

ANNUAL STATEMENT

For the Year Ended

December 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

West and Knox Mutual Insurance Company

ORGANIZED UNDER THE LAWS OF THE STATE OF OHIO

Made to the

INSURANCE COMMISSIONER OF THE STATE OF OHIO

Pursuant to the Laws thereof

TLM/JAC
10254
A MPP

NAIC Company Code

10254

Home Office

355 Leatherberry Road SE

Street and Number

Carrollton, 44615

City

Zip Code

OH

Mail Address

355 Leatherberry Road SE

Street and Number

Carrollton, 44615

City

Zip Code

OH

Main Administrative Office

330-627-0230

Telephone Number

Organized

02-07-1878

Commenced Business

02-07-1878

Annual Statement Contact Person

Elizabeth Barber

Telephone Number

330-627-0230

Contact Person Email Address

insurance@westandknox.com

OFFICERS

President

Sherman Oyer

Vice President

Joseph Coniglio

Secretary

Tennile Puskarich

Treasurer

Elizabeth J. Barber

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

Sherman Oyer

Joseph Coniglio

Charlotte Boord

Charles Kooser

Larry Romigh

Donna Detchon

Nicholas Puskarich

State of Ohio

County of

Carroll

Sherman Oyer

President and

Tennile Puskarich

Secretary of the

West and Knox Mutual Insurance Company

, being duly sworn each for himself/herself deposes and says, that they are the above described officers of said reporting entity, and that on the reporting period stated above all the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, with the schedules and explanations herein contained, annexed or referred to, is a full and correct statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, according to the best of their information, knowledge and belief, respectively.

Subscribed and sworn to before me, this _____

day of _____ 20 _____

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

2011

ASSETS

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds (Schedule D - Part 1)	0.00	0.00	0.00	
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	91,359.36	43,312.61	48,046.75	53,214.69
3	Real estate (less liens, encumbrances) (Schedule A)	110,288.45	27,416.84	82,871.61	95,478.64
4	Cash (Schedule E)	756,952.69	0.00	756,952.69	642,761.86
5	Short-term investments		0.00	0.00	
6	Aggregate write-ins for invested assets		0.00	0.00	
7	Subtotals, cash and invested assets	958,600.50	70,729.45	887,871.05	791,455.19
8	Investment income due and accrued		0.00	0.00	
9.1	Assessments or premiums in the course of collection (including agents balances)	14,714.74	0.00	14,714.74	34,660.98
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due		0.00	0.00	
9.3	Earned but unbilled premiums (post assessment)		0.00	0.00	
10.1	Amounts recoverable from reinsurers		0.00	0.00	2,599.95
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	
11.1	Current federal income tax recoverable and interest thereon		0.00	0.00	
11.2	Net deferred tax asset		0.00	0.00	
12	Electronic data processing equipment and software		0.00	0.00	
13	Furniture and equipment	2,810.42	0.00	2,810.42	
14	Receivables from parent, subsidiaries and affiliates		0.00	0.00	
15	Aggregate write-ins for other than invested assets	4,750.00	4,750.00	0.00	0.00
16	Total Assets	980,875.66	75,479.45	905,396.21	828,716.12
	Details of Write-Ins for Assets:				
1501	Customer List - Net Amortization	4,750.00	4,750.00	0.00	
1502				0.00	
1503				0.00	
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00	0.00
1599	Total aggregate write-ins	4,750.00	4,750.00	0.00	0.00

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

2011

LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	38,800.00	50,099.95
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	775.90
3	Commissions due and payable to agents		4,258.07
4	Other expenses (excluding taxes, licenses and fees)		
5	Taxes, licenses and fees (excluding federal income taxes)	2,014.03	1,900.55
6	Current federal income taxes (including \$0 on realized capital gains (losses))		
7	Net deferred tax liability		
8	Borrowed money and interest thereon		500.00
9	Unearned assessment/premium reserve	146,664.85	127,839.24
10	Advance premium		
11	Ceded reinsurance premiums payable	6,769.08	6,900.97
12	Funds held by company under reinsurance treaties		
13	Amounts withheld or retained by company for account of others		
14	Provision for unauthorized reinsurance		
15	Payable to parent, subsidiaries and affiliates	4,201.64	1,924.31
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	198,449.60	194,198.99
18	Surplus as regards policyholders	706,946.61	634,517.13
19	Total liabilities and surplus	905,396.21	828,716.12
	Details of Write-Ins for Liabilities:		
1601			
1602			
1603			
1698	Summary or remaining write-ins from overflow page	0.00	0.00
1699	Total aggregate write-ins	0.00	0.00

