

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(S'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Period Restated	
			Total	Vested in Trust*	Total	Vested in Trust*	Total	Vested in Trust*
			(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	01	13,725		11,260		
		Investment Income due and accrued	02	0		0		
		Assets held for sale	50	0		0		
		Investments:						
		Short Term Investments	04	0		0		
		Bonds and Debentures	05	0		0		
		Mortgage Loans	06	0		0		
		Preferred Shares	07	110		113		
		Common Shares	08	408		438		
		Investment Properties	09	0		0		
		Other Loans and Invested Assets	10	0		0		
40.07		Total Investments (lines 04 to 10)	19	518		551	0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	20	178		141		
		Policyholders	21	218		107		
		Instalment Premiums	22	0		0		
		Other Insurers	23	634		208		
		Facility Association and the "P.R.R."	24	0		0		
50.40		Subsidiaries, Associates & Joint Ventures	25	95		269		
50.20		Other Receivables	27	9		9		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	938		708		
60.30		Unpaid Claims and Adjustment Expenses	31	1,549		2,016		
		Other Recoverables on Unpaid Claims	37	0		0		
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
40.70		Property and Equipment	41	0		0		
		Deferred Policy Acquisition Expenses	43	166		123		
		Current Tax Assets	52	0		0		
		Deferred Tax Assets	44	0		0		
		Goodwill	54	0		0		
		Intangible Assets	56	0		0		
		Defined Benefit Pension Plan	58	0		0		
		Other Assets	88	26		43		
		TOTAL ASSETS	89	18,056		15,435	0	

* Foreign insurers: Excludes deposits of reinsurers held in special trust accounts.

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, EQUITY, HEAD OFFICE ACCOUNT, RESERVES & AOCI
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Period Restated
			(01)	(03)	(05)
		LIABILITIES			
		Overdrafts 01	0	0	
		Borrowed Money and Accrued Interest 02	0	0	
		Payables:			
50.20		Agents and Brokers 03	109	108	
		Policyholders 04	0	0	
50.30		Other Insurers 05	534	491	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates 06	0	0	
		Expenses due and accrued 07	100	107	
		Other Taxes due and accrued 09	493	422	
		Policyholder Dividends and Rating Adjustments 10	0	0	
40.70		Encumbrances on Real Estate 11	0	0	
60.10		Unearned Premiums 12	1,234	894	
60.30		Unpaid Claims and Adjustment Expenses 13	2,066	2,974	
80.10		Unearned Commissions 14	234	177	
		Ceded Deferred Premium Taxes 20	0	0	
		Ceded Deferred Insurance Operations Expenses 34			
		Premium Deficiency 15	0	0	
		Liabilities held for sale 17	0	0	
		Current Tax Liabilities 18	0	0	
		Deferred Tax Liabilities 21	0	0	
		Self-Insured Retention (SIR) portion of unpaid claims 22	0	0	
		Defined Benefit Pension Plan 23	0	0	
		Employment Benefits (not including amounts on line 23 above) 24	0	0	
		Subordinated Debt 25	0	0	
		Preferred Shares - Debt 26	0	0	
		Provisions and Other Liabilities 28	38	27	
		Total Liabilities 29	4,808	5,200	0
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common 41	6,480	6,480	
		Preferred 33	0	0	
		Contributed Surplus 42	4,593	4,593	
		(Specify) 43	0	0	
20.54		Retained Earnings 44	2,175	(838)	
20.45		Reserves 45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss) 47	0	0	
		Total Policyholders/Shareholders' Equity 59	13,248	10,235	0
		Non-controlling Interests 48		0	
		Total Equity 49	13,248	10,235	0
		TOTAL LIABILITIES AND EQUITY 89	18,056	15,435	0
		FOREIGN INSURERS ONLY:			
		HEAD OFFICE ACCOUNT, RESERVES & AOCI			
20.45		Head Office Account 51			
		(Specify) 53			
20.45		Reserves 55			
20.42		Accumulated Other Comprehensive Income (Loss) 56			
		Total Head Office Account, Reserves & AOCI 69			
		TOTAL LIABILITIES, HEAD OFFICE ACCOUNT, RESERVES & AOCI 79			

