

GIVING NEW BRUNSWICKERS CONFIDENCE IN THEIR FINANCIAL LIVES



**FINANCIAL AND
CONSUMER SERVICES
COMMISSION OF
NEW BRUNSWICK**

2024-2025
ANNUAL REPORT

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FINANCIAL AND CONSUMER SERVICES COMMISSION OF NEW BRUNSWICK

85 Charlotte Street, Suite 300, Saint John, NB E2L 2J2

225 King Street, Suite 200, Fredericton, NB E3B 1E1

1 866-933-2222

fcnb.ca

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2024-2025 ANNUAL REPORT

FINANCIAL AND CONSUMER SERVICES COMMISSION OF NEW BRUNSWICK

TRANSMITTAL LETTER

August 12, 2025

Minister of Finance and Treasury Board,

I am pleased to present the annual report describing the operations of the Financial and Consumer Services Commission of New Brunswick (Commission) for the fiscal year April 1, 2024 to March 31, 2025.

We would be pleased to answer any questions that you may have and to provide you with any additional information that you may require.

Yours very truly,

Original signed by Paul Van Iderstine

Paul Van Iderstine
Chair



WHO WE ARE

The Commission is a self-funded Crown corporation under Part IV of the *Public Service Labour Relations Act*. It is responsible for the administration and enforcement of the following financial and consumer services legislation:

- *Auctioneers Licence Act*
- *Collection and Debt Settlement Services Act*
- *Commissioners for Taking Affidavits Act*
- *Consumer Product Warranty and Liability Act*
- *Consumer Protection Act^[1]*
- *Cooperatives Act*
- *Cost of Credit Disclosure and Payday Loans Act*
- *Credit Reporting Services Act*
- *Credit Unions Act*
- *Direct Sellers Act*
- *Financial Advisors and Financial Planners Title Protection Act^[2]*
- *Financial and Consumer Services Commission Act*
- *Franchises Act*
- *Gift Cards Act*
- *Insurance Act*
- *Loan and Trust Companies Act*
- *Mortgage Brokers Act*
- *Nursing Homes Pension Plans Act*
- *Pension Benefits Act*
- *Pooled Registered Pension Plans Act*
- *Pre-arranged Funeral Services Act*
- *Real Estate Agents Act*
- *Securities Act*
- *Securities Transfer Act*
- *Unclaimed Property Act*

1. The *Consumer Protection Act* received Royal Assent on June 7, 2024 and will come into force on a future date.
2. As of date of publication, this Act has not been proclaimed.



WHAT GUIDES US

OUR PURPOSE

Giving New Brunswickers confidence in their financial lives.

OUR VISION

Working together for regulatory excellence in financial and consumer services for New Brunswickers.

OUR MANDATE

To provide regulatory services that protect the public interest while enhancing public confidence, and to promote understanding of the regulated sectors through educational programs.

OUR VALUES

Accountable

Be accountable for our work, our words and our actions.

Supportive

Work collaboratively, support learning and growth and celebrate each other's successes.

Professional

Bring our best to the table every day to deliver high quality, forward-thinking work.

Inclusive

Respect and welcome different ideas, strengths, beliefs, interests, personal situations and diverse backgrounds.

Respectful

Treat each other and the people we serve with dignity and respect.

Ethical

Act with integrity, be trustworthy and fair.

OUR PILLARS AND GOALS



People

Build upon a highly skilled workforce that is passionate about what we do.



Process

Excel in the development of effective, practical and responsive regulatory services.



Consumer and Market Participants

Reduce risk and harm and build trust, awareness and fairness in financial and consumer services for New Brunswickers.



Financial

Optimize our financial capacity to accomplish our mandate and deliver value to New Brunswickers.



Environmental, Social and Governance (ESG)

Embrace the ethical and practical values of ESG toward a more inclusive, sustainable and prosperous future.

HOW WE WORK

At the Commission, we build and maintain trust in New Brunswick's financial and consumer markets through the following seven main activities:

LICENSING AND REGISTRATION

We license or register more than 44,000 entities and individuals in New Brunswick across a wide variety of industries to make sure they are suitable for our marketplace.

REGULATORY POLICY DEVELOPMENT

We develop regulatory proposals by consulting industry and stakeholders, and working collaboratively with provincial, national and international regulatory and industry associations on global regulatory concerns, trends and initiatives. The Commission Members and the Minister of Finance and Treasury Board (Minister) provide oversight of this process.

COMPLIANCE REVIEWS

We regularly conduct compliance reviews on the operations of businesses and individuals operating in our regulated sectors to make sure they are abiding by New Brunswick's financial and consumer services legislation and meeting their obligations to consumers and investors. Our regulators each have their own team of compliance officers, who receive operational assistance from our Enforcement Division and, where needed, Legal Services staff.

INQUIRIES AND COMPLAINT HANDLING

Every day, New Brunswickers contact us with consumer and investor inquiries and complaints. For those that fall under financial and consumer services legislation, we review to determine whether rules or requirements have been violated and if further action is needed. We regularly use the opportunity to provide New Brunswickers with direction on how to resolve their complaints.

ENFORCEMENT

Sometimes, the information we receive from complaints, audits, compliance activities or referrals from other sources leads to investigations. During investigations, we have the authority to seek orders to stop certain behaviours and, in some instances, freeze accounts. These investigations may indicate that people or entities have violated the requirements set out in New Brunswick's financial and consumer services legislation. If they do, we use our legislated authority to hold the people or entities accountable through the legislated hearing processes or through regulatory remedies, collaborating with law enforcement or other regulators when necessary. If we believe sanctions or financial penalties are warranted, we have the option to take a case before the New Brunswick Energy and Utilities Board, which provides independent adjudication and oversight in the financial and consumer services sectors under the *Financial and Consumer Services Commission Act*, or to the provincial courts, depending on the circumstances.

EDUCATION

We believe New Brunswickers are better equipped to protect themselves from frauds and scams in our regulated sectors and to make informed financial and consumer decisions when they have easy access to unbiased information, understand their rights and responsibilities and know where to turn for help. To equip them with this information, we share consumer and industry resources online through social media, our website and our email subscription service, including fraud alerts on financial scams, consumer alerts on unlicensed activity in the areas we regulate, and investor warnings about individuals or companies not registered to deal or advise in securities in New Brunswick. We also offer in-person and virtual presentations, professional development webinars, educational brochures, videos and online tools on a wide range of regulatory, financial literacy and fraud prevention topics. All educational resources and programs are free and available in both official languages.

REUNITING OWNERS WITH UNCLAIMED PROPERTY

Every year, thousands of dollars go unclaimed in New Brunswick, forgotten in credit union accounts, uncashed cheques, security deposits and more. We operate New Brunswick's Unclaimed Property Program and work with businesses and other entities who are holding unclaimed property (holders) to help return this property to the rightful owners. New Brunswick's *Unclaimed Property Act* requires holders to review their books and deliver any unclaimed monetary property to the Program. Once delivered, the Program relieves holders of the expense and liability of carrying the property on their books. New Brunswickers are able to use FundsFinderNB.ca, a free database, to search for and claim monetary property that belongs to them.

WHO WE SERVE

850,000

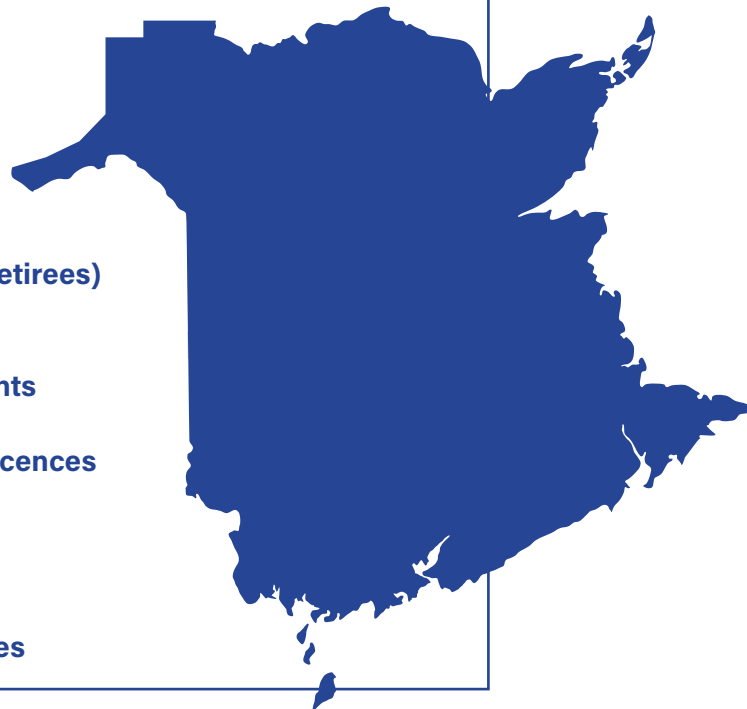
New Brunswickers
through regulation
and financial
education.

44,000

industry participants
who handle over
\$50 billion
of New Brunswick
consumers' money.

OUR PROVINCIAL FOOTPRINT AS OF MARCH 31, 2025

- 4 Credit Reporting Licences
- 5 Payday Lender Licences
- 6 Credit Unions and 58,497 Members
- 33 Auctioneers' Licences
- 46 Loan and Trust Companies
- 107 Pre-arranged Funeral Licences
- 165 Cooperatives
- 225 Registered Pension Plans and
105,472 Active Members (not including retirees)
- 418 Mortgage Broker Licences
- 426 Cost of Credit Registrations
- 658 Commissioners of Oaths Appointments
- 1,971 Real Estate Licences
- 2,200 Collection Agency and Collector Licences
- 193 Insurance Companies
- 16,563 Licensed Individuals in Insurance
- 1,535 Licensed Firms in Insurance
- 5,977 Reporting Issuers in Securities
- 17,096 Registered Individuals in Securities



OUR HIGHLIGHTS

Published proposed amendments to Insurance Rule INS-001 for a 60-day comment period.

467 individuals completed the Commission's **e-learning module** about financial exploitation of older and vulnerable adults. (see page 34)

Launched our corporate purpose statement and new regulatory brand.

Received **4** stakeholder submissions on proposed guidelines respecting a transfer of assets involving a shared risk plan under the *Pension Benefits Act*. Final guidelines, summarised comments received and Commission responses were published on February 28, 2025.

2 issues published of **The Commission Connection**, a new quarterly e-newsletter to help industry participants stay informed about the Commission's work and activities.

Scored **81 per cent** for regulatory effectiveness on our stakeholder survey of our regulated sectors.

Issued **29** caution alerts and **6** consumer alerts and/or news releases to warn New Brunswickers about unlicensed or illegal activity in our regulated areas.

11 per cent of New Brunswickers reported being victimized by a financial scam in the past 12 months, compared to seven per cent in 2023-2024.^[3]

183 businesses reported **\$6.46 million** of unclaimed property. To date, **545** claimants have been reunited with **\$2.67 million**.

3,987 New Brunswickers attended in-person and virtual financial education presentations, up **130** per cent over the year before.

+880 consumer and investor complaints and inquiries fielded.

27 per cent of New Brunswickers are able to identify the Commission as the provincial agency in place to protect consumers, up from 25 per cent in 2023-2024.^[4]

3. Thinkwell Research + Strategy, 2025 New Brunswick Consumer Awareness Study (2025), page 12.

4. Thinkwell Research + Strategy, 2025 New Brunswick Consumer Awareness Study (2025), page 6.

OUR COMMISSION MEMBERS



**PAUL VAN IDERSTINE
(CHAIR)**

Residence: Moncton
Term: Oct. 31, 2019 – Nov. 3, 2026



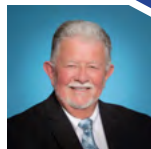
GINNY MacDONALD

Residence: Fredericton
Term: Dec. 8, 2023 – Dec. 7, 2026



MICHÈLE HÉBERT

Residence: Shippagan
Term: Dec. 8, 2023 – Dec. 7, 2027



GREG McKIM

Residence: Moncton
Term: Dec. 8, 2023 – Dec. 7, 2025



NORMA KELLY

Residence: Sussex
Term: Oct. 31, 2019 – Dec. 14, 2025



LUCIE BOUCHER

Residence: Moncton
Term: Nov. 4, 2021 – Apr. 23, 2025



CATHERINE LAHEY, K.C.

Residence: Saint John
Term: Dec. 15, 2022 – Dec. 14, 2027



**TANIA MORRIS
(VICE-CHAIR)**

Residence: Dieppe
Term: Nov. 4, 2021 – Apr. 23, 2028

Sylvain Raymond ended his term on October 31, 2024.

GOVERNANCE

The Commission is accountable to the Government of New Brunswick (GNB) through the Minister of Finance and Treasury Board for the proper administration of New Brunswick's financial and consumer services legislation. The respective responsibilities and expectations of the Commission and the Department of Finance and Treasury Board are set out in a Memorandum of Understanding, which is published on our [website](#)^[5]. The Commission Members act as the board of directors. They are responsible for the independent governance of the Commission through approving and overseeing policy proposals, making rules that have the force of law, setting and overseeing the Commission's strategic direction and budget, and management oversight, including reviewing risks and opportunities facing the organization. They place a high value on transparent disclosure practices and create an annual report on governance practices to reflect that value. For further details regarding Members' ethical standards and obligations, continuing education, attendance, remuneration as well as committee activities, see the full report on our [website](#)^[6].

5. <https://fcnb.ca/en/about-the-fcnb/mous>

6. <https://fcnb.ca/en/about-the-fcnb/governance>

The Commission Members, led by the chair, are appointed by the Lieutenant-Governor in Council. The number of members cannot be less than five nor more than 10. When they identify the need for a new member, they play an active role in the nomination process that leads to candidate recommendations to government. To assist with the process, the Commission uses a profile for the ideal composition of the Commission Members as a whole, which is regularly updated through the succession planning process. The profile sets out the mix of backgrounds, skills and experience required to guide the Commission's strategy and ongoing business operations. When a vacancy presents, the skills for a replacement candidate are set by doing a profile analysis. The Commission believes that diversity among members enriches both its decision-making and its regulatory role by bringing a variety of perspectives to discussions. The Commission supports the appointment of candidates who reflect the gender and linguistic representation as well as the cultural and geographic diversity of the province.

This year, the Commission Members' Human Resources and Governance (HRG) Committee interviewed and provided candidate recommendations to government for two member positions due to expiring terms. Additionally, the Commission Members continued their work implementing the enterprise risk management framework, initiated last year, focusing on 10 strategic risks with regular reporting to the board-level risk owners throughout the year. The Audit and Risk Management (ARM) Committee focused on developing the new internal audit function. Last year, in their commitment to strong governance practices, the Commission Members approved the organization's first internal audit policy and charter. This fiscal, it finalized the outsourcing of the internal audit function and initiated work on an internal audit plan that will bring a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Standing committees

The Audit and Risk Management Committee is responsible for reviewing the Commission's risk management policies and procedures, financial reporting and public disclosure, audit processes, internal audit and systems of internal controls as established by management and the Commission. It meets at least five times each year. Members included: Norma Kelly (Chair), Tania Morris, Sylvain Raymond (from May 16, 2024 to Oct. 31, 2024), Michèle Hébert and Paul Van Iderstine (*ex officio*).

The Human Resources and Governance Committee is responsible for reviewing and approving important human resources policies and for setting management's compensation structure. It is also responsible for governance-related matters, such as board assessments, member succession planning, member orientation and continuing education and CEO and chair evaluations. It meets at least four times each year. Members included: Lucie Boucher (Chair), Catherine Lahey, Greg McKim, Ginny MacDonald and Paul Van Iderstine (*ex officio*).

Official languages

We are committed to providing quality services to members of the public in their official language of choice. All educational resources and programs are available in both official languages. We strive to meet the spirit of the Province of New Brunswick's Language of Work Policy and Guidelines by promoting a balanced use of both official languages in the workplace. We offer second language training to our employees through online training programs tailored to their language needs. Although language of work and language of service have separate applications, we view their connection as essential to the overall commitment of the organization to official languages matters.

Public interest disclosure

The *Public Interest Disclosure (PID) Act* encourages employees in the provincial public service to report any wrongdoing that has occurred or is about to occur in the workplace that is potentially unlawful, dangerous to the public or harmful to the public interest. The *PID Act* protects employees from reprisal for disclosing these wrongdoings and provides a fair and objective process for those employees who are alleged to have committed a wrongdoing. We received no disclosures or claims made against any employee of the Commission under the *PID Act* in 2024-2025.

Summary of recommendations from the office of the Auditor General

We are required to report on the status of Auditor General recommendations for the past five years. We are pleased to report we have no outstanding recommendations at the time of publication of this annual report.



LETTER FROM THE CHAIR

As I reflect on my first full year as Chair, I take pride in the progress we have made over the past year. On behalf of all Commission Members, I am pleased to share the strides we have taken in advancing our mandate and in fulfilling our vital regulatory role in an increasingly complex environment.

Our three-year strategy, introduced in 2022 with five new pillars and goals, has served as a roadmap to guide us through a dynamic and rapidly evolving landscape. It has helped us navigate technological advancements, social change and an ever-shifting regulatory environment. While the regulatory space presents numerous challenges, it also offers opportunities for effectiveness and innovation. By remaining vigilant, adaptive and proactive, we can position ourselves for continued success in the future.

