



Public Accounts

for the fiscal year ended 31 March

2003

Volume 4 Trust Funds

Printed by
Authority of the Legislature
Fredericton, N.B.



Public Accounts

for the fiscal year ended 31 March

2003

Volume 4

Trust Funds

Printed by
Authority of the Legislature
Fredericton, N.B.
ISSN 0382-1277

TABLE OF CONTENTS

Trust Fund No. 4 - Public Service Superannuation Plan	1
Trust Fund No. 7 - Teachers' Pension Plan	15
Trust Fund No. 8 - Group Insurance Trust Fund	29
Trust Fund No. 9 - Mental Health Trust Fund	33
Trust Fund No. 10 - Provincial Court Judges' Pension Plans	37
Trust Fund No. 16 - Margaret R. Lynds Bequest	53
Trust Fund No. 19 - The New Brunswick Power Corporation Sinking Fund	57
Trust Fund No. 20 - Viscount Bennett Bequest	61
Trust Fund No. 23 - Arts Development Trust Fund	65
Trust Fund No. 24 - Sport Development Trust Fund	69
Trust Fund No. 25 - New Brunswick Public Libraries Trust Fund	73
Trust Fund No. 29 - Environmental Trust Fund	77
Trust Fund No. 30 - Pension Plan for Management Employees of New Brunswick School Districts	81
Trust Fund No. 31 - Pension Plan for General Labour, Trades and Services Employees of New Brunswick School Districts	89
Trust Fund No. 32 - Pension Plan for Full-Time CUPE 2745 Employees of New Brunswick School Districts	97

INTRODUCTION VOLUME IV

The Public Accounts of the Province of New Brunswick are presented in five volumes.

Volume I contains the audited financial statements of the Provincial Reporting Entity as described in note 1 to the financial statements. They include a Statement of Financial Position, a Statement of Revenue and Expenditure, a Statement of Cash Flow and a Statement of Net Debt. This volume also contains the Auditor's Report, Statement of Responsibility and a variance analysis.

Volume II contains unaudited supplementary information to the Financial Statements presented in Volume I. It presents summary statements for revenue and expenditure as well as five-year comparative statements. This volume also contains detailed information on Supplementary Appropriations, Funded Debt, statements of the General Sinking Fund, Securities Held, and revenue and expenditure by government department (this includes salary, travel, vendor, grant and contribution, and loan disbursement listings).

Volume III contains the financial statements of those corporations, boards and commissions which are accountable for the administration of their financial affairs and resources to the Government or the Legislature of the Province. The Government or Legislature also has the power to control these organizations either through ownership or through legislative provisions.

This volume contains the financial statements of various trust funds which the Province administers as Trustee.

Volume V contains salary listings of certain government organizations, including Regional Health Authorities, New Brunswick Power Corporation and New Brunswick Liquor Corporation. The salary listings are for employees who received earnings during the year ended 31 December 2002 in excess of \$40,000.

FINANCIAL STATEMENTS

PUBLIC **S**ERVICE **S**UPERANNUATION
PLAN

31 MARCH 2003

Office of the
Auditor General

Bureau du
vérificateur général



AUDITOR'S REPORT

To the Honourable Jeannot Volpé
Minister of Finance
Province of New Brunswick

I have audited the statement of net assets available for benefits of the Public Service Superannuation Plan as at 31 March 2003 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the Plan's trustee, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at 31 March 2003 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Daryl C. Wilson'.

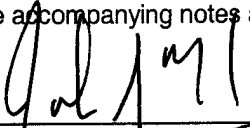
Daryl C. Wilson, FCA
Auditor General

Fredericton, N. B.
27 November 2003

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
31 MARCH 2003**

	<u>Thousands</u>	
	2003	2002
ASSETS		
Investments (note 3)	\$ 2,753,510	\$ 3,008,263
Receivables		
Employee contributions	4,587	7,154
Employer contributions	5,548	16,770
	<u>10,135</u>	<u>23,924</u>
Total assets	<u>2,763,645</u>	<u>3,032,187</u>
LIABILITIES		
Accounts payable	970	960
Total liabilities	<u>970</u>	<u>960</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 2,762,675</u>	<u>\$ 3,031,227</u>

