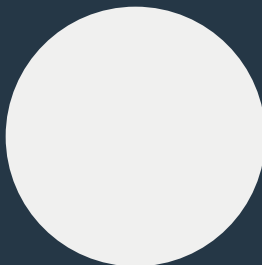
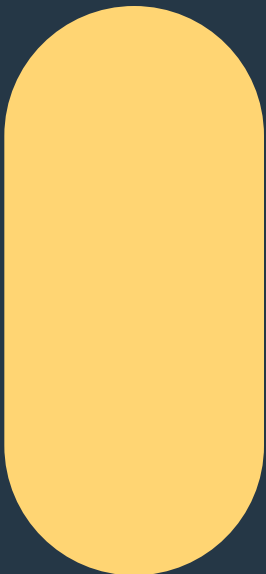


Creating Opportunity. Accelerating Investment. Strengthening New Brunswick.

ANNUAL REPORT
FISCAL 2023-2024



ISBN (Print Bilingual):	ISBN 978-1-4605-4100-5
ISBN (PDF English):	ISBN 978-1-4605-4101-2
ISBN (PDF French):	ISBN 978-1-4605-4102-9
ISSN (Print Bilingual):	ISSN 2271-5596
ISSN (Print English):	ISSN 2371-560X
ISSN (Print French):	ISSN 2371-5618



TOWARD A STRONGER NEW BRUNSWICK

This fiscal year saw Opportunities NB (ONB) continue to execute on its five-year Strategic Plan — [Connect. Grow. Prosper.](#) Our team’s work has helped New Brunswick companies create new opportunities for themselves by expanding their international export markets and leveraging technology to improve their productivity and competitiveness. The population growth seen in recent years, and the corresponding growth in our talent base, has further positioned our province as the desirable location for businesses looking to establish a Canadian footprint.

ONB remains a constant in promoting New Brunswick on a national and global stage, acting as a catalyst for private sector investment, helping companies embrace innovation and adopt sustainable business practices, and supporting businesses as they expand into new export markets.

In the following pages, we are excited to share our annual results and showcase some of the successes achieved throughout the year. We are proud of the companies we work with daily — it is their innovation, drive, and commitment that is strengthening New Brunswick’s reputation as a great place to live and work. A stronger New Brunswick is emerging as we continue to connect businesses with the tools and support required to grow.

CEO Award Winner
Will Legere, Marketing
Specialist, ONB



CEO AWARD

The key to our success is having great people do work they care deeply about. We frequently celebrate our wins and proudly recognize one employee annually for their exceptional performance with the CEO Award.

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MESSAGE FROM OUR MINISTER



As Minister responsible for Opportunities NB and Minister responsible for Economic Development and Small Business, I am excited to work alongside New Brunswick's dedicated public servants and the private sector to improve the productivity of our businesses, strengthen nation-to-nation partnerships that are vital to unlocking new economic opportunities, and growing the New Brunswick economy.

As a small business owner in downtown Fredericton for over 30 years, I am more than familiar with the needs of our hard-working entrepreneurs. One of those needs is a government that works for them and with partners and stakeholders to acknowledge and address their challenges. We must also bolster their efforts to remain competitive in a global marketplace set to witness potentially seismic shifts in the coming years. I look forward to doing just that by supporting the important work done by ONB to create good-paying jobs, reduce regulatory burden, increase exports, enable productivity, and leverage our province's strengths to invest in key sectors like energy, agriculture, technology, and advanced manufacturing. This government recognizes that a thriving New Brunswick business sector ultimately creates the provincial revenue needed to fund investments in infrastructure, education, and healthcare.

The team at ONB is committed to working closely with stakeholders in New Brunswick and is doing its very best to ensure entrepreneurs and businesses are well served. As I enter this new role, I would like to thank the entire ONB team and its board of directors for their continued commitment to the growth and success of our business community and to ensuring a better economic future for the people of New Brunswick.

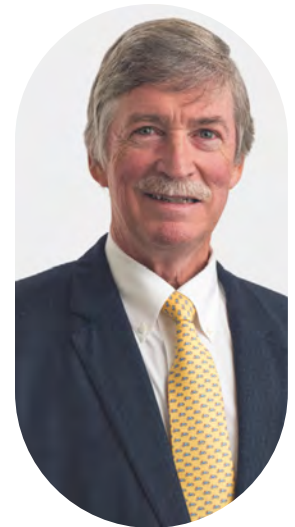
A handwritten signature in black ink, appearing to be 'L. Randall'.

Honourable Luke Randall

Minister responsible for Opportunities NB

Minister responsible for Economic Development and Small Business

MESSAGE FROM OUR BOARD CHAIR



I am pleased to share ONB's Fiscal 2023–2024 results and congratulate the team at ONB for another strong year of delivering for New Brunswickers. The past year saw ONB continue its work in attracting new investment, helping businesses pursue growth opportunities at home and abroad, and accelerating their investments into productivity. Despite economic challenges, ONB has remained a consistent source of support for New Brunswick businesses of all sizes.

As the newly appointed Board Chair, I am honoured to be entrusted with the responsibility of ensuring ONB executes on its mandate and delivers value for taxpayers. This past year, we added further bench strength when we welcomed two new directors: Tom Liston and Natasha Ostaff. Tom and Natasha join an accomplished group of business leaders who take great pride in doing their part to create a more prosperous New Brunswick.

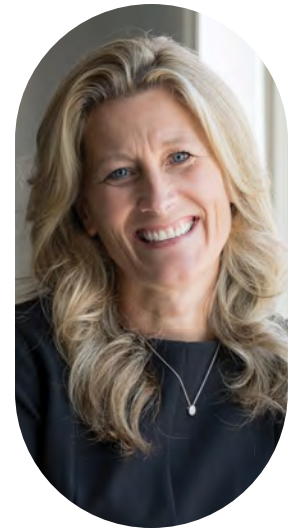
I would be remiss if I did not mention and thank outgoing board members Jim Baumgartner and Michael J. Campbell, both of whom joined our board upon its inception in 2015. Their dedication, leadership, and insight helped ONB improve the province's economic fortunes over nearly a decade.

On behalf of the entire board, I want to thank the team at ONB for its hard work this year. We look forward to working with ONB's senior leadership as they continue to support business and economic growth across the province.

A handwritten signature in black ink that reads "Barry Kyle". The signature is written in a cursive, flowing style.

Barry Kyle
Board Chair, Opportunities NB

MESSAGE FROM OUR CEO



Fiscal 2023–2024 saw ONB remain focused on creating wealth and opportunity, accelerating investment in our province, and delivering results that strengthen New Brunswick. The passion and drive that exists across our organization is infectious, and I am grateful to work with a team of dedicated professionals who care so deeply about making a difference in the province they call home.

Large companies like Quantiphi, MNP, Tech Mahindra, IPL Plastics and The Co-operators all chose to expand their operations in New Brunswick over the past year. Meanwhile, homegrown firms like Sparta Manufacturing, Remsoft, Apex Industries, and Howell Ventures grew their export markets, invested in productivity, and expanded their workforces with support from our organization.

ONB's fiscal year results were positive, with strong performance in export revenues, private sector investment, regulatory burden reduction, and supply chain optimization. We also saw growing demand for our productivity supports as more businesses recognized the need to invest in automation projects that improve their long-term competitiveness.

New Brunswick continued to attract interest as a great place to live and work. For the second consecutive year, Moncton remained Canada's fastest-growing city, with Fredericton also placing in the top 10. This population growth continues to create opportunities as newcomers create new businesses, invest in our communities, and enrich our talent pool. Employment in New Brunswick rose by 3.5 per cent in 2023 — the highest in over two decades — reaching nearly 400,000 positions by the end of the fiscal year. Every economic region in New Brunswick saw employment gains for the year.

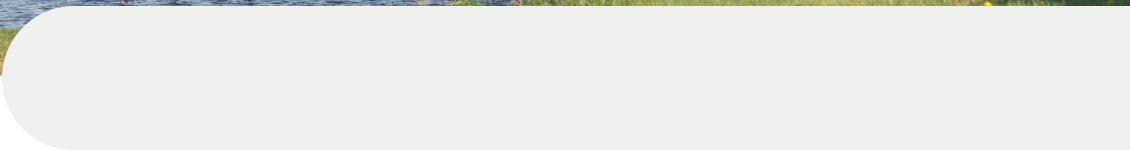
This Annual Report offers a comprehensive look at what we have been able to accomplish for New Brunswickers. As you will read, ONB has met or exceeded most of our targets. We recognize there is still work to be done, but ONB has been a catalyst for positive change in New Brunswick for nearly a decade, and we intend to keep it that way.

On behalf of the ONB Team, I would like to thank our many partners and stakeholders. With their support and our boots on the ground, we are confident that the coming years will see new opportunities unlocked, increased investment, improved productivity, and a stronger New Brunswick.

