



Annual Report 2008-2009

September 30, 2009

The Honourable Victor Boudreau
Minister Responsible for Service New Brunswick
Province of New Brunswick
Fredericton, New Brunswick

Dear Minister Boudreau:

On behalf of the Board of Directors, I have the pleasure to submit to you, pursuant to Section 23 of the *Service New Brunswick Act*, the Annual Report of Service New Brunswick for the fiscal year ended March 31, 2009.

Sincerely,

A handwritten signature in black ink, reading "Derek Pleadwell". The signature is written in a cursive style with a large initial "D".

Derek Pleadwell
Chairperson



Board of Directors

Derek Pleadwell (Chairperson), Fredericton

Jim Dunlap (Vice-Chairperson), St-George

Réginald Boudreau, Grande-Anse

Jane M. Fritz, Fredericton

Alfred Losier, Moncton

Christopher P. MacPherson, Fredericton

Michèle Pelletier, Balmoral

T.J. Smith, Fredericton

Beth Thompson, Quispamsis

Elizabeth Webster, Fredericton

Sylvie Levesque-Finn

(President of Service New Brunswick), Fredericton



From left to right

1st row: Sylvie Levesque-Finn, Michèle Pelletier

*2nd row: Jane M. Fritz, Réginald Boudreau, T.J. Smith,
Christopher P. MacPherson, Derek Pleadwell, Alfred Losier,
Elizabeth Webster, Jim Dunlap*

Missing from photo: Beth Thompson

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President's Report

Service New Brunswick has a history of providing New Brunswickers with excellent government services. Since 1998, our Corporation has continued to increase the number of services we offer while making it easier for the people of this province to access them. I am pleased with the many accomplishments we have made in the past year, all in the interest of improving customer service.

Since the Office of the Rentalsman became a part of our team in 2008, we have improved access to these services by expanding payment taking to all Service Centres throughout the province. In September, to protect against counterfeiting and tampering, we introduced a new birth certificate with state-of-the-art security features. In December, we introduced legislation to improve the property assessment appeal process by making it more fair and transparent. In January, we completed a ten-year modernization of the Land Registry that makes it one of the most modern in the world. These are just a few of the highlights of a very productive year.

As a result of our expanding array of services, Service New Brunswick has become a more complex organization with additional responsibilities. Despite the inherent challenges of a growing corporation, our customer and employee satisfaction levels remain strong.

Much of our success can be attributed to the persistent efforts of our committed Board of Directors and the professional staff of this Corporation. Because of this dedication, the Province of New Brunswick as well as the people of this province can count on Service New Brunswick to continue to excel as the government service delivery agency.

Sylvie Levesque-Finn
President



About Service New Brunswick

Service New Brunswick was created in 1998 to consolidate in one corporation the transactional services and information that New Brunswickers need to conduct their personal and business lives. Our mandate is to improve access to government services and public information.

Since our creation, we have provided New Brunswickers with quick and convenient access to government services through a province-wide network of service centres, a toll-free call centre, and our website, SNB.ca. The result is a single-window service model provided through multiple customer channels.

Vision

Service New Brunswick... government services on time, every time, everywhere.

Mission

Providing excellence in the delivery of government services and information to citizens and businesses.

Governance

The *Service New Brunswick Act* provides the context for the activities of the Corporation. As specified in the Act, Service New Brunswick is the principal provider of customer service on behalf of government. These services are offered through physical offices, telephone and electronic channels. Service New Brunswick also administers a number of acts on behalf of the province.

A Board of Directors guides the business of the Corporation. There are two committees of the Board of Directors: the Audit Committee monitors the financial affairs and reviews the financial statements of the Corporation and the Development Committee oversees new system development.

Revenues are acquired through a combination of fees for services in the Land, Personal Property, Vital Statistics and Corporate Registries, payments from the Government of New Brunswick (GNB) and municipalities, and grants which GNB provides to deliver services on its behalf.

Service New Brunswick continues to look at improving business processes and service delivery to make it easier for citizens to do business with government.

People and Places

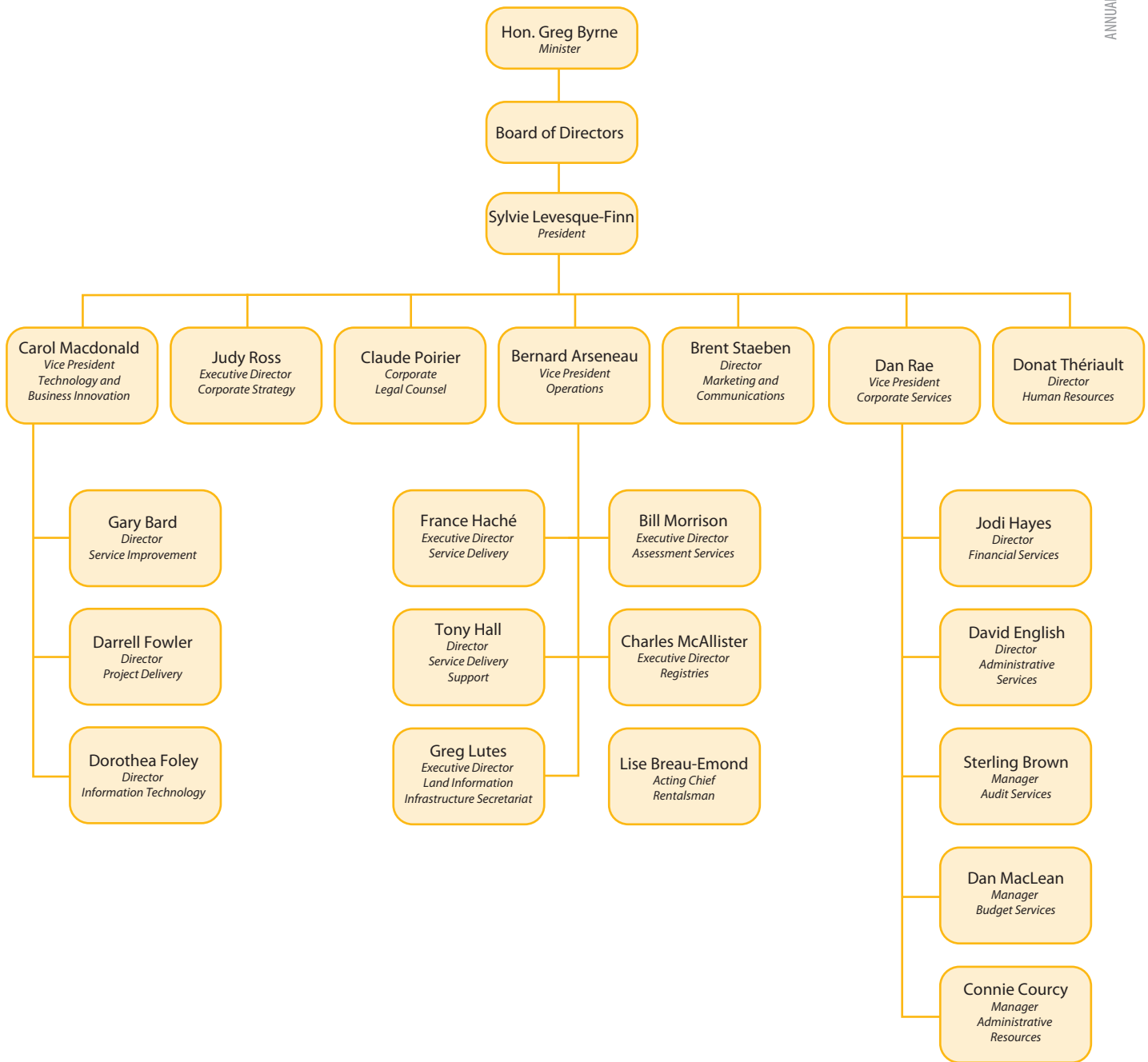
At the end of fiscal 2008-2009, the Corporation employed 739 people in 40 communities, of which 618 are full-time, and 121 are part-time. Our employees are energized by the challenge of delivering better service and improving the ways that citizens and businesses interact with government.