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
STATEMENT OF INCOME

2011

		Current Year	Prior Year
	UNDERWRITING INCOME		
1.1	Gross Assessments/Premiums earned	404,230.33	340,398.82
1.2	Less: Return Assessments/Premiums earned		
1.3	Direct Assessments/Premiums earned	404,230.33	340,398.82
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	88,287.29	81,430.79
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	
1.6	Net Assessments/Premiums earned	315,943.04	258,968.03
	DEDUCTIONS		
2	Losses incurred (Underwriting Exhibit - Part 2)	88,556.37	116,953.44
3	Loss expenses incurred (Expense Exhibit)	6,170.39	8,097.77
4	Other underwriting expenses incurred (Expense Exhibit)	191,688.21	220,250.29
5	Aggregate write-ins for underwriting deductions	0.00	0.00
6	Total underwriting deductions	286,414.97	345,301.50
7	Net underwriting gain (loss)	29,528.07	-86,333.47
	INVESTMENT INCOME		
8	Net investment income earned	28,415.34	30,546.21
9	Net realized capital gains (losses) less capital gains tax		
10	Net investment gain (loss)	28,415.34	30,546.21
	OTHER INCOME		
11	Net gain (loss) from agents' or premium balances charged off		
12	Finance and service charges not included in premiums		
13	Aggregate write-ins for miscellaneous income	23,771.77	21,424.60
14	Total other income	23,771.77	21,424.60
15	Net income, after capital gains tax and before federal income taxes	81,715.18	-34,362.66
16	Federal income taxes incurred		-11,890.00
17	Net income	81,715.18	-22,472.66
	SURPLUS ACCOUNT		
18	Surplus as regards policyholders, December 31 prior year	634,517.13	684,849.56
19	Net income	81,715.18	-22,472.66
20	Change in net unrealized capital gains or (losses) less capital gains tax	3,724.67	10,613.24
21	Change in net deferred income tax		
22	Change in nonadmitted assets (Exhibit of Nonadmitted Assets)	-13,010.37	-38,473.01
23	Change in provision for reinsurance		
24	Aggregate write-ins for gains and losses in surplus	0.00	0.00
25	Change in surplus as regards policyholders for the year	72,429.48	-50,332.43
26	Surplus as regards policyholders, December 31 current year	706,946.61	634,517.13
	DETAILS OF WRITE-INS		
0501			
0502			
0503			
0599	Total Aggregate write-ins for underwriting deductions	0.00	0.00
1301	Management Fee	22,500.00	20,100.00
1302	Late Fee	1,271.77	1,274.60
1303	Rewrite Fee		50.00
1304			
1399	Total Aggregate write-ins for miscellaneous income	23,771.77	21,424.60
2401			
2402			
2499	Total Aggregate write-ins for gains and losses in surplus	0.00	0.00

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
CASH FLOW STATEMENT

2011

		Current Year	Prior Year
Cash from Operations			
1	Premiums/Assessments collected net of reinsurance	315,943.04	347,712.02
2	Net investment income	29,551.08	30,546.21
3	Miscellaneous income	23,771.77	
4	Total	369,265.89	378,258.23
5	Benefit and loss related payments	88,556.37	79,664.46
6	Commissions, expenses paid and aggregate write-ins for deductions	171,061.80	244,169.20
7	Federal and foreign income taxes paid (recovered)		11,890.00
8	Total	259,618.17	311,943.66
9	Net cash from operations	109,647.72	66,314.57
Cash from Investments			
10	Proceeds from investments sold, matured or repaid:		
10.1	Bonds		
10.2	Stocks	1,135.74	
10.3	Real estate		
10.4	Net gains (losses) on cash, cash equivalents and short-term investments		
10.5	Miscellaneous proceeds		
10.6	Total investment proceeds	-1,135.74	0.00
11	Cost of investments acquired (long-term only):		
11.1	Bonds		
11.2	Stocks		
11.3	Real estate		
11.4	Miscellaneous applications	5,678.85	6,001.99
11.5	Total investments acquired	-5,678.85	6,001.99
11.6	Net cash from investments	4,543.11	-6,001.99
Cash from Financing and Miscellaneous Sources			
12.1	Borrowed funds (cash provided/applied)		
12.2	Other cash provided (applied)		127,000.00
13	Net cash from financing and miscellaneous sources	0.00	-127,000.00
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
14	Net change in cash, cash equivalents and short-term investments	114,190.83	-66,687.42
15.1	Beginning of year (cash, cash equivalents and short-term investments)	642,761.86	709,449.28
15.2	End of year (cash, cash equivalents and short-term investments)	756,952.69	642,761.86

