

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Southeastern Casualty & Southeastern Reins. in Liquidation**  
**Statement of Affairs**  
**As of March 31, 2009**

	<u>Estimated Realizable Value</u>
<b>ASSETS</b>	
Pooled Cash Due from the Admin Fund	\$5,487,260.94
Accrued Interest Receivable	11,579.72
	Total Assets
	\$5,498,840.66
<b>LIABILITIES</b>	
General Creditor Claims (Class 6)	
- Other	232,613.85
State & Local Government Claims (Class 7)	14,452.92
Late Filed Claims (Class 8)	104,759.89
	Total Liabilities
	\$351,826.66
<b>EQUITY</b>	
Contributed Equity - State of Florida	315,561.76
Estate Equity	4,831,452.24
	Excess (Deficiency) of Assets over Liabilities
	\$5,147,014.00
	Total Liabilities and Equity
	\$5,498,840.66

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Southeastern Casualty & Southeastern Reins. in Liquidation**  
**Statement of Cash Receipts and Disbursements**  
**From the Date of Liquidation through March 31, 2009**

	Fiscal Year to Date	Since Date of Liquidation
<b>CASH RECEIPTS</b>		
Premium Collections	\$0.00	\$326,133.20
Agents' Balances Recoveries	0.00	107,586.16
Subrogation and Salvage Recoveries	0.00	26,877.42
Litigation Recoveries	0.00	4,510,523.30
Tax Recoveries	0.00	335.14
Other Collections / Recoveries	132.97	7,553,788.67
Sale of Personal Property Inventory	2.73	100,213.83
Sale of Real Property Inventory	0.00	51,900.00
Rental Income	0.00	907.34
Mortgage Principal Recovery	0.00	1,046,708.00
Mortgage Interest Income	0.00	118,211.72
Receipts Before Investment Activities	135.70	13,843,184.78
Interest and Dividend Receipts	115,718.71	6,418,878.35
Sale of Short Term Investment	0.00	600,000.00
Receipts From Investment Activities	115,718.71	7,018,878.35
<b>Total Cash Receipts</b>	<b>115,854.41</b>	<b>20,862,063.13</b>
<b>CASH DISBURSEMENTS &amp; DISTRIBUTIONS</b>		
Professional Fees and Expenses	97.91	4,336,235.95
Salaries and Fringe Benefits	16,364.44	2,611,589.85
Employee Welfare	93.42	14,122.87
Travel Expenses	82.24	95,070.58
Admin Expenses	621.42	395,624.86
Equipment and Furniture Expenses	551.12	163,860.09
Rent, Building and Equipment	5,338.53	547,491.49
Taxes	0.00	2,258.61
Disbursements	23,149.08	8,166,254.30
Distributions		
Secured Claims	0.00	368,435.49
Administrative Claims (Class 1)	0.00	381,310.56
Loss Claims (Class 2)	323,454.35	7,484,086.47
Unearned Premium-Non-Assessable Policies Claims (Class	0.00	14,879.86
Claims-Other	0.00	13,245.21
Total Distributed	323,454.35	8,261,957.59
Disbursements & Distributions Before Investment Activities	346,603.43	16,428,211.89
Financial Expenses	5,297.02	91,771.62
Disbursements for Investment Activities	5,297.02	91,771.62
<b>Total Cash Disbursements &amp; Distributions</b>	<b>351,900.45</b>	<b>16,519,983.51</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(236,046.04)</b>	<b>4,342,079.62</b>
<b>Beginning Cash Balance:</b>		
Beginning Cash	5,723,306.98	1,145,181.32
Adjustments to Beginning Cash	0.00	0.00
<b>Adjusted Beginning Cash Balance</b>	<b>5,723,306.98</b>	<b>1,145,181.32</b>

The accompanying notes & schedules are an integral part of these financial statements

**UNAUDITED**

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Southeastern Casualty & Southeastern Reins. in Liquidation**  
**Statement of Cash Receipts and Disbursements**  
**From the Date of Liquidation through March 31, 2009**