With an expected provincial labour shortage due to increased retirements and inter-provincial and global competition for resources, the Corporation continues to invest in a workforce planning strategy that will ensure a continuous pool of qualified candidates to fill critical positions.





Organization Chart





Lines of Business

Service Delivery

Service New Brunswick is the gateway to a number of government services offered through our multi-channel service delivery network. Convenience to the customer is a key factor in service delivery. To meet New Brunswickers' expectations, Service New Brunswick offers three distinct delivery channels:

- in person, through a network of 39 service centres, located throughout the province,
- over the phone (TeleServices), toll-free at 1 888 762-8600, and
- on the Internet at www.snb.ca.

A wide range of services are delivered on behalf of various government departments and agencies including the federal government. We also accept payments on behalf of utilities and 64 municipalities.

Our services include:

- motor vehicle: driver's licences, vehicle registrations, placards for disabled persons, Driver Examiner services;
- recreation: hunting and fishing licences, online tickets for some major attractions;
- government forms: Medicare, lottery registration;
- federal government: pleasure craft licensing;
- cities and towns: water and sewage payments, fines payments; and
- Office of the Rentalsman.

Service Centres

With a network of 39 service centres located throughout the province, Service New Brunswick offers citizens and businesses a combination of personalized service and convenient extended hours. Each service centre offers the provincial services most in demand while 13 of the centres provide the full range of services.

TeleServices

Service New Brunswick TeleServices is the Corporation's customer phone centre. Citizens and businesses can access services toll free by calling 1 888 762-8600. TeleServices also replies to incoming emails from the Service New Brunswick Internet site and the Internet-based Provincial Government Directory. Three main types of services are offered over the phone:

- Information and referrals
- Transactions
- Support to automated phone lines

Online

The Service New Brunswick website offers numerous products and services, as well as online forms including applications for birth certificates, property tax allowances and Medicare replacement and/or renewal forms. A number of forms from various municipalities are also available on the site.

The Office of the Rentalsman

The Office of the Rentalsman transferred from the Department of Justice and Consumer Affairs to Service New Brunswick on April 1, 2008. Appointed to carry out duties prescribed by *The Residential Tenancies Act (RTA)*, the Office of the Rentalsman provides an alternative dispute resolution program outside of the traditional court process.

The activities of the Office of the Rentalsman include:

- being the only jurisdiction in Canada that actually holds, in trust, all security deposits paid by tenants pursuant to a residential tenancy lease;
- attempting to mediate a mutual agreement or, where mediation is not possible, arbitrate a dispute between the parties regarding the disbursement of a security deposit;
- mediating or arbitrating complaints by both landlords and tenants regarding breach of a tenancy agreement or failure to adhere to the *RTA*; and
- providing information with regards to residential tenancies.



Key highlights for Service Delivery for the year:

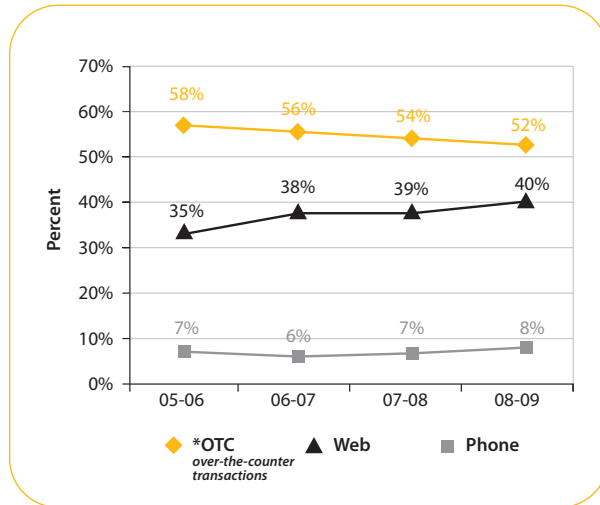
- Partnership established with NB Emergency Measures Organization to deliver the Disaster, Flood and Recovery Events program. Service centres provided applications and distributed payments for the disaster financial assistance program for three events in 2008-2009 including the spring flood along the Saint John River Valley.
- Integration of the Office of the Rentalsman into Service New Brunswick by introducing initiatives generating increased efficiencies, improved service delivery and overall compliance. The following actions illustrate some of these initiatives:
 - A 1-800 number was set up as part of TeleServices.
 - Payment taking was expanded from six Rentalsman offices to all Service Centres throughout the province.
 - Physical moves for the Bathurst, Campbellton, Edmundston and Saint John offices enabled integration with other regional operations of Service New Brunswick and reduced operating costs while increasing visibility and accessibility.
- Acceptance of 13,807 security deposits and resolution of 5,303 security deposit claims throughout the province. As of March 31, 2009, security deposits held in trust by GNB on behalf of the Office of the Rentalsman represent \$16,519,602; an increase of 8% over the previous year.
- Filing of 457 complaints with the Office of the Rentalsman, alleging that a landlord or a tenant failed in his or her obligations under a tenancy agreement. As a result of these complaints, 299 Orders to Comply were issued to either landlords or tenants.
- Response to 58,744 information calls and 15,435 walk-in visitors.
- Initiation of computer enhancement projects to enable centralized financial management and a greater utilization of province-wide resources.

Service Delivery Transactions

	2008-2009	2007-2008	2006-2007
Government Services: All transactions for all three levels of government (provincial, federal and municipal)	2,393,663	2,258,130	2,212,058
Service New Brunswick: Property Assessment, Corporate Registry, Personal Property and Land Registries, Rentalsman, Vital Statistics and SNB Products.	2,343,160	2,475,460	2,435,200
Other Partners: Payment taking for NB Power, Bell Aliant, Regional Health Authorities, Worksafe NB and others.	158,131	144,160	134,444
Total Transactions:	4,894,954	4,877,750	4,781,702



Percentage of Transactions per Channel



Registries

Service New Brunswick is responsible for Land, Personal Property, Corporate and Vital Statistics registries for the Province of New Brunswick. The activities for these four registries include:

Land Registry

- maintaining a network of 13 Land Registry offices across the province where legal plans and documents – deeds, mortgages and wills – relating to the ownership of real property can be registered and made available for public scrutiny;
- offering registry records which provide land ownership information dating back to the original Crown grants over 200 years ago;
- allowing users to conduct land-based transactions quickly, efficiently and accurately through PLANET, a comprehensive, integrated online source of land registration, assessment, mapping and information services; and
- allowing access to current provincial land ownership information, property maps and land valuations online with the tools provided by PLANET by Land Registry staff, businesses, professionals and the public.

Personal Property Registry

- maintaining a computerized, province-wide registry service where users can serve public notice of security interests, judgments and other claims affecting personal property, such as automobiles, recreational vehicles and furniture;
- allowing financial institutions and the general public to register and search security interest in personal property;
- offering access to publicly listed information about personal property;
- providing an easy way to check if the product being offered is encumbered, offering protection to consumers purchasing used goods; and
- providing three ways to search the Personal Property Registry:
 - *engaging the services of a private service provider who will perform a search or registration on their behalf,*
 - *searching the registry through the Lien Check service. This online functionality allows anyone to search simply by referencing the serial number of the asset being searched for a fee of \$8.00/search, and*
 - *subscribing to Atlantic Canada Online to do searches or registrations. Subscriber charges apply.*

Corporate Registry

- incorporating New Brunswick-based business corporations and non-profit companies, and registering partnerships and business names under which sole proprietorships and partnerships operate;
- registering extra-provincial corporations and businesses conducting business in New Brunswick;
- maintaining publicly available, up-to-date information on business and non-profit corporations and unincorporated business entities;
- allowing Internet users access to information on over 170,000 past and existing businesses and non-profit companies; and
- assigning the New Brunswick Account Business Number (BN) through the incorporation/registration process. The BN is a unique common identifier that can be used for provincial, federal and municipal services.



Vital Statistics Registry

- registering, maintaining, verifying and disseminating birth, death, stillbirth and marriage data (vital events);
- searching records, issuing certificates of a vital event, distributing marriage licences, approving and registering changes of name;
- registering and maintaining an index of churches/religions authorized to solemnize marriages in New Brunswick;
- approving requests for access to information in accordance with legislation and policy; and
- producing various statistical reports based on vital events.

