

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	19,273		21,255			
		Investment Income due and accrued	825		644			
		Assets held for sale			0			
		Investments:						
40.12		Short Term Investments			0			
40.22		Bonds and Debentures	177,656		135,009			
40.32		Mortgage Loans			0			
40.42		Preferred Shares			0			
40.52		Common Shares	35,407		26,358			
40.70		Investment Properties	4,882		4,882			
40.80		Other Loans and Invested Assets	5,866		12,719			
40.07		Total Investments (lines 04 to 10)	223,811		178,968		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	10,787		9,102			
		Policyholders			0			
		Instalment Premiums	50,013		43,543			
		Other Insurers	107		1,491			
		Facility Association and the "P.R.R."	8,406		8,388			
50.40		Subsidiaries, Associates & Joint Ventures	0		0			
50.20		Other Receivables	737		792			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	57,056		48,704			
60.30		Unpaid Claims and Adjustment Expenses	62,848		55,412			
		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	7,087		6,938			
		Deferred Policy Acquisition Expenses	40,286		33,819			
		Current Tax Assets	107		1			
		Deferred Tax Assets	579		3,629			
		Goodwill			0			
		Intangible Assets	1,284		1,556			
		Defined Benefit Pension Plan			0			
		Other Assets	431		353			
		TOTAL ASSETS	483,637		414,595		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	10,365	6,758
		Policyholders	04	0	
50.30		Other Insurers	05	8,020	4,784
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	3,897	3,648
		Other Taxes due and accrued	09	13,633	12,430
		Policyholder Dividends and Rating Adjustments	10	0	
40.70		Encumbrances on Real Estate	11	0	0
60.10		Unearned Premiums	12	146,191	125,401
60.30		Unpaid Claims and Adjustment Expenses	13	174,822	163,080
80.10		Unearned Commissions	14	15,490	13,409
		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	3,854	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	13,564	12,587
		Total Liabilities	29	391,375	343,633
		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	70,348	52,909
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	5,552	1,691
		Total Policyholders/Shareholders' Equity	59	92,262	70,962
		Non-controlling Interests	48	0	0
		Total Equity	49	92,262	70,962
		TOTAL LIABILITIES AND EQUITY	89	483,637	414,595
		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	287,491	246,050
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	118,742	101,003
60.20		Net Premiums Written	168,749	145,047
		Decrease (increase) in Net Unearned Premiums	(12,438)	(6,571)
60.20		Net Premiums Earned	156,311	138,476
		Service Charges	3,772	3,145
		Other		0
		Total Underwriting Revenue	160,083	141,621
		Gross Claims and Adjustment Expenses	140,716	129,685
		Reinsurers' share of claims and adjustment expenses	55,809	45,854
60.20		Net Claims and Adjustment Expenses	84,907	83,831
		Acquisition Expenses		
		Gross Commissions	53,586	44,402
80.10		Ceded Commissions	27,733	23,726
		Taxes	10,873	9,604
80.20		Other	(2,457)	(2,352)
80.20		General Expenses	26,155	25,357
		Total Claims and Expenses	145,331	137,116
		Premium Deficiency Adjustments		0
		Underwriting Income (Loss)	14,752	4,505
40.07		INVESTMENT OPERATIONS		
		Income	6,287	4,314
		Gains (Losses) from FVO or FVTPL	0	(3,105)
		Realized Gains (Losses)	2,766	843
		Expenses	531	459
		Net Investment Income	8,522	1,593
		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	(683)	(445)
		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	963	1,111
		Finance costs		0
		Other Expenses		0
		Net Income (Loss) before Income Taxes	23,554	6,764
		INCOME TAXES		
		Current	2,773	147
		Deferred	3,053	1,931
		Total Income Taxes	5,826	2,078
		NET INCOME (LOSS) FOR THE YEAR	17,728	4,686
		ATTRIBUTABLE TO:		
		Non-controlling Interests		0
		Equity Holders	17,728	4,686

(04)

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

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
20.30		Comprehensive Income (Loss)		
		Net Income	17,728	4,686
		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	4,350	659
		- Equities (IAS 39)	1,568	1,901
		Reclassification of (Gains) Losses to Net Income	(2,057)	(625)
		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	3,861	1,935
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)		0
		Revaluation Surplus		1,000
		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	1,000
		Total Other Comprehensive Income (Loss)	3,861	2,935
		Total Comprehensive Income (Loss)	21,589	7,621
		Attributable to:		
		Non-controlling Interests		0
		Equity Holders	21,589	7,621

		Current Period (01)	Prior Period (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains (Losses) on:		
	Items that may be reclassified subsequently to Net Income:		
	FVOCI:		
	- Loans		0
	- Bonds and Debentures	1,816	150
	- Equities (IAS 39)	2,628	433
	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	4,444	583
	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
20.20	Balance at end of Year	5,552	1,691

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	88,628
(Specify)	08	
Total Capital Available	09	88,628
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	11,853
Unpaid claims	22	12,284
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	24,137
Market Risk:		
Interest rate risk	30	2,745
Foreign exchange risk	32	0
Equity risk	34	10,622
Real estate risk	36	1,063
Other market risk exposures	38	319
Subtotal: Market risk margin	39	14,749
Credit Risk:		
Counterparty default risk for balance sheet assets	40	5,428
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	5,428
Operational risk margin	50	13,294
Less: Diversification credit	52	5,886
Total Capital (Margin) Required at Target	59	51,722
Minimum Capital (Margin) Required (line 59 / 1.5)	60	34,481
(Specify)	68	
Total Minimum Capital (Margin) Required	69	34,481
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	54,147
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	257.03%

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