

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	38,616		39,854		
		Investment Income due and accrued	02	1,993		1,844		
		Assets held for sale	50			0		
		Investments						
40.12		Short Term Investments	04			0		
40.22		Bonds and Debentures	05	290,266		218,595		
40.32		Mortgage Loans	06			16,332		
40.42		Preferred Shares	07	31,872		23,785		
40.52		Common Shares	08	97,771		109,001		
40.70		Investment Properties	09	19,178		20,099		
40.80		Other Loans and Invested Assets	10			0		
40.07		Total Investments (lines 04 to 10)	19	439,087		387,812	0	
		Receivables						
50.20		Unaffiliated Agents and Brokers	20			0		
		Policyholders	21	4,114		3,622		
		Instalment Premiums	22	77,358		68,105		
		Other Insurers	23	5,203		6,256		
		"Facility Association" and the "P.R.R."	24	0		4,131		
50.40		Subsidiaries, Associates & Joint Ventures	25	75		89		
50.20		Other Receivables	27	1,779		1,404		
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	30			0		
60.20		Unpaid Claims and Adjustment Expenses	31	17,587		17,657		
		Other Recoverables on Unpaid Claims	37			0		
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0		
40.70		Property and Equipment	41	28,640		30,230		
		Deferred Policy Acquisition Expenses	43	19,246		18,030		
		Current Tax Assets	52	0		1,475		
		Deferred Tax Assets	44	1,237		1,725		
		Goodwill	54	0		0		
		Intangible Assets	56	7,215		8,451		
		Defined Benefit Pension Plan	58	0		0		
		Other Assets	88	798		676		
		TOTAL ASSETS	89	642,948		591,361	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
			(01)	(03)	(05)
		LIABILITIES			
		Overdrafts 01		0	
		Borrowed Money and Accrued Interest 02		0	
		Payables:			
50.20		Agents and Brokers 03		0	
		Policyholders 04	1,081	1,841	
50.30		Other Insurers 05	741	0	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates 06	7,029	6,331	
		Expenses due and accrued 07	9,233	8,160	
		Other Taxes due and accrued 09	3,464	3,307	
		Policyholder Dividends and Rating Adjustments 10		0	
40.70		Encumbrances on Real Estate 11		0	
60.10		Unearned Premiums 12	136,523	128,623	
60.30		Unpaid Claims and Adjustment Expenses 13	326,450	290,664	
80.10		Unearned Commissions 14	0	0	
		Ceded Deferred Premium Taxes 20			
		Ceded Deferred Insurance Operations Expenses 34			
		Premium Deficiency 15		0	
		Liabilities held for sale 17		0	
		Current Tax Liabilities 18	255	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	4,098	3,661	
		Total Liabilities 29	488,874	442,587	0
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common 41	9,000	4,000	
		Preferred 33			
		Contributed Surplus 42		0	
		(Specify) 43		0	
20.54		Retained Earnings 44	145,074	144,774	
20.45		Reserves 45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss) 47	0	0	
		Total Policyholders/Shareholders' Equity 59	154,074	148,774	0
		Non-controlling Interests 48		0	
		Total Equity 49	154,074	148,774	0
		TOTAL LIABILITIES AND EQUITY 89	642,948	591,361	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	67,314	67,703
70.21		Reinsurance Assumed	0	0
70.21		Reinsurance Ceded	2,506	2,200
60.20		Net Premiums Written	64,808	65,503
		Decrease (increase) in Net Unearned Premiums	10,408	5,017
60.20		Net Premiums Earned	75,216	70,520
		Service Charges	2,391	2,134
		Other		0
		Total Underwriting Revenue	77,607	72,654
		Gross Claims and Adjustment Expenses	67,415	58,508
		Reinsurers' share of claims and adjustment expenses	(257)	1,693
60.20		Net Claims and Adjustment Expenses	67,672	56,815
		Acquisition Expenses		
80.10		Gross Commissions	8,619	8,143
80.10		Ceded Commissions	0	0
		Taxes	2,330	2,212
80.20		Other	2,334	2,349
80.20		General Expenses	6,373	5,578
		Total Claims and Expenses	87,328	75,097
		Premium Deficiency Adjustments		0
		Underwriting Income (Loss)	(9,721)	(2,443)
40.07		INVESTMENT OPERATIONS		
		Income	661	9,435
		Realized Gains (Losses)	10,152	2,316
		Expenses	399	289
		Net Investment Income	10,414	11,462
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000)		0
				(04) 0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures		0
		Gains (losses) from fluctuations in Foreign Exchange Rates		0
		Other Revenues	426	481
		Finance costs		0
		Other Expenses		0
		Net Income (Loss) before Income Taxes	1,119	9,500
		INCOME TAXES		
		Current	377	2,338
		Deferred	286	338
		Total Income Taxes	663	2,676
		NET INCOME (LOSS) FOR THE PERIOD	456	6,824
		ATTRIBUTABLE TO:		
		Non-controlling Interests		0
		Equity Holders	456	6,824

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(S'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
20.30		Comprehensive Income (Loss)		
		Net Income	456	6,824
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		Change in Unrealized Gains and Losses:		
		- Loans		0
		- Bonds and Debentures		0
		- Equities		0
		Reclassification of (Gains) Losses to Net Income		0
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses		0
		Reclassification of (Gains) Losses to Net Income		0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses		0
		Impact of Hedging		0
		Other		0
		Subtotal of items that may be reclassified subsequently to Net Income	0	0
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures		0
		Remeasurements of Defined Benefit Plans		0
		Other		0
		Subtotal of items that will not be reclassified subsequently to Net Income	0	0
		Total Other Comprehensive Income (Loss)	0	0
		Total Comprehensive Income (Loss)	456	6,824
		Attributable to:		
		Non-controlling Interests		0
		Equity Holders	456	6,824
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Items that may be reclassified subsequently to Net Income:		
		Available for Sale:		
		- Loans		0
		- Bonds and Debentures		0
		- Equities		0
		Derivatives Designated as Cash Flow Hedges		0
		Foreign Currency (net of hedging activities)		0
		Other		0
		Subtotal of items that may be reclassified subsequently to Net Income	0	0
		Items that will not be reclassified subsequently to Net Income:		
		Revaluation Surplus		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures		0
		Remeasurements of Defined Benefit Plans		0
		Other		0
		Subtotal of items that will not be reclassified subsequently to Net Income	0	0
20.20		Balance at end of Period	0	0

CONSOLIDATED

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

		Current Period (01)
Capital Available:		
Capital available (from page 30.62 - capital available)	01	147,405
Phase-in of capital available	03	(6,889)
Total Capital Available	09	154,294
Assets Available:		
Net Assets Available (from page 30.92 - net assets available)	11	
Phase-in of net assets available	13	
Total Net Assets Available	19	
Capital (Margin) Required at Target:		
Insurance Risk:		
Premium liabilities	20	20,471
Unpaid claims	22	29,596
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	50,067
Market Risk:		
Interest rate risk	30	2,987
Foreign exchange risk	32	0
Equity risk	34	29,331
Real estate risk	36	6,517
Other market risk exposures	38	183
Subtotal: Market risk margin	39	39,018
Credit Risk:		
Counterparty default risk for balance sheet assets	40	4,972
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	4,972
Operational risk margin	50	16,365
Less: Diversification credit	52	12,545
Total Capital (Margin) Required at Target	59	97,877
Minimum Capital (Margin) Required (line 59 / 1.5)	60	65,251
Phase-in of Capital (Margin) Required	62	(6,003)
Total Minimum Capital (Margin) Required	69	71,254
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	83,039
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	216.54%

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