

ASSETS
(\$'000)

	Current 01	Prior 03
Cash 01	5,070	4,252
Investment Income due and accrued 02	62	46
Investments:		
Term Deposits 04	546	0
Bonds and Debentures 05	1,668	2,855
Mortgage Loans 06	0	0
Preferred Shares 07	154	236
Common Shares 08	280	269
Real Estate 09	0	0
Other Investments 10	0	0
Total Investments (lines 04 to 10) 19	2,648	3,360
Receivables:		
Unaffiliated Agents and Brokers 20	761	1,125
Policyholders 21	0	0
Instalment Premiums 22	0	0
Other Insurers 23	563	709
"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	778	1,094
Unpaid Claims and Adjustment Expenses 31	1,293	2,766
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	567	799
Future Income Taxes 44	0	0
Other Assets 88	59	117
TOTAL ASSETS 89	11,803	14,268

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	237	12
	Policyholders 04		0
	Other Insurers 05	296	761
	Subsidiaries, Affiliates & Partnerships 06		0
	Expenses due and accrued 07	108	236
	Income Taxes due and accrued 08	355	635
	Other Taxes due and accrued 09	9	0
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	3,270	3,863
	Unpaid Claims and Adjustment Expenses..... 13	3,033	5,236
	Unearned Commissions 14	153	217
	Premium Deficiency 15		0
	Future Income Taxes 21		0
	Other Liabilities 28		0
	Total Liabilities 29	7,461	10,960
	EQUITY		
	Shares issued and paid 41	6,480	6,480
	Contributed Surplus 42	4,593	892
 43		0
	Retained Earnings 44	(6,731)	(4,064)
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	0	0
	Total Equity 49	4,342	3,308
	TOTAL LIABILITIES AND EQUITY 89	11,803	14,268

STATEMENT OF INCOME
(\$'000)

	Current 01	Prior 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	10,525	12,052
Reinsurance Assumed	0	0
Reinsurance Ceded	8,050	8,406
Net Premiums Written	2,475	3,646
Decrease (increase) in Net Unearned Premiums	172	71
Net Premiums Earned	2,647	3,717
Service Charges		0
Other	69	0
Total Underwriting Revenue	2,716	3,717
Net Claims and Adjustment Expenses	2,208	3,680
Acquisition Expenses		
Commissions	(82)	65
Taxes	376	394
Other	396	547
General Expenses	746	610
Total Claims and Expenses	3,644	5,296
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	(928)	(1,579)
INVESTMENT OPERATIONS		
Income	133	339
Realized Gains (Losses)	19	199
Expenses		0
Net Investment Income	152	538
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		0
Net income (Loss) before Income Taxes and Extraordinary Items	(776)	(1,041)
INCOME TAXES		
Current		0
Future		0
Total Income Taxes	0	0
Extraordinary Items (net of Income Taxes of \$'000 _____)		0
NET INCOME (LOSS) FOR THE PERIOD	(776)	(1,041)

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

		Current 01	Prior 02
Balance at beginning of year	01	(5,955)	(2,435)
Prior period adjustments:	02		0
.....	04		0
Adjusted balance at beginning of year	09	(5,955)	(2,435)
Net income (loss) for the Period	10	(776)	(1,041)
Dividends declared to shareholders	11		588
Decrease (increase) in Reserves	12		0
(Please Specify)	16		
Net increase (decrease) in Retained Earnings during the period	15	(776)	(1,629)
Balance at end of Period	89	(6,731)	(4,064)

**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	(776)	(1,041)
	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)	(776)	(1,041)

		Current (01)	Prior (03)
	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
20.20	Balance at end of Period	0	0

MINIMUM CAPITAL TEST
(\$'000)

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	4,342	3,308
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
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	43	57
Total Capital Available 19	4,299	3,251
Minimum Capital Required		
Balance Sheet Assets 20	239	405
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	288	353
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	527	758
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	3,772	2,493
Line 19 as a % of line 29 90	815.75%	428.89%