

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	282		785		
		Investment Income due and accrued	02	166		259		
		Assets held for sale	50					
		Investments:						
40.12		Short Term Investments	04	1,741		1,529		
40.22		Bonds and Debentures	05	36,321		37,328		
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	38,062		38,857	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	0				
50.20		Other Receivables	27	809		1,034		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30	0				
60.30		Unpaid Claims and Adjustment Expenses	31	0				
		Other Recoverables on Unpaid Claims	37					
		Investments Accounted for Using the Equity Method:						
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0				
		Pooled Funds	45					
40.70		Property and Equipment	41					
		Deferred Policy Acquisition Expenses	43					
		Current Tax Assets	52					
		Deferred Tax Assets	44	3,555		3,112		
		Goodwill	54					
		Intangible Assets	56					
		Defined Benefit Pension Plan	58					
		Other Assets	88	4,698		4,658		
		TOTAL ASSETS	89	47,572		48,705	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		
		Borrowed Money and Accrued Interest	02		
		Payables:			
50.20		Agents and Brokers	03		
		Policyholders	04		
		Other Insurers	05		
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	
		Expenses due and accrued	07	542	833
		Other Taxes due and accrued	09		
		Policyholder Dividends and Rating Adjustments	10		
40.70		Encumbrances on Real Estate	11		
60.10		Unearned Premiums	12	0	0
60.30		Unpaid Claims and Adjustment Expenses	13	27,165	25,105
80.10		Unearned Commissions	14	0	0
		Ceded Deferred Premium Taxes	20		
		Ceded Deferred Insurance Operations Expenses	34		
		Premium Deficiency	15		
		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	4,443	4,445
		Total Liabilities	29	32,150	30,383
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common	41	6,623	6,623
		Preferred	33	5,630	5,630
		Contributed Surplus	42	0	
		(Specify)	43		
20.54		Retained Earnings	44	3,622	6,480
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	(453)	(411)
		Total Policyholders/Shareholders' Equity	59	15,422	18,322
		Non-controlling Interests	48	0	
		Total Equity	49	15,422	18,322
		TOTAL LIABILITIES AND EQUITY	89	47,572	48,705
		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	4,653	2,418
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	142	71
60.20		Net Premiums Written	4,511	2,347
		Decrease (increase) in Net Unearned Premiums	0	0
60.20		Net Premiums Earned	4,511	2,347
		Service Charges		
		Other		
		Total Underwriting Revenue	4,511	2,347
		Gross Claims and Adjustment Expenses	4,521	1,361
		Reinsurers' share of claims and adjustment expenses	0	
60.20		Net Claims and Adjustment Expenses	4,521	1,361
		Acquisition Expenses		
80.10		Gross Commissions	863	441
80.10		Ceded Commissions	0	
		Taxes		
80.20		Other	164	
80.20		General Expenses	(323)	1,300
		Total Claims and Expenses	5,225	3,102
		Premium Deficiency Adjustments		
40.07		Underwriting Income (Loss)	(714)	(755)
		INVESTMENT OPERATIONS		
		Income	368	182
		Gains (Losses) from FVO or FVTPL	0	
		Realized Gains (Losses)	(25)	(10)
		Expenses		
		Net Investment Income	343	172
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)		
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures		
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)		
		Share of Net Income (Loss) of Pooled Funds using Equity Method		
		Gain (Losses) from fluctuations in Foreign Exchange Rates		
		Other Revenues	64	55
		Finance costs		
		Other Expenses	1,841	(441)
		Net Income (Loss) before Income Taxes	(2,148)	(87)
		INCOME TAXES		
		Current		
		Deferred	(801)	(358)
		Total Income Taxes	(801)	(358)
		NET INCOME (LOSS) FOR THE YEAR	(1,347)	271
		ATTRIBUTABLE TO:		
		Non-controlling Interests		
		Equity Holders	(1,347)	271

(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	(1,347)
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Loans	02	
		- Bonds and Debentures	03	
		- Equities (IAS 39)	04	
		Reclassification of (Gains) Losses to Net Income	05	
		Overlay approach		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses	15	
		Reclassification of (Gains) Losses from Net Income	16	
		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	
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	14	
		Other	18	
		Subtotal of items that may be reclassified subsequently to Net Income	19	0
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	25	
		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
		Total Other Comprehensive Income (Loss)	21	0
		Total Comprehensive Income (Loss)	39	(1,347)
		Attributable to:		
		Non-controlling Interests	60	
		Equity Holders	62	(1,347)
				271

		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	
	- Bonds and Debentures	43	(548)
	- Equities (IAS 39)	44	(506)
	Overlay approach	55	
	Derivatives Designated as Cash Flow Hedges	45	
	Foreign Currency (net of hedging activities)	46	
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	52	
	Other	68	95
	Subtotal of items that may be reclassified subsequently to Net Income	69	(453)
	Items that will not be reclassified subsequently to Net Income:		
	FVOCI:		
	- Equities (IFRS 9)	65	
	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
20.20	Balance at end of Year	59	(453)
			(411)

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	11,867
(Specify)	08	
Total Capital Available	09	11,867
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	0
Unpaid claims	22	4,075
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	4,075
Market Risk:		
Interest rate risk	30	94
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	94
Credit Risk:		
Counterparty default risk for balance sheet assets	40	253
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	253
Operational risk margin	50	614
Less: Diversification credit	52	163
Total Capital (Margin) Required at Target	59	4,873
Minimum Capital (Margin) Required (line 59 / 1.5)	60	3,249
(Specify)	68	
Total Minimum Capital (Margin) Required	69	3,249
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	8,618
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	365.25%

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