

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Casualty Insurance Co. of FL in Liquidation**  
**Statement of Affairs**  
**As of September 30, 2009**

	<u>Estimated Realizable Value</u>
<b>ASSETS</b>	
Pooled Cash Due from the Admin Fund	\$1,953,122.16
Accrued Interest Receivable	4,095.51
Accounts Receivable	95,400.00
Allowance - Accounts Receivables	<u>(47,700.00)</u>
Total Assets	<u><u>\$2,004,917.67</u></u>
<b>LIABILITIES</b>	
Loss Claims (Class 2)	
- Other	39,089.22
Unearned Premium Claims	
under Non-assessable Policies (Class 3)	
- Other	201,670.89
General Creditor Claims (Class 6)	
- Other	5,427.80
Late Filed Claims (Class 8)	<u>8,396.38</u>
Total Liabilities	\$254,584.29
<b>EQUITY</b>	
Contributed Equity - State of Florida	182,467.05
Estate Equity	<u>1,567,866.33</u>
Excess (Deficiency) of Assets over Liabilities	<u>\$1,750,333.38</u>
Total Liabilities and Equity	<u><u>\$2,004,917.67</u></u>

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Casualty Insurance Co. of FL in Liquidation**  
**Statement of Cash Receipts and Disbursements**  
**From the Date of Liquidation through September 30, 2009**

	Fiscal Year to Date	Since Date of Liquidation
<b>CASH RECEIPTS</b>		
Premium Collections	\$0.00	\$178,184.20
Reinsurance Recoveries	0.00	121,165.90
Agents' Balances Recoveries	0.00	130,768.81
Subrogation and Salvage Recoveries	1,125.00	390,734.97
Other Collections / Recoveries	2.45	135,528.52
Sale of Personal Property Inventory	0.00	93,250.00
Sale of Real Property Inventory	0.00	2,607.98
Mortgage Principal Recovery	0.00	194,007.63
Mortgage Interest Income	0.00	34,116.44
Receipts Before Investment Activities	1,127.45	1,280,364.45
Interest and Dividend Receipts	12,627.22	2,951,416.49
Sale of Short Term Investment	0.00	3.10
Sale of Long Term Investment	0.00	2,321,777.13
Receipts From Investment Activities	12,627.22	5,273,196.72
<b>Total Cash Receipts</b>	<b>13,754.67</b>	<b>6,553,561.17</b>
<b>CASH DISBURSEMENTS &amp; DISTRIBUTIONS</b>		
Professional Fees and Expenses	405.35	214,884.50
Salaries and Fringe Benefits	13,319.74	758,739.58
Employee Welfare	12.86	6,666.18
Travel Expenses	2.07	31,030.23
Admin Expenses	92.67	247,199.29
Equipment and Furniture Expenses	70.41	100,351.75
Rent, Building and Equipment	622.49	89,472.85
Taxes	5,544.38	42.90
Disbursements	20,069.97	1,448,387.28
Distributions		
Administrative Claims (Class 1)	0.00	392,331.96
Loss Claims (Class 2)	(5,429.83)	2,972,843.31
Unearned Premium-Non-Assessable Policies Claims (Class	(162,429.98)	101,978.68
Total Distributed	(167,859.81)	3,467,153.95
Disbursements & Distributions Before Investment Activities	(147,789.84)	4,915,541.23
Financial Expenses	(11,894.55)	25,036.35
Disbursements for Investment Activities	(11,894.55)	25,036.35
<b>Total Cash Disbursements &amp; Distributions</b>	<b>(159,684.39)</b>	<b>4,940,577.58</b>
<b>Net Increase (Decrease) in Cash</b>	<b>173,439.06</b>	<b>1,612,983.59</b>
<b>Beginning Cash Balance:</b>		
Beginning Cash	1,779,683.10	340,138.57
Adjustments to Beginning Cash	0.00	0.00
<b>Adjusted Beginning Cash Balance</b>	<b>1,779,683.10</b>	<b>340,138.57</b>
<b>Ending Cash Balance</b>	<b>1,953,122.16</b>	<b>1,953,122.16</b>

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

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Casualty Insurance Co. of FL in Liquidation**  
**Schedule of Accrued Interest Receivable**  
**For the Three Months Ended September 30, 2009**

**Accrued Interest Receivable**

<b>Due from</b>	<b>Account</b>	<b>Balance 7/1/09</b>	<b>Accrued</b>	<b>Received</b>	<b>Balance 9/30/09</b>
State Treasury	SPIA, 4-20-0-010000-00000	3,613.76	16,064.88	(15,583.13)	4,095.51
Totals:		<u>3,613.76</u>	<u>16,064.88</u>	<u>(15,583.13)</u>	<u>4,095.51</u>

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Casualty Insurance Co. of FL in Liquidation**  
**Schedule of Accounts Receivable - Net of Allowances**  
 For the Three Months Ended September 30, 2009

**Litigation Award Receivable**

Description	Balance 7/1/07	Adjustments	Payments	Balance 9/30/09
18% share of Springs, Inc. Golf Course Lots Sale (Estimated total value of lots: \$2,410,000)	433,800.00	(338,400.00)	0.00	95,400.00
	433,800.00	(338,400.00)	0.00	95,400.00

**Allowance Litigation Awards**

Description	Balance 7/1/07	Adjustments	Payments	Balance 9/30/09
Allowance	(216,900.00)	169,200.00	0.00	(47,700.00)
Totals:	(216,900.00)	169,200.00	0.00	(47,700.00)

**Total Accounts Receivable - Net of Allowances: 47,700.00**

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Casualty Insurance Co. of FL in Liquidation**  
**Notes to Financial Statements**

**Dated September 30, 2009**

1. **Estate Information.** Casualty Insurance Co. of FL was a property and casualty company domiciled in Florida and placed in liquidation on February 27, 1997.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2009 through June 30, 2010. 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. **Accounts Receivable.** This receivable represents a pending settlement for a distribution of assets to parties having an interest in the Springs, Inc. Springs, Inc. will acquire title to 73 residential lots surrounding a golf course in Wisconsin. The appraised value of the lots is \$530,000.00. This estate is entitled to an 18% interest of proceeds of the sale of the lots. A 50% allowance has been set up until this sale is complete.
7. **Claims.** Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed, unadjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claims liability numbers are based upon information and documentation provided to the Receiver as of June 30, 2009.
  - The First Interim Claims Report was filed with the Court in November 2004. The claims were all deemed filed return premium claims.
  - The amount reported for Class 3 Unearned Premium Claims is partially comprised of adjudicated claims in the amount of \$201,532.81.
  - The claims evaluation process has been completed.
  - The Second Interim Claims Report was filed with the Court on October 25, 2007. The objection deadline has been extended to April 30, 2008.
  - All objections have been resolved.
  - A 100% payment distribution to class I, II and III claimants was authorized by the courts on January 21, 2009. Due to W-9 and address issues the full amount was not distributed to non-guaranty fund class II and III claimants.
8. **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.
9. **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.