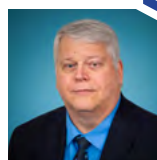
Our commitment to maintaining regulatory excellence remains unwavering. The projects detailed in this annual report illustrate how we have remained responsive to the emerging needs of our industry participants and New Brunswickers, adapting our processes to safeguard consumers and investors and ensuring compliance across the financial and consumer marketplace. We understand the need to not only manage risk but also support innovation while minimizing unnecessary burdens.

This progress would not have been possible without the hard work and dedication of our employees. It is through their commitment and expertise that we continue to deliver high-quality services that align with the needs of New Brunswickers. I also extend my gratitude to outgoing Commission Member Sylvain Raymond for his invaluable contributions and guidance.

Looking ahead, we are committed to working with the new provincial government and maintaining a forward-looking, informed approach to regulatory challenges and trends as we move into our next three-year strategic planning cycle. We know that change will continue to shape our work, but our new organizational purpose, below, will serve as our north star, guiding us through these changes:

***Giving New Brunswickers
confidence in their
financial lives.***

This reflects our genuine commitment to creating a strong and fair financial marketplace for all New Brunswickers. To uphold this, we will remain focused on building consumer and investor confidence in the markets we regulate and maintaining our position as a top-tier, efficient and effective regulator.



Original signed by Paul Van Iderstine

Paul Van Iderstine
Chair

LETTER FROM THE CEO

All New Brunswickers depend on our financial and consumer protection systems in one way or another. Our job, as a regulator, is to make sure they work well for all New Brunswickers.

As a public service organization, our inherent role is to improve the wellbeing of New Brunswickers and make our province a great place to live. It's always been the essence of our work, and will continue to be. This past year, however, we put why we exist into a simple but meaningful purpose statement: *Giving New Brunswickers confidence in their financial lives.*

That's why our employees bring their best every day, and why I'm proud of what we've accomplished over the last year. As this report shows, the work we do is extensive – from licensing and registration of more than 44,000 industry participants to policy development, compliance reviews, education and investigations.

This past fiscal year, we reached a few key milestones.

In June 2024, the *Consumer Protection Act* received Royal Assent. When in place, the Act will increase consumer rights, improve fair business practices across 12 regulatory areas, and provide a legal framework for most consumer transactions.

In December, our Unclaimed Property Program surpassed \$2 million in funds reunited with New Brunswickers.

That same month, we refreshed our brand by launching a modernized logo. The new design symbolizes the Commission's dedication to safeguarding New Brunswickers and its focus on progress through effective regulation, guidance and enforcement. The rebrand included a video that speaks to the quiet but important role we play in the lives of all New Brunswickers.

The work we do to fulfil our mandate contributes to the financial confidence of New Brunswickers and an effective economy. But it requires balancing a regulatory framework that supports confidence in our regulated sectors while protecting New Brunswickers from disreputable behaviour and fraud.

How we do that may change over the years as the industries we regulate adapt to consumer trends, climate change and new technologies, and as government establishes new priorities. What won't change is why we do the work that we do – our purpose.

In closing, I would like to pay tribute to Manon Losier, who retired in August as Vice-President of Legal and Business Operations after nearly two decades of exceptional service. Over the years, Manon navigated numerous organizational changes with unwavering dedication and leadership. We are deeply grateful for her contributions and wish her all the best in her retirement.



 Original signed by Kevin Hoyt

Kevin Hoyt
CEO

OUR PURPOSE IN ACTION

Giving New Brunswickers confidence in their financial lives.

Our purpose:

- Helps employees feel a sense of belonging at the Commission and understand the impact of their work.
- Supports our commitment to helping New Brunswickers have the confidence to make smart financial decisions through easy-to-understand and unbiased information.
- Provides strategic direction as we constantly work to achieve a trusted and resilient marketplace.
- Enables staff to make strategic decisions to improve our processes and provide efficient services.
- Spans outwardly to engage our regulated industries and help them understand their responsibilities in helping New Brunswickers make financial decisions with confidence.
- Prioritizes inclusivity in our operations and governance, embedding Inclusion, Diversity, Equity and Accessibility (I.D.E.A.) into our everyday work.

The following pages provide a summary of our commitment to integrating our purpose into our Pillars and Goals and highlight how we have actively put our purpose into practice over the last year.



Ross Preston from Adroit Solutions spoke at our staff meeting on how purpose can be a north star during times of change.

PEOPLE

- 70 per cent of staff participated in flexible work arrangements
- 56 staff participated in our summer hours program, providing additional flexibility to enjoy the summer months
- 84 employees took advantage of training budgets to improve their learning and skills
- Launched an internal bi-annual newsletter to celebrate the work and lives of employees both inside and outside the office
- 34 employees participated in workplace health assessments



Angela Johnson (Senior Administrator Support Officer) and Farzana Ali (Payroll/Accounting Officer)

- Social committees organized 17 activities to bring employees together:
 - ♦ Celebrations for key dates throughout the year, such as Acadian Day
 - ♦ Events to increase employee connection, such as year-end parties and office-wide challenges/contests



CEO Kevin Hoyt speaking at our staff meeting

- Wellness Committee organized 11 activities throughout the year:
 - ♦ Webinars about various mental and physical wellness topics
 - ♦ Bell Let's Talk day
 - ♦ Mental Health break wellness walks/ Walking meeting contest
 - ♦ Quarterly employee wellness newsletter

PROCESS

- Identified opportunities for accessibility improvements and alignment with the provincial government's *Accessibility Act* (See page 27)
- Developed a process to provide consistent and transparent communications regarding regulatory and enforcement actions (See page 26)
- Formalized our position on procedural fairness and choice of procedure for certain regulator decisions (See page 26)

CONSUMER AND MARKET PARTICIPANTS

Consumer

- Reached more than 20 communities and 5,000 New Brunswickers
- Partnered with the Centre of Excellence for Entrepreneurship to deliver financial literacy education to students and teachers across the province
- Sponsored the Youth Entrepreneurship Summit 2024
- Sponsored Junior Achievers of New Brunswick



Moir Goodfellow (Securities' Senior Legal Counsel)



Centre of Excellence for Entrepreneurship's Partners in Education Summit 2024

Industry

- Shared high-level results of our 2024 sector survey on our website in our commitment to transparency
- Launched The Commission Connection, a new quarterly newsletter for industry participants and other stakeholders about the work the Commission does
- 1,274 compliance reviews across eight sectors
- Conducted three public consultations with industry stakeholders to gather feedback on proposed rules and changes
- Employees shared their experiences and knowledge with other organizations through presentations, panels and trainings on topics such as access to wealth by marginalized communities and impacts of ageing on financial well-being

FINANCIAL

- Promoted automatic savings for employees through our new payroll system

ESG

Environmental

- Reduced number of garbage cans in our two offices by 37 per cent
- Paper, plastic, tin, cardboard and batteries collected for recycling
- Bottle and cans collected for redemption with monies going to staff's charity of choice
- Promoting green meetings and paperless workflows

Social

- 100 per cent of our Commission Members completed two hours of self-study on I.D.E.A. topics to enhance awareness and understanding
- Reached 98 per cent of our 400-hour target for employee self-study on I.D.E.A. topics
- Fundraised for a mother and son at Transition House and for the women of Grace House during the holidays
- Organized a Walk in support of World Elder Abuse Awareness Day (WEAAD)

- Participated in Pink Shirt Day to raise awareness of bullying
- Staff led a quarterly blood drive
- Collected boxes of personal care items for the Teen Resource Centre in Saint John
- 81 employees engaged in online learning to recognize the signs of and help prevent financial abuse of older adults
- Provided employees with free access to I.D.E.A. resources, webinars and conferences throughout the year as an Employee Partner with the Canadian Centre for Diversity and Inclusion

Governance

- Released our purpose statement and established a purpose toolkit for supervisors
- Divisions developed sub-purpose statements on how they put our purpose into action
- Hosted a guest speaker for all staff meeting to talk about purpose-driven work
- Launched the Purpose Hub on the Commission's intranet to share resources



Walk for World Elder Abuse Awareness Day, Fredericton

STRATEGIC PRIORITIES REPORT CARD

Each year, the Commission publishes a Strategy and Business Plan that sets out our purpose, strategic goals, objectives and action items for the upcoming three years. It is shaped by our legislated mandate as contained in the *Financial and Consumer Services Commission Act*, and expanded upon in the Mandate Letter, received from the Minister of Finance and Treasury Board. The [2024-2027 Strategy and Business Plan^{\[7\]}](#) was delivered to the Minister on February 27, 2024.

The report card that follows highlights work done to advance our strategic goals and reports our performance results on the strategic outcomes documented in our Business Plan. The annual report is designed to meet the requirements of both the *Financial and Consumer Services Commission Act* and the *Accountability and Continuous Improvement Act*, which was implemented in 2014, to greater align the corporate priorities and goals of Crown corporations with those of the Province.



PILLAR 1: PEOPLE

Objective 1.1: Cultivate a people-centric culture that reflects our shared values and purpose, driving accountability.

This objective highlights our commitment to fulfilling our mandate through a dynamic culture rooted in our values. These values establish our accountability and approach to achieving our purpose. As our industry landscape evolves, so must our capabilities. Prioritizing ongoing skill enhancement empowers our workforce to adapt to emerging technologies and anticipate market trends. This strategic focus not only maintains our relevance in a rapidly changing environment, but positions us to proactively address challenges presented by the evolving regulatory landscape.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Transparent Recognition – Uphold transparent and fair recognition, ensuring alignment with our refreshed values.

Compensation review underway

Ongoing: We issued an invitation for proposals to assist us in a compensation review.

7. <https://fcnb.ca/en/about-the-fcnb>

Strategic Outcome 2: Leadership Development – Develop our workforce as leaders and experts, fostering a culture of continuous development.

Strengthening leadership capabilities

Completed: We provided four development opportunities to our people leaders as outlined in our 2024-2025 professional development plan. The development modules offered by our HR partner, McLean & Company, included topics on employee engagement, emotional intelligence in leadership, building effective mentoring relationships and reporting and building trust as a leader.

Strategic Outcome 3: Intentional Leadership – Enhance our organizational culture through intentional leadership practices.

Strengthening leadership through succession planning

Completed: We promoted internal candidates – three to leadership roles and one to an executive management position – highlighting the effectiveness of our succession planning program and our commitment to leadership development and talent mobility.

Staff meetings held

Completed: We held two staff meetings, bringing together our employees to share organizational updates, celebrate staff years of service, highlight key strategic projects and promote team building. The meetings also strengthened our culture by increasing leadership visibility and fostering greater connection across the organization.

Communication improvements launched

Completed: We completed 88 per cent of the tactics as outlined in our 2024-2027 internal communications strategy, including sharing two-minute videos of our CEO speaking about our values and our vision; a semi-annual employee newsletter celebrating employee accomplishments; employee spotlights and internal meeting updates shared on our intranet; and more.

Objective 1.2: Our people are energized, enabled and empowered.

This objective reflects the Commission's intention to provide an environment that supports an empowered and motivated team, where our people thrive while actively contributing to our organizational success. By fostering positive experiences aligned with our objectives and readiness for the future, we ensure that each team member is energized to bring their best to the table. The Commission aims to enhance our organizational culture through transparency, flexibility and meaningful work. In addition, by equipping our leaders with the necessary skills, support and resources, we empower them to champion and lead transformative efforts within the organization that propel us toward excellence.

Alignment with GNB Priority: Energizing the private sector

Strategic Outcome 1: Career Growth and Alignment – Enable career growth and positive experiences aligned with organizational objectives.

Designing talent framework

Ongoing: We initiated the development of a talent framework, which would establish a structured, strategic approach to attracting, assessing and retaining top talent. This framework will ensure a strong pipeline of skilled professionals, aligned with our mandate and culture, to support long-term organizational success.

Promoted career opportunities

Completed: We promoted career opportunities and industry content on our LinkedIn page, launching targeted campaigns that contributed to a 74 per cent increase in LinkedIn followers over two years. We also promoted career opportunities at the Commission in a new newsletter distributed to industry subscribers and on our Facebook page.

Plan executed

Completed: We executed our corporate engagement action plan based on the results of our 2023-2024 employee engagement survey. The plan included four action items: quarterly town hall meetings with executive members; open-door days with executive members; a semi-annual employee newsletter and a custom-built training session for all people leaders focusing on building trust and engagement.

Strategic Outcome 2: Cultural Enhancement – Foster a culture of transparency, flexibility, and meaningful work.

Keeping employees in the know

Completed: We launched a business performance section on our intranet to inform and engage employees on internal topics, such as executive and leadership news, leadership updates and progress toward strategic goals.

Employee newsletter launched

Completed: We launched a semi-annual internal employee newsletter to connect, inform and engage employees within the organization. An average 73 per cent of employees engaged with the content in the first two editions.

Enhancing insights for employee retention and engagement

Completed: To strengthen our understanding of employee experiences and improve retention strategies, we conducted a comprehensive evaluation of our exit survey process and historical data trends. These insights will inform our retention strategy, ensuring we implement targeted initiatives that support employee growth, engagement and long-term career development.

Strategic Outcome 3: Empowerment – Empower leaders with the skills, support and resources to champion and lead change initiatives.

Equipping leaders for engagement and accountability

Completed: We equipped our senior leaders with a comprehensive analysis of our 2023-2024 employee engagement survey results and engaged them in designing a corporate engagement action plan. Leaders are supported by structured accountability frameworks and development initiatives to ensure measurable actions drive cultural and engagement improvements across the Commission.

Leaders as purpose galvanizers

Completed: We held a drop-in meeting for our leaders and supervisors and provided them with a toolkit to help them activate our purpose and cascade the cause throughout the organization. (See page 15)

Objective 1.3: Our workplace is designed to ensure the health and safety of our people.

We are dedicated to supporting the wellness, well-being, health and safety of our staff. We believe that a healthy and thriving workforce is integral to our collective success. This objective encapsulates our commitment to maintaining a workplace that not only prioritizes adherence to best practices and regulations, but also actively supports the overall well-being of our valued team members.

Alignment with GNB Priority: Dependable public health care

Strategic Outcome 1: Best Practices Adherence – Adhere to best practices and comply with health and safety regulations.

Joint Health and Safety Committees

Completed: We worked with the Joint Health and Safety Committees (JHSCs) in both locations and collaborated with them on promoting workplace health and safety. The JHSCs completed monthly walkthroughs in each location and held four joint meetings.

Strategic Outcome 2: Wellness Support – Support staff wellness, well-being, health and safety.

Enhancing employee well-being

Completed: We collaborated with our Wellness Committees in each location to deliver quarterly initiatives focused on mental health, physical well-being and workplace connection, fostering a healthier and more supportive work environment.



PILLAR 2: PROCESS

Objective 2.1: We are responsive to changing regulatory needs.

As a regulator, we set standards for the industries we regulate, and it is critical that we instill confidence and credibility. This objective signifies our commitment to responsiveness in the dynamic regulatory landscape, proactively adapting to emerging trends and modernizing external systems and processes, consistent with our digital strategy.

Alignment with GNB Priority: Energizing the private sector

Strategic Outcome 1: Value-Centric Prioritization – Identify and prioritize key areas where modernization adds value, deepening our understanding of the current needs and expectations of market participants.

Published proposed pension guidelines

Completed: We published on June 13, 2024, a notice and request for comments concerning proposed guidelines respecting a transfer of assets involving a shared risk plan under the *Pension Benefits Act*. The guidelines, as proposed by the Superintendent of Pensions, would apply to any transfer of assets from a pension plan to a shared risk plan. They set out the general expectations and requirements of the Superintendent of Pensions regarding the transfer of assets and the application seeking the Superintendent's consent for the transfer of assets. Four submissions were received during the comment period, which closed August 2024. The final guidelines, summarised comments received and Commission responses were published on February 28, 2025.

Securities reported as unclaimed property

Ongoing: We began investigating options and technology solutions related to the treatment of securities reported to the Unclaimed Property Program. To date, more than \$24.5 million of reported unclaimed property is in the form of securities, which continue to be held by the reporting holders (transfer agents and investment firms).

Strategic Outcome 2: Right-sized Project Management – Implement right-sized project management methodologies to enhance agility in meeting stakeholder needs, ensuring our regulatory responses are timely and effective.

Project portfolio manager hired

Completed: We hired a project portfolio manager to oversee and advance the management of projects within the Commission.

Objective 2.2: Our processes are continuously improved and fit for purpose.

This objective underscores our commitment to the ongoing enhancement and optimization of our processes. We will develop and manage systems in a responsible, transparent manner aligned with current needs, utilizing available solutions to achieve optimal outcomes.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Optimized Internal Processes – Explore business process management to streamline and optimize internal processes.

Technology response optimized

Completed: We conducted an IT table-top exercise to enhance our IT incident response readiness.

Business processes reviewed

Completed: We carried out an initial review of business processes and internal controls to identify improvements and efficiencies and to document business processes.

Authorizations made easier

Completed: We introduced a new online solution to submit travel and training authorizations, streamlining the process for employees and introducing efficiencies for approvals.

Incident management framework developed

Completed: We developed a new Incident Management Policy and Directive that outlines a consistent approach to preparing for and managing incidents, ensuring the Commission can effectively respond when they arise, minimize their impact and safely return to normal operations as quickly as possible. Procedures will be drafted to support the policy and directive.

Information collection practices review underway

Ongoing: We initiated a review of information collected by the Commission to ensure we are only collecting as much personal information as is necessary to fulfil our mandate.