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



John Mallory
Deputy Minister of Finance

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED 31 MARCH 2003**

	Thousands	
	2003	2002
INCREASE IN ASSETS		
Investment income (note 4)	\$ -	\$ 98,987
Securities lending	101	98
Pension contributions		
Employee	50,631	47,300
Employer (note 5)	58,216	54,653
Transfers under reciprocal agreements	1,631	2,979
Total increase in assets	110,579	204,017
DECREASE IN ASSETS		
Investment loss (note 4)	220,234	-
Pensions	146,151	128,801
Refunds	5,371	3,914
Transfers under reciprocal agreements	577	2,074
Administrative expenses	2,179	2,074
Investment management fees	4,619	3,704
Harmonized Sales Tax (note 6)	-	869
Total decrease in assets	379,131	141,437
INCREASE (DECREASE) IN NET ASSETS	(268,552)	62,580
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	3,031,227	2,968,647
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	\$ 2,762,675	\$ 3,031,227

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

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plan

The following description of the Public Service Superannuation Plan is a summary only. For more information, reference should be made to the Public Service Superannuation Act.

(a) General

The Plan is a contributory defined benefit pension plan covering certain government employees and employees of certain boards, commissions, corporations and educational institutions as defined by the Act and its regulations. The Office of Human Resources administers the Plan.

(b) Funding Policy

Under the Plan, the Plan members and the Plan sponsor make contributions. The determination of the value of benefits owed by the Plan is made on the basis of a triennial actuarial valuation (see note 7).

(c) Service Pensions

For pensionable service after 31 August 1966, the basic pension benefit is 1.3% of the average annual salary during the highest paid continuous 5 year period up to the year's maximum pensionable earnings (YMPE) and 2% of the average annual salary above the YMPE multiplied by the number of years of pensionable service. Pension benefits are integrated in accordance with the average YMPE when the member attains age 65 regardless of when pension benefits commenced being paid. For pensionable service before 1 September 1966, the pension benefit is 2% of the average annual salary multiplied by the number of years of pensionable service. Pension benefits are indexed annually to a maximum of 5%.

Normal retirement age is 65. Unreduced pension benefits are available upon reaching age 60 with 5 years of pensionable service. Reduced benefits are available at age 55 with 5 years of pensionable service. The early reduction factor of 3% per year pro-rated is applied if retirement occurs at age 55 and before age 60.

(d) Death Benefits

On the death of a member prior to completing 5 years of pensionable service, the benefit payable is a refund of the member's contributions with interest. An immediate pension equal to 50% of the member's pension, had they attained age 65, is payable to the surviving spouse or dependent children in the event of death of a member who has completed at least 5 years of pensionable service.

(e) Benefits on Termination

In the event of termination of employment for reasons other than retirement, death or disability a member may receive either a refund of his/her own contributions to the Plan with interest or a deferred annuity commencing when the member attains retirement age. To be eligible for a deferred annuity the member must have 5 or more years of pensionable service to his/her credit at his/her date of termination of employment.

(f) Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to income taxes.

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a financial reporting entity independent of the plan sponsors and plan members. These statements are prepared to assist plan members and others in reviewing the activities of the Plan for the fiscal period, but they do not portray the funding requirements of the Plan or the benefit security of individual plan members.

(b) Investments

On 1 April 1998, the assets of the Public Service Superannuation Fund were transferred to unit trust funds established by the New Brunswick Investment Management Corporation (NBIMC).

All investments of the Plan are represented by holdings of units of the unit trust funds. The total value is based on the calculated net asset value multiplied by the number of units held.

Investments are valued at their fair value as of the date of the financial statements. For securities listed on an exchange, fair value is the closing price listed on the exchange. If no closing price is available, the average of the latest bid and ask prices is used. Securities not listed on an exchange are valued based on a quotation service from a recognized dealer. Investments in money market instruments are reported at cost, which approximates market value. Investments denominated in a foreign currency are translated into their Canadian dollar equivalents at the year-end exchange rate.

(c) Revenue Recognition

All investment transactions are recognized as of their trade date. Interest income and dividend income have been accrued at year-end. Transactions denominated in a foreign currency are translated at the exchange rate prevailing at the time of the transaction.

Derivative products such as foreign exchange contracts, futures and swaps are recorded at the value the unit trust funds would have paid or received had the contract been terminated at the year-end date. The resulting gain or loss is included in investment income.

Both realized and unrealized gains and losses are included in investment income.

3. Investments

(a) Trustee

The assets of the Public Service Superannuation Plan are held in trust by NBIMC. NBIMC was appointed as trustee on 11 March 1996 by an Act of the New Brunswick Legislature which bears its name (NBIMC Act) and assumed responsibility for the management of the Plan's assets effective 1 April 1996.

