

## 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	3,034		1,603			
		Investment Income due and accrued	163		218			
		Assets held for sale			0			
		Investments:						
<a href="#">40.12</a>		Short Term Investments	653		2,223			
<a href="#">40.22</a>		Bonds and Debentures	26,305		25,917			
<a href="#">40.32</a>		Mortgage Loans			0			
<a href="#">40.42</a>		Preferred Shares			0			
<a href="#">40.52</a>		Common Shares	7,633		6,259			
<a href="#">40.70</a>		Investment Properties			0			
<a href="#">40.80</a>		Other Loans and Invested Assets			0			
<a href="#">40.07</a>		<b>Total Investments (lines 04 to 10)</b>	34,591		34,399		0	
		Receivables:						
<a href="#">50.20</a>		Unaffiliated Agents and Brokers			0			
		Policyholders			0			
		Instalment Premiums			0			
		Other Insurers			0			
		Facility Association and the "P.R.R."			0			
<a href="#">50.40</a>		Subsidiaries, Associates & Joint Ventures	1,842		2,762			
<a href="#">50.20</a>		Other Receivables			0			
		Recoverable from Reinsurers:						
<a href="#">60.10</a>		Unearned Premiums	0		0			
<a href="#">60.30</a>		Unpaid Claims and Adjustment Expenses	280		129			
		Other Recoverables on Unpaid Claims			0			
		Investments Accounted for Using the Equity Method:						
<a href="#">50.32</a>		Interests in Subsidiaries, Associates & Joint Ventures	0		0			
		Pooled Funds			0			
<a href="#">40.70</a>		Property and Equipment			0			
		Deferred Policy Acquisition Expenses			0			
		Current Tax Assets			0			
		Deferred Tax Assets	2,462		2,675			
		Goodwill			0			
		Intangible Assets			0			
		Defined Benefit Pension Plan			0			
		Other Assets	4,473		4,319			
		<b>TOTAL ASSETS</b>	46,845		46,105		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	299	316	
		Expenses due and accrued 07	2,552	1,593	
		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	0	
<a href="#">60.30</a>		Unpaid Claims and Adjustment Expenses 13	19,137	18,947	
<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	3,556	4,417	
		<b>Total Liabilities</b> 29	25,544	25,273	0
		<b>CANADIAN INSURERS ONLY:</b>			
		<b>EQUITY</b>			
		Shares issued and paid			
		Common 41	12,183	12,183	
		Preferred 33		0	
		Contributed Surplus 42	0	0	
		(Specify) 43		0	
<a href="#">20.54</a>		Retained Earnings 44	11,163	10,687	
<a href="#">20.45</a>		Reserves 45	0	0	
<a href="#">20.42</a>		Accumulated Other Comprehensive Income (Loss) 47	-2,045	-2,038	
		<b>Total Policyholders/Shareholders' Equity</b> 59	21,301	20,832	0
		Non-controlling Interests 48	0	0	
		<b>Total Equity</b> 49	21,301	20,832	0
		<b>TOTAL LIABILITIES AND EQUITY</b> 89	46,845	46,105	0
		<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	10,207	7,275
<a href="#">70.21</a>		Reinsurance Assumed	0	0
<a href="#">70.21</a>		Reinsurance Ceded	1,132	701
<a href="#">60.20</a>		<b>Net Premiums Written</b>	9,075	6,574
		Decrease (increase) in Net Unearned Premiums	0	0
<a href="#">60.20</a>		<b>Net Premiums Earned</b>	9,075	6,574
		Service Charges		0
		Other		0
		<b>Total Underwriting Revenue</b>	9,075	6,574
		Gross Claims and Adjustment Expenses	3,940	2,810
		Reinsurers' share of claims and adjustment expenses	92	-58
<a href="#">60.20</a>		<b>Net Claims and Adjustment Expenses</b>	3,848	2,868
		Acquisition Expenses		
<a href="#">80.10</a>		Gross Commissions	2,007	1,433
<a href="#">80.10</a>		Ceded Commissions	0	0
		Taxes		0
<a href="#">80.20</a>		Other		0
<a href="#">80.20</a>		General Expenses		0
		<b>Total Claims and Expenses</b>	5,855	4,301
		Premium Deficiency Adjustments		0
<a href="#">40.07</a>		<b>Underwriting Income (Loss)</b>	3,220	2,273
		<b>INVESTMENT OPERATIONS</b>		
		Income	827	625
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	0	0
		Expenses		0
		<b>Net Investment Income</b>	827	625
		<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	2,225	1,764
		<b>Net Income (Loss) before Income Taxes</b>	1,822	1,134
		<b>INCOME TAXES</b>		
		Current		0
		Deferred	339	127
		<b>Total Income Taxes</b>	339	127
		<b>NET INCOME (LOSS) FOR THE YEAR</b>	1,483	1,007
		<b>ATTRIBUTABLE TO:</b>		
		Non-controlling Interests		0
		Equity Holders	1,483	1,007

**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	1,483
		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	
	<b>Total Other Comprehensive Income (Loss)</b>	21	0	
	<b>Total Comprehensive Income (Loss)</b>	39	1,483	
	<b>Attributable to:</b>			
	Non-controlling Interests	60	0	
	Equity Holders	62	1,483	

		Current Period	Prior Period
		(01)	(03)
	<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	-2,045
	- 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	-2,045
	<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
<a href="#">20.20</a>	Balance at end of Year	59	-2,045

## 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	18,839
(Specify)	08	
<b>Total Capital Available</b>	<b>09</b>	18,839
<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>		
Insurance Risk:		
Premium liabilities	20	656
Unpaid claims	22	2,829
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	3,485
Market Risk:		
Interest rate risk	30	248
Foreign exchange risk	32	316
Equity risk	34	2,290
Real estate risk	36	0
Other market risk exposures	38	0
Subtotal: Market risk margin	39	2,854
Credit Risk:		
Counterparty default risk for balance sheet assets	40	256
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	256
Operational risk margin	50	976
Less: Diversification credit	52	880
<b>Total Capital (Margin) Required at Target</b>	<b>59</b>	6,691
Minimum Capital (Margin) Required (line 59 / 1.5)	60	4,461
(Specify)	68	
<b>Total Minimum Capital (Margin) Required</b>	<b>69</b>	4,461
<b>Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required</b>	<b>79</b>	14,378
<b>MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)</b>	<b>90</b>	422.30%

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