A handwritten signature in black ink that reads "Traci Simmons". The signature is fluid and cursive, with a small "2018" written at the end.

Traci Simmons

Chief Executive Officer, Opportunities NB





SENIOR LEADERSHIP TEAM



Traci Simmons
Chief Executive
Officer



Matthew Fox
Chief Financial
Officer



Carolyn McCormack
Vice President, People,
Culture & Communications



Steve Milbury
Vice President,
Business Development

BOARD OF DIRECTORS



Barry Kyle,
Board Chair

- Executive, Audit and Finance, Governance and HR
- Industrial Rubber Company



Andrew McLaughlin,
Vice-Chair

- Executive, Audit and Finance
- Major Drilling Group International



Gilles Cormier,
Director

- Executive, Audit and Finance
- Industrial Engineering and Educational Consultant



Kathryn Cameron,
Director

- Executive, Governance and HR
- Beauceron Security



Gordie Lavoie,
Director

- Executive, Audit and Finance
- Sunny Corner Enterprises Inc.



Kathryn Lockhart,
Director

- Executive, Governance and HR
- Propel ICT



Tom Liston,
Director

- Executive, Governance and HR
- Water Street Capital



Natasha Ostaff,
Director

- Executive, Audit and Finance
- Moncton Wildcats



Cade Libby

- Executive
- Deputy Minister of Natural Resources and Energy & Development and Deputy Minister of Indigenous Affairs



Traci Simmons

- Executive, Audit and Finance, Governance and HR
- Chief Executive Officer, ONB

WE ARE ONB

We help New Brunswick businesses of all sizes:



Navigate the province's business landscape and regulations.



Grow with customized business and financial support.



Optimize their operations and supply chains.



Export products and services to new markets worldwide.



We also **attract** investment and new businesses from around the world by showing them the New Brunswick advantage and by working with partners to make the province the ideal place to do business.

Our Vision:

We are a catalyst for business investment, growth, and prosperity.

Our Mission:

We connect businesses with people and opportunities.

Our Values:

- **Integrity:** We are transparent and do what is right to support clients and deliver value to New Brunswickers.
- **Professional:** We act professionally to ensure we are a valued partner, collaborator, and supporter for all clients and stakeholders.
- **Excellence:** We provide world-class service to clients to help them grow and prosper in New Brunswick.

Business Development

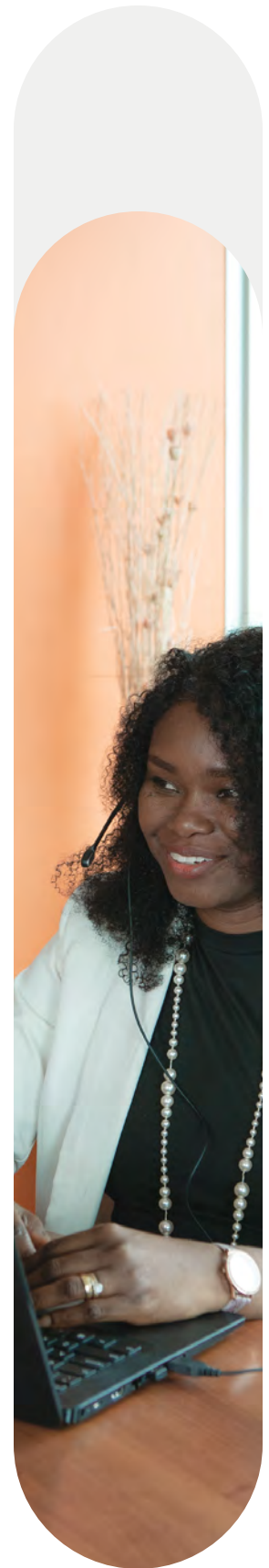
ONB's Business Development Team helps New Brunswick-based businesses scale, recruit, become more productive, adopt new innovative technologies, navigate regulatory challenges, connect with resources, and sell into new export markets. This team also works to position New Brunswick as a destination of choice for investment.

Finance and Strategy

With a focus on generating positive returns for the province, ONB's Finance and Strategy Team is committed to ensuring that public funds are safeguarded while continuing to support New Brunswick companies as they pursue growth opportunities. This group collaborates with public sector entities to identify and reduce the regulatory burden on our businesses and promotes a whole-of-government approach to economic development policy.

People, Culture and Communications

The People, Culture and Communications Team is the driving force behind ONB's high-performing and collaborative organizational culture. This group is responsible for training and development, recruitment and retention, succession planning, culture and employee engagement, and facility management. It also leads efforts to market New Brunswick's unique strengths, spread the word about the province's many success stories, and builds meaningful relationships with ONB's partners and stakeholders.





RESULTS. DELIVERED. FISCAL 2023–2024

ONB is a results-driven organization connecting companies with the partners, programs, and resources needed to succeed. Since day one, we have been committed to delivering value for our clients and stakeholders. Our results speak to the strong track record we have in doing just that.

When government investments are considered, ONB follows rigorous reporting standards to measure the impact of taxpayer-funded investments on the provincial economy. ONB reports on its return to the province conservatively and transparently, only considering direct and measurable benefits. While economic principles dictate that every direct impact has corresponding indirect effects, ONB does not currently consider additional indirect or induced benefits, such as resulting business-to-business transactions and secondary job creation.

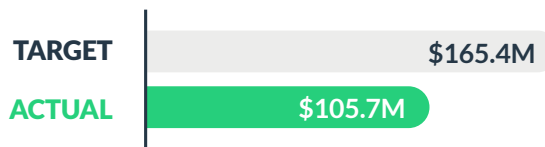
Our results reflect the progress made toward the targets identified in our Annual Business Plan.

ONB Performance Measures and Targets



Total new payroll commitments

The new payroll expected from new and existing NB businesses generating new job growth in the fiscal year.



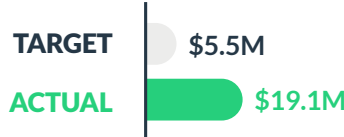
Export revenues

The client projected export sales resulting from ONB initiatives.



Reduce regulatory burden

The anticipated savings from initiatives aimed at reducing regulatory burden.



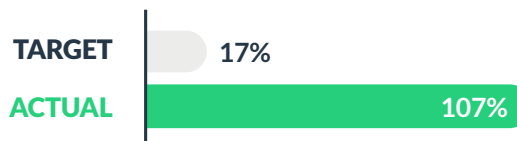
Productivity improvement

Private sector investments into productivity projects enabled as a result of financial support.



Corporate ROI

After considering all operational expenses and funding supports provided, the ROI refers to the returns generated from this investment.





New Payroll Commitments

In Fiscal 2023–2024, the ONB Team worked with 70 private sector businesses to sign 81 agreements projected to create **1,530 new jobs** and **\$105.7 million** in new future payroll. Two of those signed deals were net new companies attracted to the province. Of the signed agreements with projected job growth, over 70 per cent of new jobs are in ONB’s priority sectors. (See page 22 for more information on our priority sectors.)

Committed NB payroll	\$105.7M
Committed jobs	1,530
Committed average salary	\$69K
Committed GDP contribution \$	\$329.3M

ROI for Payroll Related Assistance

In Fiscal 2023–2024, ONB’s **payroll rebate assistance of \$9.2 million** generated \$17.8 million in provincial income taxes and \$49.2 million in total New Brunswick taxes. These strong returns are driven by ONB’s increased focus on growing priority sectors.

Payroll rebate disbursements	\$9.2M
Total payroll created via payroll rebates	\$219.5M
Provincial income taxes generated	\$17.8M
Total NB taxes generated	\$49.2M
Total GDP generated	\$449.6M
Net return to the province via payroll rebates	\$40M

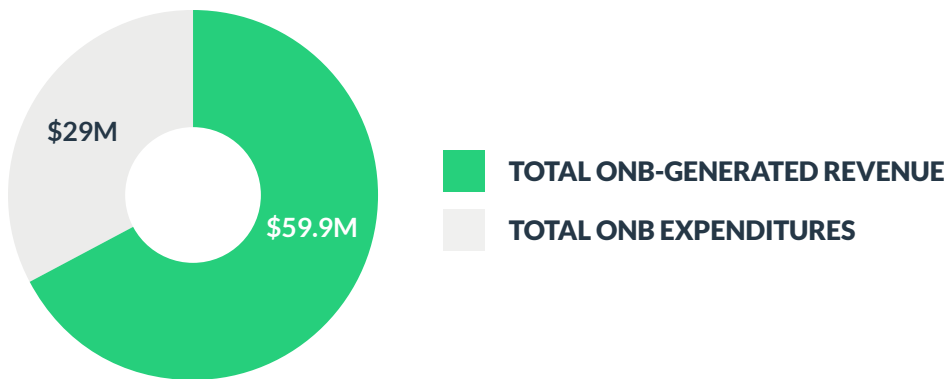
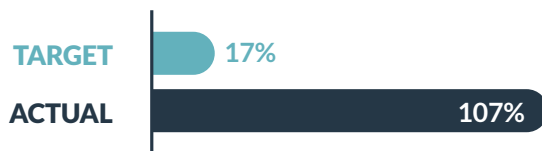
Overall, the province received **\$5** in total taxes for every payroll rebate dollar invested.

