

Schedule 3
ALARIE and ALARIE Attorney in Fact Ltd.
Summary of Combined Financial Statements



	ALARIE	ALARIE Attorney in Fact Ltd.	Combination Adjustments	Total Combined at Dec 31, 2002
12 years ended Dec 31, 2002				
Statement of Operations				
Subscribers' contributions during the period	\$ 26,907,749			\$ 26,907,749
Interest	9,138,302	31,393		9,169,695
Gain on sale of marketable securities	109,210			109,210
Grants - Alberta Department of Municipal Affairs	21,567	35,000		56,567
Grants - Alberta Department of Education	9,879			9,879
Management fees		404,381	(404,381)	-
Total funds	\$ 36,186,707	\$ 470,774	\$ (404,381)	\$ 36,253,100
Loss claims	19,942,085			19,942,085
Prior period adjustment	198,278			198,278
Loss on sale of marketable securities	114,149			114,149
Premium taxes	915,000			915,000
Professional fees	304,546	102,829		407,375
Directors fees	7,220	119,162		126,382
Directors expenses	7,434			7,434
Management fees and commissions	404,381	141,672	(404,381)	141,672
Bank charges	67,217	7,314		74,531
Bond premium amortization	146,107			146,107
Consulting fees	192,968	125,851		318,819
Association expenses		60,000		60,000
Amortization		21,332		21,332
Other office costs		79,381		79,381
Total expenses	22,299,385	657,541	(404,381)	22,552,545
Excess of funds received over expenses	\$ 13,887,322	\$ (186,767)		\$ 13,700,555
Statement of Financial Position				
Cash and cash equivalents	\$ 1,537,745	\$ 280,193		\$ 1,817,938
Accrued interest receivable	342,123			342,123
Advances to (from) ALARIE Attorney in Fact Ltd.	460,477	(460,477)		-
Total current assets	2,340,345	(180,284)		2,160,061
Funds held in trust by CGU Insurance Co. of Canada	1,136,882			1,136,882
Marketable securities	13,362,248			13,362,248
Capital Assets		1,026		1,026
Total assets	\$ 16,839,475	\$ (179,258)		\$ 16,660,217
Accounts payable and accrued liabilities	42,460	7,506		49,966
Premium taxes payable	21,471			21,471
Loss claims reserve	2,888,222			2,888,222
Total current liabilities	2,952,153	7,506		2,959,659
Share Capital		3		3
Equity	-	(186,767)		(186,767)
Net assets restricted externally for reserve fund	357,857			357,857
Net assets restricted externally for guarantee fund	3,002,153			3,002,153
Unrestricted net assets	10,527,312			10,527,312
Total equity	13,887,322	(186,764)		13,700,558
Total liabilities and equity	\$ 16,839,475	\$ (179,258)		\$ 16,660,217