Key highlights for Registries for the year:

- Electronic submission of Land Titles documents became mandatory on June 30th 2008. By February 2009, approximately 75% of the documents were electronically submitted to the Land Registry.
- Transfer of over 200 years worth of Historical Documents to a digital format resulting in all Registry books (1784 to current) being online as of December 9th, 2008. This three-year project required the effort and cooperation of both Land Registry staff and clients across the province.
- Survey of the Corporate Registry users in December 2008/January 2009 showed 93% were very satisfied with the service provided.
- Implementation of a new, more secure birth certificate as part of a national initiative.
- Offer of expedited service for birth certificates.

Statistics

Activity	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
Land Registry					
Registrations	110,683	110,986	107,238	109,684	105,847
Searches	45,723	44,892	43,470	47,842	49,845
Number of certificates of registered ownership sold	31,582	31,542	28,276	23,936	18,165
Personal Property Registry					
Registrations	126,897	131,517	130,213	129,055	123,274
Searches	50,189	50,053	49,902	50,390	46,546
Corporate Registry					
Incorporations	2,865	2,792	2,733	2,686	2,491
Registrations	3,150	3,239	3,407	3,574	3,052
Annual Returns	35,147	33,067	32,240	32,689	31,474
Certificate of Status/ Certified Copies	4,366	4,356	4,306	4,187	3,769
Vital Statistics Registry					
Certificates Issued (all types)	45,539	51,908	45,646	42,285	
Change of Name Processed	409	527	433	455	
Amendments Processed	2,440	2,949	2,312	2,373	
Vital Events Registered	18,567	17,372	17,329	17,979	



Assessment Services

Service New Brunswick is responsible for the assessment, that is the valuation and classification, of all real property in New Brunswick; a vital component in the processes of Real Property taxation and municipal financing.

The *Assessment Act* states that all property in the province is to be assessed at its real and true value (commonly known as market value) as of January 1 of the year for which the assessment is determined. Individual assessments are then aggregated to produce municipal and provincial assessment bases. These bases are shared with the Department of Local Government which produces the tax bases for each municipality and Local Service District in the province. Individual property assessments are also provided to the Department of Finance as these are then used – along with municipal and provincial property tax rates - to produce an annual property tax bill.

Property assessors are responsible for maintaining an inventory of all real property information as well as administering many property tax related benefits.

In 2008-2009, the regular Assessment Services Branch activities such as re-inspections, sales analysis, new construction, market adjustment of assessed values, and appeals were supplemented by the following:

Modernizing aspects of the appeal process and publicizing sale prices

In February 2008, the Office of the Ombudsman released a report entitled *Residential Property Assessment Appeal Process in New Brunswick: Levelling the Playing Field*. The report included recommendations that culminated in a number of changes implemented:

- 1) Public disclosure of sale price information beginning in 2009;
- 2) Introduction of a requirement to share information in advance of an appeal hearing;
- 3) Renaming the first level of appeal to a Request for Review;
- 4) Removal of an onus from both parties to an appeal; and
- 5) Publicizing abstracts of Appeal Board decisions.

Reviewing with a view to modernizing the various assessment processes

There is a need for an efficient and modern technological framework in order for the assessment function to continue to fulfill its mandate. Work began this year to modernize the mainframe-based Property Assessment and Taxation System (PATs), and review processes supporting the assessment function.

Issuing Assessment Notices each March and handling inquiries and appeals

Assessment and Tax Notices (property tax bills) are issued on March 1 of every year. If an owner is not satisfied with the assessed value of the property, they have the opportunity to submit a Request for Review within 30 days of the mailing of the tax bill. This is the first level of appeal in contesting the assessed value. An Assessor will then inspect the property, review the concerns of the property owner, and render a written decision as to whether any change to the assessment is warranted. If a property owner is not satisfied with the decision, they have the opportunity to appeal the decision to the Assessment and Planning Appeal Board.

The following table provides the assessment and sale performance indicators confirming that assessed values are within the acceptable International Standards as established by the International Association of Assessing Officers (IAAO). The three indicators used are:

- 1) Assessment to Sale Ratio: the result of the assessed value divided by the sale price;
- 2) Coefficient of Dispersion: the average absolute deviation of a group of numbers from the median expressed as a percentage of the median;
- 3) Price Related Differential: a measure of vertical equity on assessment to sale ratios. It serves as an indicator of assessment quality for properties with different value ranges.



Service New Brunswick Assessment and Sale Performance Indicators

Indicators	Assessment to Sale Ratio		Coefficient of Dispersion		Price Related Differential	
	Residential	Commercial	Residential	Commercial	Residential	Commercial
IAAO Standards	0.90-1.10	0.90-1.10	10-15	< 20	0.98-1.03	0.98-1.03
2008	0.95	0.89	10.9	14.6	1.013	1.045
2007	0.95	0.92	10.1	14.8	1.013	1.042
2006	0.95	0.92	10.1	13.1	1.013	1.041
2005	0.95	0.89	10.6	19.2	1.015	1.056
2004	0.95	0.88	10.6	17.7	1.017	1.048
2003	0.94	0.89	10.8	17.9	1.019	1.051

Key highlights for Assessment Services for the year:

- Amendment of the *Assessment Act* on January 1, 2009 to provide for the public release of sale price data for all properties sold, as well as several changes to the appeal process.
- Updated residential costing system to replace the system implemented in the 1980's.
- Re-alignment of the Assessor responsibilities to enable greater focus and specialization by type of property - Residential and Commercial.

Property Assessment Statistics

Tax Year	Number of Properties	Assessment Base (Billions \$)	Request for Review	% of Property Accounts	Appeals (Assessment and Planning Appeal Board)
2008	448,224	46.7	5,526	1.2%	174
2007	444,341	43.4	5,518	1.2%	155
2006	441,161	40.5	6,598	1.5%	250
2005	437,637	38.0	8,100	1.8%	189
2004	433,790	35.8	5,838	1.3%	240
2003	429,859	33.5	4,369	1.0%	272





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Land Information Infrastructure Secretariat

Service New Brunswick is the lead agency for coordination of base mapping and geomatics in New Brunswick and is responsible for the creation and the maintenance of the province's control survey network as well as approving all condominium projects in New Brunswick.

The activities of the Land Information Infrastructure Secretariat include:

- maintaining a province-wide Global Positioning System (GPS) based high precision control survey network (an infrastructure mainly used by land surveyors, governments, engineers, and land managers to reference geographic information using a common coordinate system);
- maintaining a series of continuously operating GPS stations (Active Control Stations (ACS)), providing observations available on an hourly basis on the Service New Brunswick website at no charge to the users;
- approving all condominium plans under the *Condominium Property Act*. The Director of Surveys manages the condominium program working with owners, corporations, developers or other professionals involved in the industry;
- managing an inter-agency governance framework to facilitate collaboration on geomatics across GNB;
- implementing cross-agency projects such as the development of provincial standards and data sets;
- conducting education and outreach activities; and
- operating a geographic data and mapping download service.

Key highlights for the Land Information Infrastructure Secretariat for the year:

- Work continued on a new legislative framework to modernize the approval, purchase and sale processes of condominium development in New Brunswick. The new Act is expected to come into force in the next fiscal year.
- Approval of 12 condominium corporations with 189 units, bringing the provincial total as of March 31, 2009 to 187 corporations with 2,996 units.
- Full provincial coverage of the ACS survey infrastructure with installations in Edmundston and Woodstock.

Legislation

The following statutes are under the jurisdiction of Service New Brunswick and administered by the Corporation.