- All payroll rebate input data is based on actual information obtained from claims submitted by ONB clients. Claims are reported by ONB in the year expensed.
- Total payroll created is based on incremental actual payroll for eligible employees for the rebate year.
- All client-reported payroll data is reported on a calendar year based on CRA reporting requirements.
- Net return to the province via payroll rebates is calculated as the total NB taxes generated on supported jobs minus ONB payroll-related financial assistance in the year.
- Net return to the province via payroll rebates is calculated based on actual payroll information for eligible employees and inputted into ONB’s third-party designed, developed, and validated ROI model.
- \$9.1 million of the \$49.2 million in total New Brunswick taxes generated are from assistance provided in prior years that is tied to job growth.
- Provincial income taxes generated are calculated using ONB’s ROI model based on total supported jobs from ONB-validated payroll data using updated provincial income tax tables.

Corporate ROI

ONB's corporate ROI measures the organization's ability to be fiscally responsible in delivering on our mandate to create long-term economic growth. It illustrates the income generated from the costs associated with operating the organization.

After factoring in operational and financial assistance expenditures in Fiscal 2023–2024, taxpayers received **net new \$30.9 million in provincial revenues** from ONB's operations.



- ONB's corporate return on investment (ROI) calculation excludes all population growth revenues and expenditures.
- ONB-generated revenues represent the total taxes generated from jobs supported by ONB along with self-generated revenue from normal operations such as investment income, interest income, and in-year funding received. Generated revenues exclude revenues not directly attributable to ONB services such as provincial funds and recoveries on loan provisions.
- ONB expenditures exclude any non-reoccurring transactions or programs driven by GNB for ONB to execute and/or programs aimed at long-term economic growth with limited ability to accurately record the immediate tangible economic benefit (revenues).

Performance of Portfolio

With a focus on generating positive returns for the province, ONB ensures public funds are safeguarded while continuing to support New Brunswick companies as they pursue growth opportunities.

As of March 31, 2024, ONB's managed portfolio of loans, investments, and loan guarantees were valued at **\$303 million**. Since its inception on April 1, 2015, ONB's portfolio of investments has generated more than \$79.2 million in interest and investment income for taxpayers.

Significant Accomplishments (million)	
Collected extra payments in excess of \$106.4M	\$106.4M
Corporate restructuring of over \$54.4M to enhance security position	\$54.4M
Reduced provision on workout accounts by over \$54.4M	\$54.4M
Received dividends and gain on sale of equity of \$22.9M	\$22.9M
Interest earned \$56.3M	\$56.3M
Reduction on loan guarantees exposures of \$39.1M	\$39.1M
Number of active companies in ONB's portfolio	84



HIGHLIGHTS: FISCAL 2023–2024

Business Navigator Team



1,149 inquiries were received by the Business Navigator Team with a **97.7%** client satisfaction rate on full cases (inquiries requiring collaboration with ONB's partner network)



Helped clients save **\$993K** in regulatory burden reductions

Financial Services Team



Conducted due diligence on **39** investment projects



New funding commitments of over **\$18.2M**



Reviewed and processed **131** claims worth **\$14.9M** of financial assistance



Processed **\$42.6M** in loan repayments from portfolio clients



Processed **\$31.1M** in loan and investment advancements to portfolio clients



Exceeded red tape reduction targets, resulting in over **\$19.1M** in reduced regulatory burden



Via our Procurement Team, managed over **\$4.9M** (**31** total contracts) worth of signed service agreements with no violations of the *Public Purchasing Act* or ONB policies

Business Growth Team



Committed more than **\$8M** in financial assistance across **62** growth projects with NB companies



Supported NB businesses in expanding their workforce with commitments to grow payroll by over **\$23.3M**



Committed **\$4.3M** toward 14 productivity projects valued at **\$22.3M** in total investment



Signed 35 market development agreements totaling **\$687K** in committed financial assistance



Supported ONB clients in securing **\$28.9M** of GNB contracts

Export Development Team



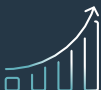
Supported **253** unique companies in accessing export supports



Introduced **72** clients to new markets



149 businesses took part in ONB-led trade missions and activities



ONB clients reported projected sales growth of over **\$97.2M**

Investment Attraction Team



Attracted new investments anticipated to create up to **1,198** new FTEs



New commitments of **\$82.4M** in total projected NB payroll

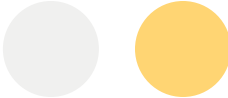


New investments to contribute up to **\$266.6M** in GDP growth

PRIORITY SECTORS

ONB takes a strategic approach to building capacity in priority, high-growth sectors. By working across government and within the economic development ecosystem, we aim to strengthen the sectors most important to New Brunswick today and into the future.

Advanced Manufacturing



New Brunswick’s economy is driven by manufacturing. We are investing in the growth of the advanced manufacturing sector via aerospace and defence, consumer products, food and beverage, mining, and other value-added industries. In support of its mandate, ONB has prioritized productivity improvement as a key lever to help New Brunswick manufacturers increase their competitiveness and overall profitability.

New Brunswick’s manufacturing sector leads the country in exports by value, has the longest average job tenure, and ranks third in Canada in GDP contribution (Statistics Canada). This success is thanks to a highly skilled manufacturing workforce with experience in traditional industries, and world-class post-secondary institutions tailoring curriculum to meet the sector’s evolving needs. New Brunswick’s mid-sized cities have also been ranked second in North America for technology-intensive manufacturing and third in system assembly and manufacturing.



Agritech

New Brunswick recognizes that agritech is critical to our ability to continue modernizing the agricultural sector, one of our largest traditional industries. We are shaping the industry as it moves forward, and innovative agritech companies are taking notice.

Our province has everything needed to help this sector thrive. Notably, our land costs are among the most attractive in Canada. ONB works to identify land options that offer the infrastructure needed for the success of the agriculture industry, including controlled environment agriculture (CEA), a sector crucial to increased food self-sufficiency. The province is also rich in water with approximately 60,000 km of rivers and streams, and 2,500 km of lakes and ponds. Our strong average daily solar irradiation also makes New Brunswick a leading location for solar energy, reducing energy costs for growers.

Cybersecurity

World-class telecommunications infrastructure, high-quality talent, and innovative industry-leading businesses continue to make New Brunswick a Canadian hotspot for cybersecurity investment. Recognized as a clear centre for cybersecurity education in Atlantic Canada for the breadth and depth of its programs and focus areas, it should be no surprise that Siemens' Cybersecurity Centre for Critical Infrastructure, Bulletproof, and the Thales National Digital Excellence Centre (NDEC) have footprints in New Brunswick.

ONB continues to attract leading cybersecurity companies to the province and help our homegrown companies grow and reach new markets. The past year has seen exciting new additions to the province's cybersecurity sector, with several innovative companies either establishing a New Brunswick operation or expanding their existing ones.



Digital Health



New Brunswick's diverse population and secure ecosystem create the perfect environment for the development of technology that will improve healthcare for Canadians coast to coast. We bring to the table the best mix of a knowledge-led economy, a highly educated and tech-savvy workforce, well-integrated ecosystem, a strong cybersecurity sector, and open access to global markets.

ONB helps digital health firms connect to the province's strengths in genomics and precision medicine, clinical trials technology, pharmaceutical manufacturing, biomedical engineering, senior care, monitoring and diagnostics systems, medical devices, virtual care, and electronic medical records (EMRs). New Brunswick is positioned to lead specifically in aging solutions, with a \$1.8 billion total potential investment in aging projects in recent years.

Energy Innovation



Thanks to an abundance of critical resources, unique assets, a strategic position, and a highly diversified energy portfolio, New Brunswick is well positioned for growth in the energy field.

Energy technology is key to our future growth and prosperity. ONB is driving economic development in energy by creating new industry relationships, attracting companies, and strengthening the potential for exporting to international markets.

