

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'000)

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
	6	Cash and Cash Equivalents 010	22,434	14,560	24,582
		Assets held for sale 020			
<u>21.012</u>	5	Short Term Investments 040	1,051	21,950	16,390
	5	Accrued Investment Income 070	148	1,032	895
<u>21.150 or/ou</u> <u>21.155</u>	6	Accounts Receivable 100	12,575	12,323	8,679
		Policy/Certificate Loans 200	0	0	
<u>21.012</u>	5	Bonds and Debentures 250	58,750	53,704	41,513
<u>21.050</u>	6, 9	Mortgage Loans 300	2,209	2,417	4,552
<u>21.012</u>	5	Preferred Shares 420	114,554	100,190	100,431
<u>21.012</u>	5	Common Shares 440	49,005	55,339	63,706
<u>21.080</u>		Real Estate (CGAAP) 500			
<u>21.012</u>	8	Investment Properties 510	21,504	19,384	0
		Derivative Financial Instruments 520	0	0	
<u>22.020</u>	13	Reinsurance Assets 530	62,413	60,235	60,647
<u>21.080</u>	7	Property and Equipment 540	4,846	5,163	5,170
<u>21.100</u>		Interests in Associates & Joint Ventures 550	0		
<u>60.010</u>		Segregated Funds Net Assets (IFRS) 560	0	0	
<u>21.100</u>		Other Loans and Invested Assets 600	21,661	15,944	15,703
	21	Current Tax Assets 780	4,230		
	21	Deferred Tax Assets 800	188	163	279
		Goodwill 820	0	0	
		Intangible Assets 830	0	0	
<u>21.155</u>		Other Assets 880	440	442	401
		TOTAL ASSETS 899	376,008	362,846	342,948
<u>60.010</u>		Total Segregated Funds Net Assets (CGAAP) 929			

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS' AND SHAREHOLDERS' EQUITY
(S'000)

Reference Page	FS Notes Reference		Current Year	Prior Year	Opening Prior Year Restated
			(01)	(03)	(05)
		Liabilities			
		Liabilities held for sale	005		
22.020	13	Actuarial Liabilities for Insurance Contracts	010	105,382	106,188
22.020	13	Other Contract Liabilities	040	62,413	60,235
		Trust and Banking Deposits	070		0
or/ou 21.155	14	Accounts Payable	100	40,101	34,888
21.080	11	Mortgage Loans and Other Real Estate Encumbrances	130	1,184	0
		Derivative Financial Instruments	140		
22.030		Provisions and Other Liabilities	160	2,607	2,212
23.020		Net Deferred Gains (Losses) on Real Estate (CGAAP):			
		Backing Liabilities (CGAAP)	180		0
		Backing Equity (CGAAP)	230		0
		Segregated Fund Liabilities	420	0	0
		Current Tax Liabilities	430		3,386
	21	Deferred Tax Liabilities	250	12,086	11,660
		Subordinated Debt	280		0
		Other Debt	310		0
		Total Liabilities	389	223,773	218,569
		Non-Controlling Interests (CGAAP)	410		0
		Policyholders' Equity			
20.040		Participating Account	510	0	0
		Participating Account - Accumulated OCI (Loss)	520		0
20.040		Non-Participating Account (Mutual Companies Only)	540	0	0
		Non-Participating Account - Accumulated OCI (Loss)	550		0
		Total Policyholders' Equity	589	0	0
		Shareholders' Equity			
	22	Capital Stock	610	38,000	38,000
		Other Capital	640		0
		Contributed Surplus	670		0
20.040		Retained Earnings	700	109,006	94,409
		Shareholders' Accumulated OCI (Loss)	740	5,229	11,868
		Total Shareholders' Equity	779	152,235	144,277
		Non-controlling Interests (IFRS)	829		
		TOTAL LIABILITIES AND EQUITY	899	376,008	362,846
					342,948