General

- *Service New Brunswick Act*

Assessment

- *Assessment Act*
- *Residential Property Tax Relief Act*

Land Information

- *Surveys Act*
- *Condominium Property Act*
- *Air Space Act*

Land Registry

- *Land Titles Act*
- *Registry Act*
- *Boundaries Confirmation Act*
- *Standard Forms of Conveyances Act*

Personal Property Registry

- *Personal Property Security Act*

Corporate Registry

- *Business Corporations Act*
- *Companies Act*
- *Corporations Act*
- *Foreign Resident Corporations Act*
- *Common Business Identifier Act*
- *Partnership Act*
- *Limited Partnership Act*
- *Partnerships and Business Names Registration Act*
- *Special Corporate Continuance Act*
- *Winding-up Act*

Vital Statistics

- *Vital Statistics Act*
- *Marriage Act*
- *Change of Name Act*

Rentalsman

- *Residential Tenancies Act*



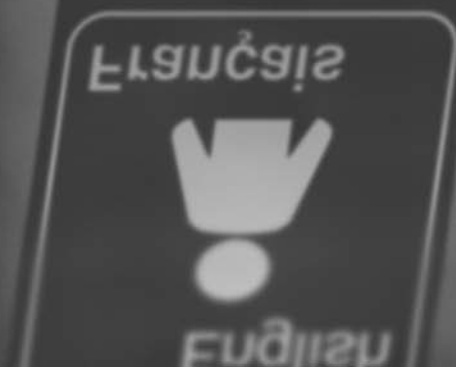


Official Languages

Service New Brunswick recognizes its obligations and is committed to actively offer and provide quality services to the public in the public's official language of choice.

During the 2008-2009 fiscal year, Service New Brunswick received a total of six complaints under the *Official Languages Act*. Two complaints were unfounded, one complaint was inconclusive while three complaints were founded and the situations addressed.

In the last fiscal year, Service New Brunswick had nine employees pursuing second language training.





Business Plan 2007-2010

Year 2 Action Plan Overview

To ensure achievement of the Business Plan Objectives, Service New Brunswick develops an action plan for each of the three years. The Business Plan focuses on eight priority objectives which fit into two complementary categories: Core Corporate Objectives and Targeted Service Objectives.

Overall, the Corporation is pleased with the accomplishments set out in its ambitious second year Action Plan. The bold gray goals below indicate the areas of focus for the 2008-2009 Action Plan.

Core Corporate Objectives

Excellence in Service

SNB's service delivery culture is characterized by exemplary customer service.

Goals	Seek continuous improvement in customer service	Improve collaboration with our business partners	Ensure that New Brunswickers are aware of and understand SNB's services
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Valued Workforce

SNB provides a work environment conducive to the growth of both employees and the organization.

Goals	Promote the development of our human resources	Develop the technology to support human resources management	Ensure effective internal communications
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Effective Organization

SNB recognizes the importance of a corporate organization that supports growth and service excellence.

Goals	Enhance our planning process to ensure that we achieve our strategic priorities	Enhance our business capacity through appropriate technology	Maintain effective internal procedures	Ensure that new opportunities are seized by smoothing the transition from idea to delivery
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Innovative Growth

SNB will stay on the leading edge of service delivery.

Goals	Play a leadership role on behalf of government in the evolution of service delivery toward the goal of self-sufficiency	Increase our innovation capacity	Continually strive to define a visionary future state
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Targeted Service Objectives

Modernized Assessment Services

SNB's Assessment services will be modernized for long-term sustainability.

Goals	Modernize Assessment Services	Take advantage of advancements made possible by emerging tools and technologies	Generate public confidence in the property tax system	Maintain a qualified Assessment workforce
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Transformed Business Services

SNB maintains a collaborative relationship with both businesses and business service providers to enhance service delivery.

Goals	Facilitate the transformation of government services to businesses	Establish a business portal in anticipation of business needs
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Enhanced Citizen Services

SNB collaborates with all three levels of government to ensure seamless, citizen-centered service delivery.

Goals	Modernize the Vital Statistics services	Expand the single window for citizen services
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Expanded Land Information Services

SNB will help to reinstate New Brunswick as a leader in land information services by coordinating the province's geomatics infrastructure.

Goals	Become the government's lead agency in geomatics	Improve the management of condominiums
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Financial Statements

Management Discussion and Analysis

Management is pleased to comment on the financial results for the year ended March 31, 2009. This discussion highlights key features of the financial statements and provides additional information and perspectives that go beyond the twelve months covered by the statements themselves.

The Board of Directors for Service New Brunswick is mandated by law to administer the affairs of the Corporation on a commercial basis based on sound business practices (*Service New Brunswick Act* section 7(3)). Accordingly, it follows business-based generally accepted accounting principles, Canadian Generally Accepted Accounting Principles (GAAP), that reflect the value of its previous investments and appropriately match expenses with current revenues.

Balance Sheet

Cash

Service New Brunswick had cash and short term investments at March 31, 2009 of \$29.6M, up \$1M from its balance last year of \$28.6M. Additional details on changes in cash are provided in the Statement of Cash Flows.

Working capital – current assets minus current liabilities – was \$30.5M at March 31, 2009 compared to \$28.2M the previous year. Cash in excess of immediate operating requirements may be invested in short term (one year or less) secure monetary instruments.

Restricted Assets

This category is comprised of two components: Cash and receivables held on behalf of partners at year end and Land Titles Assurance cash.

Partner Cash and Receivables

A significant portion of Service New Brunswick's business is to collect payments on behalf of GNB departments, municipalities and utilities. A total of \$404M was collected from citizens and businesses in 2008-2009 and remitted to partners on behalf of

whom we provide services. The amount of cash and receivables in transit at March 31, 2009 was \$6.5M and \$6.5M at March 31, 2008.

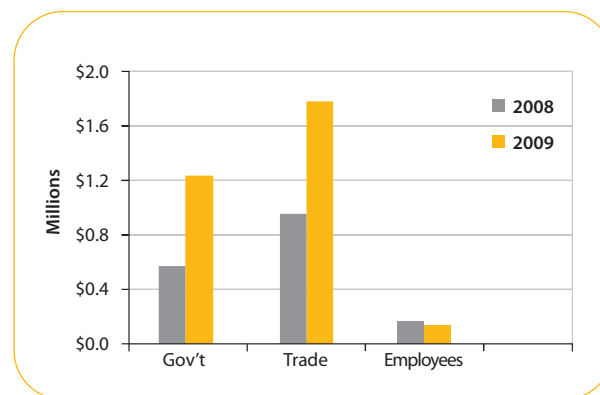
At the end of 2008-2009, Service New Brunswick also held \$9.6M in cash and receivables on behalf of Efficiency NB, as the result of a service contract with that agency. These loans carry no risk to Service New Brunswick. These amounts are segregated from Service New Brunswick's own cash on the balance sheet as offsetting asset and liability amounts.

Land Titles Assurance Cash

Since the implementation of Guaranteed Land Titles in 2000, the amount accumulated under Land Titles Assurance has grown to \$3.7M, an increase of \$0.5M during the year ended March 31, 2009. This amount is shown separately from other cash on the balance sheet. (See Land Titles Assurance under Long-term Liabilities).

Accounts Receivable

Accounts receivable at March 31, 2009 were \$3.2M compared to \$1.7M last year. The composition of accounts receivable is:

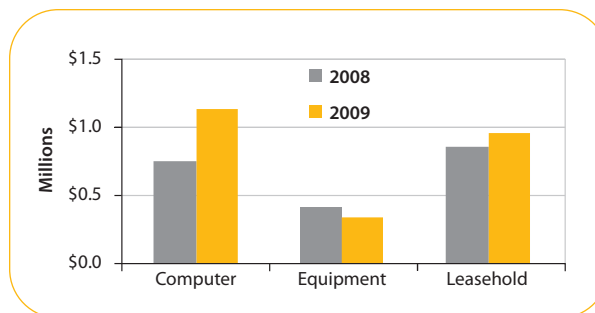


Due to the nature of the accounts, there is little risk of not collecting the amounts due. Most customers have taken advantage of our automated Daily Funds Transfer service which provides account settlement within two business days. Other amounts are due from government and ongoing business partners.



Equipment

Service New Brunswick had tangible assets, net of accumulated amortization, of \$2.4M at March 31, 2009, compared to the March 31, 2008 balance of \$1.9M. For a breakdown for tangible assets, see bar chart to the right.



System Development

Unamortized system developments amounted to \$11.9M at March 31, 2009. This is a \$1.2M decrease from last year's balance of \$13.1M. Investments of \$1.4M to the Land Registry, service delivery infrastructure, PATS and the vital statistics system were offset by \$2.6M amortization of previous investments.

