

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total (01)	Vested in Trust (02)	Total (03)	Vested in Trust (04)	Total (05)	Vested in Trust (06)
		Cash and Cash Equivalents 010	1,084		2,401			
		Assets held for sale 020			0			
21.012		Short Term Investments 040	0		0			
		Accrued Investment Income 070			0			
21.150 or/ou 21.155		Accounts Receivable 100	1,586		2,050			
		Policy/Certificate Loans 200			0			
21.012		Bonds and Debentures 250	50		50			
21.050		Mortgage Loans 300	0		0			
21.012		Preferred Shares 420	2,289		2,917			
21.012		Common Shares 440	1,859		2,125			
21.012		Investment Properties 510	0		0			
		Derivative Financial Instruments 520			0			
22.020		Reinsurance Assets 530	0		0			
21.080		Property and Equipment 540	0		0			
21.012		Interests in Associates & Joint Ventures 550	0		0			
60.010		Segregated Funds Net Assets 560	0		0			
21.100		Other Loans and Invested Assets 600	0		0			
		Investments in Subsidiaries 750			0			
		Current Tax Assets 780	241		0			
		Deferred Tax Assets 800	84		123			
		Goodwill 820			0			
		Intangible Assets 830			0			
		Defined Benefit Pension Plan 840			0			
21.155		Other Assets 880	21		26			
		TOTAL ASSETS 899	7,214		9,692		0	

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Year Restated
			(01)	(03)	(05)
		Liabilities			
		Liabilities held for sale	005	0	
<u>22.020</u>		Actuarial Liabilities for Insurance Contracts	010	355	804
<u>22.020</u>		Other Contract Liabilities	040	179	165
		Trust and Banking Deposits	070		0
<u>or/ou</u> <u>21.155</u>		Accounts Payable	100	1,047	1,410
<u>21.080</u>		Mortgage Loans and Other Real Estate Encumbrances	130	0	0
		Derivative Financial Instruments	140		0
		Defined Benefit Pension Plan	145		0
		Amounts Due in respect of Staff Pension Plans (not including amounts on line 145 above)	150		0
<u>22.030</u>		Provisions and Other Liabilities	160	445	516
		Segregated Fund Liabilities	420		0
		Current Tax Liabilities	430		48
		Deferred Tax Liabilities	250		0
		Subordinated Debt	280		0
		Other Debt	310		0
		Total Liabilities	389	2,026	2,943
		Policyholders' Equity			
<u>20.040</u>		Participating Account	510	0	0
		Participating Account - Accumulated OCI (Loss)	520		0
<u>20.040</u>		Non-Participating Account (Mutual Companies Only)	540	0	0
		Non-Participating Account - Accumulated OCI (Loss)	550		0
		Total Policyholders' Equity	589	0	0
		Shareholders' Equity			
		Capital Stock	610	5,000	5,000
		Other Capital	640		0
		Contributed Surplus	670	100	1,000
<u>20.040</u>		Retained Earnings	700	(26)	488
		Accumulated Other Comprehensive Income (Loss)	740	114	261
		Total Shareholders' Equity	779	5,188	6,749
		Non-controlling Interests	829		0
		Total Equity	839	5,188	6,749
		TOTAL LIABILITIES AND EQUITY	899	7,214	9,692
<u>20.044</u>		Head Office Account	800		
		Accumulated Other Comprehensive Income (Loss)	840		
		TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME	999		

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
		Revenue			
35.020		Gross Premiums	020	4,927	5,509
35.020		Premiums ceded	030	0	0
45.020		Net Premiums	040	4,927	5,509
35.020		Gross Investment Income	050	(527)	308
35.020		Less: Investment Expenses and Taxes	060	0	0
23.010		Net Investment Income	070	(527)	308
35.020		Share of Income/Loss of Associates & Joint Ventures	090	0	0
		Fee Income	130	0	0
23.030		Other Revenue	160	0	0
35.020		Fraternal and Other Fund Revenues	180	0	0
		Total Revenue	199	4,400	5,817
		Policy/Certificate Benefits and Expenses			
35.020		Policyholder/Certificateholder Benefits	260	172	196
35.020		Benefits ceded	270	0	0
		Gross Changes to Actuarial Liabilities			
35.020		Normal	310	(450)	(743)
35.020		Basis Change	320	0	0
35.020		Gross Changes to Other Contract Liabilities	340	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded			
35.020		Normal	370	0	0
35.020		Basis Change	380	0	0
35.020		Policyholder/Certificateholder Dividends	360	0	0
35.020		Experience Rating Refunds	390	0	0
35.020		Transfer to and (Transfer from) Other Funds	420	0	0
35.020		Gross Commissions	460	0	0
35.020		Commissions Ceded	470	0	0
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit	480	0	0
23.030		Interest Expense and Finance costs	510	0	0
23.030		General Expenses and Taxes (excl. income taxes)	540	4,840	5,369
23.030		Other Expenses	570	0	0
35.020		Fraternal and Other Fund Expenses	580	0	0
		Total Benefits and Expenses	649	4,562	4,822
		Income Before Income Tax	669	(162)	995
		Provision for Income Taxes			
		Current	700	(127)	247
		Deferred	710	39	(51)
		Income Before the following:	749	(74)	799
35.020		Discontinued Operations (net of Income Taxes of \$)	830	0	0
		Income Before Attribution to Participating Policyholders/Certificateholders	859	(74)	799
35.020		Income Attributable to Participating Policyholders/Certificateholders (Stock Companies)	870	0	0
35.020		Net Income	899	(74)	799
35.020		Less: Fraternal and Other Fund Account	980	0	0
35.020		Net Income: Insurance Fund	989	(74)	799
		Attributable to:			
		Non-controlling Interests	900		0
		Equity Holders	920	(74)	799