Enforcement actions

Completed: We developed a process to provide consistent and transparent communications regarding regulatory and enforcement actions.

Procedural fairness in regulator decisions

Completed: We developed a formal position on [procedural fairness and choice of procedure](https://fcnb.ca/en/enforcement-and-regulatory-actions/procedural-fairness)^[8] for regulator decisions that do not include a statutorily mandated opportunity to be heard. Opportunities to be heard are hearings that provide a firm or individual, under certain acts, a chance to understand and respond to a staff recommendation concerning their licence or registration. For decisions not subject to these hearings, the Commission has committed to providing, in accordance with administrative law, procedural protections that are proportionate to the decision being made. Additionally, the Commission will choose a procedure that is fair and that balances its own operational efficiency needs. Given the unique role of the regulator in pension decisions, additional guidance was developed for decisions in this area.

Strategic Outcome 2: Continuous Improvement Culture – Foster a culture of continuous improvement through project management and the software development life cycle.

IT support system improved

Completed: We enhanced our internal IT support ticketing system to improve handling and tracking of IT requests.

8. <https://fcnb.ca/en/enforcement-and-regulatory-actions/procedural-fairness>

Strategic Outcome 3: Accountable System Development – Foster accountability in system development, aligning with current needs and available solutions.

Securities administration

Ongoing: We continued work on the modernization of two securities solutions. These upgrades will provide improved reporting and analytics capabilities for reporting issuers and securities registrations.

Focus on accessibility

Ongoing: We identified opportunities to implement best practices in digital accessibility that consider alignment with the provincial government's *Accessibility Act*, which received Royal Assent on June 7, 2024, and obtained internal certification in Accessibility Core Competencies offered by the International Association of Accessibility Professionals. Action items will be developed and implemented as they align with the incoming legislation.

Objective 2.3: Cultivate internal technological innovation.

This objective emphasizes the need for a robust organizational foundation, integrating systems, data management and analytics to navigate the complexities of efficiently regulating rapidly evolving marketplaces. We are committed to investments in technology that supports our ability to provide timely responses to emerging issues and regulatory gaps within the marketplaces we regulate.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Enhanced IT Capabilities – Sustain investment in technological skills development, with a specific focus on data analytics and cybersecurity resilience.

Data analytics training

Completed: Select employees underwent training in Microsoft Power BI, an interactive data visualization software focused on business intelligence.

Data analytic solutions

Completed: We developed and implemented two new data analytics solutions aimed at enhancing our business intelligence for our Consumer Affairs and Pensions divisions. These solutions will enhance our understanding of our services and identify key trends.

Strategic Outcome 2: Innovative Solutions – Cultivate a culture of innovation, empowering us to proactively identify and implement technological solutions that enhance regulatory capabilities.

System modernization

Ongoing: We launched a project to modernize our online licensing solution used by our industry participants. We conducted a comprehensive analysis of solution options, and a formal recommendation was prepared for presentation to the executive team.

Objective 2.4: Our IT systems are effective, reliable, and secure.

Acknowledging the influence of rapidly evolving technologies on financial and consumer markets and our internal systems, we maintain proactive measures to consistently update information security operations. We remain vigilant in deploying additional security tools and technology as needed to safeguard the uninterrupted achievement of our mandate across all facets of our operations.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: System Integrity Assurance – Implement measures to guarantee the integrity and reliability of IT systems, aligning with current needs and available solutions.

Improved portals

Completed: We implemented improvements to our online licensing portals for our industry participants.



PILLAR 3: CONSUMER AND MARKET PARTICIPANTS

Objective 3.1 (Regulation): Excel in strategic, flexible policy development responsive to market changes.

This objective underscores the Commission's commitment to regulatory excellence by emphasizing strategic, flexible policy development that responds effectively and appropriately to evolving market changes. It highlights the need for regulatory responses to be grounded in a comprehensive understanding of market issues. This is achieved through consultative, collaborative and flexible processes, ensuring that the response delivers regulatory activities aligned with and achieving the desired outcomes.

Alignment with GNB Priority: Energizing the private sector / Vibrant and sustainable communities / Affordable, responsive and high performing government

Strategic Outcome 1: Enhance *Securities Act* Provisions – Propose establishment of modern provisions into the *Securities Act* to effectively regulate evolving capital markets.

***Securities Act* modernization**

Ongoing: Development of a legislative proposal to modernize the *Securities Act* will continue into the next fiscal year. The proposed amendments would increase investor protection, enhance confidence in New Brunswick's capital markets, harmonize our regulatory framework with other Canadian securities regulators and allow the Commission to respond dynamically to the evolving capital markets.

Strategic Outcome 2: Title Protection for Financial Professionals – Enhance protection of titles for financial professionals through comprehensive and fair regulatory measures.

Title protection

Ongoing: The *Financial Advisors and Financial Planners Title Protection Act*, which received Royal Assent in June 2023, will require professionals using these titles to have the necessary credentials to provide appropriate advice and planning for the financial well-being of New Brunswickers. We published two accompanying proposed rules on January 11, 2024, for a 90-day comment period. Nine submissions were received for consideration by the April 10, 2024 deadline. Development of the rules included exploring opportunities for harmonization with new legislation in Saskatchewan and Ontario.

Strategic Outcome 3: New Program Awareness – Increase awareness of rights and responsibilities in unclaimed property.

Holder awareness

Completed: We launched an awareness campaign targeting holders of unclaimed property to make them aware of the mandatory reporting requirements under the *Unclaimed Property Act* and key reporting dates. The eight-month multimedia campaign included digital, print and radio ads and electronic and direct mail. We collaborated with Chartered Professional Accountants New Brunswick, the Law Society of New Brunswick, chambers of commerce throughout the province, the Canadian Bar Association-New Brunswick and the Conseil économique du Nouveau-Brunswick to inform their audiences of the requirements. As of March 31, 2025, 316 unique holders have reported more than \$38.5 million in unclaimed property since the launch of the Unclaimed Property Program.

Consumer awareness

Completed: We launched awareness campaigns in May and November to inform New Brunswickers about searching for unclaimed property on FundsFinderNB.ca. The campaigns included digital ads, social media posts and billboards. Throughout the year, we promoted FundsFinderNB.ca via posts and ads on our social media platforms, news releases, media interviews, presentations and advertorials in various senior publications. This fiscal year, the website saw 89,618 visits. Since the launch of the Unclaimed Property Program, 545 New Brunswickers have been reunited with more than \$2.67 million.

New Brunswick property added to MissingMoney.com

Completed: We worked with the National Association of Unclaimed Property Administrators to add our database of unclaimed property to its searchable site. As of January 29, 2025, individuals visiting MissingMoney.com can search American states and several Canadian provinces, including New Brunswick, with one search.

Strategic Outcome 4: Effective Consumer Protection – Advance the framework to support future implementation of the Consumer Protection Act, including the development of rules, to support effective markets and protect New Brunswickers.

Increase consumer protection

Ongoing: The *Consumer Protection Act* received Royal Assent in June 2024. The Act, intended to increase consumer rights and improve fair business practices in the province, will provide a legal framework for most day-to-day consumer transactions and better align New Brunswick with our counterparts across the country. Work on the development of proposed rules and regulations related to the new legislation will continue into next fiscal.

Strategic Outcome 5: Modernize the *Insurance Act* – Achieve a modern, fair *Insurance Act* to support a well-regulated and equitable insurance industry.

***Insurance Act* modernization**

Ongoing: We continued work on a legislative proposal for Phase 2 amendments to the *Insurance Act*.

Review of Insurance Rule

Ongoing: We initiated our two-year review of Rule INS-001, which came into effect on February 1, 2023. Based on industry and staff feedback, we published proposed amendments on February 18, 2025 for a 60-day comment period.

Strategic Outcome 6: Responsive Policy Development – Be aware of current consumer demands and needs for the development of policies supporting future legislative proposals.

Review of Act

Completed: An external review and assessment of the deposit protection fund was conducted as per Section 194 (2) of the *Credit Unions Act*.

Review decumulation options

Ongoing: In response to industry feedback, we started to examine additional decumulation options for defined contribution pension plan members. Under New Brunswick's *Pension Benefits Act*, these plan members only have two options: a life annuity or a Life Income Fund.

***Pension Benefits Act* amendments**

Ongoing: We brought forward recommendations to government for changes to the *Pension Benefits Act*. The recommendations address issues related to fixed-cost pension plans, pension funds unlocking and annuity purchases, and would provide better alignment with other jurisdictions and a greater range of options for the retirement and financial needs of New Brunswickers.

Strategic Outcome 7: Timely Collaboration – Be timely and effective in working with regulated sectors.

Advisory panels for regulated sectors

Ongoing: We continued work on an initiative to further engage and consult with industry stakeholders using advisory panels. These proposed panels would engage members of our regulated sectors in various capacities (technical or strategic) and provide a structured and consistent process to gain their insights and points of view on regulatory projects and emerging issues. We developed a framework, which outlines processes and mechanisms on gathering input using focus groups, industry roundtables and technical working groups.

Surveyed industry participants

Completed: In spring 2024, we completed our third annual survey of our regulated sector participants about our activities, processes and communications. The survey invited professionals working within our regulated sectors to share their experiences, level of satisfaction and expectations of the Commission. Feedback collected from this survey helps us to measure progress and focus our efforts on enhancing our regulatory effectiveness, communication, policy development and sector engagement. A total of 155 responses were collected. Our average score for regulatory effectiveness was 81 per cent – higher than the established 70-per-cent target. High level results were shared on [our website](https://fcnb.ca/en/sector-surveys/survey-results-2024-sector-survey)^[9].

Strategic Outcome 8: Best Practices Collaboration – Collaborate with regulatory counterparts to develop and implement best regulatory practices aligned with the evolving landscape and emerging trends within our regulated industries.

Participating on total cost reporting committee

Ongoing: We participated on a joint committee of the Canadian Securities Administrators (CSA) and the Canadian Council of Insurance Regulators overseeing the implementation of enhancements to cost reporting disclosure for investment funds and individual segregated fund contracts. These enhancements will improve the transparency of total fees and costs to holders of investments funds and segregated funds. Industry stakeholders must implement the enhancements by December 31, 2026.

Reviewed novel business models

Completed: We participated in a coordinated compliance review of potential conflicts of interests related to an investment firm's novel business model along with the Canadian Investment Regulatory Organization and the CSA.

9. <https://fcnb.ca/en/sector-surveys/survey-results-2024-sector-survey>

Objective 3.2 (Protection): Enhanced stability of market participants, market integrity and consumer and investor protection.

This objective is dedicated to fortifying stability and safeguarding consumers and investors within our regulated sectors by fostering understanding and adherence to regulatory obligations among market participants. The Commission ensures compliance through regular reviews, audits and investigations. In cases of non-compliance, decisive action is taken, proactively disrupting potentially harmful activities. Collaborating with regulators at local, national and international levels, we contribute to broader initiatives aimed at enhancing the protection of financial consumers and investors.

Alignment with GNB Priority: Vibrant and sustainable communities

Strategic Outcome 1: Culture of Compliance – Promote a culture of compliance and respond decisively to misconduct.

Reviewed booklets

Completed: We reviewed all pension plan member booklets that were submitted from 49 pension plans in the province to ensure they adhere to the *Pension Benefits Act* and its Regulations by providing accurate information about their pension plan and benefits. Issues were identified in 40 per cent of the booklets, including outdated and incorrect information and missing required details. Plans were informed of the deficiencies and the need to submit amendments to the Commission for review.

Unclaimed property reporting compliance

Completed: We initiated a multi-year compliance plan to deal with businesses that may be holding unclaimed property (holders). As part of its development, we reviewed best practices from the National Association of Unclaimed Property Administrators in the United States, where unclaimed property programs have been operating for decades. As part of the plan, we launched in October 2024 our Compliance Awareness Program, which is a limited review of a holder's annual unclaimed property report or non-report. The program is a vehicle to provide awareness of the Unclaimed Property Program to likely holders and provides an avenue for them to comply. Letters were sent to 52 potential holders.

Signed onto multi-jurisdiction settlement

Completed: We signed onto a [multi-jurisdiction settlement](#)^[10] with GS Partners, its affiliates and the group's principal, allowing New Brunswickers who invested with them to file a claim for a refund of their investment. GS Partners and its affiliates claimed to have more than 800,000 investors from more than 170 countries. Eligible investors could submit a claim to the claims administrator during the claim period from February 21, 2025 to May 22, 2025.

White collar crime symposium held

Completed: On May 15, 2024, we held our 11th White Collar Crime Symposium in Saint John, a one-day conference that brought together regulatory and law enforcement agencies as well as other Atlantic organizations to discuss white collar crime. Topics covered included consumer protection legislation, detecting deception, artificial intelligence and investment scams. The symposium was our largest yet, attended by 94 delegates from 17 different agencies.

Strategic Outcome 2: Collaborative Protection – Work with national and international counterparts on initiatives to protect seniors from financial abuse.

Promoted our e-learning course

Completed: To expand awareness and knowledge about recognizing and responding to financial exploitation of older and vulnerable adults, we promoted our free, on-demand e-learning course, [The Financial Exploitation of Older Adults: The invisible crime of the 21st century](#)^[11]. The course, launched in June 2023, is designed to educate registrants, industry professionals, caregivers, older adult support workers and older adults and their family and friends about financial exploitation, and the regulatory measures in place to protect older and vulnerable adults. In September 2024, the New Brunswick Community College added the course to the School of Health and Wellness' Geriatrics curriculum, and in this fiscal year, more than 467 individuals completed the course.

Walk to raise awareness

Completed: To mark World Elder Abuse Awareness Day (WEAAD) on June 15, we launched an internal contest to encourage staff completions of our e-learning module (see above). We also partnered with New Brunswick's Seniors' Advocate to launch the first annual Walk for WEAAD. More than 60 per cent of Commission staff and 20 members of the Seniors' Advocate office participated.

10. <https://fcnb.ca/en/news-alerts/new-brunswick-investors-eligible-to-file-a-claim-in-multi-jurisdiction-settlement-with-gs-partners>

11. <https://learning.fcnb.ca/courses/financial-exploitation>

Older adult outreach

Completed: We participated in three older adult wellness events and provided 25 presentations, reaching 449 older adults.

Objective 3.3 (Education): Build and increase awareness among consumers and market participants.

This objective centres on empowering New Brunswickers to make well-informed financial decisions. Access to unbiased information, understanding rights and responsibilities, and knowing where to seek help are crucial for this empowerment. Similarly, our market participants need ongoing awareness of regulatory requirements and a clear understanding of their responsibilities in ensuring consumer and investor protection. Through strategic awareness campaigns, engaging presentations and the development and sharing of resources, we focus on educating our primary audiences – New Brunswickers and our regulated sectors.

Alignment with GNB Priority: Vibrant and sustainable communities

Strategic Outcome 1: Educational Programs – In collaboration with regulatory and operational divisions, develop and execute educational programs that support consumer protection and relevant financial literacy subjects which align, as appropriate, with national financial literacy priorities.

Behavioural-based interventions explored

Ongoing: As Chair of the Canadian Securities Administrators (CSA) Investor Education Committee, we established and participate on a new CSA Online Harm Task Force. The task force combines the Investor Education, Communications and Enforcement committee chairs to serve as a single touchpoint and a forum to collaborate on developing interventions integrating behavioural science and communications best practices with real-time enforcement insights and learning to enhance consumer protection.

Regulatory newsletter launched

Completed: As part of a regulatory engagement plan, we launched an e-newsletter in December 2024 to help individuals and organizations in our regulated sectors stay informed and up to date about the Commission's work serving industry and consumers in the province. The quarterly newsletter provides a summary of key activities, announcements and news items. The first edition, issued in December, had a 63 per cent open rate seven days after issued. The second edition, issued in February, had a 46 per cent open rate.

Pension unlocking guide

Ongoing: We began work on a new guide to help New Brunswickers and their advisors understand how and when they qualify to withdraw the balance or a portion of their locked-in pension account. The guide will be shared with consumers pending proposed amendments to the General Regulation under the *Pension Benefits Act*.

Promoted Pension Awareness Day

Completed: We promoted Pension Awareness Day, which takes place annually on the third Thursday in February. The day highlights the value of workplace pensions, with a focus on financial security and the benefits of starting to save early and regularly. It also reminds individuals who already have pensions to take time to learn about their pension benefits. On February 20, we issued a new consumer guide to help young and new-to-Canada New Brunswickers understand the difference between workplace pension and savings plans and shared it on social media and in our new industry newsletter, The Commission Connection.

Educational and outreach programs

Completed: We developed and conducted targeted and relevant educational and outreach programs that focus on key priority areas and the diverse needs of New Brunswickers. Over the last year, we conducted digital campaigns to educate and raise awareness on the following topics: financial abuse of older and vulnerable adults, unclaimed property, and consumer and investing topics for the Gen Z audience. Our flagship campaign this year once again highlighted the role of licence and registration requirements in consumer and investor protection. Version 2.0 of the Permission to Pause campaign encouraged those shopping for insurance, a new home, a mortgage or investments to give themselves permission to pause and check the licence and registration of their financial service providers. We also presented to 19 newcomer associations, reaching 514 newcomers with information about our regulated sectors. Our efforts proved effective, with New Brunswickers' confidence in consumer protection growing to 64 per cent, up from 58 per cent in 2023-2024.

