

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	11,712		7,587		
		Investment Income due and accrued	02	1,125		1,301		
		Assets held for sale	50			0		
		Investments:						
40.12		Short Term Investments	04			0		
40.22		Bonds and Debentures	05	121,847		126,214		
40.32		Mortgage Loans	06			0		
40.42		Preferred Shares	07			0		
40.52		Common Shares	08	23,908		32,106		
40.70		Investment Properties	09	7,987		9,006		
40.80		Other Loans and Invested Assets	10	3,448		3,422		
40.07		Total Investments (lines 04 to 10)	19	157,190		170,748		0
		Receivables:						
50.20		Unaffiliated Agents and Brokers	20	7,285		8,041		
		Policyholders	21			0		
		Instalment Premiums	22	31,920		33,115		
		Other Insurers	23	8,840		4,276		
		Facility Association and the "P.R.R."	24	7,405		7,780		
50.40		Subsidiaries, Associates & Joint Ventures	25	0		0		
50.20		Other Receivables	27	587		870		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	39,924		42,560		
60.30		Unpaid Claims and Adjustment Expenses	31	101,580		37,585		
		Other Recoverables on Unpaid Claims	37			0		
		Investments Accounted for Using the Equity Method:						
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
		Pooled Funds	45					
40.70		Property and Equipment	41	5,112		5,851		
		Deferred Policy Acquisition Expenses	43	26,292		26,753		
		Current Tax Assets	52	51		96		
		Deferred Tax Assets	44	2,636		686		
		Goodwill	54			0		
		Intangible Assets	56	349		626		
		Defined Benefit Pension Plan	58			0		
		Other Assets	88	502		565		
		TOTAL ASSETS	89	402,510		348,440		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	2,967	3,445
		Policyholders	04		0
		Other Insurers	05	1,803	5,276
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	3,380	2,990
		Other Taxes due and accrued	09	2,396	2,239
		Policyholder Dividends and Rating Adjustments	10		0
40.70		Encumbrances on Real Estate	11		0
60.10		Unearned Premiums	12	102,522	107,516
60.30		Unpaid Claims and Adjustment Expenses	13	193,995	119,577
80.10		Unearned Commissions	14	10,946	14,982
		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		1,047
		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	12,322	10,388
		Total Liabilities	29	332,455	269,737
		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	56,401	65,398
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	2,292	1,943
		Total Policyholders/Shareholders' Equity	59	70,055	78,703
		Non-controlling Interests	48	0	0
		Total Equity	49	70,055	78,703
		TOTAL LIABILITIES AND EQUITY	89	402,510	348,440
		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
(S'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)	
		UNDERWRITING OPERATIONS			
		Premiums Written			
		Direct	01	44,150	48,135
70.21		Reinsurance Assumed	02	0	0
70.21		Reinsurance Ceded	03	18,446	20,636
60.20		Net Premiums Written	04	25,704	27,499
		Decrease (increase) in Net Unearned Premiums	05	7,143	5,366
60.20		Net Premiums Earned	06	32,847	32,865
		Service Charges	07	717	720
		Other	08		0
		Total Underwriting Revenue	09	33,564	33,585
		Gross Claims and Adjustment Expenses	62	32,961	26,180
		Reinsurers' share of claims and adjustment expenses	64	10,792	10,243
60.20		Net Claims and Adjustment Expenses	10	22,169	15,937
		Acquisition Expenses			
80.10		Gross Commissions	66	10,986	11,583
80.10		Ceded Commissions	68	6,343	5,851
		Taxes	12	2,096	1,958
80.20		Other	14		0
80.20		General Expenses	16	5,720	6,079
		Total Claims and Expenses	19	34,628	29,706
		Premium Deficiency Adjustments	20		0
		Underwriting Income (Loss)	29	(1,064)	3,879
40.07		INVESTMENT OPERATIONS			
		Income	32	1,625	1,197
		Gains (Losses) from FVO or FVTPL	35	0	0
		Realized Gains (Losses)	33	(462)	26
		Expenses	34	115	116
		Net Investment Income	39	1,048	1,107
		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	(10)	10
		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	91	86
		Finance costs	45		0
		Other Expenses	46		0
		Net Income (Loss) before Income Taxes	49	65	5,082
		INCOME TAXES			
		Current	50	17	1,422
		Deferred	51		0
		Total Income Taxes	59	17	1,422
		NET INCOME (LOSS) FOR THE YEAR	89	48	3,660
		ATTRIBUTABLE TO:			
		Non-controlling Interests	80		0
		Equity Holders	82	48	3,660

(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	48	3,660
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		Change in Unrealized Gains and Losses:		
		- Loans	0	0
		- Bonds and Debentures	(330)	(23)
		- Equities	428	(441)
		Reclassification of (Gains) Losses to Net Income	328	(19)
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses	0	0
		Reclassification of (Gains) Losses to Net Income	0	0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses	0	0
		Impact of Hedging	0	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)		
		Other	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	426	(483)
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	0	0
		Remeasurements of Defined Benefit Plans	0	0
	Other	0	0	
	Subtotal of items that will not be reclassified subsequently to Net Income	0	0	
	Total Other Comprehensive Income (Loss)	426	(483)	
	Total Comprehensive Income (Loss)	474	3,177	
	Attributable to:			
	Non-controlling Interests	0	0	
	Equity Holders	474	3,177	
20.20		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		- Loans	0	0
		- Bonds and Debentures	374	(4,534)
		- Equities	1,810	6,118
		Derivatives Designated as Cash Flow Hedges	0	0
		Foreign Currency (net of hedging activities)	0	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)		
		Other	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	2,184	1,584
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus	108	359
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	0	0
		Remeasurements of Defined Benefit Plans	0	0
		Other	0	0
		Subtotal of items that will not be reclassified subsequently to Net Income	108	359
		Balance at end of Year	2,292	1,943

CONSOLIDATED

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

	Current Period
(55)	(01)
Capital Available:	
Capital available (from page 30.62 - capital available)	01 68,333
Phase-in of capital available	03 565
(Specify)	08
Total Capital Available	09 67,768
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 8,926
Unpaid claims	22 10,470
Catastrophes	24 0
Margin required for reinsurance ceded to unregistered insurers	26 48
Subtotal: Insurance risk margin	29 19,444
Market Risk:	
Interest rate risk	30 1,578
Foreign exchange risk	32 691
Equity risk	34 7,172
Real estate risk	36 1,703
Other market risk exposures	38 233
Subtotal: Market risk margin	39 11,377
Credit Risk:	
Counterparty default risk for balance sheet assets	40 6,023
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 6,023
Operational risk margin	50 11,053
Less: Diversification credit	52 4,920
Total Capital (Margin) Required at Target	59 42,977
Minimum Capital (Margin) Required (line 59 / 1.5)	60 28,651
Phase-in of Capital (Margin) Required	62 515
(Specify)	68 0
Total Minimum Capital (Margin) Required	69 28,136
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79 39,632
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90 240.86%

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