

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'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	7,450		28,724		
		Investment Income due and accrued	02	1,878		1,026		
		Assets held for sale	50	0		0		
		Investments:						
40.12		Short Term Investments	04	0		0		
40.22		Bonds and Debentures	05	210,243		171,544		
40.32		Mortgage Loans	06	0		0		
40.42		Preferred Shares	07	0		0		
40.52		Common Shares	08	52,992		35,840		
40.70		Investment Properties	09	3,882		4,882		
40.80		Other Loans and Invested Assets	10	4,678		5,735		
40.07		Total Investments (lines 04 to 10)	19	271,795		218,001	0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	20	11,865		9,830		
		Policyholders	21	0		0		
		Instalment Premiums	22	48,731		46,260		
		Other Insurers	23	9,020		294		
		Facility Association and the "P.R.R."	24	9,111		8,537		
50.40		Subsidiaries, Associates & Joint Ventures	25	0		0		
50.20		Other Receivables	27	874		779		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	43,896		53,667		
60.30		Unpaid Claims and Adjustment Expenses	31	70,458		62,073		
		Other Recoverables on Unpaid Claims	37	0		0		
		Investments Accounted for Using the Equity Method:						
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
		Pooled Funds	45	0		0		
40.70		Property and Equipment	41	6,075		6,822		
		Deferred Policy Acquisition Expenses	43	45,606		39,396		
		Current Tax Assets	52	1,075		119		
		Deferred Tax Assets	44	972		579		
		Goodwill	54	0		0		
		Intangible Assets	56	1,231		1,258		
		Defined Benefit Pension Plan	58	0		0		
		Other Assets	88	581		556		
		TOTAL ASSETS	89	530,618		477,921	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	6,062	4,576
		Policyholders	04	0	0
50.30		Other Insurers	05	3,242	6,213
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	4,737	4,052
		Other Taxes due and accrued	09	3,756	14,802
		Policyholder Dividends and Rating Adjustments	10	0	0
40.70		Encumbrances on Real Estate	11	0	0
60.10		Unearned Premiums	12	162,711	142,598
60.30		Unpaid Claims and Adjustment Expenses	13	205,264	176,383
80.10		Unearned Commissions	14	12,491	15,840
		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	0	795
		Deferred Tax Liabilities	21	1,309	1,539
		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	13,779	13,742
		Total Liabilities	29	413,351	380,540
		CANADIAN INSURERS ONLY:			
		EQUITY			
		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	0
20.54		Retained Earnings	44	106,174	76,668
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	-5,269	4,351
		Total Policyholders/Shareholders' Equity	59	117,267	97,381
		Non-controlling Interests	48	0	0
		Total Equity	49	117,267	97,381
		TOTAL LIABILITIES AND EQUITY	89	530,618	477,921
		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
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct	74,867	68,161
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	6,879	26,914
60.20		Net Premiums Written	67,988	41,247
		Decrease (increase) in Net Unearned Premiums	-12,543	204
60.20		Net Premiums Earned	55,445	41,451
		Service Charges	1,258	1,158
		Other	0	0
		Total Underwriting Revenue	56,703	42,609
		Gross Claims and Adjustment Expenses	43,110	31,158
		Reinsurers' share of claims and adjustment expenses	14,466	11,019
60.20		Net Claims and Adjustment Expenses	28,644	20,139
		Acquisition Expenses		
80.10		Gross Commissions	16,331	13,807
80.10		Ceded Commissions	11,085	8,066
		Taxes	3,258	2,913
80.20		Other	0	0
80.20		General Expenses	7,405	6,402
		Total Claims and Expenses	44,553	35,195
		Premium Deficiency Adjustments	0	0
40.07		Underwriting Income (Loss)	12,150	7,414
		INVESTMENT OPERATIONS		
		Income	1,625	664
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	-1,029	1,210
		Expenses	160	142
		Net Investment Income	436	1,732
		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	-216	-183
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)	0	0
		Share of Net Income (Loss) of Pooled Funds using Equity Method	0	0
		Gain (Losses) from fluctuations in Foreign Exchange Rates	0	0
		Other Revenues	71	81
		Finance costs	0	0
		Other Expenses	0	0
		Net Income (Loss) before Income Taxes	12,441	9,044
		INCOME TAXES		
		Current	3,109	2,263
		Deferred	0	0
		Total Income Taxes	3,109	2,263
		NET INCOME (LOSS) FOR THE YEAR	9,332	6,781
		ATTRIBUTABLE TO:		
		Non-controlling Interests	0	0
		Equity Holders	9,332	6,781

(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)	
20.30		Comprehensive Income (Loss)			
		Net Income	01	9,332	6,781
		Other Comprehensive Income (Loss):			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Loans	02	0	0
		- Bonds and Debentures	03	-5,974	-1,669
		- Equities (IAS 39)	04	-1,058	1,376
		Reclassification of (Gains) Losses to Net Income	05	772	-909
		Overlay approach			
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments			
		Unrealized Gains and Losses	15	0	0
		Reclassification of (Gains) Losses from Net Income	16	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
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	14	0	0
		Other	18	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	19	-6,260	-1,202
		Items that will not be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Equities (IFRS 9)	25	0	0
		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	-6,260	-1,202	
	Total Comprehensive Income (Loss)	39	3,072	5,579	
	Attributable to:				
	Non-controlling Interests	60	0	0	
	Equity Holders	62	3,072	5,579	
20.20		Accumulated Other Comprehensive Income (Loss)			
		Accumulated Gains (Losses) on:			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		- Loans	42	0	0
		- Bonds and Debentures	43	-6,118	506
		- Equities (IAS 39)	44	-259	2,737
		Overlay approach	55	0	0
		Derivatives Designated as Cash Flow Hedges	45	0	0
		Foreign Currency (net of hedging activities)	46	0	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	52	0	0
		Other	68	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	69	-6,377	3,243
		Items that will not be reclassified subsequently to Net Income:			
		FVOCI:			
		- Equities (IFRS 9)	65	0	0
		Revaluation Surplus	71	1,108	1,108
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	51	0	0
		Remeasurements of Defined Benefit Plans	74	0	0
		Other	49	0	0
		Subtotal of items that will not be reclassified subsequently to Net Income	79	1,108	1,108
	Balance at end of Year	59	-5,269	4,351	

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	113,686
(Specify)	08	
Total Capital Available	09	113,686
Assets Available:		
Net Assets Available (from page 30.92 - net assets available)	11	
(Specify)	18	
Total Net Assets Available	19	
Capital (Margin) Required at Target:		
Insurance Risk:		
Premium liabilities	20	15,862
Unpaid claims	22	14,869
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	30,731
Market Risk:		
Interest rate risk	30	2,419
Foreign exchange risk	32	0
Equity risk	34	15,898
Real estate risk	36	858
Other market risk exposures	38	223
Subtotal: Market risk margin	39	19,398
Credit Risk:		
Counterparty default risk for balance sheet assets	40	6,264
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	6,264
Operational risk margin	50	15,854
Less: Diversification credit	52	7,490
Total Capital (Margin) Required at Target	59	64,757
Minimum Capital (Margin) Required (line 59 / 1.5)	60	43,171
(Specify)	68	
Total Minimum Capital (Margin) Required	69	43,171
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	70,515
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	263.34%

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