Theme-month campaigns

Completed: We conducted campaigns during Investor Education Month (October), Financial Literacy Month (November) and Fraud Prevention Month (March). During October, we developed social media videos (reels) targeting Gen Z with messages on investing early and wisely. The Instagram campaign used fun videos featuring a “gym buff” character to show how investing early is like working out – small efforts lead to big rewards – and to underscore long-term gains versus get-rich-quick schemes. The reels had more than 90,000 views on Instagram and more than 69,000 views on YouTube. In addition to the campaign, we issued a news release, social posts and a new presentation that was delivered in 10 high schools during the month. In November, we targeted Gen Z with messages on credit and credit reporting to align with the Financial Consumer Agency of Canada’s Financial Literacy Month theme. We focused on reaching the audience through Instagram reels using 10 videos featuring a young couple talking about credit. The reels had more than 87,000 views. In addition to the campaign, we leveraged our partnership with the Centre of Excellence for Entrepreneurship (see page 39) to deliver 14 credit and debt presentations to middle and high school audiences, including more than 600 educational assistants. For March, we shared fraud awareness information from the Canadian Anti-Fraud Centre and the RCMP, and we continued to promote the importance of checking licence and registration through our flagship campaign, Permission to Pause. We also issued two news releases on frauds and scams and six alerts during March, garnering provincial and national media attention.

Strategic Outcome 2: Fraud Monitoring – Vigilantly monitor fraud threats in regulated areas and promptly alert New Brunswickers, providing timely information to help them avoid frauds and make informed decisions.

Consumer and investor alerts

Completed: We issued 29 caution alerts on particular individuals or firms and four consumer alerts about unlicensed or illegal activity in the consumer markets we regulate. We also shared one alert from the Canadian Anti-Fraud Centre and issued two news releases to warn New Brunswickers about unlicensed door-to-door selling.

Strategic Outcome 3: Awareness – Build consumer and industry awareness and understanding of regulated sectors and the role of the Commission through updated and audience appropriate brand strategy, outreach and engagement efforts.

Brand rearticulation

Completed: Based on a brand strategy incorporating our vision and values, a refreshed brand identity was developed that considered feedback from both our regulated audience and our consumer audience. The new brand identity was launched in December 2024 and included [a video](#)^[12] highlighting our regulatory role and how we support the financial and consumer marketplaces and protect and inform consumers and investors.

Surveyed New Brunswick consumers

Completed: We ran our 16th New Brunswick Consumer Index, which tracks key measures on consumer awareness, attitudes and knowledge and incidences of fraud. The results provide insights into investing and consumer trends and behaviours in the province and help shape the development of our education programs. The 2023-2024 index revealed that only 23 per cent of residents verified whether the financial professionals they were working with were licensed or registered. In response, we launched our Permission to Pause campaign (see page 36) focused on encouraging New Brunswickers to check licensing and registration. The latest index results show a positive increase, with 34 per cent of New Brunswickers surveyed now taking this important step.

National collaboration

Completed: In our capacity as Chair of the CSA's Investor Education Committee, we led a collaboration with the CSA's Investment Fraud Task Force to develop an educational campaign that addresses current and real-time fraud threats targeting investors in Canada. The campaign, *Are they registered?*, launched nationally in the spring of 2024.

12. <https://youtu.be/ZjFB1fKRNWo>

Centre of Excellence for Entrepreneurship

Completed: We continued our support of the Centre of Excellence for Entrepreneurship by providing educational resources, delivering presentations to high school and middle school students throughout the province and collaborating on initiatives to enhance financial literacy programs within the New Brunswick Department of Education and Early Childhood Development. This year, we reached 1,978 students with information on various financial topics, like credit and debt, the importance of investing early and insurance.

Collaborated on new insurance guide and checklist

Completed: We collaborated with the Canadian Insurance Services Regulatory Organizations to promote National Insurance Awareness Day (NIAD) on June 28 and Fraud Prevention Month in March. For NIAD, we developed [A Guide for Homeowners: Preparing for Natural Disasters](https://fcnb.ca/en/guides/a-guide-for-homeowners-preparing-for-natural-disasters)^[13] including a checklist of questions to ask your agent. For Fraud Prevention Month, we developed similar checklists to help consumers and industry participants spot and avoid insurance fraud.

13. <https://fcnb.ca/en/guides/a-guide-for-homeowners-preparing-for-natural-disasters>



PILLAR 4: FINANCIAL

Objective 4.1: Ensure financial capacity to accomplish our mandate.

This objective underscores our commitment to optimizing financial capacity to fulfil our mandate and provide value to New Brunswickers. Adhering to the budget set at the beginning of each fiscal year is a fundamental strategic outcome, ensuring prudent fiscal management and resource allocation to support the effective execution of our regulatory responsibilities.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Budget Adherence – Adhere to the budget set at the beginning of each fiscal year.

Budget oversight

Completed: We provided monthly variance analysis and quarterly projections on our revenues and expenses to the Commission Members and Executive Management Committee.

Objective 4.2: Deliver value to key audiences.

We are committed to maintaining regulatory approaches and organizational practices that deliver value to our key audiences. We will continue to be flexible yet agile in our approach to regulatory policy development to provide the most effective oversight regime, and will continue to assess how we may best adapt our approaches and processes to achieve efficiencies.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Resource Planning Optimization – Optimize value and cost through resource planning.

Business process improvements

Completed: We carried out a review of business processes and internal controls to identify improvements and efficiencies and to document business processes.

Strategic Outcome 2: Transparent Reporting – Maintain best practices in reporting while meeting mandated requirements.

Division budgets

Completed: We worked with the divisions to update and enhance their financial reporting package and financial dashboards. Updates include a detailed monthly financial summary customized for individual requirements.

Annual reporting

Completed: We delivered our [2023-2024 Annual Report](#)^[14] to the Minister on August 7, 2024 and posted it to the Commission's website before September 30, 2024.

Strategy and Business Plan

Completed: We submitted our Strategy and Business Plan for 2025-2028 to the Minister on February 18, 2025, and published it on our website on April 3, 2025.

Strategic Outcome 3: Targeted Net Income – Meet targeted net income while maintaining an effective regulatory regime.

Income targets met

Completed: We met our targeted net income.

Objective 4.3: We are self-funded.

We are funded by the regulatory fees and assessments paid by the sectors we oversee, which establishes the Commission as an independent regulator. The authority to set rules regarding these fees is granted by the *Financial and Consumer Services Commission Act*.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Fee Rule Monitoring – Regularly monitor the Commission's fee rules to support maintaining financial capacity.

Reviewed fees

Ongoing: We monitored and had ongoing discussions with directors regarding the industry participation fees to ensure they support maintaining our financial capacity.

Pension regulatory fees

Ongoing: We began a review of the pension regulatory fee structure, which came into effect in 1991, to consider how it could be updated and harmonized with those of other regulators.

14. <https://fcnb.ca/en/about-the-commission/annual-reports>



PILLAR 5: ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Objective 5.1: Our regulatory standards are consistent with societal values.

As investors and consumers increasingly prioritize products adhering to ESG standards, the Commission plays an active role in monitoring this evolving landscape and participating in applicable policy-making discussions.

Alignment with GNB Priority: Energizing the private sector / Environment

Strategic Outcome 1: Leadership Influence – Our leaders serve on relevant, influential inter-jurisdictional committees.

Committee representation

Completed: To ensure our regulatory standards are consistent with societal values, our employees participated on the following committees that have an impact on ESG factors:

- Mortgage Brokers Regulators Council of Canada.
- Government of Canada Consumer Measures Committee.
- Credit Union Prudential Supervisors Associate (CUPSA) Executive Committee and CUPSA's Climate Risk Committee of Community Practice.
- Canadian Council of Insurance Regulators (CCIR) Climate Change, Natural Catastrophes and Consumer Awareness Working Group.
- CCIR/Canadian Insurance Services Regulatory Organization Fair Treatment of Consumers.
- Canadian Association of Pension Supervisory Authorities Executive Committee and ESG Committee, researching and developing guidelines on the integration of ESG factors in the supervision of pension fund investment and risk management.

- CSA Investment Funds Committee, which is monitoring ESG-related investment funds; CSA Mining Committee, which is working to revamp standards of disclosure for mineral projects; CSA Investor Education Committee; CSA Diversity Committee; CSA Vulnerable Investors Committee; and the CSA Climate Disclosure Committee.
- North American Securities Administrators Association (NASAA) Diversity, Equity and Inclusion Board Level Committee; and NASAA Investor Education Section and Strategic Communications Project Group, which provide training, resources and information to regulators and investor education coordinators on investor education related to ESG topics and ensuring diversity and inclusion in their investor outreach efforts.

Strategic Outcome 2: ESG Knowledge Exchange – The Commission’s Internal ESG forum promotes knowledge exchange on ESG standards and emerging trends.

New ESG forum

Completed: The internal ESG forum continued to meet during the year to promote and share information to ensure a consistent approach in policy-making practices and to foster the Commission’s growth in ESG matters, both as an employer and as a regulator.

Objective 5.2: Foster an environment of inclusion, diversity, equity and accessibility.

The Commission is actively fostering diversity within our workforce and striving to ensure an inclusive, equitable and accessible employee experience. We achieve this by offering learning opportunities focused on inclusion, diversity, equity and accessibility (I.D.E.A.) to enhance awareness and understanding among employees at all levels. Recognizing that diverse perspectives contribute to better policymaking and innovation, the Commission acknowledges the importance of diversity in recruitment, retention and overall well-being.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Competency Growth – Provide access to self-study on inclusion, diversity, equity and accessibility to grow internal competencies.

Employee I.D.E.A. training

Completed: To support employees in their I.D.E.A. training, we continued our partnership with the Canadian Centre for Diversity and Inclusion, providing employees free access to webinars, sessions, documents and resources in English and French. We also provided employees with a bank of approved I.D.E.A. resources to help them complete an annual target of four hours of self-study. We reached 98 per cent of our 400-hour target.

Member I.D.E.A. training

Completed: We set targets of two hours of I.D.E.A. self-study for the year for Commission Members. A bank of approved I.D.E.A. resources was provided quarterly to help them complete their self study. In total, 100 per cent of Members achieved the target.

Strategic Outcome 2: I.D.E.A. Strategy – Develop a comprehensive inclusion, diversity, equity and accessibility (I.D.E.A.) strategy for the Commission.

Advancing the I.D.E.A. framework

Ongoing: We continued the development of an I.D.E.A. framework, focusing on integrating self-identification survey questions into the 2024-2025 employee engagement survey. This data will inform the strategic pillars, goals and initiatives, ensuring the framework is purposeful, scalable and aligned with organizational needs.

Strategic Outcome 3: ESG Consideration – ESG factors are integral to assessing funding requests for stakeholder events or initiatives.

Funding requests

Completed: In addition to our general criteria, we consider ESG and alignment with the Commission's purpose as criteria when assessing requests for funding stakeholder events or initiatives. We established that at least 50 per cent of our approved stakeholder requests must meet the ESG criteria. This year, all stakeholder requests met our ESG criteria.

Objective 5.3: Our governance is robust and rightsized for our organization.

The Commission is dedicated to regulatory leadership and the pursuit of excellence across all operational facets. We recognize that robust governance practices, tailored to our unique characteristics, are pivotal for promoting responsible stewardship, ethical behaviour and effective performance.

Alignment with GNB Priority: Affordable, responsive and high performing government

Strategic Outcome 1: Audit Framework – Implement an internal audit function framework

Internal auditor selection

Completed: Following the development of the Commission's inaugural internal audit policy and charter in 2023-2024, we issued a request for proposals in summer 2024 for an outsourced internal auditor. The selection process and engagement was completed in Q4 and work is underway with the internal auditor to develop and execute a multi-year internal audit plan. Implementing the plan will bring a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and government processes.

Strategic Outcome 2: Board Competency Growth – Provide relevant, mandatory training to Commission Members, enhancing competencies in emerging governance trends and best practices.

Governance training held

Completed: We provided three hours of Commission-led mandatory training to Members on emerging governance trends and best practices. The Commission places high value on providing continuing education to Members to enhance their governance skills.

Strategic Outcome 3: Purpose Governance – Establish an activation plan for the phased implementation of the organizational purpose

Activating our purpose

Ongoing: Following the development and launch of our purpose statement to our employees in April, we developed a two-year plan to activate and embed it throughout the organization to help inform strategic and operational decision-making. We educated our leaders on what it means to be an authentic purpose-driven organization, the steps to move to a purpose-led business model and provided tips and resources to help them activate purpose within their own divisions. Each division then held discussions about how their work supports our purpose statement: *Giving New Brunswickers confidence in their financial lives*. Our purpose was further emphasized during our October staff meeting, where our guest speaker spoke about purpose-driven work and its impact on engagement. Implementation of the purpose activation plan will continue into the new fiscal year.

2024-2025 PERFORMANCE MEASURES

Pillar & Goals	Performance Measure	2024-2025 Target	2024-2025 Result	2023-2024 Result	2022-2023 Result
People: Build upon a highly skilled workforce that is passionate about what we do.	Employee engagement score	=>75%	83.4%	81%	76%
Process: Excel in the development of effective, practical and responsive regulatory services	Updates to two existing regulatory systems	100%	70% ^[15]	0 ^[16]	-
Consumer and Market Participants: Reduce risk and harm, and build trust, awareness and fairness in financial and consumer services for New Brunswickers	Stakeholder engagement survey	=>70%	81%	79.8%	83.2%
	Service standards response time	=>90%	95.3%	91.9%	95.9%
	Regulatory enforcement case assessment	80% within 30 days	100%	96.8%	100%
		100% within 60 days of receipt of completed referral file	100%	100%	100%
Financial: Optimize financial capacity to accomplish our mandate and deliver value to New Brunswickers.	Net target income	\$7.40 M	\$10.51 M	\$10.34 M	\$9.35 M
	Actual to budget variances	Total expenses not to exceed budget by 5%	-9.04%	-9.85%	5%
Environment, Social and Governance: Embrace ethical and practical values of ESG toward a more inclusive, sustainable and prosperous future.	Number of interjurisdictional committees Commission participates on with ESG impact	10	10	14	12

15. Two system modernization projects were delayed.

16. Three system modernization projects were delayed due to unanticipated resource demands during projects that supported our migration to the cloud. These delays did not have any negative impact on the Commission's operations.

OUR LEADERSHIP

As of March 31, 2025

Name	Title
Kevin Hoyt	Chief Executive Officer
Véronique Long	Vice President, Corporate Services
Angela Mazerolle	Vice President, Regulatory Operations; Superintendent of Insurance, Pensions, Pooled Registered Pension Plans, Credit Unions and Loan and Trust Companies Director of Mortgage Brokers, Consumer Affairs and Cooperatives
Liz Byrne-Zwicker	Chief Information Officer
Fiona Boffa	Director, Human Resources
Maryse Gagnon-Ouellette	Director, Pensions Division
Deborah Gillis	Director, Legal Services Division
Jeff Harriman	Director, Finance and Facilities Division
To-Linh Huynh	Executive Director, Securities Division
Alicia Love	Corporate Secretary and Corporate Governance Counsel
Alaina Nicholson	Director, Consumer Affairs Division
Susan Powell	Director, Enforcement Division
Andrew Richardson	Director, Financial Institutions Division
Marissa Sollows	Director, Communications and Public Affairs Division
Jennifer Sutherland Green	Director, Insurance Division
Erin Toole	Director, Unclaimed Property Division



COMPLIANCE REVIEWS

Related Act	2024-2025	2023-2024	2022-2023	Focus of Review
<i>Collection and Debt Settlement Services Act</i>	50	92	114 ^[17]	Financial statement reviews
<i>Pre-arranged Funeral Services Act</i>	30	21	20	Trust account inspections
<i>Mortgage Brokers Act</i>	24	15	10	Reviews for general adherence to legislation
<i>Insurance Act</i>	86	204 ^[18]	74	Compliance reviews
	6	6	6	Solvency reviews of provincially licensed insurers
	2	5	5	Review of insurance brokerage's trust account
<i>Securities Act</i>	0	1	2	Investment Fund Manager, Portfolio Manager and/or Exempt Market Dealer
	0	0	0	Scholarship plan dealer (NB location) compliance review
	2	2	1	Mutual Fund Dealer compliance review
	0	1	2	Continuous disclosure reviews
	809	694	625	Report of exempt distribution reviews
	6	6	6	Annual filing reviews: NB registrants, cooperatives and CEDCs
<i>Direct Sellers Act</i>	78	72	71	Compliance reviews of direct seller contracts
<i>Credit Unions Act</i>	11	10	7	Compliance examinations
<i>Cost of Credit Disclosure and Payday Loans Act</i>	168	202	204	Compliance reviews of cost of credit disclosure contracts
	2	2	2	Payday lender licensing reviews
	0	0	1	Payday lender compliance reviews

17. Higher than previous years as a result of fewer reviews during the pandemic.

18. The increase in compliance reviews is due to the new requirement for insurance intermediaries to be licensed. Rule INS-001, which came into force in February 2023, requires adjusting firms, agencies, managing general agents and restricted insurance representatives to be licensed. This has led to more reviews and action taken by compliance staff due to some of the complexity involved in the applications.

