

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	199		234		
		Investment Income due and accrued	02	363		467		
		Assets held for sale	50			0		
		Investments:						
<a href="#">40.12</a>		Short Term Investments	04	1,505		241		
<a href="#">40.22</a>		Bonds and Debentures	05	29,039		36,164		
<a href="#">40.32</a>		Mortgage Loans	06			0		
<a href="#">40.42</a>		Preferred Shares	07			0		
<a href="#">40.52</a>		Common Shares	08	7,528		1,714		
<a href="#">40.70</a>		Investment Properties	09			0		
<a href="#">40.80</a>		Other Loans and Invested Assets	10			0		
<a href="#">40.07</a>		<b>Total Investments (lines 04 to 10)</b>	19	38,072		38,119		0
		Receivables:						
<a href="#">50.20</a>		Unaffiliated Agents and Brokers	20			0		
		Policyholders	21	0		0		
		Instalment Premiums	22			0		
		Other Insurers	23			0		
		Facility Association and the "P.R.R."	24			0		
<a href="#">50.40</a>		Subsidiaries, Associates & Joint Ventures	25	0		76		
<a href="#">50.20</a>		Other Receivables	27	21		465		
		Recoverable from Reinsurers:						
<a href="#">60.10</a>		Unearned Premiums	30	0		0		
<a href="#">60.30</a>		Unpaid Claims and Adjustment Expenses	31	287		0		
		Other Recoverables on Unpaid Claims	37			0		
		Investments Accounted for Using the Equity Method:						
<a href="#">50.32</a>		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
		Pooled Funds	45			0		
<a href="#">40.70</a>		Property and Equipment	41			0		
		Deferred Policy Acquisition Expenses	43			0		
		Current Tax Assets	52			0		
		Deferred Tax Assets	44	3,551		3,334		
		Goodwill	54			0		
		Intangible Assets	56			0		
		Defined Benefit Pension Plan	58			0		
		Other Assets	88	4,809		4,733		
		<b>TOTAL ASSETS</b>	89	47,302		47,428		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)
		<b>LIABILITIES</b>			
		Overdrafts	01	0	
		Borrowed Money and Accrued Interest	02	0	
		Payables:			
<a href="#">50.20</a>		Agents and Brokers	03	0	
		Policyholders	04	0	
<a href="#">50.30</a>		Other Insurers	05	0	
<a href="#">50.40</a>		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	
		Expenses due and accrued	07	651	935
		Other Taxes due and accrued	09	0	
		Policyholder Dividends and Rating Adjustments	10	0	
<a href="#">40.70</a>		Encumbrances on Real Estate	11	0	
<a href="#">60.10</a>		Unearned Premiums	12	0	
<a href="#">60.30</a>		Unpaid Claims and Adjustment Expenses	13	19,492	20,720
<a href="#">80.10</a>		Unearned Commissions	14	0	0
		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	0	
		Deferred Tax Liabilities	21	0	
		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	4,739	4,669
		<b>Total Liabilities</b>	29	24,882	26,324
		<b>CANADIAN INSURERS ONLY:</b>			
		<b>EQUITY</b>			
		Shares issued and paid			
		Common	41	12,183	6,623
		Preferred	33	0	5,629
		Contributed Surplus	42	0	0
		(Specify)	43	0	0
<a href="#">20.54</a>		Retained Earnings	44	8,689	8,321
<a href="#">20.45</a>		Reserves	45	0	0
<a href="#">20.42</a>		Accumulated Other Comprehensive Income (Loss)	47	1,548	531
		<b>Total Policyholders/Shareholders' Equity</b>	59	22,420	21,104
		Non-controlling Interests	48	0	0
		<b>Total Equity</b>	49	22,420	21,104
		<b>TOTAL LIABILITIES AND EQUITY</b>	89	47,302	47,428
		<b>FOREIGN INSURERS ONLY:</b>			
		<b>HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>			
<a href="#">20.45</a>		Head Office Account	51		
		(Specify)	53		
<a href="#">20.45</a>		Reserves	55		
<a href="#">20.42</a>		Accumulated Other Comprehensive Income (Loss)	56		
		<b>Total Head Office Account, Reserves &amp; AOCI</b>	69		
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>	79		

## CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		<b>UNDERWRITING OPERATIONS</b>		
		<b>Premiums Written</b>		
		Direct	2,095	2,877
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	209	173
60.20		<b>Net Premiums Written</b>	1,886	2,704
		Decrease (increase) in Net Unearned Premiums	0	0
60.20		<b>Net Premiums Earned</b>	1,886	2,704
		Service Charges		0
		Other	(18)	0
		<b>Total Underwriting Revenue</b>	1,868	2,704
		Gross Claims and Adjustment Expenses	725	1,130
		Reinsurers' share of claims and adjustment expenses	0	0
60.20		<b>Net Claims and Adjustment Expenses</b>	725	1,130
		Acquisition Expenses		
80.10		Gross Commissions	512	800
80.10		Ceded Commissions	0	0
		Taxes		0
80.20		Other		65
80.20		General Expenses		0
		<b>Total Claims and Expenses</b>	1,237	1,995
		Premium Deficiency Adjustments		0
		<b>Underwriting Income (Loss)</b>	631	709
40.07		<b>INVESTMENT OPERATIONS</b>		
		Income	606	0
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	0	439
		Expenses		0
		<b>Net Investment Income</b>	606	439
		<b>OTHER REVENUE AND EXPENSES</b>		
		Income (Loss) from Ancillary Operations (net of Expenses of \$000 )		0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures		0
		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		0
		Finance costs		0
		Other Expenses	1,901	1,269
		<b>Net Income (Loss) before Income Taxes</b>	(664)	(121)
		<b>INCOME TAXES</b>		
		Current		0
		Deferred		(180)
		<b>Total Income Taxes</b>	0	(180)
		<b>NET INCOME (LOSS) FOR THE YEAR</b>	123	59
		<b>ATTRIBUTABLE TO:</b>		
		Non-controlling Interests		0
		Equity Holders	123	59

(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)
<a href="#">20.30</a>		<b>Comprehensive Income (Loss)</b>		
		Net Income	01	123
		Other Comprehensive Income (Loss):		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Loans	02	0
		- Bonds and Debentures	03	0
		- Equities (IAS 39)	04	0
		Reclassification of (Gains) Losses to Net Income	05	0
		<b>Overlay approach</b>		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses	15	0
		Reclassification of (Gains) Losses from Net Income	16	0
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		Change in Unrealized Gains and Losses	06	0
		Reclassification of (Gains) Losses to Net Income	07	0
		<b>Foreign Currency Translation</b>		
		Change in Unrealized Gains and Losses	08	0
		Impact of Hedging	09	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures (may be reclassified)</b>	14	0
		<b>Other</b>	18	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	19	0
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	25	0
		<b>Revaluation Surplus</b>	31	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures</b>	11	0
	<b>Remeasurements of Defined Benefit Plans</b>	34	0	
	<b>Other</b>	12	0	
	<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	29	0	
	Total Other Comprehensive Income (Loss)	21	0	
	<b>Total Comprehensive Income (Loss)</b>	39	123	
	<b>Attributable to:</b>			
	Non-controlling Interests	60	0	
	Equity Holders	62	123	
			59	
<a href="#">20.20</a>		<b>Accumulated Other Comprehensive Income (Loss)</b>		
		Accumulated Gains (Losses) on:		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Loans	42	0
		- Bonds and Debentures	43	1,548
		- Equities (IAS 39)	44	0
		<b>Overlay approach</b>	55	0
		<b>Derivatives Designated as Cash Flow Hedges</b>	45	0
		<b>Foreign Currency (net of hedging activities)</b>	46	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures (may be reclassified)</b>	52	0
		<b>Other</b>	68	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	69	1,548
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Equities (IFRS 9)	65	0
		<b>Revaluation Surplus</b>	71	0
		<b>Share of Other Comprehensive Income of Subsidiaries, Associates &amp; Joint Ventures</b>	51	0
		<b>Remeasurements of Defined Benefit Plans</b>	74	0
		<b>Other</b>	49	0
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	79	0
		Balance at end of Year	59	1,548
				531

## CONSOLIDATED

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

(\$'000)

	Current Period	
(55)		(01)
<b>Capital Available:</b>		
Capital available (from page 30.62 - capital available)	01	18,869
(Specify)	08	
<b>Total Capital Available</b>	<b>09</b>	<b>18,869</b>
<b>Assets Available:</b>		
Net Assets Available (from page 30.92 - net assets available)	11	
(Specify)	18	
<b>Total Net Assets Available</b>	<b>19</b>	
<b>Capital (Margin) Required at Target:</b>		
<b>Insurance Risk:</b>		
Premium liabilities	20	295
Unpaid claims	22	2,562
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	2,857
<b>Market Risk:</b>		
Interest rate risk	30	462
Foreign exchange risk	32	607
Equity risk	34	2,258
Real estate risk	36	0
Other market risk exposures	38	0
Subtotal: Market risk margin	39	3,327
<b>Credit Risk:</b>		
Counterparty default risk for balance sheet assets	40	281
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	281
Operational risk margin	50	685
Less: Diversification credit	52	854
<b>Total Capital (Margin) Required at Target</b>	<b>59</b>	<b>6,296</b>
Minimum Capital (Margin) Required (line 59 / 1.5)	60	4,197
(Specify)	68	
<b>Total Minimum Capital (Margin) Required</b>	<b>69</b>	<b>4,197</b>
<b>Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required</b>	<b>79</b>	<b>14,672</b>
<b>MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)</b>	<b>90</b>	<b>449.58%</b>

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