

CONSOLIDATED FINANCIAL STATEMENTS**ASSETS**
(\$'000)

		Current 01	Prior 03
Cash and Cash Equivalents.....	01	10,190	16,356
Investment Income due and accrued	02	231	389
Assets held for sale	50		
Investments:			
Short Term Investments	04	39,754	9,057
Bonds and Debentures	05	23,743	27,968
Mortgage Loans	06	0	0
Preferred Shares	07	85,654	75,931
Common Shares	08	51,843	47,649
Investment Properties	09	11,231	7,611
Other Investments	10	12,485	5,809
Total Investments (lines 04 to 10)	19	224,710	174,025
Receivables:			
Unaffiliated Agents and Brokers	20	0	0
Policyholders	21	2,982	2,588
Instalment Premiums	22	11,996	10,987
Other Insurers	23	0	0
"Facility Association" and the "P.R.R."	24	926	556
Subsidiaries, Associates & Joint Ventures	25	0	0
Income Taxes	26		0
Other Receivables	27	126	243
Recoverable from Reinsurers:			
Unearned Premiums	30	0	0
Unpaid Claims and Adjustment Expenses	31	587	404
Other Recoverables on Unpaid Claims	37	0	0
Interests in Subsidiaries, Associates & Joint Ventures	40	0	0
Property and Equipment	41	0	0
Deferred Policy Acquisition Expenses	43	841	622
Current Tax Assets	52		
Deferred Tax Assets	44	4,379	4,091
Goodwill.....	54		
Intangible Assets.....	56		
Other Assets	88	128	227
TOTAL ASSETS	89	257,096	210,488

CONSOLIDATED FINANCIAL STATEMENTS
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	2,067	1,941
	Subsidiaries, Associates & Joint Ventures 06		0
	Expenses due and accrued 07	2,178	1,037
	Income Taxes due and accrued 08	(443)	34
	Other Taxes due and accrued 09	979	513
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	126,519	109,595
	Unpaid Claims and Adjustment Expenses 13	19,069	18,574
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Liabilities held for sale 17		
	Current Tax Liabilities 18		
	Deferred Tax Liabilities 21	203	153
	Provisions and Other Liabilities 28	22	14
	Total Liabilities 29	150,594	131,861
	EQUITY		
	Shares issued and paid 41	11,500	11,500
	Contributed Surplus 42		0
 43		0
	Retained Earnings 44	85,524	61,273
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	9,478	5,854
	Non-controlling Interests 48		
	Total Equity 49	106,502	78,627
	TOTAL LIABILITIES AND EQUITY 89	257,096	210,488

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

	Current 01	Prior 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	29,236	21,962
Reinsurance Assumed	0	0
Reinsurance Ceded	2,634	2,305
Net Premiums Written	26,602	19,657
Decrease (increase) in Net Unearned Premiums	(2,110)	(286)
Net Premiums Earned	24,492	19,371
Service Charges		0
Other		0
Total Underwriting Revenue	24,492	19,371
Gross Claims and Adjustment Expenses	6,553	5,769
Reinsurers' share of claims and adjustment expenses	0	0
Net Claims and Adjustment Expenses	6,553	5,769
Acquisition Expenses		
Gross Commissions	11,348	7,551
Ceded Commissions	0	
Taxes	810	626
Other	350	326
General Expenses	1,212	825
Total Claims and Expenses	20,273	15,097
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	4,219	4,274
INVESTMENT OPERATIONS		
Income	1,969	2,021
Realized Gains (Losses)	1,107	393
Expenses	13	1
Net Investment Income	3,063	2,413
OTHER REVENUE AND EXPENSES		
Income (Loss) from Ancillary Operations		0
(net of Expenses of \$'000 _____)		
Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures		0
Gain (losses) from fluctuations in Foreign Exchange Rates		0
Other Revenues		
Finance costs		
Other Expenses	513	347
Net Income (Loss) before Income Taxes	6,769	6,340
INCOME TAXES		
Current	1,629	1,629
Deferred		0
Total Income Taxes	1,629	1,629
Extraordinary Items (net of Income Taxes of \$'000 _____) (CGAAP).....		0
NET INCOME (LOSS) FOR THE PERIOD	5,140	4,711
ATTRIBUTABLE TO:		
Non-controlling Interests		
Equity Holders		

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

	Current 01	Prior 02
Balance at beginning of year 01	80,384	56,562
Prior period adjustments: 02		0
..... 04		0
Adjusted balance at beginning of year 09	80,384	56,562
Net income (loss) for the Period 10	5,140	4,711
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	5,140	4,711
Balance at end of Period 89	85,524	61,273

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	5,140	4,711
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03	(81)	(13)
	- Equities 04	1,560	2,341
	Reclassification to Earnings of (Gains) Losses 05	(961)	(359)
	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	518	1,969
	Total Comprehensive Income (Loss) 39	5,658	6,680
	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	1,028	1,118
	- Equities 44	8,450	4,736
	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	9,478	5,854

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

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	97,024	72,773
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	8,450	4,736
Available for Sale Debt Securities 06	1,028	1,118
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	0	0
..... 13		0
IFRS Conversion Phase in (IFRS) 18		
Total Capital Available 19	106,502	78,627
Minimum Capital Required		
Balance Sheet Assets 20	15,274	12,941
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	11,928	10,551
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	27,202	23,492
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	79,300	55,135
Line 19 as a % of line 29 90	391.52%	334.70%