

CONSOLIDATED FINANCIAL STATEMENTS
ASSETS
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
		Cash and Cash Equivalents	15,965	16,454	44,939
		Investment Income due and accrued	736	794	799
		Assets held for sale			
		Investments:			
40.12		Short Term Investments	101	100	
40.22		Bonds and Debentures	106,875	102,513	68,988
40.32		Mortgage Loans	0	0	
40.42		Preferred Shares	0	0	1,695
40.52		Common Shares	19,421	25,573	21,134
40.70		Investment Properties	7,678	7,678	7,678
40.80		Other Investments	4,532	538	817
40.07		Total Investments (lines 04 to 10)	138,607	136,402	100,312
		Receivables:			
50.20		Agents and Brokers	7,991	7,511	7,455
		Policyholders		0	
		Instalment Premiums	25,375	25,347	24,954
50.30		Other Insurers	3,231	2,188	596
		Facility Association and the "P.R.R."	7,539	7,863	8,413
50.40		Subsidiaries, Associates & Joint Ventures	0	0	
		Income Taxes (CGAAP)			
50.20		Other Receivables	1,647	1,819	2,199
		Recoverable from Reinsurers:			
60.10		Unearned Premiums	23,705	20,918	18,856
60.30		Unpaid Claims and Adjustment Expenses	51,472	39,335	47,651
		Other Recoverables on Unpaid Claims		0	
50.40		Interests in Subsidiaries, Associates & Joint Ventures	0	0	
40.70		Property and Equipment	5,684	6,204	5,177
		Deferred Policy Acquisition Expenses	21,232	20,381	19,273
		Current Tax Assets (IFRS)	1,721	0	
		Deferred Tax Assets:	336	133	288
50.50		Goodwill	0	0	
		Intangible Assets	1,411	1,631	1,615
50.50		Other Assets	317	232	269
		TOTAL ASSETS	306,969	287,212	282,796

CONSOLIDATED FINANCIAL STATEMENTS
LIABILITIES AND EQUITY
(\$'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
		LIABILITIES			
		Overdrafts 01		0	
		Borrowed Money and Accrued Interest 02		0	
		Payables:			
50.20		Agents and Brokers 03	4,388	4,141	3,838
		Policyholders 04		0	
50.30		Other Insurers 05	6,419	8,269	8,952
50.40		Subsidiaries, Associates & Joint Ventures 06	0	0	
		Expenses due and accrued 07	2,456	2,889	2,445
		Income Taxes due and accrued (CGAAP) 08		3,466	2,359
		Other Taxes due and accrued 09	6,677	6,132	5,573
		Policyholder Dividends and Rating Adjustments 10		0	
40.70		Encumbrances on Real Estate 11	0	0	1,795
60.10		Unearned Premiums 12	84,821	81,476	78,305
60.30		Unpaid Claims and Adjustment Expenses 13	119,108	100,384	115,196
80.10		Unearned Commissions 14	7,473	7,322	6,451
		Premium Deficiency 15	0	0	
		Liabilities held for sale 17			
		Current Tax Liabilities (IFRS) 18			
		Deferred Tax Liabilities 21	1,008	959	999
50.50		Provisions and Other Liabilities 28	878	871	851
		Total Liabilities 29	233,228	215,909	226,764
		EQUITY			
		Shares issued and paid 41	2,000	2,000	2,000
		Contributed Surplus 42	9,362	9,362	9,362
		(Specify) 43		0	
20.40		Retained Earnings 44	57,205	54,597	42,190
20.40		Reserves 45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss) 47	5,174	5,344	2,480
		Non-controlling Interests 48			
		Total Equity 49	73,741	71,303	56,032
		TOTAL LIABILITIES AND EQUITY 89	306,969	287,212	282,796

CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF INCOME
(\$'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct	01	170,435
70.21		Reinsurance assumed	02	0
70.21		Reinsurance ceded	03	58,516
60.20		Net Premiums Written	04	111,919
		Decrease (increase) in Net Unearned Premiums	05	(558)
60.20		Net Premiums Earned	06	111,361
		Service Charges	07	1,999
		Other	08	0
		Total Underwriting Revenue	09	113,360
		Gross Claims and Adjustment Expenses	62	134,625
		Reinsurers' share of claims and adjustment expenses	64	60,640
60.20		Net Claims and Adjustment Expenses	10	73,985
		Acquisition Expenses		
80.10		Gross Commissions	66	32,312
80.10		Ceded Commissions	68	13,008
		Taxes	12	5,866
80.20		Other	14	(82)
80.20		General Expenses	16	19,534
		Total Claims and Expenses	19	118,607
		Premium Deficiency Adjustments	20	0
40.07		Underwriting Income (Loss)	29	(5,247)
		INVESTMENT OPERATIONS		
		Income	32	4,977
		Realized Gains (Losses)	33	4,198
		Expenses	34	448
		Net Investment Income	39	8,727
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)	40	0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41	(138)
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42	0
		Other Revenues	44	184
		Finance costs	45	
		Other Expenses	46	
		Net Income (Loss) before Income Taxes	49	3,526
		INCOME TAXES		
		Current	50	697
		Deferred	51	(100)
		Total Income Taxes	59	597
		Extraordinary Items (net of Income Taxes of \$'000) (CGAAP)	60	0
		NET INCOME (LOSS) FOR THE YEAR	89	2,929
		ATTRIBUTABLE TO:		
		Non-controlling Interests	80	
		Equity Holders	82	2,929
				12,408

