

CONSOLIDATED FINANCIAL STATEMENTS**ASSETS**
(\$'000)

Reference Page			Current Year (01)	Prior Year (03)
	Cash and Cash Equivalents	010	260	196
	Assets held for sale	020		
21.012	Short Term Investments	040	0	0
	Accrued Investment Income	070		0
	Accounts Receivable	100	1,113	805
	Policy Loans	200		0
21.012	Bonds and Debentures	250	50	51
	Mortgage Loans	300	0	0
21.012	Preferred Shares	420	4,779	5,391
21.012	Common Shares	440	1,309	747
	Real Estate (CGAAP)	500		0
21.012	Investment Properties	510		
	Derivative Financial Instruments	520		
	Reinsurance Assets	530		
	Property and Equipment	540		
21.012	Interests in Associates & Joint Ventures	550	0	0
	Segregated Funds Net Assets (IFRS)	560		
	Other Loans and Invested Assets	600	0	0
	Current Tax Assets	780		
	Deferred Tax Assets	800	16	15
	Goodwill	820		0
	Intangible Assets	830		0
	Other Assets	880	1,843	1,303
	TOTAL ASSETS	899	9,370	8,508
	Total Segregated Funds Net Assets (CGAAP)	929		0

CONSOLIDATED FINANCIAL STATEMENTS

**LIABILITIES, POLICYHOLDERS' AND SHAREHOLDERS' EQUITY
(\$'000)**

		Current Year (01)	Prior Year (03)
Liabilities			
Liabilities held for sale	005		
Actuarial Liabilities for Insurance Contracts	010	1,199	1,081
Other Contract Liabilities	040	610	559
Trust and Banking Deposits	070		0
Accounts Payable	100		0
Mortgage Loans and Other Real Estate Encumbrances	130		0
Derivative Financial Instruments	140		
Provisions and Other Liabilities	160	1,098	285
Net Deferred Gains (Losses) on Real Estate (CGAAP):			
Backing Liabilities (CGAAP)	180		0
Backing Equity (CGAAP)	230		0
Segregated Fund Liabilities	420		
Current Tax Liabilities	430		
Deferred Tax Liabilities	250		0
Subordinated Debt	280		0
Other Debt	310		0
Total Liabilities	389	2,907	1,925
Non-Controlling Interests (CGAAP)	410		0
Policyholders' Equity			
Participating Account	510		
Participating Account - Accumulated OCI (Loss)	520		
Non-Participating Account (Mutual Companies Only)	540		
Non-Participating Account - Accumulated OCI (Loss)	550		
Total Policyholders' Equity	589		0
Shareholders' Equity			
Capital Stock	610		
Other Capital	640		
Contributed Surplus	670		
Retained Earnings	700		
Accumulated Other Comprehensive Income (Loss)	740		
Total Shareholders' Equity	779	6,463	6,583
Non-controlling Interests (IFRS)	829		
TOTAL LIABILITIES AND EQUITY	899	9,370	8,508

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

		Current Year (01)	Prior Year (03)
Revenue			
Gross Premiums	020	12,702	
Premiums Ceded	030	0	
Net Premiums	040	12,702	11,182
Gross Investment Income	050	215	
Less: Investment Expenses and Taxes	060	0	
Net Investment Income	070	215	136
Share of Income(Loss) of Associates & Joint Ventures	090	0	
Fee Income	130	0	0
Other Revenue	160	0	0
Total Revenue	199	12,917	11,318
Policy Benefits and Expenses			
Policyholder Benefits	260	731	740
Benefits Ceded	270	0	
Gross Changes to Actuarial Liabilities			
Normal	310	1,124	936
Basis Change	320	0	
Gross Changes to Other Contract Liabilities	340	0	
Changes in Actuarial and Other Contract Liabilities Ceded	350	0	
Policyholder Dividends	360	0	0
Experience Rating Refunds	390	0	0
Transfer to and (Transfer from) Other Funds	420	0	0
Gross Commissions	460	0	
Commissions Ceded	470	0	
Interest on Policyholder Amounts on Deposit	480	0	0
Interest Expense and Finance Costs	510	0	0
General Expenses and Taxes (excl income taxes)	540	9,636	8,694
Other Expenses	570	0	0
Non-Controlling Interests (CGAAP)	600	0	0
Total Benefits and Expenses	649	11,491	10,370
Income Before Income Tax	669	1,426	948
Provision for Income Taxes			
Current	700	320	227
Deferred	710	54	(3)
Income before the following:	749	1,052	724
Extraordinary Items			
(Net of Income Taxes of \$) (CGAAP)	800	0	0
Discontinued Operations			
(Net of Income Taxes of \$)	830	0	0
Income Before Attribution to Participating Policyholders	859	1,052	724
Income Attributable to Participating Policyholders (Stock companies)	870	0	0
Net Income	899	1,052	724
Attributable to:			
Non-controlling Interests (IFRS)	900		
Equity Holders	920	1,052	724
Premiums on Reinsurance Agreements			
Deducted in arriving at Net Premiums	940		
Deducted & not included in gross premiums	941		

CONSOLIDATED FINANCIAL STATEMENTS**STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT
(\$'000)**

Reference Page		Current Year (01)	Prior Year (03)
	Beginning of Year	010	0
	Adjustments	040	0
	Specify	070	0
<u>20.030</u>	Share of Net Income (Loss)	100	0
<u>20.040</u>	Transfer from (to) Retained Earnings (Stock companies only)	130	0
<u>20.040</u>	Transfer from (to) Non-Par Account (Mutual companies only)	160	0
	End of Year	199	0