CONSUMER AFFAIRS

Industry	Licence Type	2024-2025	2023-2024	2022-2023
Auctioneers	Auctioneer Licence	33	31	33
Collections	Agency Licence	50	54	56
	Branch Licence	40	42	50
	Collector Licence	2,110	2,133	1,962
Commissioner of Oaths	Provincial	658	610	569
	Foreign	0	2	3
Cost of Credit Disclosure	Company Registration	271	308	372
	Branch Registration	125	205	263
	Individual Registration	30	28	8
Payday Lenders	Payday Lenders Licence	5	5	5
Credit Reporting	Agency Licence	4	5	3
Direct Sellers	Vendor Licence	72	67	67
	Salesperson Licence	674	443	564
Mortgages	Mortgage Brokerage Licence	81	67	57
	Mortgage Associate Licence	175	172	98
	Mortgage Broker Licence	140	128	101
	Mortgage Administrator Licence	22	20	17
Pre-arranged Funerals	Provider Licence	47	46	47
	Manager Licence	60	53	54
Real Estate	Agent Licence	87	80	87
	Branch Licence	42	40	40
	Manager Licence	163	147	154
	Salesperson Licence	1,679	1,629	1,554
All Industries	Total Licences	6,568	6,315	6,164

ENFORCEMENT

Investigations

Investigations	Regulatory Area	2024-2025	2023-2024	2022-2023
Ongoing cases carried forward^[19]	All areas	17	23	19
Cases opened by regulatory area	Collection & Debt Settlement	2	0	0
	Cost of Credit and Payday Loans	1	0	0
	Direct Sellers	1	1	0
	Financial Institutions	0	1	0
	Insurance	1	0	0
	Mortgage Brokers	1	0	0
	Pre-arranged Funerals	0	0	0
	Real Estate	0	3	1
	Securities (including Canadian Investment Regulatory Organization)	4	13	9
	Matters involving 2+ regulatory areas	0	1	0
	Scams reported to the Commission	28	25	30
Total cases opened	All areas	38	44	40
Cases concluded by regulatory area	Collection & Debt Settlement	0	0	0
	Cost of Credit and Payday Loans	1	0	0
	Direct Sellers	1	0	0
	Financial Institutions	0	1	0
	Insurance	0	0	1
	Mortgage Brokers	1	1	2
	Pre-arranged Funerals	0	0	0
	Real Estate	2	5	2
	Securities (including Canadian Investment Regulatory Organization)	8	8	14
	Matters involving 2+ regulatory areas	3	0	1
	Scams reported to the Commission	28	25	30
Total cases concluded^[19]	All areas	44	40	50
Investigation orders issued	All areas	3	3	2

19. Some cases had been opened in preceding years.

Activities

Enforcement	2024-2025	2023-2024	2022-2023
Proceedings commenced before the Tribunal ^[20]	2	0	7
Hearings held before the Tribunal	3	5	4
Decisions/Orders issued by the Tribunal	5	4	3
Other matters before the Tribunal	0	3	4
Staff appeals to the Court of Appeal	0	0	0
Decisions of the Court of Appeal	0	0	1
Matters held before the Court of Appeal	0	0	1

Referrals

Referrals	2024-2025	2023-2024
Referrals from Commission regulators	6	4
Reported scams to the Canadian Anti-Fraud Centre (CAFC)	34	43
Reported scams to CAFC that resulted in posting a caution	0	9
Referrals from Canadian Investment Regulatory Organization (CIRO)	3	0
Referrals from other regulators	0	1 ^[21]
Referrals from foreign regulators	1 ^[22]	1 ^[23]
Companies placed on the NB Caution List as a result	29	29

20. On June 16, 2023, the functions and duties of the Tribunal were transferred to the Energy and Utilities Board.

21. Referral from the Ontario Securities Commission.

22. Referral from the Financial Industry Regulatory Authority (FINRA).

23. Referral from Commissione Nazionale per le Società e la Borsa (CONSOB), Italy.

INSURANCE

Individual licence

Individual Licence Type	2024-2025	2023-2024	2022-2023
Life insurance agents/brokers	3,033 ^{[24],[25]}	3,360 ^[24]	3,285 ^[24]
Other than life agents/brokers	N/A ^[24]	N/A ^[24]	N/A ^[24]
Non-resident brokers	N/A ^[24]	N/A ^[24]	N/A ^[24]
General insurance agent and other than life agent or broker	5,267 ^{[24],[25],[26]}	6,139 ^{[24],[26]}	6,529 ^{[24],[26]}
Accident and sickness agents	151 ^[25]	231	240
Travel agents	482	436	223
Special insurance brokers	21	13	15
Damage appraisers	N/A	N/A	N/A
Adjusters	1,541 ^[25]	2,242	2,274
Total number of licences produced ^{[27],[28]}	10,495	12,421	12,566
Total number of licensees	16,563	15,332	13,279

24. Rule INS-001 *Insurance Intermediaries Licensing and Obligations* came into effect on February 1, 2023, no longer requiring separate licence types for residents and non-residents.
25. Rule INS-001 changed the renewal process for agents and adjusters, allowing agents without disciplinary actions or conditions to receive a two-year licence upon their second renewal, and adjusters to be eligible for a two-year licence after holding their licence for two consecutive years. Prior to the Rule, agents had to wait until their fifth renewal to be eligible for a two-year renewal.
26. This number represents the combined total of General insurance agent licences and the remaining Other than life agent or broker licences that will be transitioned to the appropriate General insurance agent licence over the next two years.
27. Includes intermediaries holding more than one licence.
28. Number of licences produced reflects the licences issued during the fiscal year. The number is less than the total number of intermediaries, as some intermediaries hold two-year licences issued in the previous year.

Firm licence

Firm Licence Type	2024-2025	2023-2024
Adjusting Firm	33	16
Agency	954	657
Managing General Agent	138	95
Restricted Insurance Representative	410	361
Total number of licences produced	1,349	1,129

Insurance companies operating in New Brunswick

Category	Our Role	2024-2025	2023-2024	2022-2023
Companies based in NB	Primary regulator (licensing, solvency and market conduct)	6	6	6
Companies that were federally or internationally headquartered	Licensing and market conduct	154	158	157
Companies based in another province	Licensing and market conduct	34	37	37

LOAN AND TRUST COMPANIES

Primary Jurisdiction	2024-2025	2023-2024	2022-2023
Total Provincial	0	0	0
Alberta	1	1	1
Quebec	1	1	1
Federal	44	46	44
Total Extra-Provincial	46	48	46

COOPERATIVES

Category	2024-2025	2023-2024	2022-2023
Agriculture	24	24	26
Consumer	20	20	23
Fishery	6	6	7
Housing	20	17	17
Services	84	82	110
Forestry	6	6	6
Worker	5	5	9
Total	165	160	198

PENSIONS

Pensions and Related Submissions	2024-2025	2023-2024	2022-2023
Pension Plan Registrations	2	2	4
Pension Plan Amendment Registrations	68	101	83
Pension Plan Wind-Up Approvals	7	7	12
Annual Information Returns Reviewed	235	210	222
Actuarial Valuation Reports Reviewed	44	43	65
Standard Contract Registrations	12	10	11
Standard Contract Amendment Registrations	38	36	26
LIF/RRIF Transfer Approvals	868	838	803

SECURITIES

Corporate Finance activity

Corporate Finance Activity	2024-2025	2023-2024	2022-2023
Reporting issuers	5,968	5,853	5,904
Reporting issuers (New Brunswick-based)	9	8	8
Prospectus filings (non-mutual funds)	280	509	658
Mutual fund prospectus filings	4,046	4,273	3,868
Annual information forms	1,124	1,042	1,185
Reports of exempt distribution	809	694	625
Exemption applications (non-passport)	14	7	12
Cease-trade order	0	0	1
Management cease-trade order	0	0	0

Registration activity

Registration Activity	2024-2025	2023-2024	2022-2023
Registered firms	516	512	498
Registered firms (New Brunswick-based)	3	3	3
Branches/Sub-branches in New Brunswick	494	494	513
Registered individuals	15,540	14,968	14,481
Registered individuals (New Brunswick residents)	1,556	1,545	1,574

UNCLAIMED PROPERTY

Category	Activity	2024-2025	2023-2024	2022-2023
Holder Reporting	Number of reporting holders	183	153	139
	Number of properties reported	24,953	63,374	9,398
	Total amount reported	\$6.46 million ^[29]	\$29.14 million ^[30]	\$2.95 million
Claimants^[31]	Number of claims submitted	697	898	N/A
	Number of claims pending (requiring additional information or being reviewed)	536	369	N/A
	Number of claims approved	338	209	N/A
	Total approved claim amount	\$1.85 million	\$824,000	N/A
	Total approved claim amount since program launch (October 2023-March 31, 2025)	\$2.67 million		
	Average claim amount	\$287	\$249	N/A
	Largest approved claim (can be multiple properties)	\$353,000	\$97,000	N/A
	Largest cash amount still unclaimed	\$93,000	\$93,000	N/A
	Largest value amount still unclaimed ^[32]	\$557,000	\$557,000	N/A
	Number of claims denied or withdrawn	503	320	N/A
Website	Number of visits to FundsFinderNB.ca/MesFondsNB.ca	89,618 ^[33]	423,883 ^[34]	17,365
	Number of database searches for unclaimed property ^[31]	103,878	242,576	N/A
	Average number of property searches per visit	3	6.14	N/A

29. The reporting period for holders runs annually from January 1 to March 31. Because of the 2024 postal strike and this being a new program, many reports are expected to come in after the deadline. The reported amounts received after March 31, 2025 will appear in next year's annual report totals.

30. The majority of holders during the 2023 reporting period reported after the March 31, 2023 deadline. As a result, most of the amount of reported property appears in the 2023-2024 fiscal year despite being part of the 2023 reporting period.

31. The claims portion of the website (FundsFinderNB.ca) was launched in the fall of 2023.

32. Value amount is an amount held inside an investment/securities.

33. Number of users (visitors) who visited the site.

34. Number of pageviews (the total number of times each page is viewed on the site) rather than the number of users. In 2024, the Commission changed its reporting and tracking structure and no longer reports on total pageviews.

MANAGEMENT'S DISCUSSION AND ANALYSIS



For the fiscal year ended March 31, 2025

Dated June 26, 2025

This Management's Discussion and Analysis (MD&A) is intended to help the reader understand the Financial and Consumer Services Commission of New Brunswick (Commission)'s operations, financial performance and current and evolving regulatory landscape. While the financial statements present actual financial results, the MD&A offers management's perspective, explaining these results and outlining the Commission's plans and budget for the upcoming year.

This MD&A should be read in conjunction with the Commission's financial statements, including related notes, for the fiscal year ending March 31, 2025. Unless otherwise noted, any reference to a year corresponds to the Commission's fiscal year ending March 31. For example, "2025" means the fiscal year ending March 31, 2025.

All financial information related to 2024 and 2025 has been prepared according to International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board ("IASB").

The terms "we", "us", "our", and "Commission" refer to the Financial and Consumer Services Commission of New Brunswick and references to the "Act" refer to the *Financial and Consumer Services Commission Act*.

While management considers the assumptions in this MD&A reasonable at the time of publication, they do not guarantee future performance. Certain statements outlining 2026 expectations are forward-looking and subject to risks and uncertainties.

OVERVIEW

The Commission is a self-funded Crown corporation (under Part IV of the *Public Service Labour Relations Act*). With offices in Saint John and Fredericton, the Commission's operations are funded through a variety of fees and assessments collected from those we regulate. We are accountable to the New Brunswick legislature through the Minister of Finance and Treasury Board.

Commission staff maintain accounting and internal control systems to provide reasonable assurance that financial information is complete, reliable and accurate and that assets are adequately protected.

This year, the Commission exceeded budget expectations in both revenue and net income, driven by continued growth of our regulated sectors. The full impact of the modernization of our fees rules was realized, alongside our ongoing commitment to operational efficiencies, strengthening financial performance across the Commission.

FINANCIAL HIGHLIGHTS

Category	Budget 2025	Actual 2025	Actual 2024	Actual 2023
Revenue	\$26,159,350	\$27,574,849	\$26,137,304	\$24,265,602
Expenses	18,758,572	17,064,462	15,798,532	14,535,689
Excess of revenue over expenses	7,400,778	10,510,387	10,338,772	9,729,913
Total assets		30,310,317	25,465,145	18,157,411
Total liabilities		22,612,794	17,812,811	11,101,808
Total equity balance		7,697,523	7,652,334	7,055,603
Distributions to government		\$10,465,197	\$9,742,041	\$18,655,687

The Commission exceeded both budgeted revenue and net income expectations while maintaining effective cost management. Notable revenue increases were observed across various regulated sectors, particularly in securities filings, alongside continued growth in the issuance of licenses in insurance, real estate and commissioners of oaths.

As interest rates remained elevated throughout most of the year, we noted a positive impact on our investment returns.

The Commission recovered approximately \$3,458,027 through various assessments, including a claim against the unclaimed property fund for approximately \$123,000.

The total excess of revenue over expenses in fiscal 2025 was \$10.5 million, as shown in the previous table. Revenue amounted to \$27.6 million, an increase of \$1.4 million compared to the previous year.

The Commission's revenue is derived from five primary sources:

- Filing, registration, license and application fees paid by regulated entities and individuals (with the securities sector constituting the largest source at 70% of total revenue).
- Assessments charged to the insurance and credit union sectors as well as the restricted unclaimed property fund.
- Administrative penalties, recoveries of costs and other monetary orders issued by the Tribunal.
- Vested unclaimed property.
- Investment income and miscellaneous charges.

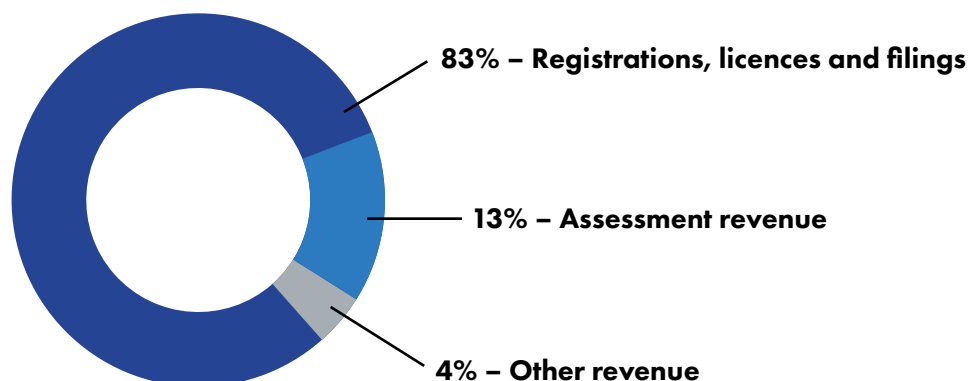
The expenses incurred for operating all our programs amounted to \$17.1 million, significantly below the allocated budget of \$18.8 million. This reduction was primarily due to the following factors:

- Salaries and benefits costs: Costs were below budget despite annual salary adjustments and increased staff to meet growing demand. The timing of new hires impacted annual costs.
- Outreach program costs: We successfully planned and executed numerous outreach programs, effectively managing the costs throughout the year, resulting in expenditures coming in under budget.
- Adjudication costs: The Energy and Utilities Board's continued management of the Tribunal has resulted in sustained savings. The costs were also impacted as there were slightly lower-than anticipated activity levels.
- Travel and training costs: Our commitment to continuous learning resulted in higher costs compared to the previous year. However, we remained within budget, as staff efficiently leveraged existing technology for training and regulatory duties.
- General administration expenses: These remained notably below budget as we continue to seek opportunities to optimize our spending.

Total assets increased by \$4.8 million, and liabilities also increased by \$4.8 million. These increases stem from additional funds received from our Unclaimed Property Program and the Commission's decision to forgo the early termination clause in the current Saint John office lease, requiring the Commission to recognize the full lease value.

REVENUE ANALYSIS

Revenue analysis – Fiscal 2025



Registrations, licences and filings

Participation Fee	Actual 2025	Actual 2024	Change
Prospectus and distribution filings	\$11,138,700	\$10,679,700	\$459,000
Registration fees	5,993,719	5,775,213	218,506
Financial filing fees	2,204,150	2,012,400	191,750
Licences and fees	3,490,683	3,122,809	367,874
Exemptions orders and other	68,471	70,613	(2,142)

The Commission's registrations, licences and filings fees are charged for a participant's use of New Brunswick's financial markets.

- The securities industry was higher than the previous year, primarily due to updated fee rules that relate to international dealers and advisers.
- The number of licences issued and fees collected across the other various sectors we regulate increased, with the most notable growth in insurance, real estate, collection agencies and commissioners of oaths.

Many securities-related services focus on offerings and applications, such as prospectus filings. Fees from exemptive relief applications under New Brunswick's *Securities Act* requirements, and late fees incurred by market participants for missed payments or filings comprised only a small fraction of total revenue.

Assessments

Other Revenue	Actual 2025	Actual 2024	Change
Insurance	\$2,642,260	\$2,547,555	\$94,705
NBCUDIC	692,400	757,600	(65,200)
Unclaimed property	123,367	Nil	123,367

There is a direct correlation between revenue and expenses within the insurance sector. As stipulated by the *Insurance Act*, all costs associated with administering the Act must be assessed and recovered from licensed insurers. Consequently, whenever expenses are budgeted or incurred for this sector, an equivalent amount of revenue is accordingly budgeted or realized. A decrease in expenses results in a reduction in revenue, maintaining a neutral net impact. This principle applies to the administration of the *Credit Unions Act*, whereby the Commission recovers the costs necessary to manage the regulatory framework for credit unions.