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company

2011

EXPENSE EXHIBIT

		Current Year
	Claim Adjusting:	
1.1	Direct	0.00
1.2	Reinsurance assumed	0.00
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
1.4	Net claim adjusting	0.00
	Commission and Brokerage:	
2.1	Direct commission and brokerage	39,224.58
2.2	Reinsurance assumed excluding contingent	0.00
2.3	Reinsurance ceded excluding contingent (commission and brokerage)	0.00
2.4	Contingent - direct (commission and brokerage)	0.00
2.5	Contingent - reinsurance assumed (commission and brokerage)	0.00
2.6	Contingent - reinsurance ceded (commission and brokerage)	0.00
2.7	Policy and membership fees (commission and brokerage)	0.00
2.8	Net commission and brokerage	39,224.58
3	Allowances to managers and agents	0.00
4	Advertising	4,465.06
5	Boards, bureaus and associations	1,948.00
6	Surveys and underwriting reports	0.00
7	Audit of assureds' records	3,785.62
	Salary and related items:	
8.1	Salaries	63,348.15
8.2	Payroll taxes	5,227.72
9	Employee relations and welfare	0.00
10	Insurance	5,095.43
11	Directors' fees	25,800.00
12	Travel and travel items	2,202.65
13	Rent and rent items	0.00
14	Equipment	4,442.01
15	Cost or depreciation of EDP equipment and software	5,678.85
16	Printing and stationery	3,754.17
17	Postage, telephone, exchange and express	8,845.10
18	Legal and auditing	11,748.13
19	Loss adjustment expenses	6,170.39
18	Investment expenses	0.00
19	Totals	152,511.28
	Taxes, licenses and fees:	
20.1	State and local insurance taxes	250.00
20.2	Insurance department licenses and fees	1,220.00
20.3	All other (excluding federal income and real estate)	0.00
20.4	Total taxes, licenses and fees	1,470.00
21	Real estate expenses	3,100.52
22	Real estate taxes	812.86
23	Aggregate write-ins for miscellaneous expenses	739.36
24	Total expenses incurred (a)	197,858.60
25	Less unpaid expenses - current year	0.00
26	Add unpaid expenses - prior year	0.00
27	Total expenses paid	197,858.60
	Details of Write-Ins:	
2301	Continuing Education	259.90
2302	Interest Expense	2.71
2303	Miscellaneous Contributions	476.75
2304		
2305		
2399	Total Write-ins	739.36

INSURANCE IN FORCE

		Amount (dollars)	Number
1	In force December 31 of previous year (to equal prior year's statement)	110,403,109	743
2	Written during the year	6,082,600	60
3	Total	116,485,709	803
4	Deduct those expired and cancelled	21,264,815	189
5	In force December 31 of current year	95,220,894	614
6	Deduct amount reinsured	0	XXX
7	Net amount in force	95,220,894	XXX

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

2011

**UNDERWRITING EXHIBIT - PART 2
LOSSES INCURRED**

1	2	3	4	5	6
Lines of Business	Direct Losses Incurred	Losses Incurred on Reinsurance Assumed	Deduct: Reinsurance Recovered on Incurred Losses	Deduct: Salvage and Subrogation Converted To Cash	* Net Losses Incurred Columns 2 and 3 minus Columns 4 and 5
Fire	62,692.20		1,658.00		61,034.20
Wind	23,284.49				23,284.49
Lightning	3,420.59				3,420.59
Theft/Vandalism	817.09				817.09
Upset&Turnover					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 90,214.37	\$ -	\$ 1,658.00	\$ -	\$ 88,556.37

* Total should equal Line 2, Page 4, Current Year.

