

ASSETS
(\$'000)

Page			Current Year 01	Prior Year 03
	Cash.....	01	<u>149</u>	324
	Investment Income due and accrued.....	02	<u>51</u>	41
	Investments:			
	Term Deposits.....	04	<u>981</u>	2,476
	Bonds and Debentures.....	05	<u>4,583</u>	2,163
	Mortgage Loans	06	<u>0</u>	0
	Preferred Shares.....	07	<u>199</u>	176
	Common Shares.....	08	<u>476</u>	680
<u>40.70</u>	Real Estate.....	09	<u>0</u>	0
<u>40.80</u>	Other Investments.....	10	<u>127</u>	0
<u>40.05 or/ou</u> <u>40.10</u>	Total Investments (lines 04 to 10).....	19	6,366	5,495
	Receivables:			
<u>50.20</u>	Unaffiliated Agents and Brokers	20	<u>0</u>	0
	Policyholders.....	21	<u>143</u>	76
	Instalment Premiums.....	22	<u>0</u>	0
<u>50.30</u>	Other Insurers.....	23	<u>0</u>	0
	"Facility Association" and the "P.R.R.".....	24	<u>0</u>	0
<u>50.40</u>	Subsidiaries, Affiliates and Partnerships	25	<u>0</u>	0
	Income Taxes.....	26	<u>0</u>	0
<u>50.20</u>	Other Receivables.....	27	<u>0</u>	3
	Recoverable from Reinsurers:			
<u>60.10</u>	Unearned Premiums.....	30	<u>0</u>	0
<u>60.30</u>	Unpaid Claims and Adjustment Expenses.....	31	<u>0</u>	0
	Other Recoverables on Unpaid Claims.....	37	<u>2,993</u>	3,175
<u>50.40</u>	Investment in Subsidiaries, Affiliates & Partnerships.....	40	<u>0</u>	0
<u>40.70</u>	Real Estate for Insurer's own use.....	41	<u>0</u>	0
	Deferred Policy Acquisition Expenses.....	43	<u>0</u>	0
	Future Income Taxes.....	44	<u>0</u>	0
<u>50.50</u>	Other Assets.....	88	<u>0</u>	0
	TOTAL ASSETS.....	89	9,702	9,114

LIABILITIES AND EQUITY
(\$'000)

Page		Current Year 01	Prior Year 03
	LIABILITIES		
	Overdrafts..... 01		0
	Borrowed Money and Accrued Interest..... 02		0
	Payables:		
<u>50.20</u>	Unaffiliated Agents and Brokers 03	48	10
	Policyholders..... 04		0
<u>50.30</u>	Other Insurers..... 05	0	0
<u>50.40</u>	Subsidiaries, Affiliates and Partnerships 06	0	0
	Expenses due and accrued..... 07	105	113
	Income Taxes due and accrued..... 08	17	104
	Other Taxes due and accrued..... 09	53	29
	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	0	0
<u>60.30</u>	Unpaid Claims and Adjustment Expenses..... 13	1,456	1,181
<u>80.10</u>	Unearned Commissions..... 14	0	0
	Premium Deficiency..... 15	0	0
	Future Income Taxes..... 21		0
<u>50.50</u>	Other Liabilities..... 28	2,993	3,175
	Total Liabilities..... 29	4,672	4,612
	EQUITY		
	Shares issued and paid..... 41	4,000	4,000
	Contributed Surplus..... 42		0
 43		0
<u>20.40</u>	Retained Earnings..... 44	1,030	502
<u>20.40</u>	Reserves..... 45	0	0
<u>20.42</u>	Accumulated Other Comprehensive Income (Loss)..... 47	0	0
	Total Equity..... 49	5,030	4,502
	TOTAL LIABILITIES AND EQUITY..... 89	9,702	9,114

STATEMENT OF INCOME
(\$'000)

Page		Current Year 01	Prior Year 03
	UNDERWRITING OPERATIONS		
	Premiums Written		
	Direct..... 01	919	963
<u>70.21</u>	Reinsurance Assumed..... 02	0	0
<u>70.21</u>	Reinsurance Ceded..... 03	0	166
<u>60.20</u>	Net Premiums Written 04	919	797
	Decrease (increase) in Net Unearned Premiums..... 05	0	0
<u>60.20</u>	Net Premiums Earned 06	919	797
	Service Charges 07		0
	Other 08	181	0
	Total Underwriting Revenue 09	1,100	797
<u>60.20</u>	Net Claims and Adjustment Expenses 10	0	58
	Acquisition Expenses		
<u>80.10</u>	Commissions..... 11	61	116
	Taxes..... 12	198	29
<u>80.20</u>	Other 14	0	0
<u>80.20</u>	General Expenses..... 16	130	165
	Total Claims and Expenses 19	389	368
	Premium Deficiency Adjustments..... 20		0
	Underwriting Income (Loss) 29	711	429
<u>40.07 or/ou</u> <u>40.10</u>	INVESTMENT OPERATIONS		
	Income..... 32	(36)	76
	Realized Gains (Losses)..... 33	0	75
	Expenses..... 34	20	19
	Net Investment Income 39	(56)	132
	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	655	561
	INCOME TAXES		
	Current..... 50	127	112
	Future..... 51		0
	Total Income Taxes 59	127	112
	Extraordinary Items (net of Income Taxes of \$'000 _____)..... 60		0
	NET INCOME (LOSS) FOR THE YEAR 89	528	449

STATEMENT OF RETAINED EARNINGS
(\$'000)

Page			Current Year 01	Prior Year 02
	Balance at beginning of year	01	502	(104)
	Prior period adjustments:.....	02		0
	04		157
	Adjusted balance at beginning of year.....	09	502	53
<u>20.30</u>	Net Income (loss) for the year.....	10	<u>528</u>	<u>449</u>
	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	528	449
	Balance at end of year	89	<u>1,030</u>	<u>502</u>

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
	Comprehensive Income (Loss)		
20.30	Net Income 01	528	449
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03		0
	- Equities 04		0
	Reclassification to Earnings of (Gains) Losses 05		0
	Derivatives Designated as Cash Flow Hedges		
	Change in Unrealized Gains and Losses 06		0
	Reclassification to Earnings of (Gains) Losses 07		0
	Foreign Currency Translation		
	Change in Unrealized Gains and Losses 08		0
	Impact of Hedging 09		0
	Income (Loss) from Subsidiaries 10		0
	Other 12		0
	Total Other Comprehensive Income (Loss) 21	0	0
	Total Comprehensive Income (Loss) 39	528	449

		Current Year (01)	Prior Year (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42		0
	- Bonds and Debentures 43		0
	- Equities 44		0
	Derivatives Designated as Cash Flow Hedges 45		0
	Foreign Currency (Net of Hedging Activities) 46		0
	Income (Loss) from Subsidiaries 47		0
	Other 49		0
20.20	Balance at end of Period 59	0	0

MINIMUM CAPITAL TEST
(\$'000)

		Current Year 01	Prior Year 02
Capital Available			
Total Equity less Accumulated Other Comprehensive Income	02	5,030	4,502
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	0	0
Total Capital Available	19	5,030	4,502
Minimum Capital Required			
Balance Sheet Assets	20	580	623
Unearned Premiums/Unpaid Claims/Premium Deficiencies	22	182	150
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	762	773
Excess of Capital Available over Capital Required (line 19 minus line 29)	89	4,268	3,729
Line 19 as a % of line 29	90	660.10%	582.41%