

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'000)

	Current	Prior
	01	03
Cash and Cash Equivalents..... 01	427	760
Investment Income due and accrued 02	56	55
Assets held for sale 50		
Investments:		
Short Term Investments 04	1,150	1,601
Bonds and Debentures 05	4,534	4,288
Mortgage Loans 06	0	0
Preferred Shares 07	168	117
Common Shares 08	2,850	2,540
Investment Properties 09	0	0
Other Investments 10	0	0
Total Investments (lines 04 to 10) 19	8,702	8,546
Receivables:		
Unaffiliated Agents and Brokers 20	0	0
Policyholders 21	211	259
Instalment Premiums 22	419	339
Other Insurers 23	200	3
"Facility Association" and the "P.R.R." 24	0	0
Subsidiaries, Associates & Joint Ventures 25	0	0
Income Taxes 26		290
Other Receivables 27	9	0
Recoverable from Reinsurers:		
Unearned Premiums 30	0	0
Unpaid Claims and Adjustment Expenses 31	2,770	3,956
Other Recoverables on Unpaid Claims 37	0	0
Interests in Subsidiaries, Associates & Joint Ventures 40	0	0
Property and Equipment 41	710	729
Deferred Policy Acquisition Expenses 43	57	15
Current Tax Assets 52		
Deferred Tax Assets 44	431	0
Goodwill..... 54		
Intangible Assets..... 56		
Other Assets 88	208	144
TOTAL ASSETS 89	14,200	15,096

CONSOLIDATED FINANCIAL STATEMENTS
LIABILITIES AND EQUITY
(S'000)

Page		Current 01	Prior 03
	LIABILITIES		
	Overdrafts 01		0
	Borrowed Money and Accrued Interest 02		0
	Payables:		
	Agents and Brokers 03	31	0
	Policyholders 04		0
	Other Insurers 05		0
	Subsidiaries, Associates & Joint Ventures 06		0
	Expenses due and accrued 07	-81	569
	Income Taxes due and accrued 08		0
	Other Taxes due and accrued 09	40	0
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	4,274	3,776
	Unpaid Claims and Adjustment Expenses 13	4,450	4,945
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Liabilities held for sale 17		
	Current Tax Liabilities 18		
	Deferred Tax Liabilities 21		0
	Provisions and Other Liabilities 28		0
	Total Liabilities 29	8,714	9,290
	EQUITY		
	Shares issued and paid 41		0
	Contributed Surplus 42		0
 43		0
	Retained Earnings 44	5,139	5,772
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	347	34
	Non-controlling Interests 48		
	Total Equity 49	5,486	5,806
	TOTAL LIABILITIES AND EQUITY 89	14,200	15,096

CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF INCOME
(\$'000)

	Current 01	Prior 03	
UNDERWRITING OPERATIONS			
Premiums Written			
Direct	01	5,218	4,586
Reinsurance Assumed	02	0	3
Reinsurance Ceded	03	291	430
Net Premiums Written	04	4,927	4,159
Decrease (increase) in Net Unearned Premiums	05	-3,728	-3,267
Net Premiums Earned	06	1,199	892
Service Charges	07	24	0
Other	08		0
Total Underwriting Revenue	09	1,223	892
Gross Claims and Adjustment Expenses	62	1,454	1,097
Reinsurers' share of claims and adjustment expenses	64	696	451
Net Claims and Adjustment Expenses	10	758	646
Acquisition Expenses			
Gross Commissions	66	14	
Ceded Commissions	68	0	
Taxes	12	39	34
Other	14		6
General Expenses	16	505	451
Total Claims and Expenses	19	1,316	1,137
Premium Deficiency Adjustments	20		0
Underwriting Income (Loss)	29	-93	-245
INVESTMENT OPERATIONS			
Income	32	68	76
Realized Gains (Losses)	33	23	8
Expenses	34	12	9
Net Investment Income	39	79	75
OTHER REVENUE AND EXPENSES			
Income (Loss) from Ancillary Operations	40		0
(net of Expenses of \$'000 _____)			
Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41		0
Gain (losses) from fluctuations in Foreign Exchange Rates	42		0
Other Revenues	44	56	20
Finance costs	45		
Other Expenses	46		
Net Income (Loss) before Income Taxes	49	42	-150
INCOME TAXES			
Current	50		0
Deferred	51		0
Total Income Taxes	59	0	0
Extraordinary Items (net of Income Taxes of \$'000 _____) (CGAAP).....	60		0
NET INCOME (LOSS) FOR THE PERIOD	89	42	-150
ATTRIBUTABLE TO:			
Non-controlling Interests	80		
Equity Holders	82		

CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF RETAINED EARNINGS
(\$'000)

	Current 01	Prior 02
Balance at beginning of year 01	5,097	5,922
Prior period adjustments: 02		0
..... 04		0
Adjusted balance at beginning of year 09	5,097	5,922
Net income (loss) for the Period 10	42	-150
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	42	-150
Balance at end of Period 89	5,139	5,772

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

CONSOLIDATED FINANCIAL STATEMENTS

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

Page		Current 01	Prior 03
20.30	Comprehensive Income (Loss)		
	Net Income 01	42	-150
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03	-66	-14
	- Equities 04	91	48
	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
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 11		
	Other 12		0
	Total Other Comprehensive Income (Loss) 21	25	34
	Total Comprehensive Income (Loss) 39	67	-116
	ATTRIBUTABLE TO:		
	Non-controlling Interests 60		
	Equity Holders 62		

		Current (01)	Prior (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42		0
	- Bonds and Debentures 43	77	-14
	- Equities 44	270	48
	Derivatives Designated as Cash Flow Hedges 45		0
	Foreign Currency (Net of Hedging Activities) 46		0
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 51		
	Other 49		0
20.20	Balance at end of Period 59	347	34

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

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	5,139	5,772
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	270	48
Available for Sale Debt Securities 06	77	-14
Foreign Currency (Net of Hedging Activities) 08		0
Revaluation Losses in Excess of Gains on Own Use Properties (IFRS) 32		
..... 30		
Less:		
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk 12		0
Unrealized Fair Value Gains (Losses) from Own Use Properties at Conversion (IFRS) 15		
Shadow Accounting Impact (IFRS) 16		
Assets with a Capital Requirement of 100% 17	66	0
..... 13		0
IFRS Conversion Phase in (IFRS) 18		
Total Capital Available 19	5,420	5,806
Minimum Capital Required		
Balance Sheet Assets 20	690	654
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	474	385
Catastrophes 24	0	0
Reinsurance Ceded to Unregistered Insurers 26	0	0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures 28	0	0
..... 34		
Minimum Capital Required 29	1,164	1,039
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	4,256	4,767
Line 19 as a % of line 29 90	465.64%	558.81%