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		Revenue		
35.020		Gross Premiums 020	150,441	132,463
35.020		Premiums ceded 030	99,017	82,010
45.020		Net Premiums 040	51,424	50,454
35.020		Gross Investment Income 050		
35.020		Less: Investment Expenses and Taxes 060	178	971
23.010	15, 19	Net Investment Income 070	13,552	15,002
35.020		Share of Income (Loss) of Associates & Joint Ventures 090	0	
	16	Fee Income 130	11,864	10,289
23.030		Other Revenue 160	0	0
35.020		Fraternal and Other Fund Revenues 180	0	
		Total Revenue 199	76,840	75,745
		Policyholder/Certificateholder Benefits and Expenses		
35.020	18	Policyholder/Certificateholder Benefits 260	17,433	16,977
35.020	18	Benefits ceded 270	10,099	9,796
		Gross Changes to Actuarial Liabilities		
35.020		Normal 310	4,680	(13)
35.020		Basis Change 320	6,501	(2,752)
35.020		Gross Changes to Other Contract Liabilities 340	0	
35.020		Changes in Actuarial and Other Contract Liabilities Ceded 350	14,166	(988)
35.020		Policyholder/Certificateholder Dividends 360	0	0
35.020		Experience Rating Refunds 390	0	0
35.020		Transfer to and (Transfer from) Other Funds 420	0	0
35.020		Gross Commissions 460	59,797	58,542
35.020		Commissions ceded 470	34,221	33,605
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit 480	0	0
23.030	20	Interest Expense and Finance costs 510	66	55
23.030	20	General Expenses and Taxes (excl. income taxes) 540	20,957	19,026
23.030		Other Expenses 570	616	649
35.020		Fraternal and Other Fund Expenses 580	0	
35.020		Non-Controlling Interests (CGAAP) 600	0	
		Total Benefits and Expenses 649	51,564	50,071
		Income Before Income Tax 669	25,276	25,674
		Provision for Income Taxes		
	21	Current 700	5,278	6,487
	21	Deferred 710	401	(723)
		Income before the following: 749	19,597	19,910
35.020		Extraordinary Items		
		(Net of Income Taxes of \$ 0) (CGAAP) 800	0	
35.020		Discontinued Operations		
		(Net of Income Taxes of \$ 0) 830	0	0
		Income Before Attribution to Participating Policyholders/Certificateholders 859	19,597	19,910
35.020		Income Attributable to Participating Policyholders/Certificateholders (Stock companies) 870	0	0
35.020		Net Income 899	19,597	19,910
35.020		Less: Fraternal and Other Fund Account 980	0	
35.020		Net Income: Insurance Fund 989	19,597	19,910
		Attributable to:		
		Non-controlling Interests (IFRS) 900		
		Equity Holders 920	19,597	19,910
		Premiums on Reinsurance Agreements (CGAAP)		
		Deducted in arriving at Net Premiums (CGAAP) 940		0
		Deducted & not included in gross premiums (CGAAP) 941		0

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

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		Beginning of Year	0	0
		Adjustments		0
				0
<u>20.030</u>		Share of Net Income (Loss)		0
<u>20.040</u>		Transfer from (to) Retained Earnings (Stock companies only).		0
<u>20.040</u>		Transfer from (to) Non-Par Account (Mutual companies only)		0
		End of Year	0	0

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

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		Beginning of Year	0	0
		Adjustments		0
				0
<u>20.030</u>		Share of Net Income (Loss)		0
<u>20.040</u>		Transfer from (to) Par Account	0	0
		Dividends to Preferred Shareholders		0
		End of Year	0	0

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

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		Beginning of Year	94,409	74,499
		Adjustments		
				0
<u>20.030</u>		Share of Net Income (Loss)	19,597	19,910
<u>20.040</u>		Transfer from (to) Par Account	0	0
		Dividends to Shareholders:		
		Preferred		0
		Common	5,000	0
		End of Year	109,006	94,409

CONSOLIDATED FINANCIAL STATEMENTS

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

FS Notes Reference		Current Year 01	Prior Year 03
	Comprehensive Income (Loss)		
	Income Before Attribution to Participating Policyholders/Certificateholders	010	19,910
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	Loans	110	0
	Bonds and Debentures	140	794
	Equities	170	7,830
	Reclassification to Earnings of (Gains) Losses	210	(3,894)
	Derivatives Designated as Cash Flow Hedges		
	Change in Unrealized Gains and Losses	310	0
	Reclassification to Earnings of (Gains) Losses	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	
	Other	480	0
17	Total Other Comprehensive Income (Loss)	510	4,730
	Total Comprehensive Income (Loss)	589	24,640
	Attributable to:		
	Non-controlling Interests	600	
	Equity Holders	620	

