

**ASSETS**  
(\$'000)

Page		Current Year 01	Prior Year 03
	Cash..... 01	865	404
	Investment Income due and accrued..... 02	30	37
	Investments:		
	Term Deposits..... 04	345	434
	Bonds and Debentures ..... 05	3,944	4,173
	Mortgage Loans ..... 06	0	0
	Preferred Shares..... 07	164	124
	Common Shares..... 08	2,290	2,003
<u>40.70</u>	Real Estate..... 09	0	0
<u>40.80</u>	Other Investments ..... 10	0	0
<u>40.80</u> <u>or/ou</u> <u>40.10</u>	<b>Total Investments (lines 04 to 10)..... 19</b>	<b>6,743</b>	<b>6,734</b>
	Receivables:		
<u>50.20</u>	Unaffiliated Agents and Brokers ..... 20	0	0
	Policyholders..... 21	95	108
	Instalment Premiums..... 22	64	47
<u>50.30</u>	Other Insurers..... 23	213	0
	"Facility Association" and the "P.R.R."..... 24	0	0
<u>50.40</u>	Subsidiaries, Affiliates and Partnerships ..... 25	0	0
	Income Taxes..... 26	0	0
<u>50.20</u>	Other Receivables..... 27	19	15
	Recoverable from Reinsurers:		
<u>60.10</u>	Unearned Premiums..... 30	0	0
<u>60.30</u>	Unpaid Claims and Adjustment Expenses..... 31	2,274	3,673
	Other Recoverables on Unpaid Claims..... 37	0	0
<u>50.40</u>	Investment in Subsidiaries, Affiliates & Partnerships..... 40	0	0
<u>40.70</u>	Real Estate for Insurer's own use..... 41	728	747
	Deferred Policy Acquisition Expenses..... 43	15	15
	Future Income Taxes..... 44	432	290
<u>50.50</u>	Other Assets..... 88	115	124
	<b>TOTAL ASSETS..... 89</b>	<b>11,593</b>	<b>12,194</b>

**LIABILITIES AND EQUITY**  
**(\$'000)**

Page		Current Year 01	Prior Year 03
	<b>LIABILITIES</b>		
	Overdrafts..... 01		0
	Borrowed Money and Accrued Interest..... 02		0
	Payables:		
<u>50.20</u>	Unaffiliated Agents and Brokers ..... 03	0	0
	Policyholders..... 04		0
<u>50.30</u>	Other Insurers..... 05	138	85
<u>50.40</u>	Subsidiaries, Affiliates and Partnerships ..... 06	0	0
	Expenses due and accrued..... 07	268	299
	Income Taxes due and accrued..... 08		0
	Other Taxes due and accrued..... 09		0
	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	546	510
<u>60.30</u>	Unpaid Claims and Adjustment Expenses..... 13	3,947	4,806
<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	1,275	572
	<b>Total Liabilities..... 29</b>	<b>6,174</b>	<b>6,272</b>
	<b>EQUITY</b>		
	Shares issued and paid..... 41	0	0
	Contributed Surplus..... 42		0
	..... 43		0
<u>20.40</u>	Retained Earnings..... 44	5,097	5,737
<u>20.40</u>	Reserves..... 45	0	0
<u>20.42</u>	Accumulated Other Comprehensive Income (Loss)..... 47	322	185
	<b>Total Equity..... 49</b>	<b>5,419</b>	<b>5,922</b>
	<b>TOTAL LIABILITIES AND EQUITY..... 89</b>	<b>11,593</b>	<b>12,194</b>

**STATEMENT OF INCOME**  
(\$'000)

Page		Current Year 01	Prior Year 03
	<b>UNDERWRITING OPERATIONS</b>		
	<b>Premiums Written</b>		
	Direct..... 01	5,475	4,927
<u>70.21</u>	Reinsurance Assumed..... 02	10	8
<u>70.21</u>	Reinsurance Ceded..... 03	1,433	1,142
<u>60.20</u>	<b>Net Premiums Written</b> ..... 04	4,052	3,793
	Decrease (increase) in Net Unearned Premiums..... 05	(36)	33
<u>60.20</u>	<b>Net Premiums Earned</b> ..... 06	4,016	3,826
	Service Charges ..... 07		0
	Other ..... 08		0
	<b>Total Underwriting Revenue</b> ..... 09	4,016	3,826
<u>60.20</u>	Net Claims and Adjustment Expenses ..... 10	2,957	2,965
	Acquisition Expenses		
<u>80.10</u>	Commissions..... 11	14	7
	Taxes..... 12	166	132
<u>80.20</u>	Other ..... 14	27	0
<u>80.20</u>	General Expenses..... 16	2,173	1,925
	<b>Total Claims and Expenses</b> ..... 19	5,337	5,029
	Premium Deficiency Adjustments..... 20		0
	<b>Underwriting Income (Loss)</b> ..... 29	(1,321)	(1,203)
<u>40.07 or/ou</u> <u>40.10</u>	<b>INVESTMENT OPERATIONS</b>		
	Income..... 32	308	302
	Realized Gains (Losses) ..... 33	67	7
	Expenses..... 34	44	37
	<b>Net Investment Income</b> ..... 39	331	272
	<b>OTHER REVENUE AND EXPENSES</b>		
	Income (Loss) from Ancillary Operations (net of Expenses of \$'000 _____)..... 40		0
	Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships ..... 41		0
	Gain (losses) from fluctuations in Foreign Exchange Rates..... 42	(1)	(4)
	Other ..... 43	156	36
	<b>Net Income (Loss) before Income Taxes and Extraordinary Items</b> ..... 49	(835)	(899)
	<b>INCOME TAXES</b>		
	Current..... 50		0
	Future ..... 51	(195)	(296)
	<b>Total Income Taxes</b> ..... 59	(195)	(296)
	Extraordinary Items (net of Income Taxes of \$'000 _____)..... 60		0
	<b>NET INCOME (LOSS) FOR THE YEAR</b> ..... 89	(640)	(603)