**UNDERWRITING EXHIBIT - PART 2A
UNPAID LOSSES and LOSS ADJUSTMENT EXPENSES**

1	2	3	4	5	6
Lines of Business	Direct Unpaid Losses	Unpaid Losses on Reinsurance Assumed	Deduct: Reinsurance Recoverable on Unpaid Losses	** Unpaid Loss Adjustment Expenses	*** Net Unpaid Losses Columns 2 and 3 minus Column 4
Fire	38,800.00				38,800.00
					-
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 38,800.00	\$ -	\$ -	\$ -	\$ 38,800.00

** Total should equal Line 2, Page 3, Current Year.

*** Total should equal Line 1, Page 3, Current Year.

**ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company**

2011

EXHIBIT OF NONADMITTED ASSETS

		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1	Bonds			0.00
2	Preferred and common stocks and mutual funds	43,312.61	34,420.00	-8,892.61
3	Real estate (less liens, encumbrances)	27,416.84	17,833.57	-9,583.27
4	Cash			0.00
5	Short-term investments			0.00
6	Aggregate write-ins for invested assets			0.00
7	Subtotals, cash and invested assets	70,729.45	52,253.57	-18,475.88
8	Investment income due and accrued			0.00
9.1	Assessments or premiums in the course of collection (including agents balances)			0.00
9.2	Premium receivable for advance pay			0.00
9.3	Earned but unbilled premiums (post assessment)			0.00
10.1	Amounts recoverable from reinsurers			0.00
10.2	Funds held by or deposited with reinsured companies			0.00
11.1	Current federal income tax recoverable and interest thereon			0.00
11.2	Net deferred tax asset			0.00
12	Electronic data processing equipment and software			0.00
13	Furniture and equipment		4,965.51	4,965.51
14	Receivables from parent, subsidiaries and affiliates			0.00
15	Aggregate write-ins for other than invested assets	4,750.00	5,250.00	500.00
16	Total Assets	75,479.45	62,469.08	-13,010.37
	Details of Write-Ins for Assets:			
1501	Customer List-Net of Amortization	4,750.00	5,250.00	500.00
1502		0.00	0.00	0.00
1503		0.00	0.00	0.00
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00
1599	Total aggregate write-ins	4,750.00	5,250.00	500.00

SCHEDULE A

Showing All Real Estate OWNED December 31 of Current Year

2	3	4	5	6	7	8	9	10
Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7)*	Gross Income Current Year (Real Estate)	Gross Expenses Current Year (Real Estate)
10/27/2006		86,834.61		10,500.20		76,334.41		
10/27/2006		6,460.47				6,460.47		
5/31/2008		31,091.98		3,598.41		27,493.57		
XXX	XXX	\$ 124,387.06	\$ -	\$ 14,098.61	\$ -	\$ 110,288.45	\$ -	\$ -

Current Year.

FURNITURE, FIXTURES and AUTOMOBILES

Showing All Furniture, Fixtures and Automobiles OWNED December 31 of Current Year

2	3	4	5	6	7	8
Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7)
12/10/2007		137.78		128.19		9.59
4/10/2007		2,368.00		2,249.60		118.40
3/24/2008	Dell	3,187.01		2,919.31		267.70
7/17/2009	Dell	778.52		648.77		129.75
6/13/2008		338.53		305.56		30.97
7/28/2006		2,500.00		2,165.32		334.68
10/9/2007		1,112.91		886.95		225.96
7/18/2007		200.00		\$188.00		12.00
1/29/2008		2,577.60		2,019.12		558.48
6/3/2008	Larry Stoffer	175.00		125.42		49.58
6/5/2009		540.78		258.05		282.73
2/9/2010	Staples	851.99		824.80		227.19
7/29/2006		7,500.00		2,750.00		4,750.00
XXX	XXX	\$ 22,266.12	\$ -	\$ 15,269.09	\$ -	\$ 6,997.03

SCHEDULE D - PART 1

| PAGE 19

SCHEDULE D - PART 2

12

West and Knox Mutual Insurance Company

Showing all Bonds and Preferred & Common Stocks **ACQUIRED** During the Current Year

[illegible][illegible]

13

West and Knox Mutual Insurance Company

Showing all Bonds and Preferred & Common Stocks **SOLD, REDEEMED OR Otherwise DISPOSED OF** During the Current Year

Common stocks and mutual funds to be grouped separately.