**STATEMENT OF NON-PARTICIPATING ACCOUNT
Mutual Companies Only
(\$'000)**

Reference Page		Current Year (01)	Prior Year (03)
	Beginning of Year	310	0
	Adjustments	340	0
	Specify	370	0
<u>20.030</u>	Share of Net Income (Loss)	400	0
<u>20.040</u>	Transfer from (to) Par Account	430	0
	Dividends to Preferred Shareholders	460	0
	End of Year	499	0

**STATEMENT OF RETAINED EARNINGS
Stock Companies Only
(\$'000)**

Reference Page		Current Year (01)	Prior Year (03)
	Beginning of Year	510	493
	Adjustments	540	0
	Specify	570	0
<u>20.030</u>	Share of Net Income (Loss)	600	726
<u>20.040</u>	Transfer from (to) Par Account	630	0
	Dividends to Shareholders:		
	Preferred	710	0
	Common	740	750
	End of Year	859	469

CONSOLIDATED FINANCIAL STATEMENTS**COMPREHENSIVE INCOME (LOSS), and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)**

		Current Year (01)	Prior Year (03)
Comprehensive Income (Loss)			
Income Before Attribution to Participating Policyholders	010	1,052	724
Other Comprehensive Income (Loss):			
Available for Sale:			
Change in Unrealized Gains and Losses:			
- Loans	110		0
- Bonds and Debentures	140		0
- Equities	170	(157)	11
Reclassification to Earnings of (Gains) Losses	210	(11)	79
Derivatives Designated as Cash Flow Hedges			
Change in Unrealized Gains and Losses	310		0
Reclassification to Earnings of (Gains) Losses	340		0
Foreign Currency Translation			
Change in Unrealized Gains and Losses	410		0
Impact of Hedging	440		0
Share of Other Comprehensive Income of Associates & Joint Ventures	460		
Other	480		0
Total Other Comprehensive Income (Loss)	510	(168)	90
Total Comprehensive Income (Loss)	589	884	814
Attributable to:			
Non-controlling Interests	600		
Equity Holders	620	884	814

		Current Year (01)	Prior Year (03)
Accumulated Other Comprehensive Income (Loss)			
Accumulated Gains/ (Losses) on:			
Available for Sale:			
- Loans	710		0
- Bonds and Debentures	740		0
- Equities	770	(30)	115
Derivatives Designated as Cash Flow Hedges	810		0
Foreign Currency (Net of Hedging Activities)	840		0
Share of Other Comprehensive Income of Associates & Joint Ventures	860		
Other	880		0
Balance at end of Year	899	(30)	115

Summary of Capital Elements and Ratio Calculations
(thousands of dollars)

	01	02	Ref
Capital Available:			
Tier 1			
Common shares		5,000	001
Contributed surplus		1,000	002
Retained earnings	494		003
Less: Accumulated after tax fair value gains/(losses) arising from changes in institution's own credit risk			301
Less: After tax fair value gains/(losses) on own-use property upon conversion to IFRS (cost model)			204
Plus: Accumulated after tax revaluation loss on own-use property (revaluation model)			206
Less: Accumulated net after tax fair value gain on investment property			208
Less: Net decrease in actuarial liabilities due to recognition of mortality improvement			210
Less: Discretionary participation features included in reported equity			212
Plus: Adjustment to retained earnings for phase-in of IFRS			214
Retained earnings for MCCR purposes		494	203
Future use: fair value option			302
Participating account			004
Non-cumulative perpetual preferred shares			005
Qualifying non-controlling interests (excluding innovative tier 1)			006
Innovative Instruments in Tier 1 (max 15% net tier 1)			007
Non-participating account (mutual companies)			311
Accumulated net after-tax foreign currency translation adjustment reported in Other Comprehensive Income (OCI)			313
Accumulated net after-tax unrealized loss on available-for-sale equity securities reported in OCI		(30)	314
Accumulated changes in liabilities included in OCI under shadow accounting			316
Gross Tier 1 Capital		6,464	010
Less: Deductions for Net Tier 1 Capital (page 20.020, line 249)	0		012
Net Tier 1 Capital		6,464	020
Less: Additional deductions for Adjusted Net Tier 1 Capital (page 20.020, line 299)	0		321
Adjusted Net Tier 1 Capital		A 6,464	329
Tier 2A (page 20.020 line 079)	0		021
Tier 2B allowed (line 20.030 line 045)	0		022
Tier 2C (line 20.030 line 068)	0		023
Net Tier 2 Capital (page 20.030 line 695)		B 0	025
Total Capital Available	(A+B)	C 6,464	040
Capital Required:			
Asset Default and Market Risk			
Asset Default (C-1) Risk			
- Backing Non-Par, Surplus and Non-Qualifying Participating	i)	476	041
- Backing Qualifying Participating Policies	ii)		042
Index Linked Pass Through Products	iii)		043
C-1 and C-3 requirements for letters of credit and collateral used to obtain reserve or capital credit for unregistered	iv)		220
Off-Balance Sheet Exposures			
- Backing Non-Par, Surplus and Non-Qualifying Participating	v)		044
- Backing Qualifying Participating Policies	vi)		045
Segregated Funds Risk	vii)		046
Total Asset Default and Market Risk	sum of (i to vii)	476	050
Insurance Risks			
Mortality Risk	i)	308	051
Morbidity Risk	ii)	1,923	052
Lapse Risk	iii)		053
Total Insurance Risks	sum of (i to iii)	2,231	060
Changes in Interest Environment (C-3) Risk			
Foreign Exchange Risk			
Other (specify)¹			
Total Capital Required		D 2,707	080
MCCR Ratios			
Tier 1	(A + D) x 100	238.79	098
Total	(C + D) x 100	238.79	099

¹ Provide details of additional requirements.