

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Associated Business Owners SIF in Liquidation
Statement of Affairs
As of June 30, 2011

	<u>Estimated Realizable Value</u>
ASSETS	
Pooled Cash Due from the Admin Fund	\$2,606.41
Accrued Interest Receivable	3,278.09
Reinsurance Recoverable	<u>13,546.88</u>
Total Assets	<u><u>\$19,431.38</u></u>
LIABILITIES	
Unclaimed Property	4,573.95
Loss Claims (Class 2)	
- Guaranty Associations	6,925,014.00
- Other	1,489.04
Federal Government Claims (Class 4)	1.00
Employee Claims (Class 5)	4,911.46
General Creditor Claims (Class 6)	
- Other	2,079,205.00
Late Filed Claims (Class 8)	1,525,810.48
Surplus Notes/Unearned Premium Claims under Assessable Policies (Class 9)	
- Guaranty Associations	960,964.00
- Other	<u>406,193.57</u>
Total Liabilities	<u>\$11,908,162.50</u>
EQUITY	
Contributed Equity - State of Florida	389,086.00
Estate Equity	<u>(12,277,817.12)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$11,888,731.12)</u>
Total Liabilities and Equity	<u><u>\$19,431.38</u></u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Associated Business Owners SIF in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through June 30, 2011

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	\$129,989.60	\$4,687,353.94
Assessment Recoveries	861,591.00	8,550,169.35
Reinsurance Recoveries	0.00	3,301,392.26
Agents' Balances Recoveries	0.00	3,964.70
Subrogation and Salvage Recoveries	0.00	6,697.50
Litigation Recoveries	0.00	1,015.00
SDTF Reimbursements	0.00	495,886.50
Tax Recoveries	0.00	763,687.96
Other Collections / Recoveries	121.62	38,970.84
Sale of Personal Property Inventory	0.00	3,745.00
Receipts Before Investment Activities	991,702.22	17,852,883.05
Interest and Dividend Receipts	121,521.64	4,940,029.60
Sale of Short Term Investment	0.00	2,387,406.54
Sale of Long Term Investment	0.00	6,056,735.94
Receipts From Investment Activities	121,521.64	13,384,172.08
Total Cash Receipts	1,113,223.86	31,237,055.13
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	45,349.98	4,142,458.80
Salaries and Fringe Benefits	42,305.91	1,347,014.29
Employee Welfare	697.87	25,980.41
Travel Expenses	438.30	27,349.39
Admin Expenses	1,904.22	108,759.06
Equipment and Furniture Expenses	4,027.55	153,724.47
Rent, Building and Equipment	15,046.00	291,566.88
Taxes	1.96	265.80
Disbursements	109,771.79	6,097,119.10
Distributions		
Administrative Claims (Class 1)	3,811,750.53	3,811,750.53
Loss Claims (Class 2)	21,271,938.81	21,271,938.81
Early Access-Guaranty Associations	(18,000,000.00)	0.00
Total Distributed	7,083,689.34	25,083,689.34
Disbursements & Distributions Before Investment Activities	7,193,461.13	31,180,808.44
Financial Expenses	5,111.22	149,528.19
Purchase Short Term Investment	0.00	192,663.43
Disbursements for Investment Activities	5,111.22	342,191.62
Total Cash Disbursements & Distributions	7,198,572.35	31,523,000.06
Net Increase (Decrease) in Cash	(6,085,348.49)	(285,944.93)
Beginning Cash Balance:		
Beginning Cash	6,087,954.90	288,551.34
Adjustments to Beginning Cash	0.00	0.00
Adjusted Beginning Cash Balance	6,087,954.90	288,551.34
Ending Cash Balance	2,606.41	2,606.41

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Associated Business Owners SIF in Liquidation
Schedule of Accrued Interest Receivable
For the Twelve Months Ended June 30, 2011

Accrued Interest Receivable

Due from	Account	Balance 7/1/10	Accrued	Received	Balance 6/30/11
State Treasury	SPIA, 4-20-0-010000-00000	12,147.98	110,288.09	(119,157.98)	3,278.09
Totals:		<u>12,147.98</u>	<u>110,288.09</u>	<u>(119,157.98)</u>	<u>3,278.09</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Associated Business Owners Self Insurance Fund, Inc in Liquidation
Schedule of Reinsurance Recoverables - Net of Allowance
For the Twelve Months Ended June 30, 2011

Reinsurance Recoverables

Recovery Agent	Balance 07/01/2010	Billed	Recovered	Adjustments	Balance 06/30/2011
Ormond	0.00	13,546.88	0.00	0.00	13,546.88
Total	0.00	13,546.88	0.00	0.00	13,546.88

Allowance Reinsurance

Recovery Agent	Balance 07/01/2010	Increases	Decreases	Balance 06/30/2011
Ormond	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00

Reinsurance Recoverables - Net of Allowance

13,546.88

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Associated Business Owners SIF in Liquidation
Schedule of Unclaimed Property
For the Twelve Months Ended June 30, 2011

Unclaimed Property

Due to	Balance 7/1/10	Accrued	Remitted	Balance 6/30/11
Suspended and/or voided checks	0.00	4,573.95	0.00	4,573.95
Totals:	<u>0.00</u>	<u>4,573.95</u>	<u>0.00</u>	<u>4,573.95</u>

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
Associated Business Owners SIF in Liquidation
Notes to Financial Statements

Dated June 30, 2011

1. **Estate Information.** Associated Business Owners SIF was a worker compensation self-insurance fund domiciled in Florida and placed in liquidation on March 25, 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, 2010 through June 30, 2011. 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. **Reinsurance.** Reinsurance receivables have resulted from losses that have been paid and billed to the reinsurer(s). The financial statements reflect the gross amount of the billed losses less an allowance for any receivable(s) currently considered to be uncollectible. The receivable amount may include paid losses that are ceded to one or more reinsurance contracts being collected on behalf of the Receiver by an intermediary.
7. **Unclaimed Property.** The Unclaimed Property funds consist of claim distribution funds for claimants who could not be located. The funds are due to the Unclaimed Property section of the State of Florida.
8. **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 March 31, 2011.
 - None of the claims liabilities reported reflect the results of an independent actuarial review in March of 2000.
 - The First Interim Claims Report was filed with the court on June 29, 2007. The objection deadline was August 31, 2007.
 - Two objections were filed and both have been resolved.
 - The claims evaluation process has been completed. Class I and Class II claims were the only claims evaluated. All other claims are being reported as gross filed.
 - The Second Interim Claims Report was filed with the court on March 02, 2011. The Florida Workers Compensation Guaranty Association claim was the only claimant. The guaranty association has been given notice and they waived their rights to object to the receiver's recommendation.
 - A Distribution Order was entered on June 17, 2011; 100% distribution to the class I claimant and 75.4406% to class II claimants. The class II others distribution in the amount of \$4,573.95 has been suspended and the funds have been transferred to Unclaimed Property account.

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Associated Business Owners SIF in Liquidation
Notes to Financial Statements**

Dated June 30, 2011

9. **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.
10. **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.