	<u>Fiscal Year to Date</u>	<u>Since Date of Liquidation</u>
<b>Ending Cash Balance</b>	<u><u>\$5,487,260.94</u></u>	<u><u>\$5,487,260.94</u></u>

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Southeastern Casualty & Southeastern Reins. In Liquidation**  
**Schedule of Accrued Interest Receivable**  
**For the Nine Months Ended March 31, 2009**

**Accrued Interest Receivable**

<b>Due from</b>	<b>Account</b>	<b>Balance 7/1/08</b>	<b>Accrued</b>	<b>Received</b>	<b>Balance 3/31/09</b>
State Treasury	SPIA, 4-20-0-010000-00000	15,830.44	974,234.24	(978,484.96)	11,579.72
<b>Totals:</b>		<u>15,830.44</u>	<u>974,234.24</u>	<u>(978,484.96)</u>	<u>11,579.72</u>

**Florida Department of Financial Services, Division of Rehabilitation and  
Liquidation  
Southeastern Casualty and Reinsurance in Liquidation  
Notes to Financial Statements  
Dated March 31, 2009**

1. **Estate Information.** Southeastern Casualty & Indemnity Insurance Co. and Southeastern Reinsurance Co. were property and casualty companies domiciled in Florida and placed in liquidation on September 1, 1989. The companies were consolidated by court order dated May 26, 1998.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2008 through June 30, 2009. The assets are stated at their estimated realizable values, while the liabilities are stated at their ultimate (gross filed) amounts and are periodically adjusted as evaluated, adjudicated and/or paid. In addition, the statements do not provide accruals for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.
3. **Unaudited.** The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with generally accepted accounting principles.
4. **Statement Format Changes.** On July 1, 2001, the Receiver converted accounting systems, which resulted in the historical accounting data being presented differently in this set of financial statements than the previously prepared statements for this estate. Because the new system uses a more detailed chart-of-accounts and summarizes data into categories different than previously used, the 'Since Date of Liquidation' column of historical data on the 'Statement of Cash Receipts and Disbursements' may not correspond directly to previous statement presentations. Users of this "Liquidation to-date" information should solicit additional information from the Receiver before making assumptions about the data.
5. **Pooled Investments.** The majority of the invested assets of the estates are combined into two main pooled accounts: the Receiver's operating account held at the Bank of America and the Special Purpose Investment Account held at the State of Florida Treasury. Each estate's share of the pooled investments is presented on the accompanying financial statements as "Pooled Cash Due from the Admin Fund".
6. **Claims.** Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise noted, claim liability numbers reported are adjudicated. Claim liability numbers are based upon information and documentation provided to the Receiver as of December 31, 2008.
  - The claim liabilities reported have been reduced by payment and discharge of the secured claims.
  - All objections have been resolved.
  - The court authorized Part I, Claims First Distribution in the amount of \$6,335,625.36 on January 7, 2004. All distribution checks have not been issued due to W-9 tax issues or incorrect addresses.
    - 100% was authorized for Class 1 claimants in the amount of \$28,810.55.
    - 88.7135% was authorized for Class 2 claimants in the amount of \$6,306,814.81.
  - The court authorized Part II, Claims Second Distribution in the amount of \$1,136,453.13 on October 4, 2004. All distribution checks have not been issued due to W-9 tax issues or incorrect addresses.
    - 100% was authorized for the remaining Class 2 claimants in the amount of \$1,121,573.27.
    - 100% was authorized for Class 3 claimants in the amount of \$14,879.86.
  - Un-cashed claim distribution checks have been remitted to the Florida Bureau of Unclaimed Property.
7. **Contributed Equity – State of Florida.** The Receiver will, from time to time, expend public funds to carry out certain duties during the course of liquidating an insurance company. The Division accounts for these expenditures as a contribution of equity by the State.
8. **Excess (Deficiency) of Assets over Liabilities.** The excess or (deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess or (deficiency) does not take into consideration any estimates for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.