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF RETAINED EARNINGS
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (02)
20.30		Balance at beginning of year	54,597	42,189
		Prior period adjustments:	0	0
		(Specify)	0	0
		Adjusted balance at beginning of year	54,597	42,189
		Net income (loss) for the year	2,929	12,408
		Dividends declared to shareholders	321	0
		Decrease (increase) in Reserves	0	0
		(Specify)	0	0
		Net increase (decrease) in Retained Earnings during the year	2,608	12,408
		Balance at end of year	57,205	54,597

RESERVES
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (02)
		Earthquake Reserves		
		Reserve Complement	0	0
		Premium Reserve	0	0
		Mortgage Reserve	0	0
		Nuclear Reserve	0	0
		General and Contingency Reserves	0	0
		Total Reserves	0	0

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

Page	FS Notes Reference		Current Year (01)	Prior Year (03)
20.30		Comprehensive Income (Loss)		
		Net Income 01	2,929	12,408
		Other Comprehensive Income (Loss):		
		Available for Sale:		
		Change in Unrealized Gains and Losses:		
		- Loans 02		0
		- Bonds and Debentures 03	(3,070)	2,039
		- Equities 04	945	3,115
		Reclassification to Earnings of (Gains) Losses 05	1,954	(2,158)
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses 06		0
		Reclassification to Earnings of (Gains) Losses 07		0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses 08	0	(132)
		Impact of Hedging 09		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 11		
		Other 12		0
		Total Other Comprehensive Income (Loss) 21	(171)	2,864
		Total Comprehensive Income (Loss) 39	2,758	15,272
		ATTRIBUTABLE TO:		
		Non-controlling Interests 60		
		Equity Holders 62	2,758	15,272

			Current Year (01)	Prior Year (03)
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Available for Sale:		
		- Loans 42		0
		- Bonds and Debentures 43	400	2,157
		- Equities 44	4,577	2,990
		Derivatives Designated as Cash Flow Hedges 45		0
		Foreign Currency (net of hedging activities) 46	197	197
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 51		
		Other 49		0
20.20		Balance at end of Period 59	5,174	5,344

CONSOLIDATED
MINIMUM CAPITAL TEST
(\$'000)

		Current Year (01)	Prior Year (02)
Capital Available			
Total Equity less Accumulated Other Comprehensive Income	02	68,567	65,959
Add:			
Subordinated Indebtedness and Redeemable Preferred Shares	03		0
Accumulated Other Comprehensive Income (Loss) on:			
Available for Sale Equity Securities	04	4,577	2,990
Available for Sale Debt Securities	06	400	2,157
Foreign Currency (Net of Hedging Activities)	08	197	197
Revaluation Losses in Excess of Gains on Own Use Properties (IFRS)	32		
(Specify)	30		0
Less:			
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk	12		0
Unrealized Fair Value Gains (Losses) from Own Use Properties at Conversion (IFRS)	15	1,599	1,599
Shadow Accounting Impact (IFRS)	16		
Assets with a Capital Requirement of 100%	17	3,027	3,691
(Specify)	13		0
IFRS Conversion Phase in (IFRS)	18		
Total Capital Available	19	69,115	66,013
Minimum Capital Required			
Balance Sheet Assets	20	11,249	10,134
Unearned Premiums/Unpaid Claims/Premium Deficiencies .	22	9,970	9,597
Catastrophes	24	0	0
Reinsurance Ceded to Unregistered Insurers	26	0	0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures .	28	72	72
(Specify)	34		
Minimum Capital Required	29	21,291	19,803
Excess Capital Available over Minimum Capital Required (line 19 minus line 29)	89	47,824	46,210
Line 19 as a % of line 29	90	324.62%	333.35%
Minimum Gross Capital Level	96	3,730	3,471