



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)	
		<b>LIABILITIES</b>				
		Overdrafts	01	0	0	
		Borrowed Money and Accrued Interest	02	0	0	
		Payables:				
		Agents and Brokers	03	7,438	5,928	
		Policyholders	04	0	0	
		Other Insurers	05	12,035	14,585	
		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0	
		Expenses due and accrued	07	3,016	3,147	
		Other Taxes due and accrued	09	7,068	6,773	
		Policyholder Dividends and Rating Adjustments	10	0	0	
		Encumbrances on Real Estate	11	0	0	
		Unearned Premiums	12	157,174	134,714	
		Unpaid Claims and Adjustment Expenses	13	176,638	184,886	
		Unearned Commissions	14	18,613	14,321	
		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	2,988	962	
		Deferred Tax Liabilities	21	1,539	1,536	
		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	13,556	12,490	
		<b>Total Liabilities</b>	29	400,065	379,342	0
		<b>CANADIAN INSURERS ONLY:</b>				
		<b>EQUITY</b>				
		Shares issued and paid				
		Common	41	2,000	2,000	
		Preferred	33	5,000	5,000	
		Contributed Surplus	42	9,362	9,362	
		(Specify)	43		0	
		Retained Earnings	44	84,540	55,812	
		Reserves	45	0	0	
		Accumulated Other Comprehensive Income (Loss)	47	6,072	4,606	
		<b>Total Policyholders/Shareholders' Equity</b>	59	106,974	76,780	0
		Non-controlling Interests	48	0	0	
		<b>Total Equity</b>	49	106,974	76,780	0
		<b>TOTAL LIABILITIES AND EQUITY</b>	89	507,039	456,122	0
		<b>FOREIGN INSURERS ONLY:</b>				
		<b>HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>				
		Head Office Account	51			
		(Specify)	53			
		Reserves	55			
		Accumulated Other Comprehensive Income (Loss)	56			
		<b>Total Head Office Account, Reserves &amp; AOCI</b>	69			
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>	79			

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
		<b>UNDERWRITING OPERATIONS</b>			
		<b>Premiums Written</b>			
		Direct	01	158,454	136,274
70.21		Reinsurance Assumed	02	0	0
70.21		Reinsurance Ceded	03	61,173	57,008
60.20		<b>Net Premiums Written</b>	04	97,281	79,266
		Decrease (increase) in Net Unearned Premiums	05	-9,576	-4,998
60.20		<b>Net Premiums Earned</b>	06	87,705	74,268
		Service Charges	07	2,370	1,664
		Other	08	0	0
		<b>Total Underwriting Revenue</b>	09	90,075	75,932
		Gross Claims and Adjustment Expenses	62	62,944	78,738
		Reinsurers' share of claims and adjustment expenses	64	23,525	34,248
60.20		<b>Net Claims and Adjustment Expenses</b>	10	39,419	44,490
		Acquisition Expenses			
80.10		Gross Commissions	66	28,808	24,342
80.10		Ceded Commissions	68	14,929	12,995
		Taxes	12	6,015	5,175
80.20		Other	14	0	0
80.20		General Expenses	16	13,822	13,539
		<b>Total Claims and Expenses</b>	19	73,135	74,551
		Premium Deficiency Adjustments	20	0	0
		<b>Underwriting Income (Loss)</b>	29	16,940	1,381
40.07		<b>INVESTMENT OPERATIONS</b>			
		Income	32	1,368	1,498
		Gains (Losses) from FVO or FTPL	35	0	0
		Realized Gains (Losses)	33	1,574	1,042
		Expenses	34	283	238
		<b>Net Investment Income</b>	39	2,659	2,302
		<b>OTHER REVENUE AND EXPENSES</b>			
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000 )	40	0	0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41	-243	-317
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)	48	0	0
		Share of Net Income (Loss) of Pooled Funds using Equity Method	47	0	0
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42	0	0
		Other Revenues	44	189	561
		Finance costs	45	0	0
		Other Expenses	46	0	0
		<b>Net Income (Loss) before Income Taxes</b>	49	19,545	3,927
		<b>INCOME TAXES</b>			
		Current	50	4,892	62
		Deferred	51	0	962
		<b>Total Income Taxes</b>	59	4,892	1,024
		<b>NET INCOME (LOSS) FOR THE YEAR</b>	89	14,653	2,903
		<b>ATTRIBUTABLE TO:</b>			
		Non-controlling Interests	80	0	0
		Equity Holders	82	14,653	2,903