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

(b) Investments

There are currently 13 unit trust funds, each with a specific investment mandate. The unit trust funds are established pursuant to a Unit Trust Declaration made by the NBIMC on 1 April 1998. Each fund is an open-end, unincorporated trust, governed by the laws of the Province of New Brunswick.

Following is a description of each unit trust fund in existence during the year ended March 31, 2003:

Nominal Bond:

Invests primarily in investment grade bonds (a minimum of triple-B rated by a major rating agency) of G-7 countries and Canadian provinces paying a nominal rate of interest. The return objective is to add 20 basis points to its benchmark, the Scotia Capital All Government Index, over a four-year moving average.

New Brunswick Fixed Income Opportunity:

Invests primarily in fixed income issues to finance economic activity in New Brunswick. The return objective is to add 20 basis points to its benchmark, the Scotia Capital All Government Index, over a four-year moving average.

Inflation Linked Securities:

Invests primarily in fixed income instruments of G-7 countries that are adjusted for inflation. The return objective is to add 10 basis points to its benchmark, the Scotia Capital Real Return Bond Index, over a four-year moving average.

Money Market:

Invests primarily in fixed income securities having a maturity of less than one year. The return objective is to add 20 basis points to its benchmark, which is calculated as 80% of the Scotia Capital 91-Day Treasury Bill Index and 20% of the Call Loan Rate.

Allocation Equity International:

This fund is used to implement asset allocation decisions and diversify equity investments by participating in the equity markets of U.S., Japan and developed European countries. It gains exposure to these markets by using derivative products such as futures, options and swaps, as well as investing in pooled funds of index products managed by an external manager. Leverage on derivative products is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments. This fund is also used to implement quantitative long-short strategies on the U.S. equity markets.

Allocation Equity Domestic:

This fund is used to implement asset allocation decisions by investing in the Canadian equity market. Its primary investments are derivative products such as futures, options and swaps. Leverage is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments.

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

New Brunswick and Atlantic Canada Equity Opportunity:

This fund invests in public and private equities or instruments convertible into equities of New Brunswick and Atlantic Canada companies. The return objective is to add 80 basis points to its benchmark, the S&P/TSX Composite, over a four-year moving average.

Canadian Equity:

Investments are selected primarily from the top 120 companies on the Toronto Stock Exchange. The return objective is to add 80 basis points to its benchmark, the S&P/TSX Composite, over a four-year moving average.

TSE Small-Cap:

Managed by an external manager, this fund invests primarily in the bottom 180 companies of the S&P/TSX Composite. The return objective is to exceed the performance of its benchmark, the S&P/TSX Small-Cap Index, by 100 basis points.

Private Equity:

This fund is managed by external managers that invest primarily in non-publicly traded securities of U.S. and European companies. The return objective is to exceed the performance of its benchmark, a blend of the S&P 500, FTSE-100, DAX, CAC-40 and MIB-30 total return indices, by 300 basis points over a four-year moving average.

U.S. Real Estate:

This fund is managed by an external manager that invests primarily in publicly traded securities of U.S. Real Estate Investment Trusts. The return objective is to add 150 basis points to the NAREIT® Equity Index.

Public Equity:

This fund is managed by external managers. As of March 31, 2002 two managers were in place, with each having a 50% allocation of total assets. One manager, whose mandate remains in place, invests primarily in U.S. publicly-traded companies and has a return objective of 200 basis points above the S&P 500 Total Return index. The mandate of the second manager had been to invest primarily in European publicly-traded companies and had a return objective of 200 basis points above its benchmark, an equal blend of the total return indices for the FTSE-100, DAX, CAC-40 and MIB-30 indices. On January 7, 2003, this mandate was terminated.

Student Investment:

This fund is managed by students at the University of New Brunswick who are registered in the Student Investment Fund Program. Its initial base was \$1 million and is to be invested using the same philosophy as that used by NBIMC. The overall benchmark for this fund is composed of 50% S&P/TSX 60, 45% Scotia Capital All Government Index and 5% Scotia Capital 91-Day Treasury Bill Index. The activities of this fund are closely monitored by NBIMC staff who execute and process all transactions on behalf of the students.

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

The following table reflects the holdings of the Public Service Superannuation Plan in the unit trust funds for which NBIMC is trustee.

