

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(S'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	786				
		Investment Income due and accrued	02	272				
		Assets held for sale	50					
		Investments:						
40.12		Short Term Investments	04	802				
40.22		Bonds and Debentures	05	38,009				
40.32		Mortgage Loans	06					
40.42		Preferred Shares	07					
40.52		Common Shares	08					
40.70		Investment Properties	09					
40.80		Other Loans and Invested Assets	10					
40.07		Total Investments (lines 04 to 10)	19	38,811	0		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	20					
		Policyholders	21					
		Instalment Premiums	22					
		Other Insurers	23					
		"Facility Association" and the "P.R.R."	24					
50.40		Subsidiaries, Associates & Joint Ventures	25	82				
50.20		Other Receivables	27	854				
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	0				
60.30		Unpaid Claims and Adjustment Expenses	31	0				
		Other Recoverables on Unpaid Claims	37					
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0				
40.70		Property and Equipment	41					
		Deferred Policy Acquisition Expenses	43					
		Current Tax Assets	52					
		Deferred Tax Assets	44					
		Goodwill	54					
		Intangible Assets	56					
		Defined Benefit Pension Plan	58					
		Other Assets	88	4,323				
		TOTAL ASSETS	89	45,128	0		0	

CONSOLIDATED FINANCIAL STATEMENTS
LIABILITIES, EQUITY, HEAD OFFICE ACCOUNT, RESERVES & AOCI
(S'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Period Restated
		(55)	(01)	(03)	(05)
		LIABILITIES			
		Overdrafts 01			
		Borrowed Money and Accrued Interest 02			
		Payables:			
50.20		Agents and Brokers 03	0	0	
		Policyholders 04			
50.30		Other Insurers 05	0	0	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates 06	0	0	
		Expenses due and accrued 07	537	0	
		Other Taxes due and accrued 09			
		Policyholder Dividends and Rating Adjustments 10			
40.70		Encumbrances on Real Estate 11	0	0	
60.10		Unearned Premiums 12	0	0	
60.30		Unpaid Claims and Adjustment Expenses 13	24,547	0	
80.10		Unearned Commissions 14	0	0	
		Ceded Deferred Premium Taxes 20			
		Ceded Deferred Insurance Operations Expenses 34			
		Premium Deficiency 15	0	0	
		Liabilities held for sale 17			
		Current Tax Liabilities 18			
		Deferred Tax Liabilities 21			
		Self-Insured Retention (SIR) portion of unpaid claims 22			
		Defined Benefit Pension Plan 23			
		Employment Benefits (not including amounts on line 23 above) 24			
		Subordinated Debt 25			
		Preferred Shares - Debt 26			
		Provisions and Other Liabilities 28	4,143		
		Total Liabilities 29	29,226	0	0
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common 41	6,322		
		Preferred 33	5,178		
		Contributed Surplus 42	0		
		(Specify) 43			
20.54		Retained Earnings 44	3,777		
20.45		Reserves 45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss) 47	625	0	
		Total Policyholders/Shareholders' Equity 59	15,902	0	0
		Non-controlling Interests 48	0		
		Total Equity 49	15,902	0	0
		TOTAL LIABILITIES AND EQUITY 89	45,128	0	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	01	6,341
70/21		Reinsurance Assumed	02	0
70/21		Reinsurance Ceded	03	150
60/20		Net Premiums Written	04	6,191
		Decrease (increase) in Net Unearned Premiums	05	0
60/20		Net Premiums Earned	06	6,191
		Service Charges	07	
		Other	08	
		Total Underwriting Revenue	09	6,191
		Gross Claims and Adjustment Expenses	62	(394)
		Reinsurers' share of claims and adjustment expenses	64	0
60/20		Net Claims and Adjustment Expenses	10	(394)
		Acquisition Expenses		
80/10		Gross Commissions	66	824
80/10		Ceded Commissions	68	0
		Taxes	12	
80/20		Other	14	
80/20		General Expenses	16	
		Total Claims and Expenses	19	431
		Premium Deficiency Adjustments	20	
		Underwriting Income (Loss)	29	5,760
40/07		INVESTMENT OPERATIONS		
		Income	32	373
		Realized Gains (Losses)	33	(74)
		Expenses	34	
		Net Investment Income	39	299
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)	40	(04)
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41	
		Gains (losses) from fluctuations in Foreign Exchange Rates	42	
		Other Revenues	44	50
		Finance costs	45	
		Other Expenses	46	2,332
		Net Income (Loss) before Income Taxes	49	3,777
		INCOME TAXES		
		Current	50	
		Deferred	51	
		Total Income Taxes	59	0
		NET INCOME (LOSS) FOR THE YEAR	89	3,777
		ATTRIBUTABLE TO:		
		Non-controlling Interests	80	
		Equity Holders	82	