Development initiatives are evaluated by a project governance ranking model and overseen by the Development Committee of the Board of Directors.

System	Prior investment	Investment* 2008/2009	Accumulated Amortization	Net Book Value
Personal property registry	\$ 5.1	\$ -	\$ 5.1	\$ -
Real property registry	10.3	0.6	7.9	3.0
Business/corporate registry	3.5	-	1.7	1.8
Electronic services	7.8	0.2	5.8	2.2
Enterprise resource planning	2.3	-	1.8	0.5
Service delivery infrastructure	6.8	0.2	3.4	3.6
Other	1.7	0.4	0.1	2.0
CGI Investment	(2.5)	-	(1.3)	(1.2)
Total (millions)	\$ 35.0	\$ 1.4	\$ 24.5	\$ 11.9

* Note – Investment is net of disposals

Current Liabilities

Accounts payable and accrued liabilities of \$6.1M are comparable to last year's balance at March 31, 2009 of \$6.1M. Trade and Province of New Brunswick balances arise in the normal course of business. The \$2.1M amount for salary and benefit accruals includes accrued payroll and future vacation benefits that have been earned but not yet taken. Retirement allowance and early retirement incentive represent the current portion of employee future benefits liabilities, as described under Long-term Liabilities.

Deferred receipts are made up of project cost advances and customer deposits on account and amounted to \$0.6M at the end of fiscal 2008-2009.

Long-term Liabilities

Retirement Allowance

Regular employees are entitled to a paid retirement allowance prior to their retirement based upon years of service. The long-term portion of this accrued benefit obligation was \$1.9M on March 31, 2009.

Early Retirement Incentive

Service New Brunswick incurred a liability related to an early retirement incentive offered to employees in the year ended March 31, 1996. This obligation decreases every year by the amount remitted to the Province for those Service New Brunswick employees who took advantage of this incentive. The long-term portion of the remaining balance owing was \$5K at the end of fiscal 2008-2009.



Land Titles Assurance

In 2000, Service New Brunswick implemented a system of Guaranteed Land Titles in New Brunswick by which landowners are assured title to their properties.

To date, Service New Brunswick has collected \$3.7M in insurance fees and has paid claims totalling \$79K. The Corporation commissioned an actuarial review in 2005-2006 to reassess the then levy of \$5.00 against estimated future claims. The review found that the allowance for future liabilities was adequate. In the fall of 2008, the levy was reduced to \$3.00.

Equity

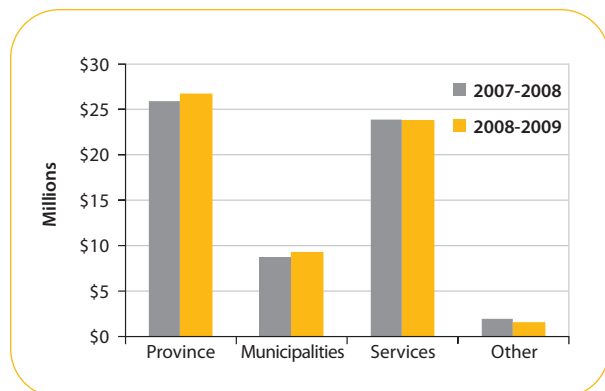
Net assets exceed liabilities at March 31, 2009 by \$39.3M – up \$1.1M over last year. The increase is attributable solely to net income for the year just ended.

Income Statement

Revenues

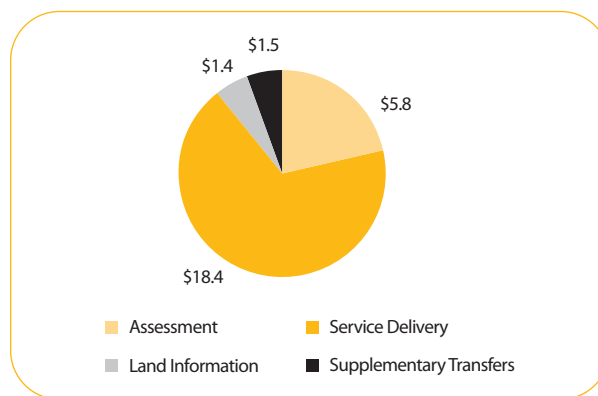
Revenues for the year ended March 31, 2009 were \$61M and \$59.5M for the previous year.

Revenues were received from the sources noted below:



Provincial Services

Provincial revenues increased by \$1.3M to \$27.1M in 2008-2009 from \$25.8M in 2007-2008. Funding from GNB is transferred to Service New Brunswick to support services provided on behalf of the province. It is allocated to:

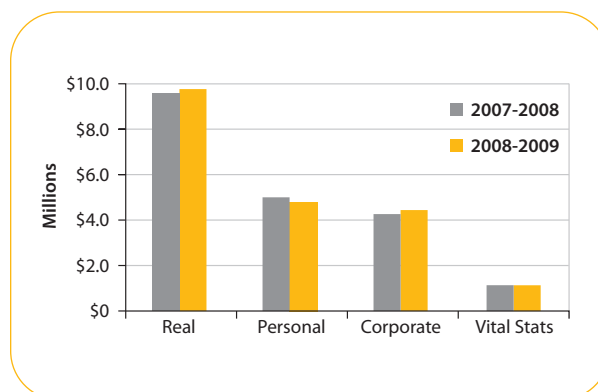


Assessment Funding

Funding for assessment services is based on a formula of \$.02 per \$100 of relevant property tax base. GNB paid \$5.9M while municipalities, rural communities and local service districts paid \$9M.

Registry Fees

Service New Brunswick operates four registries: Land, Personal Property, Corporate, and Vital Statistics. Total registry fees were \$19.9M for the year ended March 31, 2009 compared to \$19.7M for the previous year.

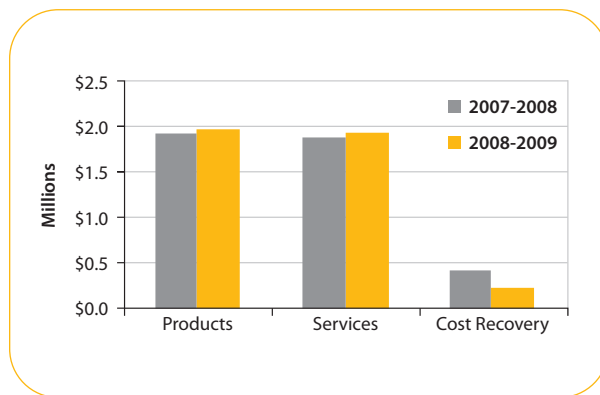




Products and Services

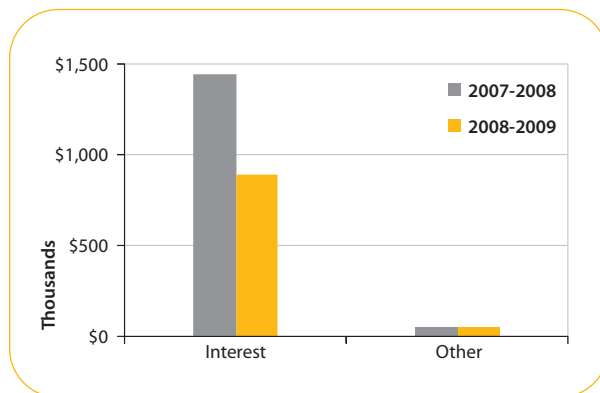
Products and services revenues have remained steady at \$4.1M for the years ended March 31, 2009, and March 31, 2008.

Products and services revenues are characteristically derived from two sources: the sale of a variety of products, mainly geographic information, and the provision of customer services on a fee-for-service basis, on behalf of provincial departments, Service Canada, municipalities, and utilities. Services provided on behalf of provincial departments prior to 1996 are primarily funded through GNB Main Estimates.