	Units	Unit Value	Thousands	
			2003 Amount	2002 Amount
Fixed Income:				
Nominal Bond	643,652	\$ 1,276	\$ 821,053	\$ 893,811
New Brunswick Fixed Income Opportunity	18,629	1,392	25,933	21,480
			846,986	915,291
Inflation Linked Securities	208,635	1,529	319,076	349,727
Money Market	86,575	1,199	103,774	147,040
			1,269,836	1,412,058
Equities:				
Allocation Equity International	609,694	747	455,531	427,924
Allocation Equity Domestic	64,259	1,140	73,267	43,784
New Brunswick and Atlantic Canada Equity Opportunity	24,778	1,114	27,597	30,411
Canadian Equity	757,470	905	685,742	773,646
TSE Small-Cap	67,977	1,003	68,168	85,710
Private Equity	138,513	590	81,737	90,378
U.S. Real Estate	45,386	1,202	54,562	62,875
Public Equity	53,571	681	36,474	80,850
			1,483,078	1,595,578
Balanced:				
Student Investment	485	1,227	596	627
			\$ 2,753,510	\$ 3,008,263

(c) Risk Management

Rates of return vary based on the degree of uncertainty. The fundamental sources of uncertainty to which investments are exposed are credit risk and price risk. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk is the risk that the value of an investment will fluctuate due to future changes in foreign exchange rates. Interest rate risk is the risk that the value of an investment will fluctuate due to future changes in market interest rates. Market risk is the risk that the value of a financial instrument will fluctuate as a result of future changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

Risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed income instruments and restrictions by limiting most investments to G-7 countries. Borrowing or leveraging is not allowed. Controls are in place respecting the use of derivatives. Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency.

4. Investment Income

The following table reflects the investment income of the Public Service Superannuation Fund in each of the unit trust funds for which NBIMC is trustee for the year ended 31 March 2003.

	Thousands			
	Interest	Dividends	Current Period Increase/ (Decrease) in Market Value	Total
Fixed Income:				
Nominal Bond	\$ 50,753	\$ -	\$ 29,930	\$ 80,683
New Brunswick Fixed Income Opportunity	1,737	-	1,144	\$ 2,881
	52,490	-	31,074	\$ 83,564
Inflation Linked Securities	11,847	-	50,242	\$ 62,089
Money Market	3,953	-	(251)	\$ 3,702
	68,290	-	81,065	\$ 149,355
Equities:				
Allocation Equity International	12,167	(30)	(168,426)	\$ (156,289)
Allocation Equity Domestic	1,746	-	(11,187)	\$ (9,441)
New Brunswick and Atlantic Canada Equity Opportunity	229	502	(4,498)	\$ (3,767)
Canadian Equity	3,244	29	(140,192)	\$ (136,919)
TSE Small-Cap	12	1,051	(14,728)	\$ (13,665)
Private Equity	2,046	-	(30,100)	\$ (28,054)
U.S. Real Estate	15	3,585	(2,556)	\$ 1,044
Public Equity	28	702	(23,197)	\$ (22,467)
	19,487	5,839	(394,884)	\$ (369,558)
Balanced:				
Student Investment	18	6	(55)	\$ (31)
Total - 2003	\$ 87,795	\$ 5,845	\$ (313,874)	\$ (220,234)
Total - 2002	\$ 97,592	\$ 7,219	\$ (5,824)	\$ 98,987

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

5. Pension Contributions from Employers

Pension contributions from employers are as follows:

	Thousands	
	2003	2002
Province of New Brunswick	\$ 32,776	\$ 31,442
New Brunswick Power Corporation	11,914	10,579
University of New Brunswick	2,681	2,466
Workplace Health, Safety and Compensation Commission	1,493	1,305
New Brunswick Liquor Corporation	978	928
Other	8,374	7,933
	\$ 58,216	\$ 54,653

6. Harmonized Sales Tax

After extensive discussions between NBIMC and the Canada Customs and Revenue Agency, it was determined that NBIMC was obligated to collect and remit Harmonized Sales Tax (HST) on the fees it charges to the pension funds under its trusteeship. As a result, NBIMC voluntarily collected and remitted HST to Canada Customs and Revenue Agency for the years 1996 to 2001 during 2002. This amount is reported as a separate item on the statement of changes in net assets for 2002. HST related to the fiscal years ending March 31, 2002 and March 31, 2003 has been included under the caption "Investment management fees" on the statement of changes in net assets.