(99)

830 0

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(03)
20.030		Comprehensive Income (Loss)		
		Net Income/Income Before Attribution to Participating Policyholders/Certificateholders	010	799
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		Change in Unrealized Gains and Losses:		
		- Loans	110	0
		- Bonds and Debentures	140	0
		- Equities	170	117
		Reclassification of (Gains) Losses to Net Income	210	(69)
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses	310	0
		Reclassification of (Gains) Losses to Net Income	340	0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses	410	0
		Impact of Hedging	440	0
		Share of Other Comprehensive Income of Associates & Joint Ventures	460	0
		Other	445	0
		Subtotal of items that may be reclassified subsequently to Net Income	449	(147)
		Items that will not be reclassified subsequently to Net Income:		
Revaluation Surplus	455	0		
Remeasurements of Defined Benefit Plans	470	0		
Other	480	0		
Subtotal of items that will not be reclassified subsequently to Net Income	489	0		
Total Other Comprehensive Income (Loss)	510	(147)		
Total Comprehensive Income (Loss)	589	847		
Attributable to:				
Participating Policyholders/Certificateholders (Stock companies)	615	0		
Non-controlling Interests	600	0		
Equity Holders	620	847		
			(01)	(03)
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses), net of tax, on:		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		- Loans	710	0
		- Bonds and Debentures	740	0
		- Equities	770	261
		Derivatives Designated as Cash Flow Hedges	810	0
		Foreign Currency (Net of Hedging Activities)	840	0
		Share of Other Comprehensive Income of Associates & Joint Ventures	860	0
		Other	845	0
		Subtotal of items that may be reclassified subsequently to Net Income	849	261
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus	855	0
		Remeasurements of Defined Benefit Plans	870	0
		Other	880	0
		Subtotal of items that will not be reclassified subsequently to Net Income	889	0
		Balance at end of Year	899	261

Summary of Capital Elements and Ratio Calculations
(thousands of dollars)

	01	02	Ref
Capital Available:			
Tier 1			
Common shares		5,000	001
Contributed surplus		100	002
Retained earnings	(26)		003
Less: Accumulated after tax fair value gains/(losses) arising from changes in institution's own credit risk			301
Less: After tax fair value gains/(losses) on own-use property upon conversion to IFRS (cost model)			204
Plus: Accumulated after tax revaluation loss on own-use property (revaluation model)			206
Less: Accumulated net after tax fair value gains after transition to IFRS on investment properties that do not back liabilities under CALM			208
Less: Net decrease in actuarial liabilities due to recognition of mortality improvement			210
Less: Discretionary participation features included in reported equity			212
Plus: Adjustment to retained earnings for phase-in of IFRS			214
Retained earnings for MCCSR purposes		(26)	203
Future use: fair value option			302
Participating account			004
Non-cumulative perpetual preferred shares			005
Qualifying non-controlling interests (excluding innovative tier 1)			006
Innovative Instruments in Tier 1 (max 15% net tier 1)			007
Non-participating account (mutual companies)			311
Accumulated net after-tax foreign currency translation adjustment reported in Other Comprehensive Income (OCI)			313
Accumulated net after-tax unrealized loss on available-for-sale equity securities reported in OCI			314
Accumulated changes in liabilities included in OCI under shadow accounting			316
Accumulated defined benefit pension plan remeasurements included in OCI			317
Adjustment amount to phase-in the impact on tier 1 capital on account of defined benefit pension plan assets (liabilities) ¹			318
Gross Tier 1 Capital		5,074	010
Less: Deductions for Net Tier 1 Capital (page 20.020, line 249)	0		012
Net Tier 1 Capital		5,074	020
Less: Additional deductions for Adjusted Net Tier 1 Capital (page 20.020, line 299)	0		321
Adjusted Net Tier 1 Capital		A 5,074	329
Tier 2A (page 20.020 line 079)	114		021
Tier 2B allowed (page 20.030 line 045)	0		022
Tier 2C (page 20.030 line 068)	0		023
Net Tier 2 Capital (page 20.030 line 695)		B 114	025
Total Capital Available	(A+B) C	5,188	040
Capital Required:			
Asset Default and Market Risk			
Asset Default (C-1) Risk			
- Backing Non-Par, Surplus and Non-Qualifying Participating	i) 476		041
- Backing Qualifying Participating Policies	ii) 0		042
Index Linked Pass Through Products	iii) 0		043
C-1 and C-3 requirements for letters of credit and collateral used to obtain reserve or capital credit for unregistered reinsurance	iv)		220
Off-Balance Sheet Exposures			
- Backing Non-Par, Surplus and Non-Qualifying Participating	v) 0		044
- Backing Qualifying Participating Policies	vi) 0		045
Segregated Funds Risk	vii) 0		046
Total Asset Default and Market Risk	sum of (i to vii)	476	050
Insurance Risks			
Mortality Risk	i) 197		051
Morbidity Risk	ii) 363		052
Lapse Risk	iii) 0		053
Total Insurance Risks	sum of (i to iii)	560	060
Changes in Interest Environment (C-3) Risk		0	062
Foreign Exchange Risk		0	067
Other (specify)²			070
Total Capital Required		D 1,036	080
MCCSR Ratios			
Tier 1	(A + D) x 100	489.74	098
Total	(C + D) x 100	500.77	099

¹ Phase-in of the impact of including in Tier 1 the AOCI DB Plan remeasurements balance, if any, as at Dec 31, 2012 and of the net restatement of retained earnings and AOCI together upon the initial adoption of IAS 19R, effective Jan 1, 2013.

² Provide details of additional requirements.