In fiscal 2025, the Commission completed a claim against the unclaimed property fund, as authorized by the *Unclaimed Property Act*, to offset administrative costs associated with operating the program. After two years of managing and analyzing the Unclaimed Property Program, it was determined that there were sufficient funds available to address the shortfall between the revenue generated by the program and the direct costs. The claim against the fund was \$123,367, leaving \$11.1 million cash in the fund, which was deemed adequate to cover potential future claims.

Other revenue

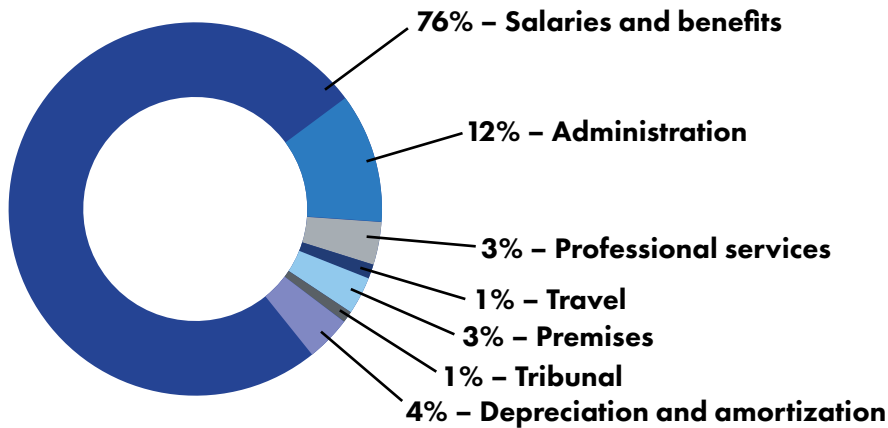
Other Revenue	Actual 2025	Actual 2024	Change
Unclaimed property income	\$571,392	\$440,496	\$130,896
Investment income	611,316	673,298	(61,982)
Administrative penalties and settlements	34,417	55,000	(20,583)
Miscellaneous income	3,974	2,620	1,354

Property vested pursuant to the *Unclaimed Property Act* totalled \$108,228 following the second reporting period.

As interest rates stayed elevated throughout most of the year, our return on investments remained consistent with the prior year.

EXPENSE ANALYSIS

Expense analysis – Fiscal 2025

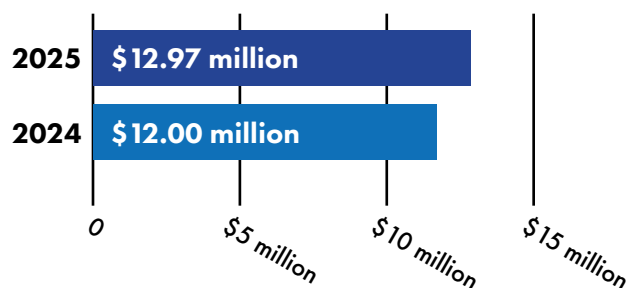


Expense comparison to prior year

Expenses	Actual 2025	Actual 2024	% of 2025 Expenses	Change
Salaries and benefits	\$12,972,556	\$12,006,584	76.02%	\$965,972
Administration	2,001,815	1,772,722	11.73%	229,093
Professional services	484,995	474,109	2.84%	10,886
Travel	226,276	202,511	1.33%	23,765
Premises	510,704	469,459	2.99%	41,245
Tribunal	203,007	278,501	1.19%	(75,494)
Depreciation and amortization	665,109	594,646	3.90%	70,463
Total expenses	\$17,064,462	\$15,798,532	100.00%	\$1,265,930

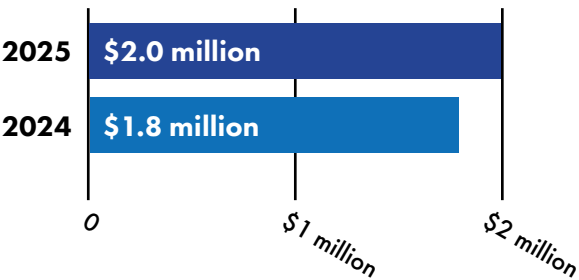
Salaries and benefits

Compensation expenses rose by 8% to \$12.97 million compared to the previous year, accounting for 76% of operating costs (76% in 2024). At the end of the year, 110 staff members were employed. This increase from the prior year was due to our annual compensation adjustment, the filling of vacant positions and the creation of new roles.



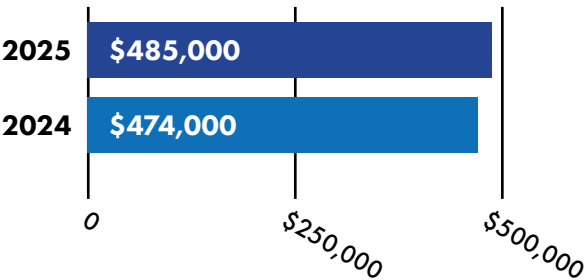
Administration

Administration expenses increased to \$2.0 million in 2025 from \$1.8 million in 2024, representing 12% of operating costs (11% in 2024). The two main contributors to the additional spend include investor protections projects, including our unclaimed property campaign, plus additional IT costs to support our infrastructure needs.



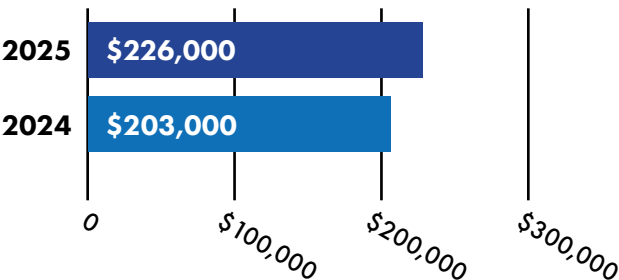
Professional services

Professional services expenses reached \$485,000 in 2025, an increase from the previous year at \$474,000. These costs encompass general consulting, information technology consulting, financial audits, translation, legal services and consulting activities related to regulatory matters. With the increase in the complexity of our work and the persistent elevation of our risk environment, such as cybersecurity threats, we explore partnerships with organizations that bring specialized expertise to complement our efforts in addressing these challenges effectively. The organization undertook several significant projects requiring third-party consultation throughout the year.



Travel

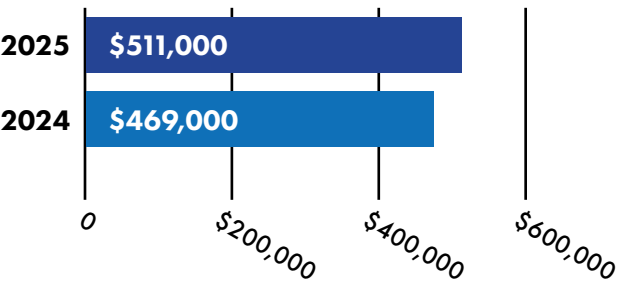
Travel costs were \$226,000, reflecting a slight increase over the previous year due to staff obligations to fulfil oversight responsibilities and participate in specialized training opportunities. Our travel costs have remained relatively low as staff continue to leverage virtual participation in events and maximize the use of technology, enabling more work to be completed from our offices.



Premises

Our premises' costs have increased as compared to the prior year due to an increase in our shared administration costs for both our Fredericton and Saint John space. The increases include higher property tax and costs associated with building security.

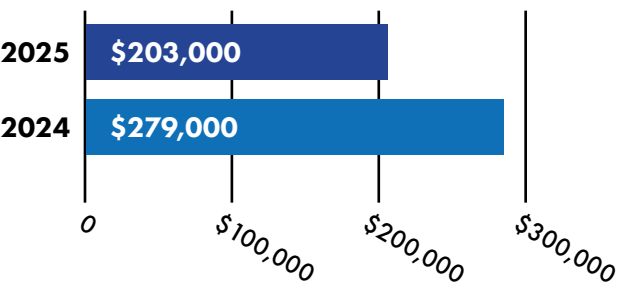
Costs associated with the remainder of our Saint John office are accounted under depreciation and amortization.



Tribunal

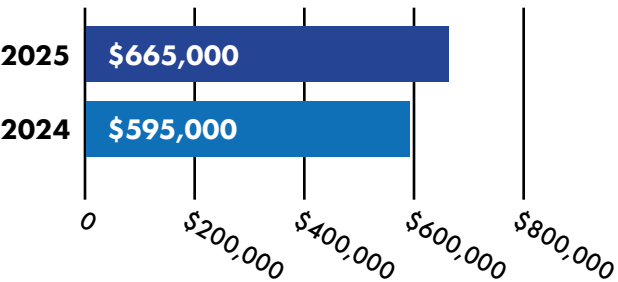
The Energy and Utilities Board (EUB) provides independent adjudication and oversight in the financial and consumer services sectors. This change has resulted in a reduction in the overall costs of the Tribunal.

All costs associated with the Tribunal are accumulated and charged directly by the EUB.



Depreciation and amortization

Depreciation and amortization expenses were \$665,000, higher than the previous year, due to ongoing development of our internally built information technology infrastructure, plus the impact on extending our lease in Saint John.



FINANCIAL ASSETS AND LIQUIDITY

Market enhancement and consumer protection reserve

Funds in the market enhancement reserve of \$261,883 come from administrative penalties and are to be spent only on endeavours or activities that enhance the financial marketplace or consumer protection in New Brunswick. These funds are maintained in a separate bank account and generate their own bank interest. There were \$34,417 in administrative penalties issued during the year (\$37,500 in 2024).

Liquidity and financial position

The Commission has sufficient liquidity to fund its 2025-2026 operations and capital purchases with cash of \$6.5 million (\$6.2 million in 2024).

Disposition of surplus operating funds

The Commission made a series of payments totalling \$10,465,197 to the Province of New Brunswick.

Stabilization reserve

The Commission has a fully funded \$5 million stabilization reserve to absorb revenue shortfalls or unexpected expenditures that could arise from assuming a large regulatory mandate. Revenue generated from the reserve is moved into general operations.

Accounts receivable

Assessments to the insurance industry and costs and expense recovery from the New Brunswick Credit Union Deposit Insurance Corporation largely make up the accounts receivable. These amounts are assessed after year-end and recorded as accrued revenue with a corresponding receivable. They represent 84% of the receivable balance in 2025 (90% in 2024). The remaining balance is largely made up of general fee receivables and HST receivables.

Lease obligations

The Commission entered into a 10-year lease for office space in Saint John, effective March 1, 2021. The lease provided an early termination clause granting the Commission the option to terminate the agreement after the fifth year of the agreement. During the year, the Commission decided not to exercise the early termination clause available in our lease agreement. The Commission has updated the term of the lease to extend through February 28, 2031.

Unclaimed property

New Brunswick's *Unclaimed Property Act* requires businesses and government entities holding unclaimed property (holders) to review their books and deliver any unclaimed monetary property to the program. The program relieves holders of the expense and liability of carrying the property on their books.

After the second full year of operations, the Commission is holding \$11.1 million and has known receivables of \$500,000. The cash is kept in a unique bank account and is currently available to claim.

The Commission also received reports from holders of securities. These amounts will continue to be held by the business or government entity. The Commission provides the details of those securities on its FundsFinderNB.ca website. As of March 31, 2025, entities reported holding \$24.5 million of securities.

This year, the Commission made its first ever claim against the fund to help cover certain administration costs of running the program.

RISKS AND UNCERTAINTIES

Risk assessment and mitigation

The Commission is committed to effective risk management, addressing risk that may affect our strategic objectives or hinder our operations. Risk and strategy are considered across five key areas: People, Process, Consumers and Market Participants, Finance, and Environmental, Social and Governance. Our comprehensive approach includes an enterprise risk register for key strategic risks, overseen by the Commission Members, and an operational risk register, which is managed with oversight by our leadership team.

Our Enterprise Risk Management (ERM) program guides us in identifying, assessing and managing risks within these areas. Each risk is carefully evaluated for its potential impact on our strategic objectives, with response strategies tailored accordingly. This process is integral to our annual strategic planning and budgeting, informing our organizational strategy and business plan.

Fee revenue

We fund operations primarily from filing fees paid by market participants and regulated entities. Fee revenue is generally not sensitive to market conditions, which held true over the past few years as we saw an overall increase in our annual fees collected.

National electronic filing system for the securities sector

Under various agreements with the Canadian Securities Administrators (CSA), CGI Information Systems and Management Consultants Inc. (CGI) operates the following electronic systems:

- System for Electronic Data Analysis and Retrieval + (SEDAR+), a secure web-based system for securities market participants to file regulatory documents and pay fees.
- National Registration Database (NRD), an electronic system for registrants to register and pay fees.
- System for Electronic Disclosure by Insiders (SEDI), an Internet-based system for insiders to report their trades.

About 70% of our total revenue is collected through SEDAR+ and NRD. CGI maintains a comprehensive business continuity plan for each system and the CSA requires a third-party audit report (CSAE 3416 Reporting on Controls at Service Organization) each year.

Critical accounting estimates

Management must make estimates and assumptions when preparing our financial statements. Management makes those assumptions based on experience and current conditions and believes that they are reasonable. However, actual results may differ from management's estimates. In our financial statements, management has estimated the portion of accounts receivable we will receive, the useful lives of our capital assets and the value of employee leave liabilities.

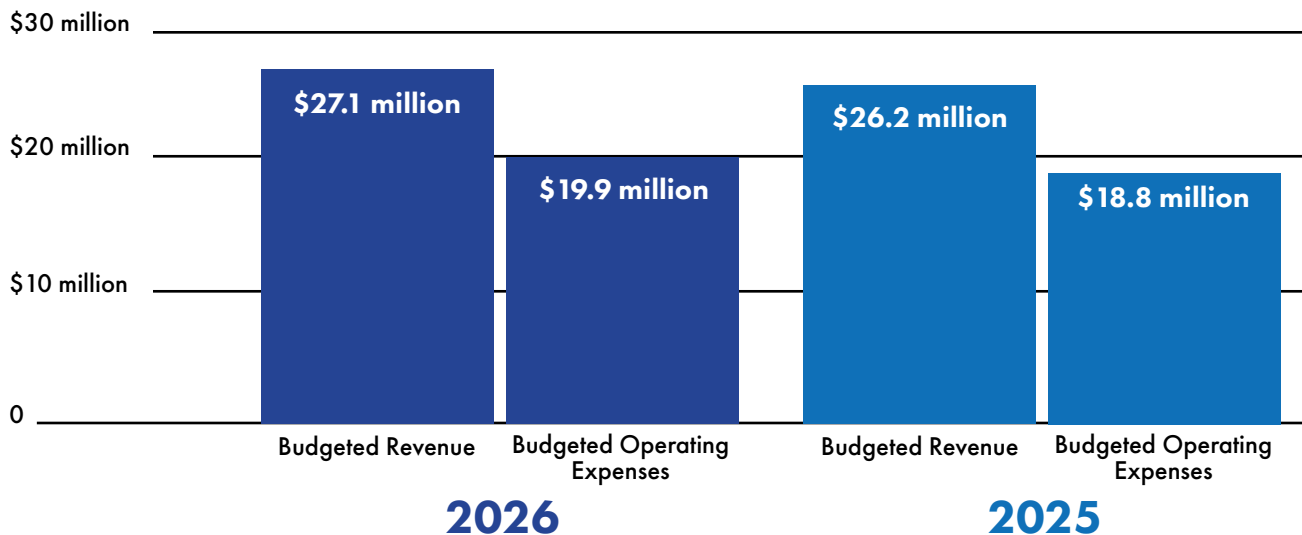
We accrue expenses incurred and amounts due when they meet generally accepted revenue recognition criteria. We have not recognized any provisions for legal challenges in the financial statements.

Changes in accounting policies

Management is responsible for selecting the significant accounting policies and preparing the financial statements, including the accompanying notes, according to generally accepted accounting principles (GAAP). For fiscal 2025, there were no new standards that impacted the Commission's results.

2026 OUTLOOK

Revenue and expenses



Budgeted revenue is \$27.1 million for 2026, an increase over our 2025 budget. The budgeted increase year-over-year represents growth within securities filings, combined with anticipated increases in our registration and licensing fees, and the continued impact of the Unclaimed Property Program.

Operating expenses are budgeted to be \$19.9 million for 2026. This is an increase from our 2025 budget of \$18.8 million.

The additional budget expenses relate mostly to our annual increase in staff compensation combined with the Commission's additional staffing needs, and an increase in our professional fees. As our organization continues to meet the needs of New Brunswickers, we will continue to strategically invest in our people and our organization.

Liquidity

Our budgeted surplus for 2026 is approximately \$7.2 million. Given the funded stabilization reserve, we intend to transfer ongoing surpluses to the Province of New Brunswick.

MD&A SUPPLEMENT – COMPENSATION DISCLOSURE – SENIOR MANAGEMENT REMUNERATION

Senior management includes the Chief Executive Officer (CEO), two Vice Presidents, a Chief Information Officer (CIO) and 12 Leaders. The CEO's compensation and benefit structure is set by the Commission, in accordance with the recommendations of an external consultant. Compensation adjustments are approved annually by the Commission, based on the CEO's performance evaluation. The other members of Senior Management, along with all other employees, are compensated based on a step progression salary structure, which is reviewed periodically by an independent consultant to ensure market competitiveness. Senior management also receive the same employment benefits received by all staff, which includes health, dental, life insurance, pension, leave and parking. The CEO receives a vehicle allowance and is eligible for a supplemental pension.