7. Funding Policy

Employees are required to contribute 5.8% of their earnings, up to the year's maximum pensionable earnings (YMPE) under the Canada Pension Plan Act, plus 7.5% on earnings above the YMPE. The employer is required to contribute an amount necessary in the opinion of an actuary, which when combined with employee contributions will fund current service costs.

The most recent actuarial valuation for funding purposes was prepared by Morneau Sobeco, a firm of consulting actuaries, as of 1 April 2002. This valuation disclosed an unfunded liability of \$281,602,000. As a result, the Consolidated Fund and certain government agencies will resume making special payments into the Public Service Superannuation Fund in the fiscal year ending March 31, 2004.

These special payments are pursuant to the Public Service Superannuation Act, which states that the Consolidated Fund and certain government agencies are to pay an amount into the Public Service Superannuation Fund that is in addition to the employer contribution for current service costs. The special payment amounts are to be paid in each fiscal year until the benefits under the Act are fully funded as determined by an actuarial valuation. Since the April 1, 2000 actuarial valuation disclosed a surplus of \$330 million, the Consolidated Fund and certain government agencies ceased making special payments as of April 1, 2000.

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

7. Funding Policy (continued)

The estimated amount of special payments to be made in the fiscal year ending March 31, 2004 is approximately \$47.4 million.

8. Obligation for Pension Benefits

The present value of accrued benefits was determined using the projected unit credit method pro-rated on service and actuarial assumptions which reflect management's best estimate for the future. An actuarial valuation was made as of 1 April 2003 by Morneau Sobeco.

Significant long-term assumptions and the range of short-term assumptions used in the valuation are:

	Long-term Assumptions	Short-term Assumptions
Rate of return on assets	7.9%	7.9%
Annual wage and salary increase	4.0% plus promotional increase between 0.2% and 1.0%	2.0% to 4.0%
Inflation	3.5%	3.5%
Rate of pension escalation after retirement (Actives and pensioners who retired on or after May 1, 1995)	3.3%	2.0% to 3.3%
(Pensioners who retired prior to May 1, 1995 and for UNB faculty)	3.4%	2.0% to 3.4%

The actuarial present value of benefits as at 31 March and the principal components of changes in actuarial present values during the year were as follows:

	(in millions)	
	2003	2002
Actuarial present value of accrued pension benefits		
at beginning of year	\$ 3,066.13	\$ 2,830.89
Interest accrued on benefits	240.33	222.16
Benefits accrued	104.10	97.37
Benefits paid	(152.10)	(134.79)
Experience loss (gain)	39.15	50.50
	<hr/>	<hr/>
Actuarial present value of accrued pension benefits at end of year	\$ 3,297.61	\$ 3,066.13
	<hr/>	<hr/>
Net assets available for benefits	\$ 2,762.67	\$ 3,031.20

**TRUST FUND NO. 4
PUBLIC SERVICE SUPERANNUATION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

9. Investments in Plan Sponsor

As at 31 March 2003, the Public Service Superannuation Plan held:

- 51% of the total nominal bond unit trust fund of \$1,598,461,388. Of this total, \$41,633,475 consisted of Province of New Brunswick and Province of New Brunswick guaranteed securities.
- 52% of the total \$198,190,000 in the Money Market Fund. Of this total, \$9,884,000 consisted of short term Province of New Brunswick guaranteed securities.

FINANCIAL STATEMENTS

TEACHERS' **P**ENSION **P**LAN

31 MARCH 2003

Office of the
Auditor General

Bureau du
vérificateur général



AUDITOR'S REPORT

To the Honourable Jeannot Volpé
Minister of Finance
Province of New Brunswick

I have audited the statement of net assets available for benefits of the Teachers' Pension Plan as at 31 March 2003 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the Plan's trustee, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at 31 March 2003 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Daryl C. Wilson'.

