

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(S'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Period Restated	
			Total (01)	Vested in Trust* (02)	Total (03)	Vested in Trust* (04)	Total (05)	Vested in Trust* (06)
		Cash and Cash Equivalents	20,817		24,138			
		Investment Income due and accrued	949		1,733			
		Assets held for sale	0		0			
		Investments:						
40.12		Short Term Investments	0		0			
40.22		Bonds and Debentures	121,253		120,260			
40.32		Mortgage Loans	0		0			
40.42		Preferred Shares	0		0			
40.52		Common Shares	23,635		31,772			
40.70		Investment Properties	7,987		9,006			
40.80		Other Loans and Invested Assets	6,021		4,451			
40.07		<b>Total Investments (lines 04 to 10)</b>	<b>158,896</b>		<b>165,489</b>		<b>0</b>	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	10,129		11,748			
		Policyholders			0			
		Instalment Premiums	34,738		37,906			
		Other Insurers	1,541		2,338			
		Facility Association and the "P.R.R."	7,716		8,014			
50.40		Subsidiaries, Associates & Joint Ventures	0		0			
50.20		Other Receivables	687		791			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	41,971		45,752			
60.30		Unpaid Claims and Adjustment Expenses	86,444		157,145			
		Other Recoverables on Unpaid Claims			0			
		Investments Accounted for Using the Equity Method:						
50.32		Interests in Subsidiaries, Associates & Joint Ventures	0		0			
		Pooled Funds						
40.70		Property and Equipment	5,048		5,742			
		Deferred Policy Acquisition Expenses	27,624		28,629			
		Current Tax Assets	291		164			
		Deferred Tax Assets	2,926		686			
		Goodwill			0			
		Intangible Assets	366		556			
		Defined Benefit Pension Plan			0			
		Other Assets	682		660			
		<b>TOTAL ASSETS</b>	<b>400,825</b>		<b>491,491</b>		<b>0</b>	

\* 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)
		<b>LIABILITIES</b>			
		Overdrafts	01	0	
		Borrowed Money and Accrued Interest	02	0	
		Payables:			
50.20		Agents and Brokers	03	4,511	4,837
		Policyholders	04		0
		Other Insurers	05	5,972	12,728
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	3,037	2,755
		Other Taxes due and accrued	09	4,872	5,056
		Policyholder Dividends and Rating Adjustments	10		0
40.70		Encumbrances on Real Estate	11		0
60.10		Unearned Premiums	12	108,145	116,025
60.30		Unpaid Claims and Adjustment Expenses	13	180,188	242,614
80.10		Unearned Commissions	14	11,549	13,158
		Ceded Deferred Premium Taxes	20		0
		Ceded Deferred Insurance Operations Expenses	34		0
		Premium Deficiency	15		0
		Liabilities held for sale	17		0
		Current Tax Liabilities	18	22	0
		Deferred Tax Liabilities	21	2,124	2,277
		Self-Insured Retention (SIR) portion of unpaid claims	22		0
		Defined Benefit Pension Plan	23		0
		Employment Benefits (not including amounts on line 23 above)	24		0
		Subordinated Debt	25		0
		Preferred Shares - Debt	26		0
		Provisions and Other Liabilities	28	11,438	16,200
		<b>Total Liabilities</b>	29	331,858	415,650
		<b>CANADIAN INSURERS ONLY:</b>			
		<b>EQUITY</b>			
		Shares issued and paid			
		Common	41	2,000	2,000
		Preferred	33		0
		Contributed Surplus	42	9,362	9,362
		(Specify)	43		0
20.54		Retained Earnings	44	55,978	62,144
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	1,627	2,335
		<b>Total Policyholders/Shareholders' Equity</b>	59	68,967	75,841
		Non-controlling Interests	48	0	0
		<b>Total Equity</b>	49	68,967	75,841
		<b>TOTAL LIABILITIES AND EQUITY</b>	89	400,825	491,491
		<b>FOREIGN INSURERS ONLY:</b>			
		<b>HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>			
20.45		Head Office Account	51		
		(Specify)	53		
20.45		Reserves	55		
20.42		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  
(S'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		<b>UNDERWRITING OPERATIONS</b>		
		<b>Premiums Written</b>		
		Direct	01 105,264	114,206
70 21		Reinsurance Assumed	02 0	0
70 21		Reinsurance Ceded	03 43,649	55,141
60 20		<b>Net Premiums Written</b>	04 61,615	59,065
		Decrease (increase) in Net Unearned Premiums	05 3,567	49
60 20		<b>Net Premiums Earned</b>	06 65,182	59,114
		Service Charges	07 1,424	1,460
		Other	08	0
		<b>Total Underwriting Revenue</b>	09 66,606	60,574
		Gross Claims and Adjustment Expenses	62 62,817	181,760
		Reinsurers' share of claims and adjustment expenses	64 19,769	144,417
60 20		<b>Net Claims and Adjustment Expenses</b>	10 43,048	37,343
		Acquisition Expenses		
80 10		Gross Commissions	66 21,751	22,545
80 10		Ceded Commissions	68 11,768	13,390
		Taxes	12 4,389	4,505
80 20		Other	14	0
80 20		General Expenses	16 11,865	12,172
		<b>Total Claims and Expenses</b>	19 69,285	63,175
		Premium Deficiency Adjustments	20	0
		<b>Underwriting Income (Loss)</b>	29 (2,679)	(2,601)
40 07		<b>INVESTMENT OPERATIONS</b>		
		Income	32 2,767	2,357
		Gains (Losses) from FVO or FVTPL	35 0	0
		Realized Gains (Losses)	33 (691)	881
		Expenses	34 241	231
		<b>Net Investment Income</b>	39 1,835	3,007
		<b>OTHER REVENUE AND EXPENSES</b>		
		Income (Loss) from Ancillary Operations (net of Expenses of S'000 )	40	0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41 119	(2)
		Share of Net Income (Loss) of Pooled Funds using Equity Method	47	
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42	0
		Other Revenues	44 202	157
		Finance costs	45	0
		Other Expenses	46	0
		<b>Net Income (Loss) before Income Taxes</b>	49 (523)	561
		<b>INCOME TAXES</b>		
		Current	50 141	155
		Deferred	51 (289)	0
		<b>Total Income Taxes</b>	59 (148)	155
		<b>NET INCOME (LOSS) FOR THE YEAR</b>	89 (375)	406
		<b>ATTRIBUTABLE TO:</b>		
		Non-controlling Interests	80	0
		Equity Holders	82 (375)	406