[illegible]

REINSURANCE SCHEDULE

Reinsurance Ceded and Reinsurance Assumed

1 Reinsurer or Reinsured	2 Ceded or Assumed	3 Location of Company	4 Total Amount Reinsured	5 Total Premiums Ceded *	6 Total Premiums Assumed **	7 Largest Risk Ceded or Assumed	8 Remarks
Grinnell Mutual	Ceded	Grinnell, IA	Unlimited	88,287.29			
OVERFLOW AMOUNTS							
Totals	XXX	XXX	\$ -	\$ 88,287.29	\$ -	XXX	XXX

*Total to agree with Page 4, Line 1.4, Current Year.

**Total to agree with Page 4, Line 1.5, Current Year.

COMPENSATION SCHEDULE

Show all salaries, commissions, claim adjustment expenses, directors fees and expenses, and travel items paid in the current year for the top 5 officers/employees and all directors, travel or car allowances, if paid, are to be included.

1 Name of Payee	2 Title	3 Salaries	4 Commissions	5 Claim Adjustment Expenses	6 Directors Fees & Expenses	7 Travel & Travel Items	8 All Other	9 Total
Officers/Employees:								
1) Elizabeth Barber	Administrative Assistant	20,185.50						\$ 20,185.50
2) Cara Bortland	Underwriter/Agent	1,637.50						\$ 1,637.50
3) Leslie Patton-Mckinney	Underwriter/Agent	19,187.40						\$ 19,187.40
4) Tennie Puskarch	Administrative Assistant	22,337.75						\$ 22,337.75
5)								\$ -
Directors:								
Sherman Oyer	President				7,200.00			\$ 7,200.00
Joseph Coniglio	Vice-President				3,600.00			\$ 3,600.00
Charlotte Boord	Board Member				3,000.00			\$ 3,000.00
Donna Detchond	Board Member				3,000.00			\$ 3,000.00
Charles Kooser	Board Member				3,000.00			\$ 3,000.00
Nicholas Puskarch	Board Member				3,000.00			\$ 3,000.00
Larry Romigh	Board Member				3,000.00			\$ 3,000.00
								\$ -
								\$ -
								\$ -
								\$ -
Totals	XXXX	\$ 63,348.15	\$ -	\$ -	\$ 25,800.00	\$ -	\$ -	\$ 89,148.15

GENERAL INTERROGATORIES

(Answer all questions and attach additional sheets if necessary.)

1. Company's retention: Fire \$50,000 Wind \$50,000 Other \$50,000

1a. Retention before reinsurance applies for: Catastrophe Reinsurance \$229,475 Aggregate excess of loss \$229,475

2. What is the largest risk assumed and retained: \$2,795,000

3. What kind of perils are being covered? Fire, Wind, Lightning

4. Have the by-laws been amended during the current year? No If so, were such amendments filed with the Ohio Department of Insurance? N/A

5. In what counties does the Company operate: Belmont, Carroll, Columbiana, Guernsey, Harrison, Jefferson, Mahoning, Monroe, Stark, Trumbull and Tuscarawas

6. Name of Principal Officer and amount of bond. Sherman Oyer, Pres-No bond directly on him. He is insured under Directors/Officers Policy.

7. Are all of the persons who handle funds of the Company bonded? Yes ☒ No ☐
State the name and amount of each bond on each, except person named in Item 6 above. Elizabeth Barber, Treasurer, Office
employees are covered under Fidelity bond through St. Paul Fire & Marine Ins Co.; Single loss limit of liability is \$100,000.

8. Does the Company have an annual audit conducted by an independent CPA? No

9. State the number of members holding policies in the Company. 448

10. Was an annual report of the Company made available to each policyholder? Yes If so, did such report agree with the annual statement filed with the Ohio Department of Insurance? Yes

11. State as of what date the latest examination of the Company was made by the Ohio Department of Insurance. 12/31/2010

12. How many assessments were made during the year? None Date of last assessment N/A

13. Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment? N/A

14. Rate of policy fee \$4.05

15. State the amount of borrowed money since date of last assessment None Interest thereon N/A

16. Does any person, firm, corporation or association have any claim, contingent or otherwise, against this Company which is NOT included in the liabilities on page 2 of this statement? Yes ☒ No ☐
If yes, give the amount, terms for payment and reasons why such were not recorded as a liability on page 2 of this statement.
West and Knox Mutual Insurance Company is currently in litigation with Arnold L. Garren (A L Garren & Associates Agency, Inc.) over a disputed amount of Unearned Premium. As of 12/31/2011, our attorneys have still not been able to determine the amount of liability resulting in this litigation.

