

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	29,284		19,949			
		Investment Income due and accrued	770		1,534			
		Assets held for sale			0			
		Investments:						
40.12		Short Term Investments			0			
40.22		Bonds and Debentures	143,895		132,996			
40.32		Mortgage Loans			0			
40.42		Preferred Shares			0			
40.52		Common Shares	31,558		22,285			
40.70		Investment Properties	4,882		7,987			
40.80		Other Loans and Invested Assets	12,247		9,504			
40.07		Total Investments (lines 04 to 10)	192,582		172,772		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	10,621		10,250			
		Policyholders			0			
		Instalment Premiums	45,515		41,044			
		Other Insurers	148		258			
		Facility Association and the "P.R.R."	8,871		8,361			
50.40		Subsidiaries, Associates & Joint Ventures	0		0			
50.20		Other Receivables	717		667			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	53,019		45,754			
60.30		Unpaid Claims and Adjustment Expenses	68,056		59,429			
		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	6,639		6,024			
		Deferred Policy Acquisition Expenses	35,253		30,213			
		Current Tax Assets			0			
		Deferred Tax Assets	2,667		5,776			
		Goodwill			0			
		Intangible Assets	1,409		1,382			
		Defined Benefit Pension Plan			0			
		Other Assets	571		542			
		TOTAL ASSETS	456,122		403,955		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	4,603	
		Policyholders	04	0	
50.30		Other Insurers	05	8,947	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	
		Expenses due and accrued	07	2,829	
		Other Taxes due and accrued	09	6,260	
		Policyholder Dividends and Rating Adjustments	10	0	
40.70		Encumbrances on Real Estate	11	0	
60.10		Unearned Premiums	12	118,134	
60.30		Unpaid Claims and Adjustment Expenses	13	163,635	
80.10		Unearned Commissions	14	13,035	
		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	1,046	
		Deferred Tax Liabilities	21	2,125	
		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	12,705	
		Total Liabilities	29	379,342	0
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common	41	2,000	
		Preferred	33	5,000	
		Contributed Surplus	42	9,362	
		(Specify)	43	0	
20.54		Retained Earnings	44	52,794	
20.45		Reserves	45	0	
20.42		Accumulated Other Comprehensive Income (Loss)	47	1,480	
		Total Policyholders/Shareholders' Equity	59	70,636	0
		Non-controlling Interests	48	0	
		Total Equity	49	70,636	0
		TOTAL LIABILITIES AND EQUITY	89	403,955	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	136,274	118,524
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	57,008	48,687
60.20		Net Premiums Written	79,266	69,837
		Decrease (increase) in Net Unearned Premiums	(4,998)	(2,254)
60.20		Net Premiums Earned	74,268	67,583
		Service Charges	1,664	1,529
		Other		0
		Total Underwriting Revenue	75,932	69,112
		Gross Claims and Adjustment Expenses	78,738	61,106
		Reinsurers' share of claims and adjustment expenses	34,248	22,074
60.20		Net Claims and Adjustment Expenses	44,490	39,032
		Acquisition Expenses		
		Gross Commissions	24,342	20,818
80.10		Ceded Commissions	12,995	11,162
		Taxes	5,175	4,696
80.20		Other		0
80.20		General Expenses	13,539	12,512
		Total Claims and Expenses	74,551	65,896
		Premium Deficiency Adjustments		0
40.07		Underwriting Income (Loss)	1,381	3,216
		INVESTMENT OPERATIONS		
		Income	1,498	2,146
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	1,042	568
		Expenses	238	228
		Net Investment Income	2,302	2,486
		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	(317)	(115)
		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	561	435
		Finance costs		0
		Other Expenses		0
		Net Income (Loss) before Income Taxes	3,927	6,022
		INCOME TAXES		
		Current	62	120
		Deferred	962	1,500
		Total Income Taxes	1,024	1,620
		NET INCOME (LOSS) FOR THE YEAR	2,903	4,402
		ATTRIBUTABLE TO:		
		Non-controlling Interests		0
		Equity Holders	2,903	4,402

(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	2,903	4,402
		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	3,955	1,389
		- Equities (IAS 39)	(267)	1,787
		Reclassification of (Gains) Losses to Net Income	(772)	(452)
		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)		
		Other	0	0
		Subtotal of items that may be reclassified subsequently to Net Income	2,916	2,724
		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			
	Other	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)	2,916	2,724	
	Total Comprehensive Income (Loss)	5,819	7,126	
	Attributable to:			
	Non-controlling Interests	0	0	
	Equity Holders	5,819	7,126	
20.20		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	3,052	(4,013)
		- Equities (IAS 39)	446	5,385
		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	3,498	1,372
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		- Equities (IFRS 9)	0	0
		Revaluation Surplus	1,108	108
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures		
		Other	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	108	
	Balance at end of Year	4,606	1,480	

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	72,488
(Specify)	08	
Total Capital Available	09	72,488
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	11,210
Unpaid claims	22	13,089
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	115
Subtotal: Insurance risk margin	29	24,414
Market Risk:		
Interest rate risk	30	838
Foreign exchange risk	32	0
Equity risk	34	9,467
Real estate risk	36	1,065
Other market risk exposures	38	272
Subtotal: Market risk margin	39	11,642
Credit Risk:		
Counterparty default risk for balance sheet assets	40	6,049
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	6,049
Operational risk margin	50	12,632
Less: Diversification credit	52	5,486
Total Capital (Margin) Required at Target	59	49,251
Minimum Capital (Margin) Required (line 59 / 1.5)	60	32,834
(Specify)	68	
Total Minimum Capital (Margin) Required	69	32,834
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	39,654
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	220.77%

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