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

Page			Current Year 01	Prior Year 02
	<b>Balance at beginning of year</b>	01	5,737	6,340
	Prior period adjustments:.....	02		0
	.....	04		0
	Adjusted balance at beginning of year.....	09	5,737	6,340
<u>20.30</u>	Net Income (loss) for the year.....	10	(640)	(603)
	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	(640)	(603)
	<b>Balance at end of year.....</b>	89	5,097	5,737

**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
<b>Total Reserves .....</b>	99	0	0

**COMPREHENSIVE INCOME (LOSS)**  
and  
**ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**  
(\$'000)

Page		Current Year 01	Prior Year 03
20.30	<b>Comprehensive Income (Loss)</b>		
	Net Income ..... 01	(640)	(603)
	Other Comprehensive Income (Loss):		
	<b>Available for Sale:</b>		
	Change in Unrealized Gains and Losses:		
	- Loans ..... 02		0
	- Bonds and Debentures ..... 03	69	150
	- Equities ..... 04	68	150
	Reclassification to Earnings of (Gains) Losses ..... 05		0
	<b>Derivatives Designated as Cash Flow Hedges</b>		
	Change in Unrealized Gains and Losses ..... 06		0
	Reclassification to Earnings of (Gains) Losses ..... 07		0
	<b>Foreign Currency Translation</b>		
	Change in Unrealized Gains and Losses ..... 08		0
	Impact of Hedging ..... 09		0
	<b>Income (Loss) from Subsidiaries</b> ..... 10		0
	<b>Other</b> ..... 12		0
	Total Other Comprehensive Income (Loss) ..... 21	137	300
	<b>Total Comprehensive Income (Loss)</b> ..... 39	(503)	(303)

		Current Year (01)	Prior Year (03)
	<b>Accumulated Other Comprehensive Income (Loss)</b>		
	Accumulated Gains/ (Losses) on:		
	<b>Available for Sale:</b>		
	- Loans ..... 42		0
	- Bonds and Debentures ..... 43	161	93
	- Equities ..... 44	161	92
	<b>Derivatives Designated as Cash Flow Hedges</b> ..... 45		0
	<b>Foreign Currency (Net of Hedging Activities)</b> ..... 46		0
	<b>Income (Loss) from Subsidiaries</b> ..... 47		0
	<b>Other</b> ..... 49		0
20.20	<b>Balance at end of Period</b> ..... 59	322	185

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

	Current Year 01	Prior Year 02
<b>Capital Available</b>		
Total Equity less Accumulated Other Comprehensive Income ..... 02	<u>5,097</u>	<u>5,737</u>
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares ..... 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities ..... 04	<u>161</u>	92
Available for Sale Debt Securities ..... 06	<u>161</u>	93
Foreign Currency (Net of Hedging Activities) ..... 08	<u>0</u>	0
Included in Capital Available of Regulated FI Subsidiaries ..... 10		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	2
<b>Total Capital Available</b> ..... 19	<b>5,419</b>	<b>5,920</b>
<b>Minimum Capital Required</b>		
Balance Sheet Assets ..... 20	<u>559</u>	559
Unearned Premiums/Unpaid Claims/Premium Deficiencies ..... 22	<u>298</u>	271
Catastrophes ..... 24	<u>0</u>	0
Reinsurance Ceded to Unregistered Insurers ..... 26	<u>0</u>	0
Capital Required reported by Regulated FI Subsidiaries ..... 27		0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures ..... 28	<u>0</u>	0
<b>Minimum Capital Required</b> ..... 29	<b>857</b>	<b>830</b>
<b>Excess Capital Available over Minimum Capital Required</b> (line 19 minus line 29) ..... 89	<b>4,562</b>	<b>5,090</b>
<b>Line 19 as a % of line 29</b> ..... 90	<b>632.32%</b>	<b>713.25%</b>