(04)

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

Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(03)
		<b>Comprehensive Income (Loss)</b>		
20.30		Net Income	14,653	2,903
		Other Comprehensive Income (Loss):		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Loans	0	0
		- Bonds and Debentures	-1,750	3,955
		- Equities (IAS 39)	3,453	-267
		Reclassification of (Gains) Losses to Net Income	-1,182	-772
		<b>Overlay approach</b>		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses	0	0
		Reclassification of (Gains) Losses from Net Income	0	0
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		Change in Unrealized Gains and Losses	0	0
		Reclassification of (Gains) Losses to Net Income	0	0
		<b>Foreign Currency Translation</b>		
		Change in Unrealized Gains and Losses	0	0
		Impact of Hedging	0	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures (may be reclassified)</b>	0	0
		Other	0	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	521	2,916
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	0	0
		Revaluation Surplus	0	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures</b>		
		Associates & Joint Ventures	0	0
		Remeasurements of Defined Benefit Plans	0	0
		Other	0	0
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	0	0
		Total Other Comprehensive Income (Loss)	521	2,916
		<b>Total Comprehensive Income (Loss)</b>	15,174	5,819
		<b>Attributable to:</b>		
		Non-controlling Interests	0	0
		Equity Holders	15,174	5,819
		<b>Accumulated Other Comprehensive Income (Loss)</b>		
		Accumulated Gains (Losses) on:		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Loans	0	0
		- Bonds and Debentures	432	3,052
		- Equities (IAS 39)	4,532	446
		<b>Overlay approach</b>	0	0
		<b>Derivatives Designated as Cash Flow Hedges</b>	0	0
		<b>Foreign Currency (net of hedging activities)</b>	0	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures (may be reclassified)</b>	0	0
		Other	0	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	4,964	3,498
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Equities (IFRS 9)	0	0
		Revaluation Surplus	1,108	1,108
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures</b>		
		Associates & Joint Ventures	0	0
		Remeasurements of Defined Benefit Plans	0	0
		Other	0	0
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	1,108	1,108
20.20		Balance at end of Year	6,072	4,606

CONSOLIDATED

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

(\$'000)

	(55)	Current Period (01)
<b>Capital Available:</b>		
Capital available (from page 30.62 - capital available)	01	103,391
(Specify)	08	
<b>Total Capital Available</b>	<b>09</b>	<b>103,391</b>
<b>Assets Available:</b>		
Net Assets Available (from page 30.92 - net assets available)	11	
(Specify)	18	
<b>Total Net Assets Available</b>	<b>19</b>	
<b>Capital (Margin) Required at Target:</b>		
Insurance Risk:		
Premium liabilities	20	13,736
Unpaid claims	22	12,598
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	26,334
Market Risk:		
Interest rate risk	30	2,402
Foreign exchange risk	32	0
Equity risk	34	11,552
Real estate risk	36	1,060
Other market risk exposures	38	279
Subtotal: Market risk margin	39	15,293
Credit Risk:		
Counterparty default risk for balance sheet assets	40	5,562
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	5,562
Operational risk margin	50	14,157
Less: Diversification credit	52	6,230
<b>Total Capital (Margin) Required at Target</b>	<b>59</b>	<b>55,116</b>
Minimum Capital (Margin) Required (line 59 / 1.5)	60	36,744
(Specify)	68	
<b>Total Minimum Capital (Margin) Required</b>	<b>69</b>	<b>36,744</b>
<b>Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required</b>	<b>79</b>	<b>66,647</b>
<b>MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)</b>	<b>90</b>	<b>281.38%</b>

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