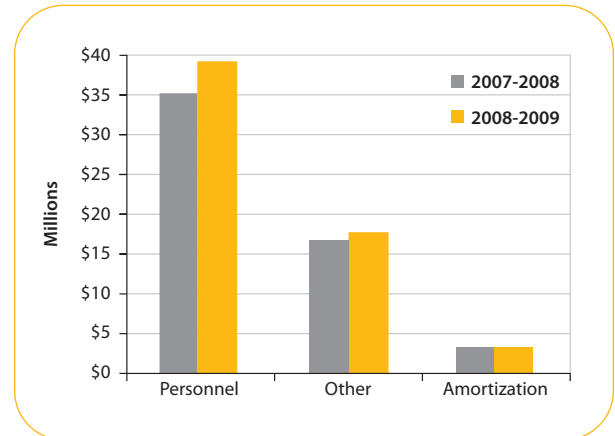
Other Revenues

Other revenues are received from interest, consulting, software sales, and salary recoveries under student, internship, and equal opportunity subsidy programs. Other revenues totalled \$0.9M in 2008-2009 and \$1.4M in 2007-2008. This change is mainly attributable to the drop in interest rates over the past year.



Expenses

Total expenses for the year ended March 31, 2009 were \$60M compared to \$55.9M in the previous year. The following table provides a breakdown of expenses by category. Personnel costs include salary and employee benefits, Other expenses include space, equipment, communications and computer services and Amortization reflects depreciation of the Corporation's assets.



Salary and Employee Benefits

Salaries and related benefits amounted to \$38.9M for the year ended March 31, 2009 and \$35.7M for the previous year. Some of the key contributors to this \$3.2M increase include salary inflation and the addition of the Office of the Rentalsman.

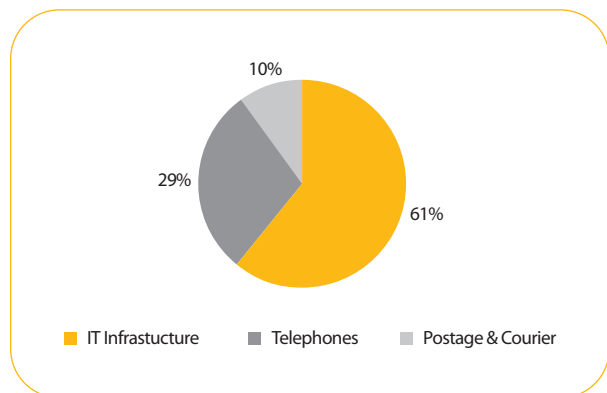
Space and Equipment Services

Expenses in this category were \$5.7M in 2008-2009 and \$5.2M in 2007-2008. The Corporation occupies space in more than 40 locations at an ongoing cost of \$4.4M. The remaining \$1.3M is for equipment services, which includes computer and office equipment leases and maintenance.



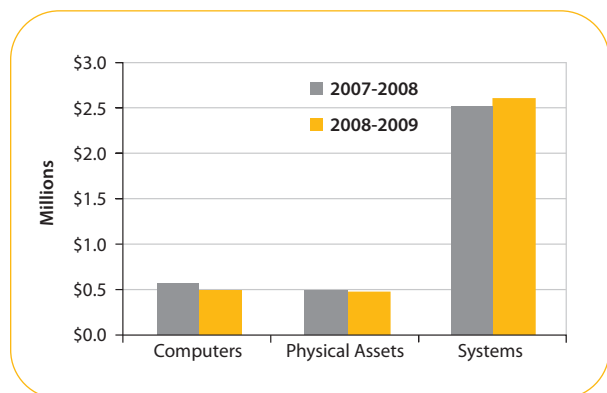
Communications and Computer Services

The Corporation spent \$5.4M on communications and computer services in 2008-2009. Three components are included in this category: Information Technology (IT) infrastructure, Telephones and Postage and Courier expenses.



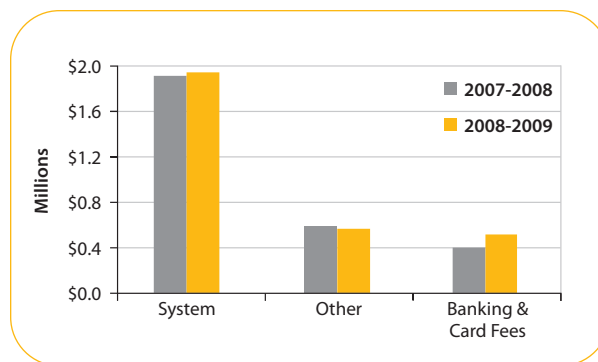
Amortization

Service New Brunswick follows GAAP. Investments in systems and equipment having a useful life of four years or more are capitalized to the balance sheet and written off against income over time. Amortization expense totalled \$3.5M in 2008-2009, the same as in the prior year.



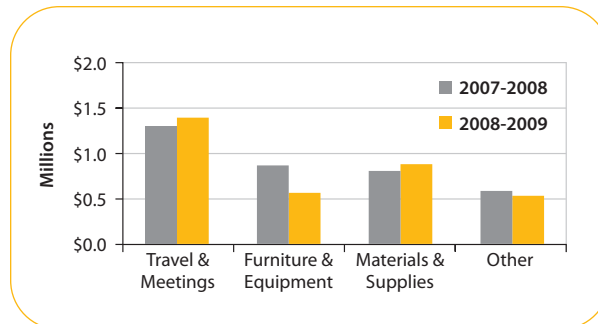
Professional Services

Costs in this category were \$3.1M for the year ended March 31, 2009 – up \$0.1M from the prior year’s amount of \$3M. Professional services include consulting, project management, translation, Board member per diems, audit and legal fees. Also included in this category are banking fees and Work Safe New Brunswick administrative fees.



Other Expenses

Other expenses totalled \$3.4M for the year ended March 31, 2009 and \$3.6M the previous year. Costs in these categories are generally consistent from year to year.





Risks and Other Dependencies

The Enterprise Risk Management Policy at Service New Brunswick outlines a framework of objectives and processes to ensure risk management is integrated throughout the Corporation on a consistent and continuous basis. Some of the key risks that have been identified for Service New Brunswick are:

Reliance on the Province of New Brunswick

Service New Brunswick is a "Part 1" Crown Corporation owned solely by the Province of New Brunswick. Approximately half of the Corporation's funding is from the Province. However, this funding is subject to the general budget pressures facing the government. The portion of the revenue related to assessment is based on "\$.02 per \$100 of assessment base" formulae for both GNB and municipal funding. The agreement underlying provincial funding has expired and needs to be renegotiated.

The Corporation also relies on GNB for salary negotiations. As well, portions of Service New Brunswick's technical infrastructure are shared with, and managed by, the Province of New Brunswick.

Market Conditions and External Competition

Registry revenues are quite dependent on interest rates and general economic conditions. Other factors impacting overall registry revenues include housing prices, population demographics, and unemployment rates. The potential difference between favourable and unfavourable economic conditions to the Corporation could be several million dollars.

Reliance on Technology

As Service New Brunswick increases its electronic service delivery, its reliance on technology increases. Not only is it dependent on its own systems but also on communications networks and services such as credit card verification operated by third party providers. The Corporation employs a security officer to assess risk and uses state-of-the-art methods to protect its systems. To date, it has had few service outages.

The Corporation manages a growing number of systems and products. The Manager of Systems Maintenance oversees enhancements to applications so that they are maintained at appropriate levels to ensure ongoing reliability, security and suitability. Activities are underway to upgrade and modernize several systems to ensure Service New Brunswick can continue to meet its mandate.

Financial Statements

The financial statements which follow have been reviewed by the Audit Committee and approved by the Service New Brunswick Board of Directors.



Financial Statements March 31, 2009

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Management Report

The preparation of financial information is an integral part of management's responsibilities and the accompanying financial statements are the responsibility of the management of the Corporation.

The Corporation maintains an accounting system and related controls to provide management and the Board with reasonable assurance that transactions are executed and recorded as authorized, that assets are properly safeguarded and accounted for, and that financial records are reliable for the preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles.

It is the responsibility of the Board to oversee management's performance of its financial reporting responsibilities and to review and approve the financial statements. Upon the recommendation of the Audit Committee, these financial statements are approved by the Board of the Corporation.