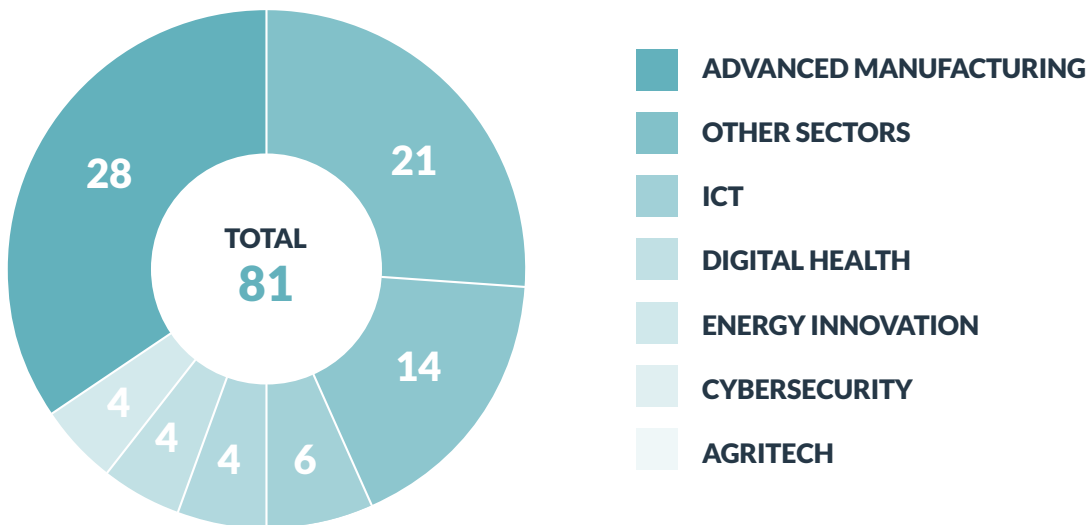




With strengths in digital transformation, robotic process automation, geomatics, ocean technology, digital media, SaaS, telecommunications, and more, New Brunswick continues to be a world-class jurisdiction for the ICT industry. ONB's partner network includes a wide variety of ICT organizations and stakeholders such as the McKenna Institute and TechImpact, which allows for agile collaboration creating a wealth of knowledge, synergies, increased productivity, stronger relationships, and innovation.

New Brunswick is one of North America's fastest-growing tech talent markets. We have the highest growth in the Gen Z population (15-24) in Canada and our Millennial population (25-39) is growing faster than the national average. The province's recent population growth has helped lead to 93.3 per cent growth in tech talent over the last five years. ONB is leveraging this ever-growing talent pool to help more and more international companies recognize the value in choosing New Brunswick for their operations.

**ONB'S SIGNED AGREEMENTS BY SECTOR
FISCAL 2023-2024**





TRANSPARENCY AND ACCOUNTABILITY

ONB is committed to being transparent and accountable to New Brunswickers with responsible management of public funds and increased focus on reporting on performance. ONB continues to improve access to, and proactive disclosure of, information related to the management and investment of public funds. On its 'Transparency' webpage, ONB publishes information on return-on-investment performance, funding approvals to industry, and detailed payment information.

Summary of *Public Interest Disclosure Act* Activity

As provided under section 18(1) of the *Public Interest Disclosure Act*, the CEO shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the CEO is responsible. ONB received no disclosures of wrong doing in Fiscal 2023–2024.

Summary of Legislation and Legislative Activity

ONB reported no legislation nor legislative activity in Fiscal 2023–2024.

Summary of Official Languages Activity

ONB recognizes its obligations under the *Official Languages Act* and is committed to actively offering and providing quality services in both official languages. One official complaint was filed under the Act in this past fiscal year. During Fiscal 2023–2024, ONB continued to ensure its obligations under the *Official Languages Act* were met throughout the organization. Below are associated activities that were carried out on an ongoing basis during the year in question.

Focus 1: Ensure access to service of equal quality in English and French throughout the province:

- Ongoing review of all linguistic profiles to ensure that resources can deliver services in both official languages.

Focus 2: An environment and climate that encourages, for all employees, the use of the official language of their choice in their workplace:

- As part of the annual performance review process, all employees are required to review the Language of Service and Language of Work policies and discuss them with their managers.
- Offer opportunity to participate in French or English language training to employees for their professional development.

Focus 3: Ensure that new and revised government programs and policies considered the realities of the province's Official Language communities:

- Official languages are part of the orientation for new employees.

Focus 4: Ensure public service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and the province's obligations with respect to Official Languages:

- Employees were asked to complete the online modules on Language of Service and Language of Work to build on their knowledge of the *Official Languages Act*.

During Fiscal 2023–2024, ONB continued to apply tools that help employees work in the language of their choice. The organization continues to work toward achieving the objectives set out in the government-wide Official Languages Action Plan.

Summary of Staffing Activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2023 for ONB.

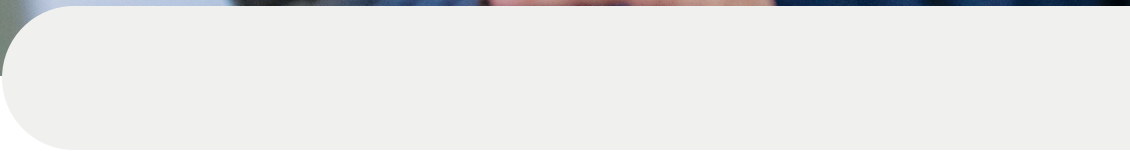
This section includes year-over-year staffing data to provide a more accurate picture of staffing and personnel. The below figures indicate the number of permanent and temporary employees at ONB as of December 31, each year.

Number of permanent and temporary employees as of Dec. 31 of each year		
Employee Type	2023	2022
Permanent	140	133
Temporary	16	17
TOTAL	156*	150

*48 employees from the Immigration Team were transferred to PETL (as of April 1, 2024).

ONB advertised 25 competitions, including 23 open (public) competitions and 2 closed (internal) competitions.

Pursuant to section 33 of the *Civil Service Act*, zero complaints alleging favouritism were made to the Deputy Head of ONB and zero complaints were submitted to the Ombud.





Consolidated Financial Statements of Opportunities New Brunswick

March 31, 2024

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Management Report

The preparation of financial information is an integral part of management’s responsibilities and the accompanying consolidated financial statements are the responsibility of the management of the Corporation. This responsibility includes the selection of appropriate accounting policies and making judgements and estimates consistent with Canadian Public Sector Accounting Standards (PSAS).

The Corporation maintains accounting systems and related controls to provide management and the Board of Directors with reasonable assurance that transactions are executed and recorded as authorized, that assets are properly safeguarded and accounted for, and that financial records are reliable for the preparation of financial statements in accordance with PSAS.

It is the responsibility of the Board of Directors to oversee management’s performance of its financial reporting responsibilities and to review and approve the consolidated financial statements. It is assisted in its responsibilities by the Audit and Finance Committee. This committee reviews and recommends approval of the consolidated financial statements and meets periodically with management concerning internal controls and matters related to financial reporting. Upon the recommendation of the Audit and Finance Committee, these consolidated financial statements for the year ended March 31, 2024 are approved by the Board of Directors.



Traci Simmons
Chief Executive Officer



Matthew Fox
Chief Financial Officer

Fredericton, N.B., Canada
June 27, 2024

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Directors of Opportunities New Brunswick

Report on the Audit of the Consolidated Financial Statements

Opinion

I have audited the consolidated financial statements of Opportunities New Brunswick (the Entity), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, change in net financial assets, change in accumulated surplus, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2024, and the results of its consolidated operations, change in its net financial assets, change in its accumulated surplus, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Paul Martin, FCPA, FCA
Auditor General

Fredericton, New Brunswick, Canada
June 27, 2024

Opportunities New Brunswick
Consolidated statement of financial position
as at March 31

	2024	2023
Assets		
Due from Province of New Brunswick	\$ 208,674,818	\$ 189,783,511
General receivables (note 4)	281,729	427,679
Interest receivable (note 5)	307,063	795,286
Loans receivable (note 8)	92,752,863	73,604,095
Investments (note 9)	21,438,233	20,465,359
Total Financial Assets	323,454,706	285,075,930
Liabilities		
Accounts payable and accrued liabilities (note 13)	16,133,048	13,947,144
Deposits held in trust (note 16)	31,849,990	37,199,990
Provision for loss on loan guarantees (note 15)	4,290,000	7,150,000
Due to Province of New Brunswick (note 17)	225,239,473	235,523,565
Total Liabilities	277,512,511	293,820,699
Net financial assets (Net debt)	45,942,195	(8,744,769)
Non-financial assets		
Prepaid assets	127,763	55,551
Tangible capital assets (note 12)	591,679	832,442
Total Non-Financial Assets	719,442	887,993
Accumulated surplus (deficit), end of period	\$ 46,661,637	\$ (7,856,776)

Contingencies (note 15)
Commitments (note 19)
Subsequent events (note 23)



Barry Kyle
Chair – Board of Directors



Natasha Ostaff
Chair – Audit Committee

Opportunities New Brunswick
Consolidated statement of operations
for the year ended March 31

