

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	400		223			
		Investment Income due and accrued	240		244			
		Assets held for sale			0			
		Investments:						
40.12		Short Term Investments	847		1,422			
40.22		Bonds and Debentures	35,263		36,142			
40.32		Mortgage Loans			0			
40.42		Preferred Shares			0			
40.52		Common Shares	1,730		0			
40.70		Investment Properties			0			
40.80		Other Loans and Invested Assets			0			
40.07		Total Investments (lines 04 to 10)	37,840		37,564		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers	0		0			
		Policyholders			0			
		Instalment Premiums			0			
		Other Insurers	0		0			
		Facility Association and the "P.R.R."			0			
50.40		Subsidiaries, Associates & Joint Ventures	76		0			
50.20		Other Receivables	74		1,248			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	0		0			
60.30		Unpaid Claims and Adjustment Expenses	376		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	3,521		3,539			
		Goodwill			0			
		Intangible Assets			0			
		Defined Benefit Pension Plan			0			
		Other Assets	4,658		4,823			
		TOTAL ASSETS	47,185		47,641		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	
		Other Insurers	05	0	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0
		Expenses due and accrued	07	875	705
		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	0
60.30		Unpaid Claims and Adjustment Expenses	13	20,402	26,393
80.10		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	4,599	4,532
		Total Liabilities	29	25,876	31,630
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common	41	6,623	6,623
		Preferred	33	5,630	5,630
		Contributed Surplus	42	0	0
		(Specify)	43	0	
20.54		Retained Earnings	44	8,494	4,363
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	562	(605)
		Total Policyholders/Shareholders' Equity	59	21,309	16,011
		Non-controlling Interests	48	0	0
		Total Equity	49	21,309	16,011
		TOTAL LIABILITIES AND EQUITY	89	47,185	47,641
		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	Prior Period
			(01)	(03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct	4,589	6,351
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	306	213
60.20		Net Premiums Written	4,283	6,138
		Decrease (increase) in Net Unearned Premiums	0	0
60.20		Net Premiums Earned	4,283	6,138
		Service Charges		0
		Other		0
		Total Underwriting Revenue	4,283	6,138
		Gross Claims and Adjustment Expenses	1,544	4,680
		Reinsurers' share of claims and adjustment expenses	376	0
60.20		Net Claims and Adjustment Expenses	1,168	4,680
		Acquisition Expenses		
80.10		Gross Commissions	1,220	1,241
80.10		Ceded Commissions	0	0
		Taxes		0
80.20		Other	116	238
80.20		General Expenses	(762)	(927)
		Total Claims and Expenses	1,742	5,232
		Premium Deficiency Adjustments		0
40.07		Underwriting Income (Loss)	2,541	906
		INVESTMENT OPERATIONS		
		Income	0	563
		Gains (Losses) from FVO or FVTPL	0	0
		Realized Gains (Losses)	0	(69)
		Expenses		0
		Net Investment Income	0	494
		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		66
		Finance costs		0
		Other Expenses	2,677	2,858
		Net Income (Loss) before Income Taxes	(136)	(1,392)
		INCOME TAXES		
		Current		0
		Deferred	(367)	(785)
		Total Income Taxes	(367)	(785)
		NET INCOME (LOSS) FOR THE YEAR	231	(607)
		ATTRIBUTABLE TO:		
		Non-controlling Interests		0
		Equity Holders	231	(607)

(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	231
		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	0
		- 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	0
		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	0	
	Total Comprehensive Income (Loss)	39	231	
	Attributable to:			
	Non-controlling Interests	60	0	
	Equity Holders	62	231	
			(607)	

		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	562
	- 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	95
	Subtotal of items that may be reclassified subsequently to Net Income	69	562
	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
	Balance at end of Year	59	562
			(605)

[20.20](#)

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	21,309
(Specify)	08	
Total Capital Available	09	21,309
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	333
Unpaid claims	22	3,004
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	3,337
Market Risk:		
Interest rate risk	30	354
Foreign exchange risk	32	0
Equity risk	34	519
Real estate risk	36	0
Other market risk exposures	38	0
Subtotal: Market risk margin	39	873
Credit Risk:		
Counterparty default risk for balance sheet assets	40	159
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	159
Operational risk margin	50	1,311
Less: Diversification credit	52	414
Total Capital (Margin) Required at Target	59	5,266
Minimum Capital (Margin) Required (line 59 / 1.5)	60	3,511
(Specify)	68	
Total Minimum Capital (Margin) Required	69	3,511
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	17,798
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	606.92%

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