

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	228		159			
		Investment Income due and accrued	0		236			
		Assets held for sale			0			
		Investments:						
40.12		Short Term Investments	4,780		1,675			
40.22		Bonds and Debentures	31,152		34,688			
40.32		Mortgage Loans	0		0			
40.42		Preferred Shares	0		0			
40.52		Common Shares	1,323		1,725			
40.70		Investment Properties	0		0			
40.80		Other Loans and Invested Assets	0		0			
40.07		Total Investments (lines 04 to 10)	37,255		38,088		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	473		0			
		Policyholders	0		0			
		Instalment Premiums	0		0			
		Other Insurers	0		0			
		Facility Association and the "P.R.R."	0		0			
50.40		Subsidiaries, Associates & Joint Ventures	0		0			
50.20		Other Receivables	0		60			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	0		0			
60.30		Unpaid Claims and Adjustment Expenses	292		0			
		Other Recoverables on Unpaid Claims	0		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			0			
		Deferred Policy Acquisition Expenses			0			
		Current Tax Assets			0			
		Deferred Tax Assets	3,540		3,206			
		Goodwill			0			
		Intangible Assets			0			
		Defined Benefit Pension Plan			0			
		Other Assets	4,895		4,905			
		TOTAL ASSETS	46,683		46,654		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	0	
		Policyholders	04	0	
50.30		Other Insurers	05	0	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	
		Expenses due and accrued	07	744	215
		Other Taxes due and accrued	09	0	
		Policyholder Dividends and Rating Adjustments	10	0	
40.70		Encumbrances on Real Estate	11	0	
60.10		Unearned Premiums	12	0	
60.30		Unpaid Claims and Adjustment Expenses	13	19,836	20,694
80.10		Unearned Commissions	14	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	4,809	4,614
		Total Liabilities	29	25,389	25,523
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common	41	6,595	6,623
		Preferred	33	5,587	5,629
		Contributed Surplus	42	0	0
		(Specify)	43	0	
20.54		Retained Earnings	44	8,567	8,569
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	545	310
		Total Policyholders/Shareholders' Equity	59	21,294	21,131
		Non-controlling Interests	48	0	0
		Total Equity	49	21,294	21,131
		TOTAL LIABILITIES AND EQUITY	89	46,683	46,654
		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	1,231	1,371
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	116	113
60.20		Net Premiums Written	1,115	1,258
		Decrease (increase) in Net Unearned Premiums	0	0
60.20		Net Premiums Earned	1,115	1,258
		Service Charges		0
		Other		0
		Total Underwriting Revenue	1,115	1,258
		Gross Claims and Adjustment Expenses	526	318
		Reinsurers' share of claims and adjustment expenses	0	0
60.20		Net Claims and Adjustment Expenses	526	318
		Acquisition Expenses		
80.10		Gross Commissions	302	250
80.10		Ceded Commissions	0	0
		Taxes		0
80.20		Other		28
80.20		General Expenses	1,304	612
		Total Claims and Expenses	2,132	1,208
		Premium Deficiency Adjustments		0
40.07		Underwriting Income (Loss)	(1,017)	50
		INVESTMENT OPERATIONS		
		Income	241	206
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	0	0
		Expenses		0
		Net Investment Income	241	206
		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		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		0
		Net Income (Loss) before Income Taxes	(776)	256
		INCOME TAXES		
		Current		0
		Deferred	(158)	(51)
		Total Income Taxes	(158)	(51)
		NET INCOME (LOSS) FOR THE YEAR	(618)	307
		ATTRIBUTABLE TO:		
		Non-controlling Interests		0
		Equity Holders	(618)	307

(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)
20.30		Comprehensive Income (Loss)		
		Net Income	01	(618)
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Loans	02	0
		- Bonds and Debentures	03	545
		- Equities (IAS 39)	04	0
		Reclassification of (Gains) Losses to Net Income	05	0
		Overlay approach		
		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
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses	06	0
		Reclassification of (Gains) Losses to Net Income	07	0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses	08	0
		Impact of Hedging	09	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	14	0
		Other	18	0
		Subtotal of items that may be reclassified subsequently to Net Income	19	545
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	25	0
	Revaluation Surplus	31	0	
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	11	0	
	Remeasurements of Defined Benefit Plans	34	0	
	Other	12	0	
	Subtotal of items that will not be reclassified subsequently to Net Income	29	0	
	Total Other Comprehensive Income (Loss)	21	545	
	Total Comprehensive Income (Loss)	39	(73)	
	Attributable to:			
	Non-controlling Interests	60	0	
	Equity Holders	62	(73)	

		Current Period	Prior Period
		(01)	(03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains (Losses) on:		
	Items that may be reclassified subsequently to Net Income:		
	FVOCI:		
	- Loans	42	0
	- Bonds and Debentures	43	545
	- Equities (IAS 39)	44	0
	Overlay approach	55	0
	Derivatives Designated as Cash Flow Hedges	45	0
	Foreign Currency (net of hedging activities)	46	0
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	52	0
	Other	68	0
	Subtotal of items that may be reclassified subsequently to Net Income	69	545
	Items that will not be reclassified subsequently to Net Income:		
	FVOCI:		
	- Equities (IFRS 9)	65	0
	Revaluation Surplus	71	0
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures	51	0
	Remeasurements of Defined Benefit Plans	74	0
	Other	49	0
	Subtotal of items that will not be reclassified subsequently to Net Income	79	0
20.20	Balance at end of Year	59	545
			310

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	17,754
(Specify)	08	
Total Capital Available	09	17,754
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	336
Unpaid claims	22	2,604
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	2,940
Market Risk:		
Interest rate risk	30	770
Foreign exchange risk	32	89
Equity risk	34	409
Real estate risk	36	0
Other market risk exposures	38	0
Subtotal: Market risk margin	39	1,268
Credit Risk:		
Counterparty default risk for balance sheet assets	40	407
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	407
Operational risk margin	50	392
Less: Diversification credit	52	569
Total Capital (Margin) Required at Target	59	4,438
Minimum Capital (Margin) Required (line 59 / 1.5)	60	2,959
(Specify)	68	
Total Minimum Capital (Margin) Required	69	2,959
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	14,795
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	600.00%

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