

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total	Vested in Trust	Total	Vested in Trust	Total	Vested in Trust
			(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	010	19,927		32,553		
		Assets held for sale	020			0		
21.012		Short Term Investments	040	183,465		30,158		
21.150 or/ou		Accrued Investment Income	070	501		619		
		Accounts Receivable	100	16,529		14,850		
		Policy/Certificate Loans	200			0		
21.012		Bonds and Debentures	250	1,152		6,973		
21.050		Mortgage Loans	300	0		0		
21.012		Preferred Shares	420	185,380		227,077		
21.012		Common Shares	440	46,458		59,366		
21.012		Investment Properties	510	39,168		40,495		
		Derivative Financial Instruments	520			0		
22.020		Reinsurance Assets	530	75,440		83,953		
21.080		Property and Equipment	540	6,622		4,930		
		Interests in Associates & Joint Ventures	550	0		0		
60.010		Segregated Funds Net Assets	560			0		
21.100		Other Loans and Invested Assets	600	79,318		61,528		
		Investments in Subsidiaries	750			0		
		Current Tax Assets	780	5,741		0		
		Deferred Tax Assets	800			0		
		Goodwill	820			0		
		Intangible Assets	830	598		690		
		Defined Benefit Pension Plan	840			0		
21.155		Other Assets	880	1,590		1,224		
		TOTAL ASSETS	899	661,889		564,416		0

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Year Restated
			(01)	(03)	(05)
		Liabilities			
		Liabilities held for sale 005		0	
22.020		Actuarial Liabilities for Insurance Contracts 010	118,352	129,419	
22.020		Other Contract Liabilities 040	74,513	83,420	
22.030 or/ou		Trust and Banking Deposits 070		0	
21.080		Accounts Payable 100	91,745	84,796	
		Mortgage Loans and Other Real Estate Encumbrances 130	10,916	11,247	
		Derivative Financial Instruments 140		0	
		Defined Benefit Pension Plan 145		0	
		Amounts Due in respect of Staff Pension Plans (not including amounts on line 145 above) 150		0	
22.030		Provisions and Other Liabilities 160	1,915	2,426	
		Segregated Fund Liabilities 420		0	
		Current Tax Liabilities 430		660	
		Deferred Tax Liabilities 250	16,671	17,707	
		Subordinated Debt 280		0	
		Other Debt 310	100,295	0	
		Total Liabilities 389	414,407	329,675	0
		Policyholders' Equity			
20.040		Participating Account 510			
		Participating Account - Accumulated OCI (Loss) 520			
20.040		Non-Participating Account (Mutual Companies Only) 540			
		Non-Participating Account - Accumulated OCI (Loss) 550			
		Total Policyholders' Equity 589		0	
		Shareholders' Equity			
		Capital Stock 610			
		Other Capital 640			
		Contributed Surplus 670			
20.040		Retained Earnings 700			
		Accumulated Other Comprehensive Income (Loss) 740			
		Total Shareholders' Equity 779	247,482	234,741	
		Non-controlling Interests 829	0	0	
		Total Equity 839	247,482	234,741	0
		TOTAL LIABILITIES AND EQUITY 899	661,889	564,416	0
20.044		Head Office Account 800			
20.042		Accumulated Other Comprehensive Income (Loss) 840			
		TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME 999			

