

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	24,138		14,604		
		Investment Income due and accrued	02	1,733		784		
		Assets held for sale	50			0		
		Investments:						
40.12		Short Term Investments	04			0		
40.22		Bonds and Debentures	05	120,260		127,456		
40.32		Mortgage Loans	06			0		
40.42		Preferred Shares	07			0		
40.52		Common Shares	08	31,772		34,045		
40.70		Investment Properties	09	9,006		9,006		
40.80		Other Loans and Invested Assets	10	4,451		3,572		
40.07		Total Investments (lines 04 to 10)	19	165,489		174,079		0
		Receivables:						
50.20		Unaffiliated Agents and Brokers	20	11,748		11,352		
		Policyholders	21			0		
		Instalment Premiums	22	37,906		34,981		
		Other Insurers	23	2,338		2,188		
		"Facility Association" and the "P.R.R."	24	8,014		9,182		
50.40		Subsidiaries, Associates & Joint Ventures	25	0		0		
50.20		Other Receivables	27	791		715		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	45,752		29,111		
60.30		Unpaid Claims and Adjustment Expenses	31	157,145		36,770		
		Other Recoverables on Unpaid Claims	37			0		
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
40.70		Property and Equipment	41	5,742		5,855		
		Deferred Policy Acquisition Expenses	43	28,629		27,257		
		Current Tax Assets	52	164		116		
		Deferred Tax Assets	44	686		504		
		Goodwill	54			0		
		Intangible Assets	56	556		911		
		Defined Benefit Pension Plan	58			0		
		Other Assets	88	660		627		
		TOTAL ASSETS	89	491,491		349,036		0

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	4,837	4,224	
		Policyholders 04		0	
50.30		Other Insurers 05	12,728	5,587	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates 06	0	0	
		Expenses due and accrued 07	2,755	2,454	
		Other Taxes due and accrued 09	5,056	4,432	
		Policyholder Dividends and Rating Adjustments 10		0	
40.70		Encumbrances on Real Estate 11		0	
60.10		Unearned Premiums 12	116,025	110,287	
60.30		Unpaid Claims and Adjustment Expenses 13	242,614	119,813	
80.10		Unearned Commissions 14	13,158	7,801	
		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		1,603	
		Deferred Tax Liabilities 21	2,277	2,176	
		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	16,200	10,535	
		Total Liabilities 29	415,650	268,912	0
		CANADIAN INSURERS ONLY:			
		EQUITY			
		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	62,144	63,852	
20.45		Reserves 45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss) 47	2,335	4,910	
		Total Policyholders/Shareholders' Equity 59	75,841	80,124	0
		Non-controlling Interests 48	0	0	
		Total Equity 49	75,841	80,124	0
		TOTAL LIABILITIES AND EQUITY 89	491,491	349,036	0
		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	01	114,206	110,292
70.21		Reinsurance Assumed	02	0	0
70.21		Reinsurance Ceded	03	55,141	33,868
60.20		Net Premiums Written	04	59,065	76,424
		Decrease (increase) in Net Unearned Premiums	05	49	(2,384)
60.20		Net Premiums Earned	06	59,114	74,040
		Service Charges	07	1,460	1,296
		Other	08	0	0
		Total Underwriting Revenue	09	60,574	75,336
		Gross Claims and Adjustment Expenses	62	181,760	60,805
		Reinsurers' share of claims and adjustment expenses	64	144,417	16,866
60.20		Net Claims and Adjustment Expenses	10	37,343	43,939
		Acquisition Expenses			
80.10		Gross Commissions	66	22,545	20,760
80.10		Ceded Commissions	68	13,390	7,226
		Taxes	12	4,505	3,708
80.20		Other	14	0	0
80.20		General Expenses	16	12,172	11,991
		Total Claims and Expenses	19	63,175	73,172
		Premium Deficiency Adjustments	20		0
		Underwriting Income (Loss)	29	(2,601)	2,164
40.07		INVESTMENT OPERATIONS			
		Income	32	2,357	1,634
		Realized Gains (Losses)	33	881	1,359
		Expenses	34	231	225
		Net Investment Income	39	3,007	2,768
		OTHER REVENUE AND EXPENSES			
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)	40	0	0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41	(2)	(12)
		Gains (losses) from fluctuations in Foreign Exchange Rates	42	0	0
		Other Revenues	44	157	282
		Finance costs	45	0	0
		Other Expenses	46	0	0
		Net Income (Loss) before Income Taxes	49	561	5,202
		INCOME TAXES			
		Current	50	155	1,454
		Deferred	51	0	0
		Total Income Taxes	59	155	1,454
		NET INCOME (LOSS) FOR THE YEAR	89	406	3,748
		ATTRIBUTABLE TO:			
		Non-controlling Interests	80	0	0
		Equity Holders	82	406	3,748

(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)	
20.30		Comprehensive Income (Loss)			
		Net Income	01	406	3,748
		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	355	371
		- Equities	04	179	1,628
		Reclassification of (Gains) Losses to Net Income	05	(625)	(999)
		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
		Other	18	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	19	(91)	1,000
		Items that will not be reclassified subsequently to Net Income:			
		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	(91)	1,000	
	Total Comprehensive Income (Loss)	39	315	4,748	
	Attributable to:				
	Non-controlling Interests	60	0	0	
	Equity Holders	62	315	4,748	
20.20		Accumulated Other Comprehensive Income (Loss)			
		Accumulated Gains (Losses) on:			
		Items that may be reclassified subsequently to Net Income:			
		Available for Sale:			
		- Loans	42	0	0
		- Bonds and Debentures	43	(4,230)	(3,912)
		- Equities	44	6,206	8,463
		Derivatives Designated as Cash Flow Hedges	45	0	0
		Foreign Currency (net of hedging activities)	46	0	0
		Other	68	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	69	1,976	4,551
		Items that will not be reclassified subsequently to Net Income:			
		Revaluation Surplus	71	359	359
		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	359	359
	Balance at end of Period	59	2,335	4,910	

CONSOLIDATED

REQUIRED AND MCT (BAAT) RATIO
(S'000)

(55)	Current Period (01)
Capital Available:	
Capital available (from page 30.62 - capital available) 01	73,684
Phase-in of capital available 03	1,129
(Specify) 08	
Total Capital Available 09	72,555
Assets Available:	
Net Assets Available (from page 30.92 - net assets available) 11	
Phase-in of net assets available 13	
(Specify) 18	
Total Net Assets Available 19	
Capital (Margin) Required at Target:	
Insurance Risk:	
Premium liabilities 20	10,381
Unpaid claims 22	9,739
Catastrophes 24	0
Margin required for reinsurance ceded to unregistered insurers 26	0
Subtotal: Insurance risk margin 29	20,120
Market Risk:	
Interest rate risk 30	1,283
Foreign exchange risk 32	1,589
Equity risk 34	9,532
Real estate risk 36	1,911
Other market risk exposures 38	258
Subtotal: Market risk margin 39	14,573
Credit Risk:	
Counterparty default risk for balance sheet assets 40	7,627
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	7,627
Operational risk margin 50	12,370
Less: Diversification credit 52	5,655
Total Capital (Margin) Required at Target 59	49,035
Minimum Capital (Margin) Required (line 59 / 1.5) 60	32,690
Phase-in of Capital (Margin) Required 62	1,030
(Specify) 68	0
Total Minimum Capital (Margin) Required 69	31,660
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required 79	40,895
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69) 90	229.17%

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