

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'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	21,619		25,337			
		Investment Income due and accrued	1,148		926			
		Assets held for sale			0			
		Investments:						
40.12		Short Term Investments			0			
40.22		Bonds and Debentures	202,332		157,044			
40.32		Mortgage Loans			0			
40.42		Preferred Shares			0			
40.52		Common Shares	39,228		33,703			
40.70		Investment Properties	4,882		4,882			
40.80		Other Loans and Invested Assets	5,220		11,910			
40.07		Total Investments (lines 04 to 10)	251,662		207,539		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	14,826		10,793			
		Policyholders			0			
		Instalment Premiums	53,803		49,772			
		Other Insurers	4,412		106			
		Facility Association and the "P.R.R."	9,450		8,423			
50.40		Subsidiaries, Associates & Joint Ventures	0		0			
50.20		Other Receivables	701		769			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	60,804		56,455			
60.30		Unpaid Claims and Adjustment Expenses	66,512		67,049			
		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			0			
40.70		Property and Equipment	6,379		6,659			
		Deferred Policy Acquisition Expenses	44,996		37,473			
		Current Tax Assets	73		9			
		Deferred Tax Assets	579		1,546			
		Goodwill			0			
		Intangible Assets	1,168		1,347			
		Defined Benefit Pension Plan			0			
		Other Assets	521		507			
		TOTAL ASSETS	538,653		474,710		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	
		Borrowed Money and Accrued Interest	02	0	
		Payables:			
50.20		Agents and Brokers	03	11,302	7,077
		Policyholders	04	0	
50.30		Other Insurers	05	10,625	11,333
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	4,895	3,217
		Other Taxes due and accrued	09	10,689	10,246
		Policyholder Dividends and Rating Adjustments	10	0	
40.70		Encumbrances on Real Estate	11	0	
60.10		Unearned Premiums	12	165,631	143,636
60.30		Unpaid Claims and Adjustment Expenses	13	191,088	185,577
80.10		Unearned Commissions	14	19,368	15,100
		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	2,206	1,416
		Deferred Tax Liabilities	21	1,539	1,536
		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	13,731	14,099
		Total Liabilities	29	431,074	393,237
		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	
20.54		Retained Earnings	44	85,885	59,113
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	5,332	5,998
		Total Policyholders/Shareholders' Equity	59	107,579	81,473
		Non-controlling Interests	48	0	0
		Total Equity	49	107,579	81,473
		TOTAL LIABILITIES AND EQUITY	89	538,653	474,710
		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	245,574	213,670
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	95,184	88,701
60.20		Net Premiums Written	150,390	124,969
		Decrease (increase) in Net Unearned Premiums	-15,692	-10,484
60.20		Net Premiums Earned	134,698	114,485
		Service Charges	3,628	2,650
		Other		0
		Total Underwriting Revenue	138,326	117,135
		Gross Claims and Adjustment Expenses	109,380	114,231
		Reinsurers' share of claims and adjustment expenses	40,995	45,958
60.20		Net Claims and Adjustment Expenses	68,385	68,273
		Acquisition Expenses		
		Gross Commissions	46,406	37,481
80.10		Ceded Commissions	24,194	20,046
80.10		Taxes	9,236	7,967
80.20		Other		0
80.20		General Expenses	20,906	19,167
		Total Claims and Expenses	120,739	112,842
		Premium Deficiency Adjustments		0
40.07		Underwriting Income (Loss)	17,587	4,293
		INVESTMENT OPERATIONS		
		Income	1,997	2,196
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	2,316	1,936
		Expenses	426	359
		Net Investment Income	3,887	3,773
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)		0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	-419	-447
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)		0
		Share of Net Income (Loss) of Pooled Funds using Equity Method		0
		Gain (Losses) from fluctuations in Foreign Exchange Rates		0
		Other Revenues	291	771
		Finance costs		0
		Other Expenses		0
		Net Income (Loss) before Income Taxes	21,346	8,390
		INCOME TAXES		
		Current	5,348	103
		Deferred		2,083
		Total Income Taxes	5,348	2,186
		NET INCOME (LOSS) FOR THE YEAR	15,998	6,204
		ATTRIBUTABLE TO:		
		Non-controlling Interests		0
		Equity Holders	15,998	6,204

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

Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(03)
		Comprehensive Income (Loss)		
		Net Income	15,998	6,204
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Loans		0
		- Bonds and Debentures	-2,036	4,213
		- Equities (IAS 39)	3,553	1,527
		Reclassification of (Gains) Losses to Net Income	-1,738	-1,433
		Overlay approach		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses		0
		Reclassification of (Gains) Losses from Net Income		0
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses		0
		Reclassification of (Gains) Losses to Net Income		0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses		0
		Impact of Hedging		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)		0
		Other		0
		Subtotal of items that may be reclassified subsequently to Net Income	-221	4,307
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)		0
		Revaluation Surplus		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures		0
		Remeasurements of Defined Benefit Plans		0
		Other		0
		Subtotal of items that will not be reclassified subsequently to Net Income	0	0
		Total Other Comprehensive Income (Loss)	-221	4,307
		Total Comprehensive Income (Loss)	15,777	10,511
		Attributable to:		
		Non-controlling Interests		0
		Equity Holders	15,777	10,511
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		- Loans		0
		- Bonds and Debentures	13	2,762
		- Equities (IAS 39)	4,211	2,128
		Overlay approach		0
		Derivatives Designated as Cash Flow Hedges		0
		Foreign Currency (net of hedging activities)		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)		0
		Other		0
		Subtotal of items that may be reclassified subsequently to Net Income	4,224	4,890
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		- Equities (IFRS 9)		0
		Revaluation Surplus	1,108	1,108
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures		0
		Remeasurements of Defined Benefit Plans		0
		Other		0
		Subtotal of items that will not be reclassified subsequently to Net Income	1,108	1,108
		Balance at end of Year	5,332	5,998

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	103,977
(Specify)	08	
Total Capital Available	09	103,977
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	14,621
Unpaid claims	22	13,786
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	2
Subtotal: Insurance risk margin	29	28,409
Market Risk:		
Interest rate risk	30	2,809
Foreign exchange risk	32	0
Equity risk	34	11,768
Real estate risk	36	1,059
Other market risk exposures	38	252
Subtotal: Market risk margin	39	15,888
Credit Risk:		
Counterparty default risk for balance sheet assets	40	6,251
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	6,251
Operational risk margin	50	15,164
Less: Diversification credit	52	6,660
Total Capital (Margin) Required at Target	59	59,052
Minimum Capital (Margin) Required (line 59 / 1.5)	60	39,368
(Specify)	68	
Total Minimum Capital (Margin) Required	69	39,368
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	64,609
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	264.12%

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