

ASSETS
(\$'000)

	Current	Prior
	01	03
Cash 01	1,135	4,926
Investment Income due and accrued 02	2	7
Investments:		
Term Deposits 04	0	0
Bonds and Debentures 05	55	57
Mortgage Loans 06	0	0
Preferred Shares 07	7,241	7,623
Common Shares 08	1,566	2,432
Real Estate 09	0	0
Other Investments 10	0	0
Total Investments (lines 04 to 10) 19	8,862	10,112
Receivables:		
Unaffiliated Agents and Brokers 20	0	0
Policyholders 21	1,284	1,525
Instalment Premiums 22	0	0
Other Insurers 23	0	0
"Facility Association" and the "P.R.R." 24	0	0
Subsidiaries, Affiliates & Partnerships 25	0	0
Income Taxes 26	0	0
Other Receivables 27	2	0
Recoverable from Reinsurers:		
Unearned Premiums 30	0	0
Unpaid Claims and Adjustment Expenses 31	0	0
Other Recoverables on Unpaid Claims 37	0	0
Investment in Subsidiaries, Affiliates & Partnerships 40	0	0
Real Estate for Insurer's own use 41	0	0
Deferred Policy Acquisition Expenses 43	254	443
Future Income Taxes 44	28	36
Other Assets 88	12	9
TOTAL ASSETS 89	11,579	17,058

LIABILITIES AND EQUITY
(\$'000)

Page		Current 01	Prior 03
	LIABILITIES		
	Overdrafts 01		0
	Borrowed Money and Accrued Interest 02		0
	Payables:		
	Agents and Brokers 03		0
	Policyholders 04		0
	Other Insurers 05		0
	Subsidiaries, Affiliates & Partnerships 06	2,146	4,521
	Expenses due and accrued 07	619	800
	Income Taxes due and accrued 08	-591	-253
	Other Taxes due and accrued 09	112	109
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	2,180	4,767
	Unpaid Claims and Adjustment Expenses 13	1,878	1,790
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Future Income Taxes 21		0
	Other Liabilities 28		0
	Total Liabilities 29	6,344	11,734
	EQUITY		
	Shares issued and paid 41	4,000	4,000
	Contributed Surplus 42	1,000	1,000
 43		0
	Retained Earnings 44	996	416
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	-761	-92
	Total Equity 49	5,235	5,324
	TOTAL LIABILITIES AND EQUITY 89	11,579	17,058

STATEMENT OF INCOME
(\$'000)

	Current Period 01	Prior Period 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	3,578	3,470
Reinsurance Assumed	0	0
Reinsurance Ceded	0	0
Net Premiums Written	3,578	3,470
Decrease (increase) in Net Unearned Premiums	513	983
Net Premiums Earned	4,091	4,453
Service Charges		0
Other		0
Total Underwriting Revenue	4,091	4,453
Net Claims and Adjustment Expenses	519	550
Acquisition Expenses		
Commissions	23	30
Taxes	136	149
Other	1,347	1,290
General Expenses	1,665	2,011
Total Claims and Expenses	3,690	4,030
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	401	423
INVESTMENT OPERATIONS		
Income	96	132
Realized Gains (Losses)	-137	-56
Expenses		0
Net Investment Income	-41	76
OTHER REVENUE AND EXPENSES		
Income (Loss) from Ancillary Operations	0	0
(net of Expenses of \$'000 _____)		
Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships	0	0
Gain (losses) from fluctuations in Foreign Exchange Rates	0	0
Other	0	0
Net income (Loss) before Income Taxes and Extraordinary Items	360	499
INCOME TAXES		
Current	132	90
Future	-46	42
Total Income Taxes	86	132
Extraordinary Items (net of Income Taxes of \$'000 _____)		0
NET INCOME (LOSS) FOR THE PERIOD	274	367

STATEMENT OF RETAINED EARNINGS
(\$'000)

	Current 01	Prior 02
Balance at beginning of year 01	722	1,429
Prior period adjustments: 02	0	0
..... 04	0	0
Adjusted balance at beginning of year 09	722	1,429
Net income (loss) for the Period 10	274	367
Dividends declared to shareholders 11		1,380
Decrease (increase) in Reserves 12		0
(Please Specify) 16		
Net increase (decrease) in Retained Earnings during the period 15	274	-1,013
Balance at end of Period 89	996	416

RESERVES
(\$'000)

	Current 01	Prior 02
Earthquake Reserves		
Reserve Complement 90		0
Premium Reserve 91		0
Mortgages 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 Period 01	Prior Period 03
20.30	Comprehensive Income (Loss)		
	Net Income 01	274	367
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03		0
	- Equities 04	-33	-151
	Reclassification to Earnings of (Gains) Losses 05	94	38
	Derivatives Designated as Cash Flow Hedges		
	Change in Unrealized Gains and Losses 06	0	0
	Reclassification to Earnings of (Gains) Losses 07	0	0
	Foreign Currency Translation		
	Change in Unrealized Gains and Losses 08	0	0
	Impact of Hedging 09	0	0
	Income (Loss) from Subsidiaries 10	0	0
	Other 12	0	0
	Total Other Comprehensive Income (Loss) 21	61	-113
	Total Comprehensive Income (Loss) 39	335	254

		Current Period (01)	Prior Period (03)
20.20	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42	0	0
	- Bonds and Debentures 43	0	0
	- Equities 44	-761	-92
	Derivatives Designated as Cash Flow Hedges 45	0	0
	Foreign Currency (Net of Hedging Activities) 46	0	0
	Income (Loss) from Subsidiaries 47	0	0
	Other 49	0	0
	Balance at end of Period 59	-761	-92

**MINIMUM CAPITAL TEST
(\$'000)**

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	5,996	5,416
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	-761	-92
Available for Sale Debt Securities 06	0	0
Foreign Currency (Net of Hedging Activities) 08		0
Included in Capital Available of Regulated FI Subsidiaries 10		0
..... 30		
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	5,235	5,324
Minimum Capital Required		
Balance Sheet Assets 20	610	803
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	283	745
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	893	1,548
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	4,342	3,776
Line 19 as a % of line 29 90	586.23%	343.93%