FS Notes Reference		Current Year 01	Prior Year 03
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	Loans	710	0
	Bonds and Debentures	740	1,892
	Equities	770	9,976
	Derivatives Designated as Cash Flow Hedges	810	0
	Foreign Currency (Net of Hedging Activities)	840	0
	Share of Other Comprehensive Income of Associates & Joint Ventures	860	
	Other	880	0
	Balance at end of Year	899	11,868

Summary of Capital Elements and Ratio Calculations
(thousands of dollars)

	01	02	Ref
Capital Available:			
Tier 1			
Common shares		38,000	001
Contributed surplus			002
Retained earnings	109,006		003
Less: Accumulated after tax fair value gains/(losses) arising from changes in institution's own credit risk			301
Less: After tax fair value gains/(losses) on own-use property upon conversion to IFRS (cost model)			204
Plus: Accumulated after tax revaluation loss on own-use property (revaluation model)			206
Less: Accumulated net after tax fair value gain on investment property that do not back liabilities under CALM			208
Less: Net decrease in actuarial liabilities due to recognition of mortality improvement	183		210
Less: Discretionary participation features included in reported equity			212
Plus: Adjustment to retained earnings for phase-in of IFRS			214
Retained earnings for MCCSR purposes		108,823	203
Future use: fair value option			302
Participating account			004
Non-cumulative perpetual preferred shares			005
Qualifying non-controlling interests (excluding innovative tier 1)			006
Innovative Instruments in Tier 1 (max 15% net tier 1)			007
Non-participating account (mutual companies)			311
Accumulated net after-tax foreign currency translation adjustment reported in Other Comprehensive Income (OCI)		669	313
Accumulated net after-tax unrealized loss on available-for-sale equity securities reported in OCI			314
Accumulated changes in liabilities included in OCI under shadow accounting			316
Gross Tier 1 Capital		147,492	010
Less: Deductions for Net Tier 1 Capital (page 20.020, line 249)	0		012
Net Tier 1 Capital		147,492	020
Less: Additional deductions for Adjusted Net Tier 1 Capital (page 20.020, line 299)	0		321
Adjusted Net Tier 1 Capital		A 147,492	329
Tier 2A (page 20.020 line 079)	2,056		021
Tier 2B allowed (page 20.030 line 045)	0		022
Tier 2C (page 20.030 line 068)	0		023
Net Tier 2 Capital (page 20.030 line 695)		B 2,056	025
Total Capital Available	(A+B)	C 149,548	040
Capital Required:			
Asset Default and Market Risk			
Asset Default (C-1) Risk			
- Backing Non-Par, Surplus and Non-Qualifying Participating	i) 15,327		041
- Backing Qualifying Participating Policies	ii) 0		042
Index Linked Pass Through Products	iii) 0		043
C-1 and C-3 requirements for letters of credit and collateral used to obtain reserve or capital credit for unregistered reinsurance	iv)		220
Off-Balance Sheet Exposures			
- Backing Non-Par, Surplus and Non-Qualifying Participating	v) 0		044
- Backing Qualifying Participating Policies	vi) 0		045
Segregated Funds Risk	vii) 0		046
Total Asset Default and Market Risk	sum of (i to vii)	15,327	050
Insurance Risks			
Mortality Risk	i) 2,128		051
Morbidity Risk	ii) 13,347		052
Lapse Risk	iii) 1,483		053
Total Insurance Risks	sum of (i to iii)	16,958	060
Changes in Interest Environment (C-3) Risk		1,054	062
Foreign Exchange Risk		89	067
Other (specify)¹			070
Total Capital Required		D 33,428	080
MCCSR Ratios			
Tier 1	(A + D) x 100	441.23	098
Total	(C + D) x 100	447.38	099

¹ Provide details of additional requirements.