

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	705		3,820		
		Investment Income due and accrued	02	238		205		
		Assets held for sale	50	0		0		
		Investments:						
40 12		Short Term Investments	04	2,595		2,327		
40 22		Bonds and Debentures	05	36,818		32,015		
40 32		Mortgage Loans	06	0		0		
40 42		Preferred Shares	07	0		0		
40 52		Common Shares	08	3,617		3,471		
40 70		Investment Properties	09	0		0		
40 80		Other Loans and Invested Assets	10	(51)		(129)		
40 07		Total Investments (lines 04 to 10)	19	42,979		37,684	0	
		Receivables:						
50 20		Unaffiliated Agents and Brokers	20	0		0		
		Policyholders	21	0		0		
		Instalment Premiums	22	0		0		
		Other Insurers	23	3,058		2,238		
		Facility Association and the "P.R.R."	24	0		0		
50 40		Subsidiaries, Associates & Joint Ventures	25	68		0		
50 20		Other Receivables	27	3,089		291		
		Recoverable from Reinsurers:						
60 10		Unearned Premiums	30	0		0		
60 30		Unpaid Claims and Adjustment Expenses	31	1,032		2,667		
		Other Recoverables on Unpaid Claims	37	8,816		6,882		
		Investments Accounted for Using the Equity Method:						
50 32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
		Pooled Funds	45	0				
40 70		Property and Equipment	41	0		0		
		Deferred Policy Acquisition Expenses	43	8,260		6,295		
		Current Tax Assets	52	0		0		
		Deferred Tax Assets	44	2,340		2,886		
		Goodwill	54	0		0		
		Intangible Assets	56	1,423		2,377		
		Defined Benefit Pension Plan	58	0		0		
		Other Assets	88	2,566		1,241		
		TOTAL ASSETS	89	74,574		66,586	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
		(55)	(01)	(03)	(05)
		LIABILITIES			
		Overdrafts	01	0	0
		Borrowed Money and Accrued Interest	02	0	0
		Payables:			
50.20		Agents and Brokers	03	1	0
		Policyholders	04	5,856	4,723
		Other Insurers	05	0	0
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	497	240
		Expenses due and accrued	07	3,355	1,408
		Other Taxes due and accrued	09	1,159	455
		Policyholder Dividends and Rating Adjustments	10	0	0
40.70		Encumbrances on Real Estate	11	0	0
60.10		Unearned Premiums	12	16,154	13,192
60.30		Unpaid Claims and Adjustment Expenses	13	18,049	20,482
80.10		Unearned Commissions	14	0	0
		Ceded Deferred Premium Taxes	20	0	0
		Ceded Deferred Insurance Operations Expenses	34	0	0
		Premium Deficiency	15	0	0
		Liabilities held for sale	17	0	0
		Current Tax Liabilities	18	25	48
		Deferred Tax Liabilities	21	0	0
		Self-Insured Retention (SIR) portion of unpaid claims	22	0	0
		Defined Benefit Pension Plan	23	714	489
		Employment Benefits (not including amounts on line 23 above)	24	493	344
		Subordinated Debt	25	0	0
		Preferred Shares - Debt	26	0	0
		Provisions and Other Liabilities	28	0	0
		Total Liabilities	29	46,303	41,381
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common	41	16,302	14,800
		Preferred	33	17,150	17,150
		Contributed Surplus	42	0	0
		(Specify)	43	0	0
20.54		Retained Earnings	44	(5,015)	(6,758)
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	(166)	13
		Total Policyholders/Shareholders' Equity	59	28,271	25,205
		Non-controlling Interests	48	0	0
		Total Equity	49	28,271	25,205
		TOTAL LIABILITIES AND EQUITY	89	74,574	66,586
		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 (01)	Prior Period (03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct	25,797	21,019
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	1,135	991
60.20		Net Premiums Written	24,662	20,028
		Decrease (increase) in Net Unearned Premiums	1,569	2,036
60.20		Net Premiums Earned	26,231	22,064
		Service Charges	0	0
		Other	0	0
		Total Underwriting Revenue	26,231	22,064
		Gross Claims and Adjustment Expenses	15,764	13,984
		Reinsurers' share of claims and adjustment expenses	936	123
60.20		Net Claims and Adjustment Expenses	14,828	13,861
		Acquisition Expenses		
80.10		Gross Commissions	8,625	7,844
80.10		Ceded Commissions	0	0
		Taxes	736	603
80.20		Other	702	0
80.20		General Expenses	2,016	3,875
		Total Claims and Expenses	26,907	26,183
		Premium Deficiency Adjustments	0	0
40.07		Underwriting Income (Loss)	(676)	(4,119)
		INVESTMENT OPERATIONS		
		Income	186	195
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	0	0
		Expenses	25	31
		Net Investment Income	161	164
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)	0	0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	0	0
		Share of Net Income (Loss) of Pooled Funds using Equity Method		
		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	(515)	(3,955)
		INCOME TAXES		
		Current	0	0
		Deferred	(138)	(1,043)
		Total Income Taxes	(138)	(1,043)
		NET INCOME (LOSS) FOR THE YEAR	(377)	(2,912)
		ATTRIBUTABLE TO:		
		Non-controlling Interests	0	0
		Equity Holders	(377)	(2,912)

(04)

CONSOLIDATED

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

	Current Period	
(55)	(01)	
Capital Available:		
Capital available (from page 30.62 - capital available)	01	24,205
Phase-in of capital available	03	(132)
(Specify)	08	0
Total Capital Available	09	24,337
Assets Available:		
Net Assets Available (from page 30.92 - net assets available)	11	
Phase-in of net assets available	13	
(Specify)	18	
Total Net Assets Available	19	
Capital (Margin) Required at Target:		
Insurance Risk:		
Premium liabilities	20	8,126
Unpaid claims	22	524
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	8,650
Market Risk:		
Interest rate risk	30	1,155
Foreign exchange risk	32	183
Equity risk	34	1,085
Real estate risk	36	0
Other market risk exposures	38	0
Subtotal: Market risk margin	39	2,423
Credit Risk:		
Counterparty default risk for balance sheet assets	40	2,497
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	2,497
Operational risk margin	50	3,077
Less: Diversification credit	52	1,671
Total Capital (Margin) Required at Target	59	14,976
Minimum Capital (Margin) Required (line 59 / 1.5)	60	9,984
Phase-in of Capital (Margin) Required	62	(24)
(Specify)	68	0
Total Minimum Capital (Margin) Required	69	10,008
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	14,329
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	243.18%

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