

ASSETS
(\$'000)

		Current	Prior
		01	03
Cash	01	18,697	13,066
Investment Income due and accrued	02	414	455
Investments:			
Term Deposits	04	5,750	3,366
Bonds and Debentures	05	25,843	29,012
Mortgage Loans	06	0	0
Preferred Shares	07	77,937	52,438
Common Shares	08	36,864	36,431
Real Estate	09	0	0
Other Investments	10	2,002	0
Total Investments (lines 04 to 10)	19	148,396	121,247
Receivables:			
Unaffiliated Agents and Brokers	20	0	0
Policyholders	21	1,612	1,603
Instalment Premiums	22	10,076	8,652
Other Insurers	23	0	0
"Facility Association" and the "P.R.R."	24	634	419
Subsidiaries, Affiliates & Partnerships	25	0	0
Income Taxes	26	(1,327)	0
Other Receivables	27	(622)	712
Recoverable from Reinsurers:			
Unearned Premiums	30	2,804	2,975
Unpaid Claims and Adjustment Expenses	31	531	301
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	652	653
Future Income Taxes	44	1,605	4,356
Other Assets	88	303	578
TOTAL ASSETS	89	183,775	155,017

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	4,180	5,105
	Subsidiaries, Affiliates & Partnerships 06		0
	Expenses due and accrued 07	1,227	1,229
	Income Taxes due and accrued 08	1,765	0
	Other Taxes due and accrued 09	735	870
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	100,898	88,774
	Unpaid Claims and Adjustment Expenses..... 13	18,697	14,487
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Future Income Taxes 21		0
	Other Liabilities 28		0
	Total Liabilities 29	127,502	110,465
	EQUITY		
	Shares issued and paid 41	11,500	11,500
	Contributed Surplus 42		0
 43		0
	Retained Earnings 44	46,334	35,429
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	(1,561)	(2,377)
	Total Equity 49	56,273	44,552
	TOTAL LIABILITIES AND EQUITY 89	183,775	155,017

STATEMENT OF INCOME
(\$'000)

	Current 01	Prior 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	46,208	47,016
Reinsurance Assumed	0	0
Reinsurance Ceded	6,255	3,959
Net Premiums Written	39,953	43,057
Decrease (increase) in Net Unearned Premiums	(2,478)	(5,765)
Net Premiums Earned	37,475	37,292
Service Charges		0
Other		0
Total Underwriting Revenue	37,475	37,292
Net Claims and Adjustment Expenses	11,424	9,493
Acquisition Expenses		
Commissions	15,970	17,563
Taxes	1,260	1,703
Other	724	697
General Expenses	1,560	1,711
Total Claims and Expenses	30,938	31,167
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	6,537	6,125
INVESTMENT OPERATIONS		
Income	3,145	2,621
Realized Gains (Losses)	435	357
Expenses	4	19
Net Investment Income	3,576	2,959
OTHER REVENUE AND EXPENSES		
Income (Loss) from Ancillary Operations		0
(net of Expenses of \$'000 _____)		
Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships		0
Gain (losses) from fluctuations in Foreign Exchange Rates		0
Other	(357)	1,499
Net income (Loss) before Income Taxes and		
Extraordinary Items	9,756	10,583
INCOME TAXES		
Current	2,393	3,630
Future		0
Total Income Taxes	2,393	3,630

STATEMENT OF RETAINED EARNINGS
(\$'000)

		Current 01	Prior 02
Balance at beginning of year	01	38,971	33,476
Prior period adjustments:	02		0
.....	04		0
Adjusted balance at beginning of year	09	38,971	33,476
Net income (loss) for the Period	10	7,363	6,953
Dividends declared to shareholders	11		5,000
Decrease (increase) in Reserves	12		0
(Please Specify)	16		
Net increase (decrease) in Retained Earnings during the period	15	7,363	1,953
Balance at end of Period	89	46,334	35,429

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 01	Prior 03
20.30	Comprehensive Income (Loss)		
	Net Income 01	7,363	6,953
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03	366	244
	- Equities 04	10,175	(2,253)
	Reclassification to Earnings of (Gains) Losses 05	137	(368)
	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	10,678	(2,377)
	Total Comprehensive Income (Loss) 39	18,041	4,576

		Current (01)	Prior (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42		0
	- Bonds and Debentures 43	909	243
	- Equities 44	(2,470)	(2,620)
	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	(1,561)	(2,377)

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

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	57,834	46,929
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	(2,470)	(2,620)
Available for Sale Debt Securities 06	909	243
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	120
Total Capital Available 19	56,273	44,432
Minimum Capital Required		
Balance Sheet Assets 20	9,655	8,781
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	9,717	8,276
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	19,372	17,057
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	36,901	27,375
Line 19 as a % of line 29 90	290.49%	260.49%