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Financial Statements

For the year ended 31st December 2010

Consolidated Balance Sheet

AS AT 31st DECEMBER 2010 (unaudited)

	2010 \$	2009 \$
ASSETS		
Investments	273,609,799	264,349,043
Segregated funds with a guaranteed return	265,640,926	242,552,271
Cash and short-term deposits	74,328,854	58,252,701
Insurance balances receivable	37,321,159	29,871,393
Deferred policy acquisition costs	1,968,390	1,790,786
Reinsurers' share of:		
Claims provisions	19,400,394	18,135,428
Unearned premiums	18,858,985	17,515,285
Provision for participating policy benefits	-	63,861
Accounts receivable and other	22,212,524	22,954,677
Property, plant and equipment	56,389,775	54,973,212
Goodwill	2,628,848	2,628,848
Intangible assets	22,736,978	18,449,577
	795,096,632	731,537,082
SEGREGATED FUNDS WITH NO GUARANTEED RETURN ASSETS		
	453,695,940	339,826,786
LIABILITIES		
Provision for claims and adjustment expenses	67,730,197	66,861,723
Provision for future policy benefits	137,469,241	120,819,330
Provision for participating policy benefits	61,514	-
Segregated funds with a guaranteed return	265,640,926	242,552,271
Claims payable	7,033,016	2,595,062
Insurance balances payable	15,762,192	6,637,200
Unearned premiums	41,026,534	40,028,070
Deferred commission income	5,585,463	5,321,672
Accounts payable and other	27,234,654	31,541,993
Loans payable	4,379,328	4,999,728
Non-controlling interests	41,748,048	40,760,301
	613,671,113	562,117,350
SHAREHOLDERS' EQUITY		
Share capital	8,370,294	8,339,970
Contributed surplus	1,481,976	1,409,705
Share premium	57,032,130	56,693,299
Accumulated other comprehensive loss	(1,280,549)	(1,336,784)
Retained earnings	115,821,668	104,313,542
	181,425,519	169,419,732
	795,096,632	731,537,082
SEGREGATED FUNDS WITH NO GUARANTEED RETURN LIABILITIES		
	453,695,940	339,826,786

Consolidated Statement of Earnings

FOR THE YEAR ENDED 31st DECEMBER 2010 (unaudited)

	2010 \$	2009 \$
INCOME		
Gross premiums written	235,696,777	225,507,351
Reinsurance ceded	(63,997,598)	(61,996,696)
Net premiums written	171,699,179	163,510,655
Net change in unearned premiums	345,237	791,808
Net premiums earned	172,044,416	164,302,463
Investment income	19,478,076	13,360,075
Commissions and other income	26,552,289	24,050,160
Rental income	3,853,412	4,842,975
	221,928,193	206,555,673
EXPENSES		
Claims and adjustment expenses	22,660,110	18,696,599
Policy benefits	113,395,109	97,971,270
Total paid or credited to policyholders	1,180,211	399,224
Commission expense	11,900,842	9,649,873
Operating expense	45,294,552	43,378,461
Amortization	4,353,467	8,366,454
Interest on loans	184,335	199,954
Non-controlling interests	2,957,115	5,405,382
	201,925,741	184,067,217
EARNINGS BEFORE INCOME TAXES	20,002,452	22,488,456
Income taxes	1,675,984	2,747,400
NET EARNINGS FOR THE YEAR	18,326,468	19,741,056
Participating policyholders' net gain	(125,375)	(92,836)
SHAREHOLDERS' NET EARNINGS	18,201,093	19,648,220
EARNINGS PER SHARE FOR THE YEAR		
- Basic	\$2.18	\$2.35
- Fully diluted	\$2.18	\$2.35