	Budget (note 21)	2024	2023
Revenue			
Province of New Brunswick	\$ 44,965,000	\$ 44,965,000	\$ 44,352,322
Interest on loans (note 5)	5,000,000	4,067,794	3,823,110
Other	-	1,284,026	544,634
Designated recoveries	1,733,000	3,124,591	3,002,665
Income from investments	-	4,485,617	2,419,222
Provision for losses recovery (note 7)	-	32,720,847	17,857,576
Population Growth division (note 23)	5,400,000	5,781,500	6,902,000
Total Revenue	57,098,000	96,429,375	78,901,529
Expenses			
Administration and business development services (note 18)	16,267,250	16,232,952	14,049,287
Administration - population growth (note 18 and 23)	4,905,750	4,112,719	4,446,851
Financial assistance	22,500,000	11,819,958	10,860,022
Financial assistance - population growth (note 23)	5,925,000	6,626,516	6,716,811
Financial assistance - productivity and competitiveness	5,000,000	3,118,817	8,220,372
Bad debt expense	2,500,000	-	-
COVID-19 Pandemic Grant	-	-	723,641
Total Expenses	57,098,000	41,910,962	45,016,984
Annual surplus (deficit)	\$ -	\$ 54,518,413	\$ 33,884,545

Opportunities New BrunswickConsolidated statement of change in net financial assets
for the year ended March 31

	Budget	2024	2023
Net debt, beginning of year	\$ (8,744,769)	\$ (8,744,769)	\$ (42,653,501)
Annual surplus	-	54,518,413	33,884,545
Net change in prepaid expenses	-	(72,212)	8,054
Net change in tangible capital assets	-	240,763	16,133
Net financial assets (debt), end of year	\$ (8,744,769)	\$ 45,942,195	\$ (8,744,769)

Opportunities New BrunswickConsolidated statement of change in accumulated surplus
for the year ended March 31

	Budget	2024	2023
Accumulated deficit, beginning of year	\$ (7,856,776)	\$ (7,856,776)	\$ (41,741,321)
Annual surplus	-	54,518,413	33,884,545
Accumulated surplus (deficit), end of year	\$ (7,856,776)	\$ 46,661,637	\$ (7,856,776)

Opportunities New Brunswick
Consolidated statement of cash flows
for the year ended March 31

	2024	2023
Operating transactions		
Annual surplus	\$ 54,518,413	\$ 33,884,545
<i>Non-cash items</i>		
Net (decrease) in provision for doubtful accounts	(30,315,305)	(19,029,435)
Capitalized interest on loans	(168,834)	(663,769)
Amortization of concessionary interest	(66,075)	(142,522)
Unforgiven loans reclassified	(1,111,523)	10,655,578
Concessionary interest on new loans	-	126,684
Amortization of tangible capital assets	240,763	212,196
<i>Changes in non-cash working capital balances</i>		
General receivables	145,950	(173,820)
Interest receivable	488,223	(268,424)
Prepaid expenses	(72,212)	8,054
Guarantees payable	(2,860,000)	(290,000)
Accounts payable and accrued liabilities	2,185,904	(1,809,092)
Deferred revenue	-	(249,134)
Total Operating transactions	22,985,304	22,260,861
Investing transactions		
Loan advances	(30,182,000)	(5,000,000)
Loan repayments	42,694,969	11,257,082
Investment	(972,874)	(3,355,871)
Total Investing transactions	11,540,095	2,901,211
Financing and capital transactions		
Acquisition of Tangible Capital Assets	-	(285,663)
Proceeds of disposition of Tangible Capital Assets	-	89,600
Deposits held in Trust	(5,350,000)	(7,055,000)
Loan payable to Province of New Brunswick	(10,284,092)	(18,251,595)
Total Financing transactions	(15,634,092)	(25,502,658)
Increase (decrease) in cash and cash equivalents during the year	18,891,307	(340,586)
Cash and cash equivalents, beginning of the year	189,783,511	190,124,097
Cash and cash equivalents, end of year	208,674,818	189,783,511
Cash and cash equivalents is represented by:		
Due from Province of New Brunswick	\$ 208,674,818	\$ 189,783,511

1. Nature of operations

The Opportunities New Brunswick Act was proclaimed and came into force on April 1, 2015. The new Act repealed the Invest New Brunswick Act and Economic Development Act. Under these provisions, all assets and liabilities of Invest NB and the Minister of Economic Development became the assets and liabilities of Opportunities New Brunswick on April 1, 2015.

As a Crown corporation, Opportunities New Brunswick (“ONB”) is the focal point for all New Brunswick’s economic development activities. Client-focused, proactive, professional and accountable, ONB is the single point of contact for local and foreign businesses looking to grow, expand or locate. ONB performs critical functions focused on performance, high-growth opportunities and growing New Brunswick.

2. Summary of significant accounting policies

Basis of accounting

These consolidated financial statements are prepared by management in accordance with Canadian public sector accounting standards (“PSAS”) as issued by the Public Sector Accounting Board (“PSAB”).

Principles of consolidation

The accounts of organization(s) within ONB’s reporting entity are included in these consolidated financial statements through the consolidation method.

This method combines the accounts of a distinct organization. It requires uniform accounting policies for the organizations. Interorganizational balances and transactions are eliminated under this method. This method reports the organizations as if they were one organization.

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of ONB and its wholly owned subsidiary 734743 NB Ltd. All inter-departmental and inter-entity accounts and transactions between these entities are eliminated upon consolidation.

Adoption of new accounting standards

Effective 1 April 2023, ONB prospectively adopted Public Sector Accounting Guideline PSG 8 – Purchased Intangibles. ONB has no purchased intangibles, and no additional recognition or disclosures were required because of the adoption of this standard.

Effective 1 April 2023, ONB prospectively adopted Public Sector Accounting Standard PS3160 – Public Private Partnerships. ONB has no public private partnerships, and no additional recognition or disclosures were required because of the adoption of this standard.

Effective 1 April 2023, ONB adopted PS 3400 Revenue, which establishes standards on how to account for and report on revenue. The Section sets out general guidance for how the Corporation recognizes, measures, presents and discloses revenue arising from transactions that include performance obligations (exchange transactions) and transactions that do not have performance obligations (non-exchange transactions). There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when a performance obligation is satisfied. PS 3400 has been applied prospectively to these consolidated financial statements, and as permitted by the transitional provisions, prior periods were not restated. The implementation of this new standard did not have a material impact on the consolidated financial statements.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Non-financial assets are acquired assets that do not normally provide resources to discharge existing liabilities, but instead are employed to deliver government services, may be consumed in the normal course of operations and are not for resale. Nonfinancial assets include prepaid expenses and tangible capital assets.

2. Summary of significant accounting policies (continued)

Due from Province of New Brunswick

As ONB and its wholly owned subsidiary 734743 NB Ltd. do not have a separate bank account; expenses and revenues flow through the Province of New Brunswick's ("the Province") bank accounts. These funds represent ONB's consolidated cash and cash equivalents.

Investments

Investments in equity instruments of private enterprises are carried at adjusted cost, with realized gains and losses recognized in the statement of operations in the period that they are derecognized.

Investments in equity instruments of private enterprises are classified as impaired when, in the opinion of management, there has been a loss in the value of the equity instruments that is other than a temporary decline. Impairment losses are recorded in the statement of operations in the period they are incurred. The investments are reviewed annually for potential declines in value.

Investments in equity instruments that are quoted in an active market are carried at fair value. Changes in the fair value of the equity instruments are recognized in the statement of remeasurement gains and losses as a remeasurement gain or loss until the financial instrument is derecognized, at which time the gain or loss is reclassified to the statement of operations.

Tangible capital assets

Tangible capital assets are assets of ONB which have useful lives of greater than one year. Certain dollar thresholds for capitalization have been established for practical purposes. ONB has expensed capital assets acquired with an individual value of \$40,000 or less. Tangible capital assets are initially recorded at cost and assessed annually for impairment. Tangible capital assets are amortized over the limited useful life of the asset using the straight-line amortization method.

Land

ONB owns land inherited from historical transactions that is not used as part of regular operating activities. Land is recorded at cost, has an unlimited useful life, and is not amortized.

Prepaid assets

Prepaid assets include travel and salary advances, media subscriptions, and other cash and cash equivalents distributions made to third parties in advance of the benefit being received. Prepaid assets are charged to expense over the periods to which they relate.

Revenue and receivables

Revenues, including interest revenue, designated recoveries, investment income and other revenues are recognized when the transaction or event has occurred, and the performance obligation related to underlying services or goods has been met. For revenues without performance obligations, revenue is recognized when the Corporation has authority to claim or retain an inflow of economic resources and when revenue is expected.

Receivables, including interest receivable, are recognized on an accrual basis as earned. Amounts receivable but deemed uncollectable are recognized as bad debt expenses.

Restructuring transactions

A restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities, without consideration based primarily on the fair value of the individual assets and liabilities transferred (*note 23*).

