilities.....	29	7,910	9,733
	EQUITY			
	Shares issued and paid.....	41	5,088	5,088
	Contributed Surplus.....	42		0
	43		0
<u>20.40</u>	Retained Earnings.....	44	(2,435)	(1,519)
<u>20.40</u>	Reserves.....	45	0	0
<u>20.42</u>	Accumulated Other Comprehensive Income (Loss).....	47	0	0
	Total Equity.....	49	2,653	3,569
	TOTAL LIABILITIES AND EQUITY.....	89	10,563	13,302

STATEMENT OF INCOME
(\$'000)

Page		Current Year 01	Prior Year 03
	UNDERWRITING OPERATIONS		
	Premiums Written		
	Direct..... 01	15,298	12,001
70.21	Reinsurance Assumed..... 02	0	0
70.21	Reinsurance Ceded..... 03	9,192	9,229
60.20	Net Premiums Written 04	6,106	2,772
	Decrease (increase) in Net Unearned Premiums..... 05	(1,847)	(394)
60.20	Net Premiums Earned 06	4,259	2,378
	Service Charges 07		0
	Other 08		0
	Total Underwriting Revenue 09	4,259	2,378
60.20	Net Claims and Adjustment Expenses 10	2,897	1,431
80.10	Acquisition Expenses		
	Commissions..... 11	204	137
	Taxes..... 12	304	196
80.20	Other 14	781	773
80.20	General Expenses..... 16	1,019	666
	Total Claims and Expenses 19	5,205	3,203
	Premium Deficiency Adjustments..... 20		0
	Underwriting Income (Loss) 29	(946)	(825)
40.07 or/ou 40.10	INVESTMENT OPERATIONS		
	Income..... 32	40	122
	Realized Gains (Losses)..... 33	(10)	15
	Expenses..... 34		0
	Net Investment Income 39	30	137
	OTHER REVENUE AND EXPENSES		
	Income (Loss) from Ancillary Operations (net of Expenses of \$'000 _____)..... 40		0
	Share of Net Income (Loss) of Subsidiaries and Affiliates..... 41		0
	Gain (losses) from fluctuations in Foreign Exchange Rates..... 42		0
	Other 43		0
	Net Income (Loss) before Income Taxes and Extraordinary Items 49	(916)	(688)
	INCOME TAXES		
	Current..... 50		0
	Future..... 51		0
	Total Income Taxes 59	0	0
	Extraordinary Items (net of Income Taxes of \$'000 _____)..... 60		0
	NET INCOME (LOSS) FOR THE YEAR 89	(916)	(688)

STATEMENT OF RETAINED EARNINGS
(\$'000)

Page			Current Year 01	Prior Year 02
20.30	Balance at beginning of year	01	(1,519)	(839)
	Prior period adjustments:.....	02		8
	04		0
	Adjusted balance at beginning of year.....	09	(1,519)	(831)
	Net Income (loss) for the year.....	10	(916)	(688)
	Dividends declared to shareholders.....	11		0
	Decrease (increase) in Reserves	12	0	0
	(Please specify)	16		
	Net increase (decrease) in Retained Earnings during the year.....	15	(916)	(688)
	Balance at end of year	89	(2,435)	(1,519)

RESERVES

(\$'000)

		Current Year 01	Prior Year 02
Earthquake Reserves			
Reserve Complement	90		0
Premium Reserve	91		0
Mortgage Reserve	95		0
Nuclear Reserve	96		0
General and Contingency Reserves	98		0
Total Reserves	99	0	0

COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Page		Current Year 01	Prior Year 03
20.30	Comprehensive Income (Loss)		
	Net Income	(916)	(688)
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans		0
	- Bonds and Debentures		0
	- Equities		0
	Reclassification to Earnings of (Gains) Losses		0
	Derivatives Designated as Cash Flow Hedges		
	Change in Unrealized Gains and Losses		0
	Reclassification to Earnings of (Gains) Losses		0
	Foreign Currency Translation		
	Change in Unrealized Gains and Losses		0
Impact of Hedging		0	
Income (Loss) from Subsidiaries		0	
Other		0	
Total Other Comprehensive Income (Loss)	0	0	
Total Comprehensive Income (Loss)	(916)	(688)	
20.20	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans		0
	- Bonds and Debentures		0
	- Equities		0
	Derivatives Designated as Cash Flow Hedges		0
	Foreign Currency (Net of Hedging Activities)		0
	Income (Loss) from Subsidiaries		0
	Other		0
Balance at end of Period	0	0	

MINIMUM CAPITAL TEST
(\$'000)

	Current Year 01	Prior Year 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	2,653	3,569
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	0	0
Available for Sale Debt Securities 06	0	0
Foreign Currency (Net of Hedging Activities) 08	0	0
Included in Capital Available of Regulated FI Subsidiaries 10	0	0
..... 30		0
Capital Available reported by Regulated FI Subsidiaries 11		0
Less:		
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk 12		0
..... 13		0
Balance Sheet Value of Investments in Regulated FI Subsidiaries 14	0	0
Assets with a Capital Requirement of 100% 17	645	809
Total Capital Available 19	2,008	2,760
Minimum Capital Required		
Balance Sheet Assets 20	322	277
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	337	176
Catastrophes 24	0	0
Reinsurance Ceded to Unregistered Insurers 26	0	0
Capital Required reported by Regulated FI Subsidiaries 27		0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures 28	0	0
Minimum Capital Required 29	659	453
Excess of Capital Available over Capital Required (line 19 minus line 29) 89	1,349	2,307
Line 19 as a % of line 29 90	304.70%	609.27%