

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	28,724		15,562		
		Investment Income due and accrued	02	1,026		795		
		Assets held for sale	50	0		0		
		Investments:						
40.12		Short Term Investments	04	0		0		
40.22		Bonds and Debentures	05	171,544		138,047		
40.32		Mortgage Loans	06	0		0		
40.42		Preferred Shares	07	0		0		
40.52		Common Shares	08	35,840		23,453		
40.70		Investment Properties	09	4,882		4,882		
40.80		Other Loans and Invested Assets	10	5,735		12,491		
40.07		Total Investments (lines 04 to 10)	19	218,001		178,873	0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	20	9,830		8,373		
		Policyholders	21	0		0		
		Instalment Premiums	22	46,260		41,157		
		Other Insurers	23	294		410		
		Facility Association and the "P.R.R."	24	8,537		8,362		
50.40		Subsidiaries, Associates & Joint Ventures	25	0		0		
50.20		Other Receivables	27	779		797		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	53,667		47,108		
60.30		Unpaid Claims and Adjustment Expenses	31	62,073		56,652		
		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	6,822		6,924		
		Deferred Policy Acquisition Expenses	43	39,396		32,417		
		Current Tax Assets	52	119		587		
		Deferred Tax Assets	44	579		2,407		
		Goodwill	54	0		0		
		Intangible Assets	56	1,258		1,496		
		Defined Benefit Pension Plan	58	0		0		
		Other Assets	88	556		501		
		TOTAL ASSETS	89	477,921		402,421	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	4,576	3,540
		Policyholders	04	0	0
50.30		Other Insurers	05	6,213	6,291
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	4,052	4,019
		Other Taxes due and accrued	09	14,802	3,133
		Policyholder Dividends and Rating Adjustments	10	0	0
40.70		Encumbrances on Real Estate	11	0	0
60.10		Unearned Premiums	12	142,598	120,865
60.30		Unpaid Claims and Adjustment Expenses	13	176,383	164,541
80.10		Unearned Commissions	14	15,840	13,013
		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	795	0
		Deferred Tax Liabilities	21	1,539	1,536
		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	13,742	12,364
		Total Liabilities	29	380,540	329,302
		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	76,668	56,456
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	4,351	301
		Total Policyholders/Shareholders' Equity	59	97,381	73,119
		Non-controlling Interests	48	0	0
		Total Equity	49	97,381	73,119
		TOTAL LIABILITIES AND EQUITY	89	477,921	402,421
		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	Prior Period
			(01)	(03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct	01 68,161	57,322
70.21		Reinsurance Assumed	02 0	0
70.21		Reinsurance Ceded	03 26,914	23,629
60.20		Net Premiums Written	04 41,247	33,693
		Decrease (increase) in Net Unearned Premiums	05 204	2,940
60.20		Net Premiums Earned	06 41,451	36,633
		Service Charges	07 1,158	813
		Other	08 0	0
		Total Underwriting Revenue	09 42,609	37,446
		Gross Claims and Adjustment Expenses	62 31,158	32,372
		Reinsurers' share of claims and adjustment expenses	64 11,019	12,818
60.20		Net Claims and Adjustment Expenses	10 20,139	19,554
		Acquisition Expenses		
80.10		Gross Commissions	66 13,807	11,432
80.10		Ceded Commissions	68 8,066	6,201
		Taxes	12 2,913	2,521
80.20		Other	14 0	0
80.20		General Expenses	16 6,402	6,397
		Total Claims and Expenses	19 35,195	33,703
		Premium Deficiency Adjustments	20 0	0
		Underwriting Income (Loss)	29 7,414	3,743
40.07		INVESTMENT OPERATIONS		
		Income	32 664	743
		Gains (Losses) from FVO or FVTPL	35 0	0
		Realized Gains (Losses)	33 1,210	311
		Expenses	34 142	119
		Net Investment Income	39 1,732	935
		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 -183	-185
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)	48 0	0
		Share of Net Income (Loss) of Pooled Funds using Equity Method	47 0	0
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42 0	0
		Other Revenues	44 81	302
		Finance costs	45 0	0
		Other Expenses	46 0	0
		Net Income (Loss) before Income Taxes	49 9,044	4,795
		INCOME TAXES		
		Current	50 2,263	26
		Deferred	51 0	1,222
		Total Income Taxes	59 2,263	1,248
		NET INCOME (LOSS) FOR THE YEAR	89 6,781	3,547
		ATTRIBUTABLE TO:		
		Non-controlling Interests	80 0	0
		Equity Holders	82 6,781	3,547

(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)
		Comprehensive Income (Loss)		
20.30		Net Income	6,781	3,547
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Loans	0	0
		- Bonds and Debentures	-1,669	2,161
		- Equities (IAS 39)	1,376	-3,319
		Reclassification of (Gains) Losses to Net Income	-909	-231
		Overlay approach		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses	0	0
		Reclassification of (Gains) Losses from Net Income	0	0
		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)	0	0
		Other	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	-1,202	-1,389
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	0	0
		Revaluation Surplus	0	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	0	0
		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)	-1,202	-1,389
		Total Comprehensive Income (Loss)	5,579	2,158
		Attributable to:		
		Non-controlling Interest	0	0
		Equity Holders	5,579	2,158
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		- Loans	0	0
		- Bonds and Debentures	506	1,842
		- Equities (IAS 39)	2,737	-2,649
		Overlay approach	0	0
		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)	0	0
		Other	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	3,243	-807
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		- Equities (IFRS 9)	0	0
		Revaluation Surplus	1,108	1,108
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	0	0
		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	1,108	1,108
20.20		Balance at end of Year	4,351	301

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	93,558
(Specify)	08	
Total Capital Available	09	93,558
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	12,026
Unpaid claims	22	12,517
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	46
Subtotal: Insurance risk margin	29	24,589
Market Risk:		
Interest rate risk	30	2,011
Foreign exchange risk	32	0
Equity risk	34	10,752
Real estate risk	36	1,061
Other market risk exposures	38	294
Subtotal: Market risk margin	39	14,118
Credit Risk:		
Counterparty default risk for balance sheet assets	40	5,399
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	5,399
Operational risk margin	50	13,232
Less: Diversification credit	52	5,825
Total Capital (Margin) Required at Target	59	51,513
Minimum Capital (Margin) Required (line 59 / 1.5)	60	34,342
(Specify)	68	
Total Minimum Capital (Margin) Required	69	34,342
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	59,216
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	272.43%

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