Senior management remuneration

Position	Salary range as at March 2025
Chief Executive Officer	\$186,700 – \$280,051
Executive Management: Vice Presidents (2) and Chief Information Officer	\$152,348 – \$209,478
Leaders (12)	\$115,992 – \$173,772

FINANCIAL STATEMENTS



MANAGEMENT'S RESPONSIBILITY AND CERTIFICATION

Management is responsible for the integrity, consistency and reliability of the financial statements and other information presented in the annual report. The financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board ("IASB").

We certify that we have reviewed the financial statements and other information contained in the annual report. Based on our knowledge:

- a) The financial statements do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the financial statements and annual report; and
- b) The financial statements and financial information contained in the annual report fairly present in all material respects the financial condition, results of operations and cash flows of the Financial and Consumer Services Commission of New Brunswick as at the dates and for the periods presented.

The preparation of financial statements involves transactions affecting the current period, which cannot be finalized with certainty until future periods. Estimates and assumptions upon which the financial statements have been prepared are based on historical experience and current conditions, and are believed to be reasonable.

The Commission maintains an accounting system and related controls designed to provide the Commission with reasonable assurance that reliable financial information is available on a timely basis. The Commission Members ensure that management fulfils its responsibility for financial information and internal control.

The financial statements and annual report have been reviewed by the Audit Committee and approved by the Commission.

The report of the independent auditor, Deloitte LLP, outlines the scope of the Auditor's examination and opinion on the financial statements.

Original signed by Kevin Hoyt

Original signed by Véronique Long

Kevin Hoyt, FCPA, ICD.D
Chief Executive Officer

Véronique Long,
Vice President, Corporate Services

June 26, 2025

Independent Auditor's Report

To the Members of
Financial and Consumer Services Commission

Opinion

We have audited the financial statements of Financial and Consumer Services Commission (the "Commission"), which comprise the statement of financial position as at March 31, 2025 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 our 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 Commission'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 Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

The signature of Deloitte LLP is written in a cursive, handwritten style.

Chartered Professional Accountants
June 27, 2025



STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025 (IN CANADIAN \$)

	2025	2024
ASSETS		
Current Assets		
Cash (Note 7)	\$ 6,518,235	\$ 6,181,442
Cash unclaimed property (Notes 7, 14)	11,176,335	8,770,873
Accounts receivable (Note 9)	3,400,553	3,228,078
Accounts receivable unclaimed property (Notes 9, 14)	494,841	253,513
Prepaid expenses	275,814	261,018
	21,865,778	18,694,924
Cash held for designated purposes (Notes 7, 10)	262,071	214,539
Investments held for designated purposes (Notes 8, 10)	5,000,000	5,000,000
Property and equipment (Note 11)	2,554,154	956,787
Intangible assets (Note 12)	628,314	598,895
	\$ 30,310,317	\$ 25,465,145
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities (Note 20)	\$ 767,295	\$ 640,674
Unclaimed property (Note 14)	11,671,175	9,024,387
Accrued salaries and benefits	298,233	235,298
Current portion of employee future benefits (Note 19)	42,481	69,179
Accrued vacation liabilities	163,902	162,710
Current portion of lease obligations (Note 13)	310,476	356,425
Deferred revenue	6,313,504	6,236,551
	19,567,066	16,725,224
Lease obligations (Note 13)	2,137,498	350,893
Employee future benefits (Note 19)	908,229	736,694
	3,045,727	1,087,587
Total liabilities	22,612,793	17,812,811
Equity balances		
General	2,435,451	2,437,793
Stabilization reserve (Note 10)	5,000,000	5,000,000
Market enhancement and consumer protection reserve (Note 10)	261,883	214,351
Disgorgement reserve (Note 10)	190	190
	7,697,524	7,652,334
	\$ 30,310,317	\$ 25,465,145

Commitments and contingencies (Note 17)
The accompanying notes are an integral part of these financial statements.

APPROVED BY THE COMMISSION

Original signed by Paul Van Iderstine
Chair

Original signed by Norma Kelly
Member

STATEMENT OF COMPREHENSIVE INCOME (BY NATURE) FOR THE YEAR ENDED MARCH 31, 2025 (IN CANADIAN \$)

	2025	2024
REVENUE		
Fees		
Prospectus and distribution filings	\$ 11,138,700	\$ 10,679,700
Registrations	5,993,719	5,775,213
Financial filings	2,204,150	2,012,400
Licences and fees	3,490,683	3,122,809
Exemptions and orders	34,425	36,550
Other	34,046	34,063
Assessments	3,458,027	3,305,155
Unclaimed property	571,392	440,496
Administrative penalties, settlements and cost recoveries	34,417	55,000
Investment income	611,316	673,298
Miscellaneous	3,974	2,620
	27,574,849	26,137,304
EXPENSES		
Salaries and benefits (Note 21)	12,972,556	12,006,584
Administration (Note 22)	2,001,815	1,772,722
Professional services	484,995	474,109
Tribunal	203,007	278,501
Travel	226,276	202,511
Premises	510,704	469,459
Depreciation and amortization	665,109	594,646
	17,064,462	15,798,532
COMPREHENSIVE INCOME	\$ 10,510,387	\$ 10,338,772

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025 (IN CANADIAN \$)

	General	Stabilization reserve	Market enhancement and consumer protection reserve	Disgorgement reserve	Total
Balance, March 31, 2023	\$ 1,888,841	\$ 5,000,000	\$ 166,572	\$ 190	\$ 7,055,603
Comprehensive income	10,338,772	-	-	-	10,338,772
Disposition of surplus operating funds (Note 15)	(9,742,041)	-	-	-	(9,742,041)
Investment income reallocation	(10,279)	-	10,279	-	-
Allocation from general (Note 10)	(37,500)	-	37,500	-	-
Balance, March 31, 2024	2,437,793	5,000,000	214,351	190	7,652,334
Comprehensive income	10,510,387	-	-	-	10,510,387
Disposition of surplus operating funds (Note 15)	(10,465,197)	-	-	-	(10,465,197)
Investment income reallocation	(10,615)	-	10,615	-	-
Allocation from general (Note 10)	(36,917)	-	36,917	-	-
Balance, March 31, 2025	\$ 2,435,451	\$ 5,000,000	\$ 261,883	\$ 190	\$ 7,697,524

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025 (IN CANADIAN \$)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Comprehensive income	\$ 10,510,387	\$ 10,338,772
Adjustment for depreciation and amortization	665,109	594,646
Loss on disposal of intangible assets	2,652	-
	11,178,148	10,933,418
Changes in non-cash working capital		
Accounts receivable	(413,803)	265,754
Prepaid expenses	(14,796)	(62,857)
Accounts payable and accrued liabilities	2,773,408	6,158,954
Accrued salaries and benefits	62,935	(55,413)
Employee future benefits	144,837	72,139
Accrued vacation liabilities	1,192	5,467
Deferred revenue	76,953	844,246
	13,808,874	18,161,708
CASH FLOWS FROM FINANCING ACTIVITIES		
Disposition of surplus operating funds	(10,465,197)	(9,742,041)
Repayment of lease liability	(283,075)	(314,390)
	(10,748,272)	(10,056,431)
CASH FLOWS FROM INVESTING ACTIVITY		
Acquisition of property, plant and equipment and intangible assets	(270,815)	(369,391)
NET INCREASE IN CASH	2,789,787	7,735,886
CASH, BEGINNING OF YEAR	15,166,854	7,430,968
CASH, END OF YEAR	17,956,641	15,166,854
Represented by:		
Cash	\$ 6,518,235	\$ 6,181,442
Cash unclaimed property	11,176,335	8,770,873
Cash held for designated purposes	262,071	214,539
	\$ 17,956,641	\$ 15,166,854
	2025	2024
Note: Cash flow from interest received is included in comprehensive income.	\$ 1,112,199	\$ 947,106

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (IN CANADIAN \$)

1. Nature of the corporation

The Commission is a body corporate without share capital established under the name Financial and Consumer Services Commission of New Brunswick (Commission) as of July 1, 2013 under the provisions of the *Financial and Consumer Services Commission Act (New Brunswick) (Act)*.

The Act enables the Commission to be New Brunswick's integrated financial and consumer services regulator. With offices in both Fredericton and Saint John, the Commission is responsible for the administration and enforcement of provincial legislation regulating mortgage brokers, payday lenders, real estate, securities, insurance, pensions, credit unions, trust and loan companies, cooperatives, unclaimed property and a wide range of consumer legislation.

The Commission develops and conducts educational programs on financial and consumer services.

Financial and consumer services legislation means the:

- *Financial and Consumer Services Commission Act*
- *Auctioneers Licence Act*
- *Collection and Debt Settlement Services Act*
- *Commissioners for Taking Affidavits Act*
- *Consumer Product Warranty and Liability Act*
- *Consumer Protection Act*^[35]
- *Cooperatives Act*
- *Cost of Credit Disclosure and Payday Loans Act*
- *Credit Reporting Services Act*
- *Credit Unions Act*
- *Direct Sellers Act*
- *Financial Advisors and Financial Planners Title Protection Act*^[36]
- *Franchises Act*
- *Gift Cards Act*
- *Insurance Act*
- *Loan and Trust Companies Act*
- *Mortgage Brokers Act*
- *Nursing Homes Pension Plans Act*
- *Pension Benefits Act*
- *Pooled Registered Pension Plans Act*
- *Pre-arranged Funeral Services Act*
- *Real Estate Agents Act*
- *Securities Act*
- *Securities Transfer Act*
- *Unclaimed Property Act*

In support of the regulatory endeavours associated with the financial and consumer services legislation, the Act sets out the role of the Commission, and also the role of the independent Tribunal, which is administered by the Energy and Utilities Board pursuant to section 3 of the *Energy and Utilities Board Act*.

35. The *Consumer Protection Act* received Royal Assent on June 7, 2024 and will come into force on a future date.

36. As of date of publication, this Act has not been proclaimed.

The financial statements for the year ended March 31, 2025 (including comparatives) were approved by the Commission's Board on June 26, 2025.

The Commission maintains its registered office at 85 Charlotte Street, Suite 300, Saint John, New Brunswick, E2L 2J2.

As a Crown corporation, the Commission is exempt from income taxes.

2. Basis of preparation and statement of compliance with IFRS Accounting Standards

Management has prepared these financial statements according to IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

The financial statements are presented in Canadian dollars, which is also the functional currency of the Commission.

The financial statements have been prepared under the historical cost basis, as modified by financial assets and financial liabilities reported at fair value through the statement of comprehensive income.

The principal accounting policies applied in the preparation of these financial statements are set out in Note 3. These policies have been consistently applied to all the years presented.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Commission's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in Note 4.

3. Summary of material accounting policy information

a) Revenue recognition

The Commission recognizes revenue to depict the transfer of promised services to market participants in an amount that reflects the consideration to which the Commission expects to be entitled in exchange for those services by applying the following steps:

- Identify the legislation and regulation i.e. contract with the market participant;
- Identify the performance obligations in the legislation and regulation i.e. contract;
- Determine the transaction price;
- Allocate the transaction price; and
- Recognize revenue when, or as, the Commission satisfies a performance obligation.

Assessments are recognized in the period in which the costs to administer the specific financial and consumer services legislation are incurred.

Licensing, application fees and registration fees are deferred and recognized as revenue over the year to which they relate.

Activity fees are triggered by certain activities requested of staff by market participants (prospectus and private placement filings), by pension plans (registration of pension plans) and by loan and trust companies (review and issue of letters patent). The activities undertaken are normally completed in a relatively short period of time and are recognized as revenue when the associated services have been rendered.

Cost recovery of investigations and administrative penalty revenue are recognized at the decision date unless management determines no reasonable assurance as to ultimate collection exists, in which case they are recognized when cash is received.

Investment income is recorded as earned.

b) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment allowances. Cost includes expenditures that are directly attributable to the asset's acquisition. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Commission and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation is calculated to write off the cost, less estimated residual value, on a straight-line basis over the expected useful economic lives. The rates used are:

- Office furniture and equipment: 4 years
- Information technology infrastructure: 4 years
- Leasehold improvements: over term of lease
- Office equipment lease: over term of lease
- Right-of-use asset: over term of lease

The Commission allocates the amount initially recognized in respect of an item of property and equipment to its significant parts and depreciates separately each such part. Residual values, the method of depreciation and the useful lives of the assets are reviewed annually and adjusted, if appropriate.

Gains and losses on disposals of property and equipment and intangible assets are determined by comparing the proceeds with the carrying amount of the asset and are included as part of miscellaneous in the statement of comprehensive income.

c) Intangible assets

The Commission's internally generated intangible assets arising from development (or from the development phase of an internal project) are recognized if all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to use the intangible asset;
- How the intangible asset will generate probable future benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in the statement of comprehensive income in the period in which it is incurred.

Amortization is calculated to write off the cost, less estimated residual value, on a straight-line basis over the expected useful economic lives. The rates used are:

Website: 5 years

Regulatory information data system (internally generated): 5 years

d) Impairment of property and equipment and intangible assets

At each financial year end, the Commission reviews the carrying value of its property and equipment and intangible assets to determine whether those assets have suffered any impairment loss. If so, the asset's recoverable amount is estimated to determine the extent of the impairment loss.

The recoverable amount is the higher of fair value less costs to sell and value in use. An impairment loss is recognized as an expense immediately.

In the rare instance when an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

e) Provisions

Provisions are recognized when the Commission has a present legal or constructive obligation as a result of past events. It is more likely than not that a resource outflow will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material.

On occasion, legal proceedings are threatened or initiated against the Commission. The Commission provides for the estimated full cost of any such challenges where, at the end of the year, it is more likely than not that there is an obligation to be settled. The amount provided is discounted to present value.

f) Cash

Cash includes cash on hand, cash equivalents and deposits held with banks.

g) Financial instruments

Financial assets and liabilities are recognized when the Commission becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Commission has transferred substantially all risks and rewards of ownership.

The Commission recognizes financial instruments based on their classification. Depending on the financial instruments' classification, changes in subsequent measurements are recognized in net income or comprehensive income.

Financial assets

Financial assets are measured at amortized cost if both of the following criteria are met: the object of the Commission's business model for these financial assets is to collect their contractual cash flows; and the asset's contractual cash flows represent solely payments of principal and interest on the principal amount outstanding. They are initially measured at the amount expected to be received less, when material, a discount to reflect the time value of money. Subsequent to initial measurement, they are carried at amortized cost using the effective interest method less appropriate provisions for impairment.

The Commission applies the simplified method of the expected credit loss (ECL) model required under IFRS 9. Under this method, the Commission estimates a lifetime expected loss allowance for all receivables. Receivables are written off when there is no reasonable expectation of recovery. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

Financial assets are measured at fair value through other comprehensive income (FVTOCI) if both of the following criteria are met: the objective of the Commission's business model is achieved by both holding financial assets in order to collect contractual cash flows and selling financial assets; and the contractual terms of the financial asset gave rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are initially recognized at fair value and transaction costs are expensed. Subsequent to initial measurement, they are carried at fair value and all gains and losses realized and unrealized are recognized in the statement of comprehensive income.

The Commission assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty and where observable data indicate that there is a measurable decrease in the estimated future cash flows.

Financial assets are derecognized when their rights to receive cash flows have expired or have been transferred and the Commission has transferred substantially all risks and rewards of ownership.

Financial liabilities

Financial liabilities measured at amortized cost are initially recognized at fair value less directly attributable transaction costs and after initial measurement are recognized at amortized cost. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of comprehensive income over the contractual term using the effective interest rate method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

The fair value of a financial instrument is the amount of which the financial instrument could be exchanged in an arm’s length transaction between knowledgeable and willing parties under no compulsion to act. Fair values are determined by reference to quoted bid or ask prices, as appropriate, in the most advantageous market for that instrument to which the Commission has immediate access. If market prices are not available, fair value is based on prevailing market rates for instruments with similar characteristics and risk profiles or internal or external valuation models that require inputs.

The Commission's financial instruments comprise cash, cash held for designated purposes and investments held for designated purposes, accounts receivable, accounts payable and accrued liabilities, unclaimed property cash, accrued salaries and benefits, accrued vacation liabilities and lease obligations.

Fair value hierarchy

Financial assets and liabilities that are recognized on the statement of financial position at fair value are to be classified into a hierarchy of three levels based on the significance of the impacts used in making the measurement:

Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices)

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

h) Unclaimed property

The Commission has the legislative right to make claims against the restricted unclaimed property fund to recover the costs of administering the Unclaimed Property Program. The claims are recognized in the financial statements when the recognition criteria have been met and the claim has been made.

i) Future accounting and reporting changes

The IASB is continually working toward improving and developing new accounting standards. The IASB has issued a number of exposure drafts of new standards that are expected to come into effect within future reporting periods. The Commission monitors the IASB work plans and publications to assess any potential impact on the organization. There are no standards issued but not yet adopted that are expected to have a material impact on the Commission.

4. Material accounting estimates and judgments

The Commission makes estimates and assumptions concerning the future that will, by definition, seldom equal actual results. The following are management's estimates and judgments that most significantly affect the Commission's financial statements. These estimates and judgments have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Material accounting estimates

Property and equipment and intangible assets

Management estimates the useful lives of property and equipment and intangible assets based on the period during which the assets are expected to be available for use. The amounts and timing of recorded expenses for depreciation of property and equipment and amortization of intangible assets for any period are affected by these estimated useful lives. The estimates are reviewed at least annually and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause material changes in the estimated useful lives of the Commission's property and equipment and intangible assets in the future.

