

## 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	602		18,335			
		Investment Income due and accrued	2,156		2,168			
		Assets held for sale			0			
		Investments:						
40.12		Short Term Investments			0			
40.22		Bonds and Debentures	342,833		305,406			
40.32		Mortgage Loans			0			
40.42		Preferred Shares	40,703		33,888			
40.52		Common Shares			92,618			
40.70		Investment Properties	88,821		18,283			
40.80		Other Loans and Invested Assets			0			
40.07		<b>Total Investments (lines 04 to 10)</b>	472,357		450,195		0	
		Receivables:						
50.20		Unaffiliated Agents and Brokers			0			
		Policyholders	3,682		3,883			
		Instalment Premiums	69,241		73,007			
		Other Insurers	34,205		5,762			
		Facility Association and the "P.R.R."			1,425			
50.40		Subsidiaries, Associates & Joint Ventures	9,058		3,334			
50.20		Other Receivables	1,179		1,157			
		Recoverable from Reinsurers:						
60.10		Unearned Premiums	0		0			
60.30		Unpaid Claims and Adjustment Expenses	152,212		10,944			
		Other Recoverables on Unpaid Claims			0			
		Investments Accounted for Using the Equity Method:						
50.32		Interests in Subsidiaries, Associates & Joint Ventures	0		0			
		Pooled Funds						
40.70		Property and Equipment	27,500		26,943			
		Deferred Policy Acquisition Expenses	17,682		18,517			
		Current Tax Assets	1,714		586			
		Deferred Tax Assets	25,220		1,997			
		Goodwill			0			
		Intangible Assets	9,805		7,330			
		Defined Benefit Pension Plan			0			
		Other Assets	529		533			
		<b>TOTAL ASSETS</b>	827,142		626,116		0	

\* Foreign insurers. Excludes deposits of reinsurers held in special trust accounts

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)
		<b>LIABILITIES</b>			
		Overdrafts	01	0	
		Borrowed Money and Accrued Interest	02	0	
		Payables:			
50.20		Agents and Brokers	03	0	
		Policyholders	04	360	473
		Other Insurers	05	939	0
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	2,101	2,905
		Expenses due and accrued	07	9,565	9,583
		Other Taxes due and accrued	09	3,190	3,816
		Policyholder Dividends and Rating Adjustments	10		0
40.70		Encumbrances on Real Estate	11		0
60.10		Unearned Premiums	12	120,773	129,222
60.30		Unpaid Claims and Adjustment Expenses	13	527,015	319,493
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	3,629	3,905
		<b>Total Liabilities</b>	29	667,572	469,397
		<b>CANADIAN INSURERS ONLY:</b>			
		<b>EQUITY</b>			
		Shares issued and paid			
		Common	41	9,000	9,000
		Preferred	33	76,100	0
		Contributed Surplus	42	0	0
		(Specify)	43		0
20.54		Retained Earnings	44	74,470	147,719
20.45		Reserves	45	0	0
20.42		Accumulated Other Comprehensive Income (Loss)	47	0	0
		<b>Total Policyholders/Shareholders' Equity</b>	59	159,570	156,719
		Non-controlling Interests	48	0	0
		<b>Total Equity</b>	49	159,570	156,719
		<b>TOTAL LIABILITIES AND EQUITY</b>	89	827,142	626,116
		<b>FOREIGN INSURERS ONLY:</b>			
		<b>HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>			
20.45		Head Office Account	51		
		(Specify)	53		
20.45		Reserves	55		
20.42		Accumulated Other Comprehensive Income (Loss)	56		
		<b>Total Head Office Account, Reserves &amp; AOCI</b>	69		
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>	79		