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(S'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
		UNDERWRITING OPERATIONS			
		Premiums Written			
		Direct	14,513	12,434	
70.21		Reinsurance Assumed	0	0	
70.21		Reinsurance Ceded	8,261	7,081	
60.20		Net Premiums Written	6,252	5,353	
		Decrease (increase) in Net Unearned Premiums	(111)	(32)	
60.20		Net Premiums Earned	6,141	5,321	
		Service Charges	0	0	
		Other	0	0	
		Total Underwriting Revenue	6,141	5,321	
		Gross Claims and Adjustment Expenses	6,313	6,233	
		Reinsurers' share of claims and adjustment expenses	3,951	3,725	
60.20		Net Claims and Adjustment Expenses	2,362	2,508	
		Acquisition Expenses			
80.10		Gross Commissions	1,076	931	
80.10		Ceded Commissions	1,204	996	
		Taxes	379	340	
80.20		Other	110	110	
80.20		General Expenses	510	482	
		Total Claims and Expenses	3,233	3,375	
		Premium Deficiency Adjustments	0	0	
		Underwriting Income (Loss)	2,908	1,946	
40.07		INVESTMENT OPERATIONS			
		Income	101	136	
		Realized Gains (Losses)	4	30	
		Expenses	0	0	
		Net Investment Income	105	166	
		OTHER REVENUE AND EXPENSES			
		Income (Loss) from Ancillary Operations (net of Expenses of S'000)	0	0	(04)
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	0	0	
		Gain (Losses) from fluctuations in Foreign Exchange Rates	0	0	
		Other Revenues	0	0	
		Finance costs	0	0	
		Other Expenses	0	0	
		Net Income (Loss) before Income Taxes	3,013	2,112	
		INCOME TAXES			
		Current	0	0	
		Deferred	0	0	
		Total Income Taxes	0	0	
		NET INCOME (LOSS) FOR THE YEAR	3,013	2,112	
		ATTRIBUTABLE TO:			
		Non-controlling Interests	0	0	
		Equity Holders	3,013	2,112	

CONSOLIDATED FINANCIAL STATEMENTS
COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
20.30		Comprehensive Income (Loss)		
		Net Income 01	3,013	2,112
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		Change in Unrealized Gains and Losses:		
		- Loans 02	0	0
		- Bonds and Debentures 03	0	0
		- Equities 04	0	0
		Reclassification of (Gains) Losses to Net Income 05	0	0
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses 06	0	0
		Reclassification of (Gains) Losses to Net Income 07	0	0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses 08	0	0
		Impact of Hedging 09	0	0
		Other 18	0	0
		Subtotal of items that may be reclassified subsequently to Net Income 19	0	0
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus 31	0	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 11	0	0
		Remeasurements of Defined Benefit Plans 34	0	0
		Other 12	0	0
		Subtotal of items that will not be reclassified subsequently to Net Income 29	0	0
		Total Other Comprehensive Income (Loss) 21	0	0
		Total Comprehensive Income (Loss) 39	3,013	2,112
		Attributable to:		
		Non-controlling Interests 60	0	0
		Equity Holders 62	3,013	2,112
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		- Loans 42		0
		- Bonds and Debentures 43		0
		- Equities 44		0
		Derivatives Designated as Cash Flow Hedges 45		0
		Foreign Currency (net of hedging activities) 46		0
		Other 68		0
		Subtotal of items that may be reclassified subsequently to Net Income 69	0	0
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus 71		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 51		0
		Remeasurements of Defined Benefit Plans 74		0
		Other 49		0
		Subtotal of items that will not be reclassified subsequently to Net Income 79	0	0
20.20		Balance at end of Year 59	0	0

CONSOLIDATED

**MINIMUM CAPITAL TEST/BRANCH ADEQUACY OF ASSETS TEST: CAPITAL (MARGIN) REQUIRED
AND MCT (BAAT) RATIO
(\$'000)**

		Current Period (01)
Capital Available:		
Capital available (from page 30.62 - capital available)	01	13,248
Phase-in of capital available	03	
Total Capital Available	09	13,248
Assets Available:		
Net Assets Available (from page 30.92 - net assets available)	11	
Phase-in of net assets available	13	
Total Net Assets Available	19	
Capital (Margin) Required at Target:		
Insurance Risk:		
Premium liabilities	20	376
Unpaid claims	22	41
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	417
Market Risk:		
Interest rate risk	30	11
Foreign exchange risk	32	0
Equity risk	34	122
Real estate risk	36	0
Other market risk exposures	38	0
Subtotal: Market risk margin	39	133
Credit Risk:		
Counterparty default risk for balance sheet assets	40	134
Counterparty default risk for off-balance sheet exposures	42	0
Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0
Subtotal: Credit risk margin	49	134
Operational risk margin	50	205
Less: Diversification credit	52	87
Total Capital (Margin) Required at Target	59	802
Minimum Capital (Margin) Required (line 59 / 1.5)	60	535
Phase-in of Capital (Margin) Required	62	79
Total Minimum Capital (Margin) Required	69	456
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	12,792
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	2905.26%

Note: See Section VI of the P&C instructions and the MCT Guideline.