Sylvie Levesque-Finn
President

Fredericton, NB Canada

June 3, 2009

Dan Rae, CGA
Vice President, Corporate Services



Auditor's Report

To the Members of the Board:

We have audited the balance sheet of Service New Brunswick as at March 31, 2009 and the statements of income and changes in equity and cash flows for the year ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Generally Accepted Accounting Principles.

Saint John, Canada

June 1, 2009.

Ernst & Young LLP
Chartered Accountants



Balance Sheet As at March 31

Assets	2009	2008
Current Assets		
Cash and cash equivalents	\$ 29,632,397	\$ 28,650,882
Restricted assets (Note 5)	19,780,399	13,889,605
Accounts receivable (Note 6)	3,180,930	1,690,880
Prepaid expenses	704,538	861,014
	53,298,264	45,092,381
Long-term Assets		
Prepaid expenses	133,334	35,166
Equipment (Note 7)	2,383,525	1,925,235
System development (Note 7)	11,943,164	13,093,480
	14,460,023	15,053,881
	\$ 67,758,287	\$ 60,146,262

Liabilities & Equity		
Current Liabilities		
Accounts payable and accrued liabilities (Note 8)	\$ 6,110,169	\$ 6,096,991
Partner liabilities (Note 9)	16,107,457	10,671,031
Deferred receipts	637,341	132,548
	22,854,967	16,900,570
Long-term Liabilities		
Retirement allowance (Notes 8 and 11(b))	1,906,211	1,744,330
Early retirement incentive (Notes 8 and 11(c))	4,968	80,560
Land titles assurance (Note 10)	3,672,942	3,218,574
	5,584,121	5,043,464
Equity	39,319,199	38,202,228
	\$ 67,758,287	\$ 60,146,262

Commitments Note 13
See accompanying notes

Derek Pleadwell
Chairperson

Sylvie Levesque-Finn
President



Statement of Income and Changes in Equity For the years ended March 31

Revenues	2009	2008
Provincial services	\$ 27,160,415	\$ 25,814,000
Municipal services	9,035,545	8,451,400
Registry fees	19,871,046	19,722,386
Products and services	4,084,388	4,076,842
Interest	877,662	1,405,291
Salary recoveries	23,470	25,442
Software sales and consulting	31,195	17,461
	61,083,721	59,512,822
<hr/>		
Expenses		
Personnel services	38,933,574	35,727,125
Space and equipment services	5,702,318	5,204,792
Communications and computer services	5,371,175	5,001,542
Amortization	3,469,501	3,473,354
Professional services	3,101,873	2,958,912
Travel and meetings	1,378,065	1,292,281
Furniture and equipment	579,788	790,524
Materials and supplies	851,262	795,768
Other	579,194	664,923
	59,966,750	55,909,221
<hr/>		
Net Income	1,116,971	3,603,601
<hr/>		
Opening Equity	38,202,228	34,598,627
<hr/>		
Ending Equity	\$ 39,319,199	\$ 38,202,228

See accompanying notes



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Statement of Cash Flows
For the years ended March 31

ANNUAL REPORT 2008-2009

	2009	2008
Cash and cash equivalents provided by (used in)		
Operations		
Net income	\$ 1,116,971	\$ 3,603,601
Amortization	3,469,501	3,473,354
Deferred employee benefits	86,289	67,796
Disposal of equipment and systems	111,335	168,175
	4,784,096	7,312,926
Change in non-cash working capital		
Accounts receivable	(1,490,050)	951,831
Prepaid expenses	58,307	575,955
Accounts payable and accrued liabilities	13,178	473,970
Deferred receipts	504,793	(101,685)
	3,870,324	9,212,997
Investments		
Additions to equipment	(1,476,463)	(470,717)
Additions to system development	(1,412,346)	(1,464,518)
	(2,888,809)	(1,935,235)
Net increase in cash during the year	981,515	7,277,762
Cash and cash equivalents, beginning of year	28,650,882	21,373,120
Cash and cash equivalents, end of year	\$ 29,632,397	\$ 28,650,882

See accompanying notes



Notes to Financial Statements For the year ended March 31, 2009

1. Service New Brunswick

Service New Brunswick (hereafter referred to as “the Corporation”) is a non-taxable Crown Corporation established under the *Service New Brunswick Act*. Its mission is making government services more accessible and being stewards for authoritative information.

2. Accounting Policies

General

The Corporation follows Canadian Generally Accepted Accounting Principles (GAAP).

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and short-term, highly liquid financial instruments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial instruments and comprehensive income

The Corporation is required to designate its financial instruments into one of the following five categories: (i) held-for-trading, (ii) available-for-sale, (iii) held-to-maturity, (iv) loans and other receivables, or (v) other financial liabilities. All financial instruments are to be initially measured at fair value. Financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost using the effective interest method.

The Corporation designates its financial instruments as follows:

- a) *Cash and cash equivalents and restricted assets are classified as “held-for-trading”. Due to the nature and/or short-term maturity of these financial instruments, carrying value approximates fair value.*
- b) *Accounts receivable and partner receivables are classified as “loans and receivables”. After their initial fair value measurement, they are measured at amortized cost using the effective interest rate method. For the Corporation, the carrying value approximates fair value.*
- c) *Accounts payable and accrued liabilities, partner liabilities, and deferred receipts are classified as “other financial liabilities”. Initial measurement is at fair value.*
Subsequently, they are measured at amortized cost using the effective interest method. For the Corporation, the carrying value approximates fair value.

Restricted assets

Management has segregated cash and receivables equal to the amount of Partner Liabilities (Note 9) and the amount accumulated under Land Titles Assurance (Note 10).

Long-term assets

Investments in information systems and databases and in physical assets having a value of \$5,000 or greater are capitalized and written off to income in accordance with the amortization policy.

Grants and other revenue received relating to long-term assets are deferred and amortized over the life of the related asset.

Revenue

Revenue is recognized on an accrual basis as earned with an offset, in the case of Corporate Registry annual filing, for fees from businesses likely to be inactive. Amounts deemed receivable but uncollectable are recognized as bad debt expense.



Pension expense

Service New Brunswick employees are part of a multi-employer defined benefit plan, and accordingly, only current year contributions are expensed.

Amortization

Amortization is computed on a straight-line basis on original cost with rates as follows:

Furniture, databases and systems	10 years
Leasehold improvements duration of lease up to	10 years
Equipment	5 years
Computers and software	4 years

Measurement uncertainty

The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Change in Accounting Policy

Financial Instruments and Capital Disclosures

Effective April 1, 2008, the Corporation adopted new accounting standards (CICA sections 1535, 3862, and 3863) issued by the Canadian Institute of Chartered Accountants (CICA) related to capital disclosures and financial instruments.

Section 1535 "Capital Disclosures" requires the Corporation to disclose its objectives, policies and processes for managing capital and, in addition, whether the entity has complied with any externally imposed capital requirements. The Corporation has no share capital and the *Service New Brunswick Act* does not provide for this, however, the Act does stipulate that any profits may be appropriated by the Crown at the discretion of the Minister of Finance. The current balance in equity is comprised solely of retained earnings. The Corporation is not subject to any externally imposed capital requirements, and has the ability to borrow funds when necessary.

Sections 3862 "Financial Instruments – Disclosures" and 3863 "Financial Instruments – Presentation" replace Section 3861 "Financial Instruments – Disclosure and Presentation". Sections 3862 and 3863 revise and enhance the disclosure requirements outlined in section 3861. The reported value of financial instruments which comprise cash and cash equivalents, accounts receivable, partner receivables, accounts payable, accrued liabilities, partner liabilities and deferred receipts approximate their fair values due to the short-term maturity of these instruments.

The Corporation is not subject to significant interest rate or credit risks arising from these instruments. Potential credit risk related to accounts receivable is low due to the fact that a significant portion of the receivable balance is due from federal or provincial government entities. Interest revenue is subject to interest rate fluctuations. A change of 1% will affect interest revenue by approximately \$330,000.