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year is expensed.

2. Summary of significant accounting policies (continued)

Government transfers

Expenses

Government transfers are transfers of money, such as grants, to an organization for which ONB does not directly receive any goods or services directly in return. Government transfers are comprised of financial assistance, financial assistance productivity and competitiveness, population growth-financial assistance, and COVID-19 pandemic grants.

Revenues

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to a performance obligation that does not meet the recognition criteria of revenue. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Government transfers are provided by the Province in the form of operating grants in accordance with the Government's Main Estimates process.

Pension expenses

The defined benefit pension plan created by the *Public Service Superannuation Act* was converted and replaced by the *New Brunswick Public Service Pension Plan* (the "NBPSPP"). The NBPSPP is a shared risk pension plan in accordance with *New Brunswick's Pension Benefits Act*. Certain employees of ONB are entitled to receive benefits under the NBPSPP. This converted plan requires all employer classified full-time employees participate in this new plan, which is funded by both the employee and the employer. Employer pension contributions are paid and expensed by the Province on behalf of ONB. ONB is not responsible for any unfunded liability nor does it have access to any surplus with respect to its employee pensions. Refer to ONB expenses paid by other parties note below for further information.

Retirement allowances

Certain long serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province. The Province made changes to its retirement allowance program in 2013 where management and non-union employees of ONB will no longer accumulate retirement allowance credits. Employees who were participating in this program were offered a choice of pay-out in lieu of a retirement allowance or, for those with more than five years of service, an option to defer the pay-out until retirement. The costs and liability associated with the plan is not the responsibility or obligation of ONB and is recorded by the Province in its financial statements.

Opportunities NB expenses paid by other parties

Certain employer costs such as pension contributions and Canada Pension Plan ("CPP") are paid and expensed by the Province on behalf of ONB. Sick leave liability is accounted for by the Province in its consolidated financial statements. These expenses and the related asset/liability balances are not presented in these consolidated financial statements. Under the agreed operating terms of ONB, these benefit plan balances will remain obligations/assets of the Province and will not be assumed by ONB.

Accrued post-closing costs

ONB accrues post-closing costs. The reported liability is based on estimates and assumptions using the best information available to management as documented in *note 14*. Future events may result in significant changes to the estimated total expenses; capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate when applicable.

Financial instruments

Financial instruments consist of due from Province of New Brunswick, general receivables, interest receivable, loans receivable, investments, accounts payable and accrued liabilities, provision for loss on loan guarantees, deposits held in trust, and due to Province of New Brunswick.

2. Summary of significant accounting policies (continued)

Financial instruments are initially recognized at fair value, plus any directly attributable transaction costs, when ONB becomes a party to the contractual rights and obligations of the financial instrument. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments are derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred, and ONB has transferred substantially all risks and rewards of ownership or are derecognized when the contractual obligation has been discharged, cancelled, or has expired.

ONB classifies its financial instruments in the following groups:

a. Cost or amortized cost

General receivables consist of guarantee fees, lease fees, travel advances, and other receivables as well as the general provision against such receivables.

Interest receivable consists of interest on the loans receivable as well as the provision on the interest receivable. Interest is recognized using the effective interest method.

Loans receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans receivable are measured at amortized cost using the effective interest method, less any valuation allowances on the loans where management estimates amounts may be uncollectable in the future.

Investments are financial assets that are measured at adjusted cost and assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost (details in *note 11*).

Accounts payable and accrued liabilities are classified as financial liabilities. After initial recognition, financial liabilities are measured at amortized cost using the effective interest rate method.

Provision for loss on loan guarantees are valuation allowances on the loan guarantees where management estimates amounts may be uncollectable in the future.

Deposits held in trust consist of funds received by ONB and held trust until specific criteria have been met.

Due to Province of New Brunswick represents interest-free loans received from the Province that are then issued to clients and measured at cost.

b. Fair value category

Investments are financial assets that are measured at fair value with changes in fair value recognized annually in the consolidated statement of remeasurement gains and losses until the investment is derecognized and the gain or loss is reclassified to the consolidated statement of operations (details in *note 11*). ONB at March 31, 2024, holds no investments that are measured at fair value (2023 – no investments measured at fair value) and as a result, no consolidated statement of remeasurement gains and losses are prepared and no disclosures are required.

Due from Province of New Brunswick consists of cash and cash equivalents and are measured at fair value, which is assumed to represent the carrying value, which is historical cost. Due to Province of New Brunswick are measured at fair value, which is assumed to represent the carrying value.

2. Summary of significant accounting policies (continued)

Measurement uncertainty

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The most significant areas requiring the use of management estimates relate to the determination of valuation allowances on loans receivable and loan guarantees, impairment of investments, determination of the useful lives of tangible capital assets for amortization, accrued post-closing costs, concessionary interest, accrued expenses, and future year commitments. Actual results could differ from management's best estimates, as additional information becomes available in the future.

A sensitivity analysis indicates that the impact of a +/- 5% change in the overall valuation allowance on loans receivable could impact net loans receivable and bad debt expense by +\$7.1 million or -\$5.9 million (2023 +\$7.7 million or -\$6.4 million).

The impact of a +/- 5% change in the overall valuation of provision for losses on loan guarantees could impact provision for losses on loan guarantees and bad debt expense by +/- \$.7 million (2023 +/- \$.7 million).

A sensitivity analysis indicates that the impact of a -5% change in impairment on investments could impact net investments and bad debt expense by -\$1 million (2023 -\$1.5 million).

Harmonized sales tax (HST)

ONB does not record HST in its consolidated financial statements because the Federal portion of all HST paid is reimbursed to the Province of New Brunswick, and the provincial portion of HST is not levied by the Province on its own entities.

Forgivable loans

Loan agreements which include forgiveness provisions are charged to financial assistance expense when the forgiveness is considered likely.

Valuation allowances

Valuation allowances are used to reflect loans receivable at the lower of cost and net recoverable value. A valuation allowance is also recorded on loan guarantees when it is determined that a loss is likely. An annual review is performed on loans receivable and loan guarantee balances and an allowance is recorded, which reflects management's best estimate of probable losses. Initial and subsequent changes in the amount of valuation allowance are recorded as a charge or credit to the statement of operations.

Concessionary loans

ONB recognizes a concessionary loan when the interest rate charged to a client is lower than the Province's borrowing rate in the capital markets. The net present value of the concessionary interest is calculated based on the difference between the interest rate charged and the Province's borrowing rate at the time the loan was issued. The concessionary portion of the loan is recorded as an expense in the year of issue. This amount is amortized to revenue on a straight-line basis over the term of the loan. The recorded value for these loans is the face value less the unamortized portion of the concessionary interest.

Concessionary loan interest

The foregone interest on the concessionary loans issued by ONB is expensed in the year the loans are issued and amortized into revenue over the life of the concessionary term of the loans.

Loans payable to Province of New Brunswick

The Province issues interest-free loans to ONB which are then issued to clients. Client repayments are applied against ONB's loan obligations to the Province. The Due to Province of New Brunswick is calculated at face value, less repayments received each year (see note 17).

3. Related entity transactions

ONB and its wholly owned subsidiary 734743 NB Ltd. are wholly owned by the Province of New Brunswick and is therefore a related party to other organizations that are controlled or subject to significant influence by the Province of New Brunswick. ONB has several recorded transactions with these related entities. Specifically,

These have been updated:

- Designated revenues of \$507,165 from the Regional Development Corporation (2023 - \$488,000).
- Designated revenues of \$655,136 from the Department of Intergovernmental Affairs (2023 - \$350,000).
- Designated revenues of \$1.36 million from the Department of Post-Secondary Education, Training and Labour (2023 - \$1.69 million).
- Immigration financial assistance expenditures of \$377,435 to the college communautaire de Nouveau Brunswick (2023 - \$207,049).

Transactions with these related entities have occurred and been settled on normal trade terms, except for the items noted below:

- ONB is economically dependent on the Province. During the fiscal year, ONB received funding of \$44.9 million (2023 - \$44.3 million) from the Province.
- ONB uses an office for which rent is paid for by the Province of New Brunswick.
- ONB does not have a separate bank account. Therefore, ONB's expenses and revenues flow through the Province's bank accounts and are presented in ONB's Due from Province of New Brunswick. In 2024 the amount Due from Province of New Brunswick was \$208.7 million (2023 - \$189.8 million).
- The Province issues interest-free loans to ONB which are then issued to clients. See Note 17 for additional disclosure on amounts Due to Province of New Brunswick.
- The Province records employer expenses for pension contributions, CCP contributions, and retirement allowance payments. These expenses, along with sick leave liability accruals, are not presented in these financial statements.