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		Revenue		
35.020		Gross Premiums	85,097	85,741
35.020		Premiums ceded	60,220	60,472
45.020		Net Premiums	24,877	25,269
35.020		Gross Investment Income	5,325	2,862
35.020		Less: Investment Expenses and Taxes	646	652
23.010		Net Investment Income	4,679	2,210
35.020		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *	0	
35.020		Share of Income/Loss of Associates & Joint Ventures	0	0
		Fee Income	5,987	7,375
23.030		Other Revenue	0	0
35.020		Fraternal and Other Fund Revenues	0	0
		Total Revenue	35,543	34,854
		Policy/Certificate Benefits and Expenses		
35.020		Policyholder/Certificateholder Benefits	12,337	11,961
35.020		Benefits ceded	7,240	7,092
		Gross Changes to Actuarial Liabilities		
35.020		Normal	(8,676)	(9,590)
35.020		Basis Change	0	0
		Gross Changes to Other Contract Liabilities		
35.020		Normal	0	
35.020		Basis Change	0	
		Changes in Actuarial and Other Contract Liabilities Ceded		
35.020		Normal	(7,428)	(7,813)
35.020		Basis Change	0	0
35.020		Policyholder/Certificateholder Dividends	0	0
35.020		Experience Rating Refunds	0	0
35.020		Transfer to and (Transfer from) Other Funds	0	0
35.020		Gross Commissions	38,215	39,656
35.020		Commissions Ceded	26,876	27,222
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit	0	0
23.030		Interest Expense and Finance costs	941	27
23.030		General Expenses and Taxes (excl. income taxes)	16,845	15,169
23.030		Other Expenses	428	326
35.020		Fraternal and Other Fund Expenses	0	0
		Total Benefits and Expenses	33,402	31,048
		Income Before Income Tax	2,141	3,806
		Provision for Income Taxes		
		Current	1,027	922
		Deferred		0
		Income Before the following:	1,114	2,884
35.020		Discontinued Operations (net of Income Taxes of \$)	0	0
		Net Income	1,114	2,884
35.020		Attributable to Participating Policyholders/Certificateholders	0	0
35.020		Net Income after Attribution to Participating Policyholders/Certificateholders	1,114	2,884
35.020		Attributable to Fraternal and Other Fund Account	0	0
35.020		Insurance Fund	1,114	2,884
		Attributable to:		
		Non-controlling Interests		0
		Equity Holders	1,114	2,884
			(99)	
			830	0

* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

CONSOLIDATED FINANCIAL STATEMENTS**STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	010	0
		Adjustments	040	0
		(Specify)	070	0
20.030		Share of Net Income (Loss)	100	0
20.040		Transfer from (to) Retained Earnings (Stock companies only)	130	0
20.040		Transfer from (to) Non-Par Account (Mutual companies only)	160	0
		End of Year	0	0

**STATEMENT OF NON-PARTICIPATING ACCOUNT
Mutual Companies Only
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	310	0
		Adjustments	340	0
		(Specify)	370	0
20.030		Share of Net Income (Loss)	400	0
20.040		Transfer from (to) Par Account	430	0
		Dividends to Preferred Shareholders	460	0
		End of Year	0	0

**STATEMENT OF RETAINED EARNINGS
Stock Companies Only
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	510	207,023
		Adjustments	540	0
		(Specify)	570	0
20.030		Share of Net Income (Loss)	600	2,884
20.040		Transfer from (to) Par Account	630	0
		Dividends to Shareholders:		
		Preferred	710	0
		Common	740	5,000
		End of Year	859	204,907

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(03)
		Comprehensive Income (Loss)		
20.030		Net Income	1,114	2,884
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Loans	110	0
		- Bonds and Debentures	140	(9)
		- Equities (IAS 39)	170	12,733
		Reclassification of (Gains) Losses to Net Income	210	1,652
		Overlay approach *		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses	220	
		Reclassification of (Gains) Losses from Net Income	225	
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses	310	0
		Reclassification of (Gains) Losses to Net Income	340	0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses	410	0
		Impact of Hedging	440	0
		Share of Other Comprehensive Income of Associates & Joint Ventures	460	0
		Other	445	0
		Subtotal of items that may be reclassified subsequently to Net Income	449	14,376
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	465	
		Revaluation Surplus	455	0
		Remeasurements of Defined Benefit Plans	470	0
		Other	480	0
		Subtotal of items that will not be reclassified subsequently to Net Income	489	0
		Total Other Comprehensive Income (Loss)	510	14,376
		Total Comprehensive Income (Loss)	589	17,260
		Attributable to:		
		Participating Policyholders/Certificateholders	615	0
		Non-controlling Interests	600	0
		Equity Holders	620	17,260
			1,114	17,260
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses), net of tax, on:		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		- Loans	710	0
		- Bonds and Debentures	740	(2,010)
		- Equities (IAS 39)	770	(4,805)
		Overlay Approach *	775	
		Derivatives Designated as Cash Flow Hedges	810	0
		Foreign Currency (Net of Hedging Activities)	840	(1,351)
		Share of Other Comprehensive Income of Associates & Joint Ventures	860	0
		Other	845	0
		Subtotal of items that may be reclassified subsequently to Net Income	849	(8,166)
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		- Equities (IFRS 9)	865	
		Revaluation Surplus	855	0
		Remeasurements of Defined Benefit Plans	870	0
		Other	880	0
		Subtotal of items that will not be reclassified subsequently to Net Income	889	0
		Balance at end of Year	899	(8,166)

* These lines only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9