4. Related Entity Transactions

The Corporation is solely owned by the Province of New Brunswick. The Balance Sheet contains the following related entity amounts:

	Year Ended 2009	Year Ended 2008
Accounts receivable	\$ 763,232	\$ 91,543
Accounts payable	499,139	701,111
Net owing to SNB/(Province)	\$ 264,093	(\$ 609,568)



The Statement of Income and Changes in Equity contains the following related entity amounts:

	Year Ended 2009	Year Ended 2008
Revenue	\$ 38,947,536	\$ 35,226,225
Expense	2,698,563	1,876,247
Net revenue	\$ 36,248,973	\$ 33,349,978

5. Restricted Assets

Restricted assets are comprised of the following amounts.

	Year Ended 2009	Year Ended 2008
Partner cash and receivables (Note 9)	\$ 16,107,457	\$ 10,671,031
Land titles assurance cash (Note 10)	3,672,942	3,218,574
	\$ 19,780,399	\$ 13,889,605

6. Accounts Receivable

			Year Ended 2009	Year Ended 2008
	Accounts Receivable	Allowance for Doubtful Accounts	Net	Net
Current				
Trade	\$ 1,604,586	\$ 10,159	\$ 1,594,427	\$ 867,406
HST rebate	489,381	-	489,381	500,985
Province of NB	763,232	-	763,232	91,543
Corporate registry	208,686	18,088	190,598	77,487
Employee computer loans	143,292	-	143,292	153,459
	\$ 3,209,177	\$ 28,247	\$ 3,180,930	\$ 1,690,880

The Corporation's trade accounts receivable do not represent significant concentration of credit risk because the accounts are owed by a large number of organizations on normal credit terms. Most other receivables are deemed collectable because of the nature of the debtor or the transactions.



7. Equipment and System Development

Year Ended 2009			
Equipment	Cost	Accumulated Amortization	Net
Computers and software	\$ 4,174,363	\$ 3,016,826	\$ 1,157,537
Furniture and equipment	1,463,028	1,167,039	295,989
Leasehold improvements	3,347,230	2,417,231	929,999
	\$ 8,984,621	\$ 6,601,096	\$ 2,383,525
System development			
Systems	\$ 34,377,267	\$ 23,556,653	\$ 10,820,614
Databases	1,018,040	1,018,040	
Work in process	1,122,550	-	1,122,550
	\$ 36,517,857	\$ 24,574,693	\$ 11,943,164

Year Ended 2008			
Equipment	Cost	Accumulated Amortization	Net
Computers and software	\$ 3,814,329	\$ 3,083,390	\$ 730,939
Furniture and equipment	1,399,567	1,033,486	366,081
Leasehold improvements	2,960,521	2,132,306	828,215
	\$ 8,174,417	\$ 6,249,182	\$ 1,925,235
System development			
Systems	\$ 31,989,834	\$ 20,993,972	\$ 10,995,862
Databases	1,018,040	1,018,040	
Work in process	2,097,618	-	2,097,618
	\$ 35,105,492	\$ 22,012,012	\$ 13,093,480

8. Accounts Payable and Accrued Liabilities

	Year Ended 2009	Year Ended 2008
Current		
Trade payables	\$ 3,062,333	\$ 3,313,849
Salary and benefit accruals	2,115,189	1,790,461
Retirement allowance (Note 11(b))	277,100	150,000
Early retirement incentive (Note 11(c))	80,000	80,000
Payroll deductions payable	76,408	61,570
Province of New Brunswick payables	499,139	701,111
	\$ 6,110,169	\$ 6,096,991



9. Partner Liabilities

The Corporation collects cash on behalf of the Province of New Brunswick and other business partners. The following amounts were payable to the Province and other partners at year end.

Provincial receivables are short-term accounts which are collected from provincial clients and, subsequently, remitted to the Province. Efficiency NB receivables are interest-free loans issued to members of the public to finance energy efficiency improvements to their homes. These loans are administered by the Corporation on behalf of Efficiency NB and can have repayment terms of up to six years. They carry no risk to the Corporation.

	Year Ended 2009		
	Cash	Receivables	Total
Efficiency NB	\$ 891,720	\$ 8,705,278	\$ 9,596,998
Other provincial	4,696,251	59,681	4,755,932
Other partners	1,754,527	-	1,754,527
	\$ 7,342,498	\$8,764,959	\$ 16,107,457

	Year Ended 2008		
	Cash	Receivables	Total
Efficiency NB	\$ (181,338)	\$ 4,376,780	\$ 4,195,442
Other provincial	5,351,477	149,832	5,501,309
Other partners	974,280	-	974,280
	\$ 6,144,419	\$ 4,526,612	\$ 10,671,031

10. Land Titles Assurance

Under the *Land Titles Act*, the Province guarantees title to real property registered under Land Titles. The Corporation has established a fund, based on actuarial estimate, to provide for potential claims respecting indemnification pursuant to the *Land Titles Act*. An assurance fee of \$3.00 is charged for each registration in the Land Titles registry.

	Year Ended 2009	Year Ended 2008
Opening balance	\$ 3,218,574	\$ 2,699,004
Assurance fees collected	471,250	540,570
Less: claims	(16,882)	(21,000)
Ending balance	\$ 3,672,942	\$ 3,218,574

11. Employee Future Benefits

- a) Regular employees of the Corporation are covered by the Public Service Superannuation Plan of the Province of New Brunswick. The Superannuation Plan is a defined benefit multi-employer plan under which contributions are made by both the Corporation and the employees. For the year ended March 31, 2009, the Corporation expensed contributions of \$2,279,596 under the terms of the plan. The comparable amount for the year ended March 31, 2008 was \$2,103,321. The Corporation has no direct liability or entitlement to any unfunded liability or surplus in the plan related to its current or former employees.



b) Regular employees of the Corporation are entitled to a paid retirement allowance prior to their retirement based upon years of service. Using the 2009 valuation, the Corporation has determined the accrued actuarial obligation for this benefit to be \$2,838,617 as at March 31, 2009. At the end of this fiscal year, the Corporation had recorded a total liability of \$2,183,311 (2008 - \$1,894,330).

	Year Ended 2009	Year Ended 2008
Accrued benefit obligation		
Beginning balance	\$ 2,617,352	\$ 2,575,635
Current service cost	259,374	197,838
Interest cost on obligation	192,000	128,978
Benefit payments	(230,109)	(285,099)
Accrued benefit obligation	\$ 2,838,617	\$ 2,617,352
Reconciliation of accrued benefit obligation to accrued benefit liability		
Accrued benefit obligation	\$ 2,838,617	\$ 2,617,352
Unamortized transitional amount	(655,306)	(723,022)
Accrued benefit liability	\$ 2,183,311	\$ 1,894,330
Accrued benefit liability		
Opening balance	\$ 1,894,330	\$ 1,749,323
Retirement allowance expense	519,090	430,106
Benefit payments	(230,109)	(285,099)
Ending balance	\$ 2,183,311	\$ 1,894,330

This estimate is based on current service cost of 0.72% of payroll and an annual discount rate of 7.75%. The transitional obligation related to the retirement allowance is amortized on a straight-line basis over the estimated remaining service period of the employees that participate in the plan (fifteen years).

c) The Corporation incurred a liability related to an early retirement incentive offered to employees, including those of the Corporation, by the Province of New Brunswick in the year ended March 31, 1996. Pursuant to an agreement with the Province, the amount of the obligation and expense recorded was equal to the amount of the employer contributions that the Corporation would have otherwise funded to the Public Service Superannuation Plan. The Corporation annually reduces the recorded obligation by the amount it remits to the Province. The benefit obligation was \$84,968 at March 31, 2009 and \$160,560 at March 31, 2008.

12. Lease Commitments

The following are future minimum payments for leased premises and equipment for the years ending:

2010	\$ 3,580,713
2011	3,580,717
2012	2,881,375
2013	2,594,190
2014	2,044,495
Thereafter	5,149,141
	\$ 19,830,631

13. Future Accounting Pronouncements

Effective for fiscal 2011, the Corporation may be required to change its financial reporting standards to comply with anticipated changes to the CICA reporting requirements. It is unknown at this time whether the Corporation will be expected to adopt International Financial Reporting Standards or Public Sector Accounting reporting standards. Management is reviewing the impact of these changes on the financial statements.