The Province provides certain other central services for ONB, most notably through Service New Brunswick, which are recorded at the exchange amount as if the entities are dealing at arm's length.

4. General receivables

	2024	2023
General receivables	\$ 416,826	\$ 561,276
Allowance of doubtful accounts	(135,097)	(133,597)
	\$ 281,729	\$ 427,679

General receivables include fees, travel advances and other receivables due to ONB. Collectability on general receivables is assessed on an annual basis.

5. Interest revenue on loans

	2024		2023
Amortization of concessionary loan interest	\$ 66,075	\$	142,522
Loan interest	4,001,719		3,680,588
	\$ 4,067,794	\$	3,823,110
	2024		2023
Opening balance	\$ 2,031,566	\$	1,844,024
Loan interest	4,001,719		3,680,588
Payments received	(4,913,945)		(2,829,277)
Capitalized interest on loans	(168,834)		(663,769)
	950,506		2,031,566
Valuation Allowance			
Opening	(1,236,280)		(1,317,162)
(Increase) decrease in provision	592,837		80,882
	(643,443)		(1,236,280)
Interest receivable (net)	\$ 307,063	\$	795,286

Included in interest receivables (net) are \$0 (2023 - \$551,670) of recorded interest revenue where interest revenue is accrued but not payable until certain terms or conditions are met.

6. Income from investments

Income from investments of \$4.5 million (2023 - \$2.4 million) was recorded during the year.

7. Recovery of doubtful accounts and bad debt expense

	2024		2023
Recoveries - loans and guarantees	\$ 608,720	\$	31,587
Changes in provision allowance	33,111,717		19,389,358
Impairment of investment	(999,590)		(1,563,369)
	\$ 32,720,847	\$	17,857,576

8. Loans receivable

	2024	2023
Opening balance	\$ 153,485,054	\$ 169,718,107
Net loans advanced	30,182,000	5,000,000
Capitalized interest	168,834	663,769
Amortized interest free portion into revenue	66,075	142,522
Concessionary interest on new loans	-	(126,684)
Repayments received	(42,694,969)	(11,257,082)
Loan reclassification	1,111,523	(10,655,578)
	142,318,517	153,485,054
Valuation allowance		
Opening balance	(79,880,959)	(98,910,394)
(Increase) in provision	(5,888,235)	(1,710,897)
Decrease in provision	36,203,540	20,740,332
	(49,565,654)	(79,880,959)
Loan receivable (net)	\$ 92,752,863	\$ 73,604,095

Interest charged on these loans' ranges from 0% to 10%. Repayment terms are negotiated on specific loans and would normally not exceed 30 years. The level of security on loans is also negotiated between ONB and the debtor based on the risk associated with the individual loan. The security can include life insurance, company assets, personal guarantees, or the value of the parent company. Security can range from an unsecured position to a fully secured position.

9. Investments

The investments held by ONB and its consolidated entity have terms that are negotiated between ONB and the investee based on the risk associated with the individual investments. ONB's investments are recorded at cost or amortized cost.

	2024	2023
Opening balance	\$ 20,465,359	\$ 17,109,488
New investments	2,255,807	3,294,240
Transfers	23,736	4,835,229
Redemptions	(307,079)	(3,210,229)
Impairment	(999,590)	(1,563,369)
	\$ 21,438,233	\$ 20,465,359

2023 comparatives include a restructuring transaction that resulted in \$10.8 million of repayable loans being reclassified to investments. Of this amount, \$6 million had concessionary terms that were expensed in the year as financial assistance – productivity and competitiveness and \$4.8 million that was transferred to investments.

10. Risk management

An analysis of significant risk from ONB's financial instruments is provided below:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. ONB manages this exposure through credit approval procedures for loan and investment applicants, and the monitoring of payments from debtors. Applicants are assessed for credit quality by taking into account external credit ratings, where available, an analysis of financial position and liquidity, past experience and other factors. Credit quality assessments include those financial instruments that are neither past due nor impaired and are recorded at their carrying value.

ONB's maximum exposure to credit risk at March 31, 2024 is equal to the general receivables, interest receivables, loans receivable and investments balances of \$114.8 million (2023 – \$95.3 million). This amount is net of provision and impairment estimations made by management that assess the credit quality of ONB's general receivables (*note 4*), interest receivables (*note 5*), loans receivables (*note 8*) and investment balances (*note 9*).

ONB's maximum exposure does take into consideration specific collateral held as first security. Several of ONB's loans hold collateral in the form of general security agreements on company assets and/or collateral debentures. The financial effect of collateral held as security has been included in managements estimate for provisions.

(b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity requirements are managed through the receipt of provincial revenues, income generated from loans receivable and equity investments, and principal repayments received on loans receivable. ONB manages this risk by monitoring the loan repayments from debtors. These sources of funds are used to pay operating expenses and repay debt payments to the Province. In the normal course of business ONB enters into contracts that give rise to commitments for future payments which also impact ONB's liquidity. ONB also maintains cash and cash equivalents through the Province and this account is used to pay accounts payable and accrued liabilities.

(c) Interest rate risk

Interest rate risk is the risk that the market value of ONB's investments and debt will fluctuate due to changes in the market interest rates. ONB's rate of interest charged on loans receivable are fixed as stated in legal agreements. Any change in market interest rates during the period would have no effect on the cash flows of ONB unless a debt instrument was restructured or refinanced.

(d) Currency risk

Currency risk arises on financial instruments denominated in foreign currency. ONB is exposed to currency risk on purchases that are denominated in a currency other than ONB's functional currency, primarily in US Dollars (USD). ONB's foreign currency transactions are normally settled in the short term, therefore management considers exposure to currency risk to be minimal.

(e) Concentration risk

Concentration risk occurs when a lender's portfolio has a higher concentration of value towards either (1) one entity or group of entities ("Name Risk") or (2) a particular region, product, industry or sector ("Sector Risk"). Due to the nature of the New Brunswick economy's reliance on primary industries, ONB's total portfolio is over weighted in primary industries, most notably the forestry industry. As at March 31, 2024 ONB faced the following concentration risks (gross portfolio exposure net of allowance):

- Name Risk of \$132.0 million (92%) for ten corporate entities/groups (2023 – \$111.3 million (90%) for ten corporate entities/groups);
- Sector Risk of \$15.8 million (11%) for four corporate entities/groups within the forestry sector (2023 – \$15.5 million (12%) for six corporate entities/groups).

11. Financial instrument classification

The following table provides cost and fair value information of financial instruments by category.

	Fair Value	2024	
		Amortized Cost	Total
Due from Province of New Brunswick	\$ 208,674,818	\$ -	\$ 208,674,818
General receivables	-	281,729	281,729
Interest receivable	-	307,063	307,063
Loans receivable	-	92,752,863	92,752,863
Investments	-	21,438,233	21,438,233
Accounts payable and accrued liabilities	-	16,133,048	16,133,048
Provision for loss on loan guarantees	-	4,290,000	4,290,000
Deposits held in trust	-	31,849,990	31,849,990
Due to Province of New Brunswick	-	225,239,473	225,239,473
	\$ 208,674,818	\$ 392,292,399	\$ 600,967,217

	Fair Value	2023	
		Amortized Cost	Total
Due from Province of New Brunswick	\$ 189,783,511	\$ -	\$ 189,783,511
General receivables	-	427,679	427,679
Interest receivable	-	795,286	795,286
Loans receivable	-	73,604,095	73,604,095
Investments	-	20,465,359	20,465,359
Accounts payable and accrued liabilities	-	13,947,144	13,947,144
Deferred revenue	-	-	-
Provision for loss on loan guarantees	-	7,150,000	7,150,000
Deposits held in trust	-	37,199,990	37,199,990
Due to Province of New Brunswick	-	235,523,565	235,523,565
	\$ 189,783,511	\$ 389,113,118	\$ 578,896,629

The following table provides an analysis of financial instruments measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

11. Financial instrument classification (continued)

	2024			Total
	Level 1	Level 2	Level 3	
Due from Province of New Brunswick	\$ 208,674,818	\$ -	\$ -	\$ 208,674,818
	\$ 208,674,818	\$ -	\$ -	\$ 208,674,818

	2023			Total
	Level 1	Level 2	Level 3	
Due from Province of New Brunswick	\$ 189,783,511	\$ -	\$ -	\$ 189,783,511
	\$ 189,783,511	\$ -	\$ -	\$ 189,783,511

12. Tangible capital assets

Tangible capital assets include acquired and improved tangible assets whose useful life extends beyond the fiscal year.