(04)



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

Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
		<b>Comprehensive Income (Loss)</b>			
		Net Income	01	(375)	406
		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	(978)	355
		- Equities	04	249	179
		Reclassification of (Gains) Losses to Net Income	05	491	(625)
		<b>Derivatives Designated as Cash Flow Hedges</b>			
		Change in Unrealized Gains and Losses	06	0	0
		Reclassification of (Gains) Losses to Net Income	07	0	0
		<b>Foreign Currency Translation</b>			
		Change in Unrealized Gains and Losses	08	0	0
		Impact of Hedging	09	0	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures (may be reclassified)</b>			
		Other	18	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	19	(238)	(91)
		Items that will not be reclassified subsequently to Net Income:			
		Revaluation Surplus	31	0	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures</b>			
		Revaluations 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	(238)	(91)
		<b>Total Comprehensive Income (Loss)</b>	39	(613)	315
		Attributable to:			
		Non-controlling Interests	60	0	0
		Equity Holders	62	(613)	315
		<b>Accumulated Other Comprehensive Income (Loss)</b>			
		Accumulated Gains (Losses) on:			
		Items that may be reclassified subsequently to Net Income:			
		Available for Sale:			
		- Loans	42	0	0
		- Bonds and Debentures	43	0	(4,230)
		- Equities	44	1,519	6,206
		<b>Derivatives Designated as Cash Flow Hedges</b>			
		Foreign Currency (net of hedging activities)	46	0	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures (may be reclassified)</b>			
		Other	68	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	69	1,519	1,976
		Items that will not be reclassified subsequently to Net Income:			
		Revaluation Surplus	71	108	359
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures</b>			
		Revaluations of Defined Benefit Plans	74	0	0
		Other	49	0	0
		Subtotal of items that will not be reclassified subsequently to Net Income	79	108	359
		Balance at end of Year	59	1,627	2,335

## CONSOLIDATED

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

	Current Period
(55)	(01)
<b>Capital Available:</b>	
Capital available (from page 30.62 - capital available)	67,228
Phase-in of capital available	376
(Specify)	
<b>Total Capital Available</b>	<b>66,852</b>
<b>Assets Available:</b>	
Net Assets Available (from page 30.92 - net assets available)	
Phase-in of net assets available	
(Specify)	
<b>Total Net Assets Available</b>	
<b>Capital (Margin) Required at Target:</b>	
<b>Insurance Risk:</b>	
Premium liabilities	9,446
Unpaid claims	10,728
Catastrophes	0
Margin required for reinsurance ceded to unregistered insurers	0
Subtotal: Insurance risk margin	20,174
<b>Market Risk:</b>	
Interest rate risk	1,456
Foreign exchange risk	726
Equity risk	7,091
Real estate risk	1,702
Other market risk exposures	228
Subtotal: Market risk margin	11,203
<b>Credit Risk:</b>	
Counterparty default risk for balance sheet assets	6,424
Counterparty default risk for off-balance sheet exposures	0
Counterparty default risk for unregistered reinsurance collateral and SIRs	0
Subtotal: Credit risk margin	6,424
Operational risk margin	11,071
Less: Diversification credit	5,040
<b>Total Capital (Margin) Required at Target</b>	<b>43,832</b>
Minimum Capital (Margin) Required (line 59 / 1.5)	29,221
Phase-in of Capital (Margin) Required	343
(Specify)	0
<b>Total Minimum Capital (Margin) Required</b>	<b>28,878</b>
<b>Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required</b>	<b>37,974</b>
<b>MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)</b>	<b>231.50%</b>

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