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	01	3,777	0
		Other Comprehensive Income (Loss):			
		Items that may be reclassified subsequently to Net Income:			
		Available for Sale:			
		Change in Unrealized Gains and Losses:			
		- Loans	02		
		- Bonds and Debentures	03	298	
		- Equities	04		
		Reclassification of (Gains) Losses to Net Income	05	75	
		Derivatives Designated as Cash Flow Hedges			
		Change in Unrealized Gains and Losses	06		
		Reclassification of (Gains) Losses to Net Income	07		
		Foreign Currency Translation			
		Change in Unrealized Gains and Losses	08		
		Impact of Hedging	09		
		Other	18		
		Subtotal of items that may be reclassified subsequently to Net Income	19	373	0
		Items that will not be reclassified subsequently to Net Income:			
		Revaluation Surplus	31		
Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	11				
Remeasurements of Defined Benefit Plans	34				
Other	12				
Subtotal of items that will not be reclassified subsequently to Net Income	29	0	0		
Total Other Comprehensive Income (Loss)	21	373	0		
Total Comprehensive Income (Loss)	39	4,150	0		
Attributable to:					
Non-controlling Interests	60				
Equity Holders	62				
20.20		Accumulated Other Comprehensive Income (Loss)			
		Accumulated Gains (Losses) on:			
		Items that may be reclassified subsequently to Net Income:			
		Available for Sale:			
		- Loans	42	625	
		- Bonds and Debentures	43		
		- Equities	44		
		Derivatives Designated as Cash Flow Hedges	45		
		Foreign Currency (net of hedging activities)	46		
		Other	68		
		Subtotal of items that may be reclassified subsequently to Net Income	69	625	0
		Items that will not be reclassified subsequently to Net Income:			
		Revaluation Surplus	71		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	51		
		Remeasurements of Defined Benefit Plans	74		
		Other	49		
		Subtotal of items that will not be reclassified subsequently to Net Income	79	0	0
Balance at end of Period	59	625	0		

CONSOLIDATED

REQUIRED AND MCT (BAAT) RATIO
(S'000)

(55)	Current Period (01)
Capital Available:	
Capital available (from page 30.62 - capital available) 01	15,902
Phase-in of capital available 03	
(Specify) 08	
Total Capital Available 09	15,902
Assets Available:	
Net Assets Available (from page 30.92 - net assets available) 11	
Phase-in of net assets available 13	
(Specify) 18	
Total Net Assets Available 19	
Capital (Margin) Required at Target:	
Insurance Risk:	
Premium liabilities 20	371
Unpaid claims 22	3,129
Catastrophes 24	0
Margin required for reinsurance ceded to unregistered insurers 26	0
Subtotal: Insurance risk margin 29	3,500
Market Risk:	
Interest rate risk 30	335
Foreign exchange risk 32	0
Equity risk 34	0
Real estate risk 36	0
Other market risk exposures 38	0
Subtotal: Market risk margin 39	335
Credit Risk:	
Counterparty default risk for balance sheet assets 40	285
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	285
Operational risk margin 50	672
Less: Diversification credit 52	272
Total Capital (Margin) Required at Target 59	4,520
Minimum Capital (Margin) Required (line 59 / 1.5) 60	3,013
Phase-in of Capital (Margin) Required 62	
(Specify) 68	0
Total Minimum Capital (Margin) Required 69	3,013
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required 79	12,889
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69) 90	527.78%

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