	2024			2023
	Land	Computer Software	Total	Total
Estimated Useful Life (Years)	Indefinite	5-15		
Cost				
Opening costs	\$ 299,900	\$ 1,154,483	\$ 1,454,383	\$ 1,258,319
Additions	-	-	-	285,663
Disposals	-	-	-	(89,600)
Impairments	-	-	-	-
Closing costs	299,900	1,154,483	1,454,383	1,454,382
Accumulated amortization				
Opening accumulated amortization	-	621,941	621,941	409,744
Transferred	-	-	-	-
Amortization	-	240,763	240,763	212,196
Disposals	-	-	-	-
Closing accumulated amortization	-	862,704	862,704	621,940
Net Book Value	\$ 299,900	\$ 291,779	\$ 591,679	\$ 832,442

13. Accounts payable and accrued liabilities.

	2024		2023
Trade accounts payable	\$ 4,289,994	\$	3,811,159
Financial assistance	6,551,521		5,108,858
Accrued post-closing costs (note 14)	4,509,000		4,254,417
Vacation liability	515,711		495,382
Salary and benefits	266,098		276,497
Goods and services tax	724		831
	\$ 16,133,048	\$	13,947,144

14. Accrued post-closing costs

ONB is responsible for the continued monitoring and treatment of 4 environmental sites (2023 - 4 environmental sites) used by pulp mills, which are now closed as the sites had reached their capacity and there is currently no timeline for capping the site. The sites have been closed and require no additional funding for closure procedures. The liability recognized in the financial statement is subject to measurement uncertainty and the recognized amounts are based on ONB's best information and judgment. The accrued liability for post-closing costs has been determined based on estimated post-closing costs of \$4.5 million (2023 - \$4.2 million).

Post-closing costs are assumed not to be incurred in the near future and for this calculation's purpose are estimated as at March 31, 2024.

At March 31, 2024 the estimated annual monitoring costs of \$55,000 (2023 - \$55,936) are unfunded by ONB as these costs are currently being covered by the pulp mill as part of their ongoing maintenance. Should the pulp mill cease these operations, ONB would assume the responsibility and fund the annual monitoring costs.

15. Contingencies

(a) Guaranteed debt

ONB has provided guarantees in respect of the credit facilities of various entities. As at March 31, 2024, there was 1 (2023 - 1) guarantee outstanding for a total value of \$14.3 million (2023 - \$14.3 million) and with a provision of \$4.3 million (2023 - \$7.1 million). The guarantee is set to expire in 2027 and secured by various assets and proceeds from liquidation which are expected to offset a portion of any possible payments under guarantees.

(b) Legal actions

ONB is involved in various legal proceedings arising from government activities from which the outcome is either not determinable or have been accrued in the financial statements at management's best estimate of the likely losses due to legal actions. Contingent assets are not recorded in these consolidated financial statements. Amounts related to legal actions are not disclosed to prevent adverse effects on the outcome of the litigations.

16. Deposits held in trust

The Province holds funds (on behalf of ONB) received from applicants under the Provincial Nominee Program. Funds remain in trust until it is determined if specific criteria attached to the funds held in trust have been met. If the specific criteria have not been met, the funds are recognized as revenue on ONB's consolidated statement of operations under Population growth division.

As of March 31, 2024, ONB had \$31.8 million held in trust (2023 - \$37.2 million). On April 1, 2024 those funds were transferred to the Department of Post-Secondary, Education, Training, and Labour (see note 23).

17. Due to Province of New Brunswick

	2024		2023
Face value of total portfolio	\$ 225,950,475	\$	236,300,642
Concessionary interest	(777,077)		(919,599)
Amortized portion	66,075		142,522
Book value of total portfolio	\$ 225,239,473	\$	235,523,565

The Province issues interest-free loans to ONB which are then issued to clients. Client repayments are applied against ONB's loan obligations to the Province.

18. Administration and business development services

	2024		2023
Salaries and benefits	\$ 13,915,471	\$	13,028,499
Other services	5,972,440		4,923,536
Materials and supplies	115,489		176,041
Property and equipment	101,508		155,866
Amortization	240,763		212,196
	\$ 20,345,671	\$	18,496,138

Administration and business development services includes expenses of \$4.11 million (2023 - \$4.46 million) for Population Growth. Population Growth was transferred out of ONB on April 1, 2024. See Note 23 for details.

19. Commitments

The following amounts are future financial commitments for financial assistance agreements.

		Commitment
2025	\$	20,802,845
2026	\$	16,537,840
2027	\$	9,508,894
2028	\$	4,536,080

The following amounts are future financial commitments for future operational related expenditures based on contractual agreements.

		Commitment
2025	\$	630,518
2026	\$	275,867
2027	\$	163,828
2028	\$	58,723

20. Special purpose account

Provincial Territorial Immigration Secretariat

The Provincial-Territorial (PT) Immigration Secretariat was formed in 2008 to support the forum of Ministers responsible for Immigration. The role of the PT Secretariat is to facilitate multilateral collaboration and communication among PT ministries responsible for immigration.

The administration of the PT secretariat moves from one province to another and is on a 3-year rotational basis. The PT Secretariat was under the administration of New Brunswick, by way of ONB, until March 31, 2023. On April 1, 2023 the administration of the PT secretariat and the accumulated surplus of \$255,913 was transferred to the province of Saskatchewan.

The following is a summary of the PT Secretariat's operations since ONB become responsible for administration oversight and is reported outside of ONB's reporting entity

Special purpose account

Provincial Territorial Immigration Secretariat

	2024					2023
	Opening Accumulated surplus	Revenue	Expense	Surplus Transferred to Saskatchewan	Accumulated surplus	Accumulated Surplus
Provincial - Territorial Immigration Secretariat	\$ 255,913	\$ -	-	\$ (255,913)	-	\$ 255,913
	\$ 255,913	\$ -	\$ -	\$ (255,913)	\$ -	\$ 255,913

21. Budget

Budget figures included in these financial statements are the amounts published in Main Estimates and approved by ONB's board of directors, adjusted for transfers from the Province of New Brunswick under their Supplementary Funding Provision Program. During the year, ONB received a transfer of \$0 (2023 - \$930,322) under Administration and business development services for costs associated with contract settlements and non-bargaining employees.

22. Comparative figures

Certain of the 2022-23 disclosures have been presented to conform with the presentation adopted for 2023-24.

23. Subsequent events

The Province of New Brunswick announced cabinet changes that resulted in the Population Growth Division's responsibilities to be transferred from ONB to the Department of Post-Secondary Education, Training and Labour with the restructuring date set for April 1, 2024. Both ONB and the Department of Post-Secondary Education, Training, and Labour are under common control of the Province of New Brunswick.

On April 1, 2024, the carrying value of the assets and liabilities transferred were as follows:

23. Subsequent events (continued)

1-Apr-24

		1-Apr-24
Assets		
Due from Province of New Brunswick	\$	31,558,211
Tangible capital assets (Computer software)		1,154,483
Accumulated amortization		(862,704)
Total Assets recognized		31,849,990
Liabilities		
Deposits held in trust		31,849,990
Total Liabilities recognized		31,849,990
Gain (Loss) from restructuring	\$	-

As a result of the restructuring transaction, the following revenues and expenditures reported in ONB's consolidated financial statements are non-reoccurring and will no longer be reported in ONB's consolidated financial statements beginning April 1, 2024:

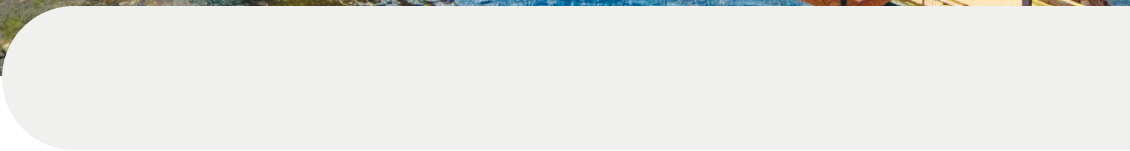
	Budget	2024	2023
Revenues			
Population Growth Division	\$ 5,400,000	\$ 5,781,500	\$ 6,902,000
Expenditures			
Administration - population growth	4,905,750	4,112,719	4,446,851
Financial assistance - population growth	5,925,000	6,626,516	6,716,811
Total expenditures	10,830,750	10,739,235	11,163,662
Net financial effect	\$ (5,430,750)	\$ (4,957,735)	\$ (4,261,662)



CREATING NEW OPPORTUNITIES FOR NEW BRUNSWICK

ONB takes pride in its accountability, transparency and reporting. As the results found in this year's Annual Report demonstrate, our whole-of-government approach to economic development is working. We could not achieve these results and successfully execute our mandate without great people and organizations across the province stepping up to help strengthen New Brunswick's economy and create new opportunities for New Brunswickers. Indeed, the strength of our relationships is the foundation for our collective success. ONB continues to work with our local, provincial, and federal partners to support New Brunswick's business community, accelerate investment, and guide the province toward greater economic growth.

For resources, support, success stories, contact information, and updates on all things related to ONB and New Brunswick business, be sure to visit ONBCanada.ca.





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