

ASSETS
(\$'000)

	Current 01	Prior 03
Cash 01	(133)	1,006
Investment Income due and accrued 02	53	57
Investments:		
Term Deposits 04	465	400
Bonds and Debentures 05	4,645	5,134
Mortgage Loans 06	0	0
Preferred Shares 07	125	23
Common Shares 08	1,517	0
Real Estate 09	0	0
Other Investments 10	0	1,375
Total Investments (lines 04 to 10) 19	6,752	6,932
Receivables:		
Unaffiliated Agents and Brokers 20	0	0
Policyholders 21	201	169
Instalment Premiums 22	75	99
Other Insurers 23	0	0
"Facility Association" and the "P.R.R." 24	0	0
Subsidiaries, Affiliates & Partnerships 25	0	0
Income Taxes 26	66	53
Other Receivables 27	0	0
Recoverable from Reinsurers:		
Unearned Premiums 30	0	0
Unpaid Claims and Adjustment Expenses 31	3,911	1,072
Other Recoverables on Unpaid Claims 37	0	0
Investment in Subsidiaries, Affiliates & Partnerships 40	0	0
Real Estate for Insurer's own use 41	738	745
Deferred Policy Acquisition Expenses 43	0	0
Future Income Taxes 44	0	0
Other Assets 88	147	158
TOTAL ASSETS 89	11,810	10,291

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		0
	Expenses due and accrued 07	243	119
	Income Taxes due and accrued 08		0
	Other Taxes due and accrued 09		0
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	1,535	1,506
	Unpaid Claims and Adjustment Expenses 13	4,309	2,157
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Future Income Taxes 21		0
	Other Liabilities 28		0
	Total Liabilities 29	6,087	3,782
	EQUITY		
	Shares issued and paid 41		0
	Contributed Surplus 42		0
 43		0
	Retained Earnings 44	5,467	6,416
	Reserves 45	0	0
	Accumulated Other Comprehensive Income (Loss) 47	256	93
20.42	Total Equity 49	5,723	6,509
	TOTAL LIABILITIES AND EQUITY 89	11,810	10,291

STATEMENT OF INCOME
(\$'000)

	Current 01	Prior 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	4,673	4,275
Reinsurance Assumed	8	8
Reinsurance Ceded	1,050	839
Net Premiums Written	3,631	3,444
Decrease (increase) in Net Unearned Premiums	(992)	(941)
Net Premiums Earned	2,639	2,503
Service Charges		0
Other		0
Total Underwriting Revenue	2,639	2,503
Net Claims and Adjustment Expenses	2,289	1,693
Acquisition Expenses		
Commissions	5	8
Taxes	101	100
Other	16	0
General Expenses	1,339	1,269
Total Claims and Expenses	3,750	3,070
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	(1,111)	(567)
INVESTMENT OPERATIONS		
Income	229	252
Realized Gains (Losses)	14	5
Expenses	27	8
Net Investment Income	216	249
OTHER REVENUE AND EXPENSES		
Income (Loss) from Ancillary Operations	62	0
(net of Expenses of \$'000 _____)		
Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships	(46)	0
Gain (losses) from fluctuations in Foreign Exchange Rates		0
Other	6	0
Net income (Loss) before Income Taxes and Extraordinary Items	(873)	(318)
INCOME TAXES		
Current		12
Future		0
Total Income Taxes	0	12
Extraordinary Items (net of Income Taxes of \$'000 _____).....		0
NET INCOME (LOSS) FOR THE PERIOD	(873)	(330)

**STATEMENT OF RETAINED EARNINGS
(\$'000)**

		Current 01	Prior 02
Balance at beginning of year	01	6,340	6,746
Prior period adjustments:	02		0
.....	04		0
Adjusted balance at beginning of year	09	6,340	6,746
Net income (loss) for the Period	10	(873)	(330)
Dividends declared to shareholders	11		0
Decrease (increase) in Reserves	12		0
(Please Specify)	16		
Net increase (decrease) in Retained Earnings during the period	15	(873)	(330)
Balance at end of Period	89	5,467	6,416

**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 01	Prior 03
	Comprehensive Income (Loss)		
20.30	Net Income 01	(873)	(330)
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03	89	(57)
	- Equities 04	79	150
	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	168	93
	Total Comprehensive Income (Loss) 39	(705)	(237)

		Current (01)	Prior (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42		0
	- Bonds and Debentures 43	183	(57)
	- Equities 44	73	150
	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	256	93

MINIMUM CAPITAL TEST
(\$'000)

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	5,467	6,416
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	73	150
Available for Sale Debt Securities 06	183	(57)
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	29	55
Total Capital Available 19	5,694	6,454
Minimum Capital Required		
Balance Sheet Assets 20	500	424
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	285	220
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	785	644
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	4,909	5,810
Line 19 as a % of line 29 90	725.35%	1002.17%