Sick leave credits benefit

Upon retirement, Commission employees are eligible to receive 20% of the accumulated sick leave balance to a maximum of 48 days as a payout. The material accounting estimates used to determine the liability are outlined in Note 19 (c).

Supplemental pension benefit

Supplemental pension benefits were calculated by a qualified actuary.

Assessments

Management estimates the amount of direct administrative overhead and indirect support cost required to administer the *Insurance Act* and the *Credit Unions Act*, and includes these amounts in an assessment to these specific sectors. Management also estimates direct and indirect costs to administer the *Unclaimed Property Act*, and can include these amounts for claims against the restricted unclaimed property fund.

b) Material accounting judgments

Management exercises its judgment in the process of applying the Commission's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions are material to the financial report have been disclosed above. The determination of the collectability of administrative penalty and disgorgement revenue represents a material policy judgment area.

5. Capital management

The Commission's objective when it manages capital is to ensure it continues as a going concern to fulfil its mandate. The Commission has established a stabilization reserve of \$5,000,000 (2024, \$5,000,000). The Commission ensures that any payment of surplus funds to the Province of New Brunswick will not impair the Commission's ability to pay its liabilities, to meet its obligations as they become due or to fulfil its contractual commitments.

6. Financial instruments

The Commission's financial instruments comprise cash, cash held for designated purposes and investments held for designated purposes, accounts receivable, accounts payable and accrued liabilities, unclaimed property cash, accrued salaries and benefits, accrued vacation liabilities and lease obligations. These financial instruments do not include any rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement. The fair values of these financial instruments approximate their carrying values due to their short-term nature and negligible credit losses.

7. Cash and cash held for designated purposes

The Commission maintains five separate bank accounts. The first two are comprised of the operating account and those monies attributable to the reserves and not otherwise invested and monies received from disgorgement orders. The third account is maintained for the market enhancement reserve. The fourth account is maintained for monies held in trust, as securities for licences issued under various financial and consumer services legislation. The fifth is a bank account that holds unclaimed property. Under the terms of the Commission's banking agreement, these accounts earn interest at prime less 1.70%.

8. Investments held for designated purposes

The Commission invested \$5,000,000 to the stabilization reserve (2024, \$5,000,000). The interest earned on these investments varied from 3.25% to 5.50%. The amounts attributable to the reserve have been disclosed on the statement of financial position as investments held for designated purposes.

9. Accounts receivable

The Commission charges assessments as per specific financial and consumer services legislation to the credit union system and to insurance sector participants. The assessments owing total \$2,861,195, as of March 31, 2025 (2024, \$2,912,493).

The Commission has recognized an allowance for doubtful accounts of \$nil (2024, \$nil). Operational and other receivables total \$539,358 as of March 31, 2025 (2024, \$315,585).

10. Reserve

Stabilization reserve

The Commission has established a reserve consistent with subsection 21(8) of the *Financial and Consumer Services Commission Act* to finance extraordinary expenses for isolated and unanticipated purposes that are regulatory in nature, and for changes in market activity affecting revenue. The reserve is funded through charges to the general fund and currently holds \$5,000,000 (2024, \$5,000,000).

Market enhancement and consumer protection reserve

The Commission collects administrative penalties under section 186 of the *Securities Act* and under subsection 21(5) of the *Financial and Consumer Services Commission Act*. Consistent with subsection 21(5) of the *Financial and Consumer Services Commission Act*, these amounts are not used for the Commission's normal operating expenditures. Instead, they are used for endeavours or activities that enhance New Brunswick's capital markets or consumer protection. Market enhancement reserve funds are maintained separate from the Commission's normal operating funds and generate their own investment revenue. The value of the reserve is \$261,883 (2024, \$214,351).

Disgorgement reserve

Disgorgement orders, issued by the Tribunal or Court of King's Bench, permit the Commission to order a person be divested from the benefits obtained as a result of failure to comply with securities law. These amounts are not used for the Commission's normal operating expenditures as described in subsection 21(6) of the *Financial and Consumer Services Commission Act* and will generally be used to return funds to negatively impacted investors consistent with Local Rule CO-002, *Procedure for the Distribution of Disgorged Funds*. During the period, no funds were collected.

11. Property and equipment

		Office furniture and equipment	Office equipment lease	Information technology infrastructure	Leasehold improvements	Right-of-use asset	Total
Cost	As at March 31, 2023	\$ 535,620	\$ 47,400	\$ 325,136	\$ 989,709	\$ 2,280,536	\$ 4,178,401
	Additions	-	37,486	180,414	-	-	217,900
	Dispositions	-	47,400	102,773	-	-	150,173
	As at March 31, 2024	\$ 535,620	\$ 37,486	\$ 402,777	\$ 989,709	\$ 2,280,536	\$ 4,246,128
	Additions	9,361	-	70,007	-	2,023,731	2,103,099
	Dispositions	-	-	-	-	-	-
	As at March 31, 2025	\$ 544,981	\$ 37,486	\$ 472,784	\$ 989,709	\$ 4,304,267	\$ 6,349,227
Accumulated Depreciation	As at March 31, 2023	\$ 468,018	\$ 45,970	\$ 215,517	\$ 878,188	\$ 1,354,507	\$ 2,962,200
	Depreciation	29,485	6,542	79,260	44,530	317,497	477,314
	Dispositions	-	47,400	102,773	-	-	150,173
	As at March 31, 2024	\$ 497,503	\$ 5,112	\$ 192,004	\$ 922,718	\$ 1,672,004	\$ 3,289,341
	Depreciation	27,229	6,815	91,975	44,530	335,183	\$505,732
	Dispositions	-	-	-	-	-	-
	As at March 31, 2025	\$ 524,732	\$ 11,927	\$ 283,979	\$ 967,248	\$ 2,007,187	\$ 3,795,073
Carrying Value as at March 31, 2024		\$ 38,117	\$ 32,374	\$ 210,773	\$ 66,991	\$ 608,532	\$ 956,787
Carrying Value as at March 31, 2025		\$ 20,249	\$ 25,559	\$ 188,805	\$ 22,461	\$ 2,297,080	\$ 2,554,154

12. Intangible assets

		Website	Regulatory information data system (internally developed)	Total
Cost	As at March 31, 2023	\$ 58,779	\$ 1,621,423	\$ 1,680,202
	Additions	12,510	138,980	151,490
	Dispositions	-	-	-
	As at March 31, 2024	\$ 71,289	\$ 1,760,403	\$ 1,831,692
	Additions	10,350	181,098	191,448
	Dispositions	53,041	-	53,041
	As at March 31, 2025	\$ 28,598	\$ 1,941,501	\$ 1,970,099
Accumulated Amortization	As at March 31, 2023	\$ 37,564	\$ 1,077,902	\$ 1,115,466
	Amortization	11,859	105,472	117,331
	Dispositions	-	-	-
	As at March 31, 2024	\$ 49,423	\$ 1,183,374	\$ 1,232,797
	Amortization	10,976	148,401	159,377
	Dispositions	50,389	-	50,389
	As at March 31, 2025	\$ 10,010	\$ 1,331,775	\$ 1,341,785
Net Book Value	As at March 31, 2024	\$ 21,866	\$ 577,029	\$ 598,895
	As at March 31, 2025	\$ 18,588	\$ 609,726	\$ 628,314

13. Lease obligations

The Commission entered into a 10-year lease for office space in Saint John effective March 1, 2021. The lease provided an early termination clause granting the Commission the option to terminate the agreement after the fifth year of the agreement. During the year, the Commission decided not to exercise the early termination clause available in our lease agreement. The Commission has updated the term of the lease to extend through February 28, 2031.

The Commission's leases entered into in 2024, for office equipment, have terms of five and a half years. The Commission has an option to purchase the equipment for a nominal amount at the end of the lease term. The lease liability is effectively secured as the rights to the leased assets revert to the lessor in the event of default.

	Minimum lease payments		Present value of minimum lease payments	
	2025	2024	2025	2024
Not later than 1 year	\$ 425,519	\$ 358,844	\$ 310,476	\$ 356,425
Later than 1 year and not later than 5 years	1,963,660	356,035	1,701,521	350,893
Later than 5 years	445,570	-	435,977	-
	\$ 2,768,074	\$ 714,879	\$ 2,447,974	\$ 707,318
Less: Current portion			310,476	356,425
Lease obligations			\$ 2,137,498	\$ 350,893

14. Unclaimed property

Holders of unclaimed property are to report and deliver this property to the Commission. The delivered funds are recorded and put into an account by the Commission and managed in accordance with provisions of the *Unclaimed Property Act*. Funds that are available for claim are listed on a free public online searchable database.

	2025	2024
Balance beginning of year	\$ 9,024,387	\$ 2,689,826
Receipts from holders	2,725,089	6,299,521
Receivables from holders	494,841	253,513
Less payouts to claimants	341,546	156,984
Less vested property	108,228	61,489
Less claim against the fund	123,367	\$nil
Balance end of year	\$ 11,671,176	\$ 9,024,387

The *Unclaimed Property Act* and *Rules* require holders of securities valued at \$1,000 or more to hold these securities until the Director of Unclaimed Property provides permission to deliver. Currently, holders have provided the Commission with details related to securities holdings of \$24,552,856 (2024, \$21,945,006). These holders have reported the existence and details of the securities, which are posted on FundsFinderNB.ca and are available to claim.

The Commission is permitted to claim against the unclaimed property fund for expenditures incurred by the Commission for or in connection with the administration of this Act. The Commission has made a claim against the fund for \$123,367 in 2025 (2024, \$nil).

15. Disposition of surplus operating funds

The disposition of surplus operating funds consists of payments to the Consolidated Fund of the Government of New Brunswick subject to the approval of the Treasury Board and consistent with subsection 21(7) of the *Financial and Consumer Services Commission Act*. The Commission paid \$10,465,197 in 2025 (2024, \$9,742,041).

16. Provisions

A provision is recognized if, as a result of a past event, the Commission has a present, legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The Commission has no provisions recorded at March 31, 2025 (2024, \$nil).

17. Commitments and contingencies

As of March 31, 2025, the Commission has no pending legal matters.

18. Financial risk management

Financial risk factors

The Commission's objectives are to protect itself against various financial risks. These include credit, liquidity and interest rate risks.

Credit risk

The Commission's financial assets exposed to credit risk consist of cash, cash held for designated purposes, unclaimed property cash, investments held for designated purposes and accounts receivable. This risk is minimal since the majority of the Commission's revenue is received when due. Accounts receivable are current and collectable. Its five bank accounts are held with a Schedule 1 Canadian financial institution.

Liquidity risk

All financial liabilities, except for the lease obligations, are due within one year and have been classified as current and presented as such on the statement of financial position. The Commission generates enough cash from operating activities to fund its operations and fulfil its obligations as they become due. The Commission has a stabilization reserve in place in the event that cash requirements exceed cash generated from operations.

Interest rate risk

This risk is minimal since the Commission did not incur any interest-bearing, long-term debt except on the lease obligations during the year. Cash deposits earn interest at a floating rate, and this revenue is impacted by the current short-term interest rates, while cash held for designated purposes and investments held for designated purposes earn interest at a fixed rate, and this revenue is impacted by the interest rate paid on one-year guaranteed investment certificates. A 25-basis-point change in the interest rate would have an immaterial impact on the financial statements.

19. Employee future benefits

a) Pension plan

The Commission provides pension benefits to its employees through participation in the New Brunswick Public Service Pension Plan (the "Plan"), which is a shared risk pension plan. Annually, the Commission receives notification of the required contributions from the Board of Trustees of the Plan, which administers the Plan.

Pension costs included in these financial statements comprise the cost of employer contributions for current service of employees during the year. For the year ended March 31, 2025, the Commission expensed contributions of \$1,172,958 (2024, \$1,142,730) under the terms of the Plan.

b) Unfunded benefit plan

Unfunded post-employment benefits for supplemental pension benefits are summarized below:

	2025	2024
Supplemental pension benefit obligation	\$ 429,300	\$ 332,500
Discount rate, end of year	4.5%	4.9%
Long-term rate of compensation increases	2.6%	2.6%
Assumptions for benefit increases (percentage of Consumer Price Index)	2.1%	2.1%

c) Sick leave credits

Employees are eligible to receive a payout of 20% of their unused sick leave credits at layoff, retirement or death. These statements reflect a liability of \$518,873 (2024, \$473,373) for this benefit and a current year expense of \$95,432 (2024, \$43,571). This liability is discounted as follows: employees over the age of 50, the Commission applies a 3.00% discount factor to adjust for the age of each eligible employee for each year that the employee is under the age of 55; and for employees under the age of 50, the Commission applies a 3.00% discount factor to adjust for the age of each eligible employee for each year that the employee is under the age of 65. For liability calculation purposes, management estimates that half of employees under the age of 40 will retire from the Commission, 75% of employees between the ages of 40 and 50 will retire from the Commission, and all employees over the age of 50 will retire from the Commission.

20. Related party transactions

Service New Brunswick (SNB), a related party to the Commission, provides certain services in the normal course of operations that are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. SNB provided information technology services to the Commission, such as data storage, data backup, data protection and support. The Commission expensed \$29,168 (2024, \$63,104) during the reporting period on these services. As of March 31, 2025, an accounts payable of \$22,749 (2024, \$55,840) was owed to SNB and was subject to normal terms. This amount is included in accounts payable and accrued liabilities.

The Translation Bureau for the Government of New Brunswick provides services to the Commission that are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Total expenditures during the period were \$12,110 (2024, \$14,210). As of March 31, 2025, an accounts payable of \$2,166 (2024, \$1,848) was owed to the Translation Bureau and is subject to normal terms. This amount is included in accounts payable and accrued liabilities.

New Brunswick Credit Union Deposit Insurance Corporation (NBCUDIC) utilizes the resources of the Commission to provide human resource and administration support for administering the *Credit Unions Act*. The Commission assumes the salaries and overhead costs, which are billed to NBCUDIC. NBCUDIC expensed \$692,400 in 2025 (2024, \$757,600). The Commission owes NBCUDIC \$38,612 at March 31, 2025 (2024 – NBCUDIC owed the Commission \$63,465).

On October 1, 2014, the Commission entered into an agreement with the Department of Transportation and Infrastructure (DTI) for leased office space. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The Commission expensed \$344,478 (2024, \$338,017). As of March 31, 2025, an accounts payable of \$69,117 (2024, \$nil) was owed to DTI and subject to normal terms.

The Commission provides certain administrative services for the Government of New Brunswick associated with assessments or recoveries from the insurance sector and that are for the benefit of the Consolidated Revenue Fund of the Government of New Brunswick. These services include invoicing and updating receivables under the *Premium Tax Act*, the *Medical Services Payment Act*, the *Hospital Services Act* and the *Family Services Act*; and updating receivables under the *Fire Prevention Act*. These transactions do not flow through the Commission's financial statements and are recorded directly in the financial information system of the Government of New Brunswick. The Commission performs these functions without any financial consideration or payment from the Government of New Brunswick.

The New Brunswick Energy and Utilities Board (EUB) provides independent adjudication and oversight in the financial and consumer services sectors. The Commission expensed \$203,007 in fiscal 2025 relating to the adjudication provided by the EUB and our payable at year end was nil.

In addition, the Commission recovers costs incurred by the Government of New Brunswick when it intervenes at insurance rate hearings. In 2025, these costs were \$214,881 (2024, \$89,601).

Key management personnel

Key management of the Commission includes Commission Members and the executive committee:

	2025	2024
Salaries and other short-term employee benefits	\$ 1,159,426	\$ 1,107,612
Post-employment benefits	93,694	102,645
	\$ 1,253,120	\$ 1,210,257

21. Salaries and benefits

	2025	2024
Salaries	\$ 10,498,880	\$ 9,698,853
Benefits	1,300,718	1,165,001
Pension expenses (Note 19)	1,172,958	1,142,730
	\$ 12,972,556	\$ 12,006,584

22. Administration

	2025	2024
Investor protection and education	\$ 578,344	\$ 411,569
Members and staff development	356,016	362,643
Information technology	475,262	408,285
Other administration	592,193	590,225
	\$ 2,001,815	\$ 1,772,722

23. Alternative presentation – Income statement by function

		2025	2024
Revenue	Securities	\$ 19,403,018	\$ 18,533,069
	Insurance	4,888,459	4,503,676
	Consumer Affairs	862,185	784,665
	Financial Institutions	837,470	906,545
	Unclaimed Property	694,759	440,496
	Investment income	611,014	673,328
	Pensions	243,528	239,767
	Miscellaneous	34,416	55,758
		27,574,849	26,137,304
Expenses	Governance and Corporate Management	6,376,962	5,804,663
	Insurance	2,677,746	2,581,968
	Consumer Affairs	1,649,240	1,352,540
	Communications and Public Affairs	1,600,037	1,431,076
	Securities	1,402,140	1,415,887
	Pensions	828,871	817,958
	Enforcement	822,544	814,181
	Financial Institutions	808,071	716,336
	Unclaimed Property	694,759	585,422
	Tribunal	204,092	278,501
		17,064,462	15,798,532
Comprehensive income		\$ 10,510,387	\$ 10,338,772