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(S'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
		<b>UNDERWRITING OPERATIONS</b>			
		<b>Premiums Written</b>			
		Direct	01	53,417	63,548
70.21		Reinsurance Assumed	02	0	0
70.21		Reinsurance Ceded	03	4,533	2,494
60.20		<b>Net Premiums Written</b>	04	48,884	61,054
		Decrease (increase) in Net Unearned Premiums	05	14,413	10,846
60.20		<b>Net Premiums Earned</b>	06	63,297	71,900
		Service Charges	07	2,109	2,351
		Other	08		0
		<b>Total Underwriting Revenue</b>	09	65,406	74,251
		Gross Claims and Adjustment Expenses	62	66,289	50,739
		Reinsurers' share of claims and adjustment expenses	64	(75)	132
60.20		<b>Net Claims and Adjustment Expenses</b>	10	66,364	50,607
		Acquisition Expenses			
80.10		Gross Commissions	66	7,288	8,416
80.10		Ceded Commissions	68	0	0
		Taxes	12	2,600	2,471
80.20		Other	14	2,431	2,727
80.20		General Expenses	16	4,966	5,088
		<b>Total Claims and Expenses</b>	19	83,649	69,309
		Premium Deficiency Adjustments	20		0
40.07		<b>Underwriting Income (Loss)</b>	29	(18,243)	4,942
		<b>INVESTMENT OPERATIONS</b>			
		Income	32	7,138	4,070
		Gains (Losses) from FVO or FVTPL	35	0	0
		Realized Gains (Losses)	33	179	445
		Expenses	34	173	273
		<b>Net Investment Income</b>	39	7,144	4,242
		<b>OTHER REVENUE AND EXPENSES</b>			
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000 )	40		0
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41		0
		Share of Net Income (Loss) of Pooled Funds using Equity Method	47		
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42		0
		Other Revenues	44	51	409
		Finance costs	45		0
		Other Expenses	46		0
		<b>Net Income (Loss) before Income Taxes</b>	49	(11,048)	9,593
		<b>INCOME TAXES</b>			
		Current	50		2,573
		Deferred	51	(3,320)	(220)
		<b>Total Income Taxes</b>	59	(3,320)	2,353
		<b>NET INCOME (LOSS) FOR THE YEAR</b>	89	(7,728)	7,240
		<b>ATTRIBUTABLE TO:</b>			
		Non-controlling Interests	80		0
		Equity Holders	82	(7,728)	7,240

(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		<b>Comprehensive Income (Loss)</b>		
		Net Income	01	7,240
		Other Comprehensive Income (Loss):		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>Available for Sale:</b>		
		Change in Unrealized Gains and Losses:		
		- Loans	02	0
		- Bonds and Debentures	03	0
		- Equities	04	0
		Reclassification of (Gains) Losses to Net Income	05	0
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		Change in Unrealized Gains and Losses	06	0
		Reclassification of (Gains) Losses to Net Income	07	0
		<b>Foreign Currency Translation</b>		
		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	
		Other	18	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	19	0
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		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	
	<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	29	0	
	Total Other Comprehensive Income (Loss)	21	0	
	<b>Total Comprehensive Income (Loss)</b>	39	7,240	
	<b>Attributable to:</b>			
	Non-controlling Interests	60	0	
	Equity Holders	62	7,240	
20.20		<b>Accumulated Other Comprehensive Income (Loss)</b>		
		Accumulated Gains (Losses) on:		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>Available for Sale:</b>		
		- Loans	42	0
		- Bonds and Debentures	43	0
		- Equities	44	0
		<b>Derivatives Designated as Cash Flow Hedges</b>	45	0
		<b>Foreign Currency (net of hedging activities)</b>	46	0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	52	
		Other	68	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	69	0
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		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
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	79	0
		Balance at end of Year	59	0

## CONSOLIDATED

MINIMUM CAPITAL TEST/BRANCH ADEQUACY OF ASSETS TEST: CAPITAL (MARGIN) REQUIRED AND MCT (BAAT) RATIO  
(S'000)

	Current Period
(55)	(01)
<b>Capital Available:</b>	
Capital available (from page 30.62 - capital available)	01 124,545
Phase-in of capital available	03 (1,879)
(Specify)	08
<b>Total Capital Available</b>	<b>09 126,424</b>
<b>Assets Available:</b>	
Net Assets Available (from page 30.92 - net assets available)	11
Phase-in of net assets available	13
(Specify)	18
<b>Total Net Assets Available</b>	<b>19</b>
<b>Capital (Margin) Required at Target:</b>	
Insurance Risk:	
Premium liabilities	20 19,480
Unpaid claims	22 35,086
Catastrophes	24 0
Margin required for reinsurance ceded to unregistered insurers	26 0
Subtotal: Insurance risk margin	29 54,566
Market Risk:	
Interest rate risk	30 2,792
Foreign exchange risk	32 0
Equity risk	34 0
Real estate risk	36 20,402
Other market risk exposures	38 112
Subtotal: Market risk margin	39 23,306
Credit Risk:	
Counterparty default risk for balance sheet assets	40 9,404
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 9,404
Operational risk margin	50 15,078
Less: Diversification credit	52 10,907
<b>Total Capital (Margin) Required at Target</b>	<b>59 91,447</b>
Minimum Capital (Margin) Required (line 59 / 1.5)	60 60,965
Phase-in of Capital (Margin) Required	62 (1,637)
(Specify)	68 0
<b>Total Minimum Capital (Margin) Required</b>	<b>69 62,602</b>
<b>Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required</b>	<b>79 63,822</b>
<b>MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)</b>	<b>90 201.95%</b>

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