2011

Showing All Balances (according to Company's Records) Carried in Each Bank or Savings and Loan

[illegible]

ORGANIZATIONAL CHART

**LIST ALL ENTITIES THAT ARE MEMBERS OF AN INSURANCE COMPANY HOLDING SYSTEM AS
DEFINED IN ORC 3901.32**

West and Knox Mutual Insurance Company NAIC #10254
West & Knox Insurance Agency Inc License #34014

ANNUAL STATEMENT FOR THE YEAR
West and Knox Mutual Insurance Company
Overflow Page for Write-ins

2011

Additional Write-ins for Assets:

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1504				0.00	
1505				0.00	
1506					
1507					
1508					
1509					
1510					
1511				0.00	
1597	Summary of remaining write-ins for Line 15 page 2	0.00	0.00	0.00	0.00

Additional Write-ins for Liabilities:

		Current Year	Prior Year
1604			
1605			
1606			
1607			
1608			
1609			
1610			
1606			
1697	Summary of remaining write-ins for Line 16 page 3	0.00	0.00

Additional Write-ins for Statement of Income:

		Current Year	Prior Year
	Summary of remaining write-ins for Statement of Income page 4	0.00	0.00

Additional Write-ins for Nonadmitted Assets:

		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1504				0.00
1505				0.00
1506				
1507				
1508				
1509				
1510				
1511				0.00
1597	Summary of remaining write-ins for Line 15 page 9	0.00	0.00	0.00

2011

All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.

[illegible]

West and Knox Mutual Insurance Company
2011 Annual Report
December 31, 2011

3/9/2012 11:01 AM

	12/31/11	12/31/10	Change
Assets			
Line 4 Cash (Schedule E)	756,952.69	642,761.86	114,190.83
<i>Change due to profit in 2011</i>			

Line 9.1 Assessments or premiums in the course of collections	14,714.74	34,660.98	(19,946.24)
<i>Premium invoicing less than December 2010</i>			

Line 10.1 Amounts recoverable from reinsurers		2,599.95	(2,599.95)
<i>No outstanding amounts due</i>			

Liabilities, Surplus & Other Funds

Line 1 Unpaid Losses	38,800.00	50,099.95	(11,299.95)
<i>Less claims this year</i>			

Line 2 Unpaid loss adjustment expenses	-	775.90	(775.90)
<i>No Adjusting fee payable</i>			

Line 3 Commissions due and payable to agents		4,258.07	(4,258.07)
<i>New method to book Agent commissions they are paid when due</i>			

Line 8 Borrowed money and interest thereon	-	500.00	(500.00)
<i>Key Bank Loan has been paid in full</i>			

Line 15 Payable to parent, subsidiaries & affiliates	4,201.64	1,924.31	2,277.33
<i>This is the payables at the end of December</i>			

Statement of Income

	12/31/2011	12/31/2010	Change
Line 1.1 Gross Assessments/Premiums earned	404,230.33	340,398.82	63,831.51
<i>Increase in premiums rate</i>			

Line 2 Losses incurred	88,556.37	116,953.44	(28,397.07)
<i>Reported fewer claims than last year.</i>			

Line 3 Loss expenses incurred	6,170.39	8,097.77	(1,927.38)
<i>Reported fewer claims than last year.</i>			

Line 15 Net income, after capital gains tax and before federal income taxes	81,715.18	(34,362.66)	116,077.84
<i>Profit due to increase in rate, fewer claims, reduction in expenses</i>			

Line 16 Federal Income Tax incurred	-	11,890.00	(11,890.00)
<i>2010 - IRS did not recognize the company's non profit status it was reinstated and total funds have been recovered.</i>			

Line 20 Change in net unrealized capital gains	3,724.67	10,613.24	(6,888.57)
<i>Agency equity less than last year.</i>			

Line 22 Change in non admitted assets	(13,010.37)	(38,473.01)	25,462.64
<i>Agency equity less than last year.</i>			

Line 25 Change in surplus as regards to policyholder for the year	72,429.48	(50,332.43)	122,761.91
<i>Mutual Profit</i>			

Line 1303 Rewrite Fee	-	50.00	(50.00)
<i>No rewrite fee 2011</i>			