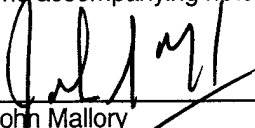
Daryl C. Wilson, FCA
Auditor General

Fredericton, N. B.
27 November 2003

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
31 MARCH 2003**

	Thousands	
	2003	2002
ASSETS		
Investments (note 3)	\$ 2,506,691	\$ 2,791,760
Receivables		
Employee contributions	3,860	4,791
Employer contributions	2,991	781
	6,851	5,572
Total assets	2,513,542	2,797,332
LIABILITIES		
Accounts payable	650	985
Total liabilities	650	985
NET ASSETS AVAILABLE FOR BENEFITS	\$ 2,512,892	\$ 2,796,347

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



 John Mallory
 Deputy Minister of Finance

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED 31 MARCH 2003**

	Thousands	
	2003	2002
INCREASE IN ASSETS		
Investment income (note 4)	\$ -	\$ 94,797
Securities lending	93	92
Pension contributions		
Employee	35,186	35,772
Employer	30,935	29,913
Transfers under reciprocal agreements	992	,933
Total increase in assets	67,206	161,507
DECREASE IN ASSETS		
Investment loss (note 4)	180,912	-
Pensions	161,952	148,931
Refunds	1,252	1,927
Transfers under reciprocal agreements	1,064	168
Administrative expenses	1,234	1,177
Investment management fees	4,247	3,481
Harmonized Sales Tax (note 5)	-	834
Total decrease in assets	350,661	156,518
INCREASE (DECREASE) IN NET ASSETS	(283,455)	4,989
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	2,796,347	2,791,358
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	\$ 2,512,892	\$ 2,796,347

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

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plan

The following description of the Teachers' Pension Plan is a summary only. For more information, reference should be made to the Teachers' Pension Act.

(a) General

The Plan is a contributory defined benefit pension plan covering teachers as defined by the Act and its regulations. The Office of Human Resources administers the Plan.

(b) Funding Policy

Under the Plan, the Plan members and the Plan sponsor make contributions. The determination of the value of benefits owed by the Plan is made on the basis of a triennial actuarial valuation (see note 6).

(c) Service Pensions

For pensionable service after 31 August 1966, the basic pension benefit is 1.3% of the average annual salary during the highest paid continuous 5 year period up to the year's maximum pensionable earnings (YMPE) and 2% of the average annual salary above the YMPE multiplied by the number of years of pensionable service. Pension benefits are integrated in accordance with the average YMPE when the member attains age 65 regardless of when pension benefits commenced being paid. Pension benefits are indexed annually to a maximum of 4.75%.

For pensionable service before 1 September 1966, the pension benefit is 2.14% of the average annual salary during the highest paid continuous 5 year period multiplied by the number of years of pensionable service.

Employees are eligible for pension benefits when the sum of their age and completed years of pensionable service is 87 or more, they have a minimum of 35 years of pensionable service, or at age 65 with 5 years of pensionable service, or at age 60 with 20 years of pensionable service. Reduced benefits are available when the age and service total is 80, or at age 60 with 5 years of service.

(d) Disability Pensions

A member who has at least 5 years of pensionable service at the date of becoming disabled is entitled to an immediate pension on retirement because of disability.

(e) Death Benefits

On the death of an active member prior to completing 5 years of pensionable service, the benefit payable is a refund of the member's contributions with interest. In the event of death of an active member who has completed at least 5 years of pensionable service, the normal form of pension, equal to 50% of what the member would have received had they attained age 65, is payable to the surviving spouse. If there is no spouse but there is a child, a pension is paid in respect of the child until age 19. If the child is in full-time attendance at an educational institution, a pension is paid in respect of the child until age 25 or when the child ceases to be in full-time attendance at the educational institution, whichever occurs first.

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plan (continued)

If a member dies after retirement, and the member had a surviving spouse at the time of retirement and elected a higher spousal benefit, the amount payable is in accordance with the option chosen at retirement (e.g. 60%, 66 2/3%, 75% or 100%). These options are only available to the spouse who is a spouse at the date the annual pension commences to be paid at the time of the members' retirement. If there is no spouse but there is a child, the normal form of survivor pension (50% of benefit payable at members age 65) is paid in respect of the child until age 19. If the child is in full-time attendance at an educational institution, a pension is paid in respect of the child until age 25 or when the child ceases to be in full-time attendance at the educational institution, whichever occurs first.

(f) Benefits on Termination

In the event of termination of employment for reasons other than retirement, death or disability, a member may receive either a refund of his/her own contributions to the Plan with interest or a deferred pension if vested.

(g) Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to income taxes.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a financial reporting entity independent of the plan sponsors and plan members. These statements are prepared to assist plan members and others in reviewing the activities of the Plan for the fiscal period, but they do not portray the funding requirements of the Plan or the benefit security of individual plan members.

(b) Investments

On 1 April 1998, the assets of the Teachers' Pension Fund were transferred to unit trust funds established by the New Brunswick Investment Management Corporation (NBIMC).

All investments of the Plan are represented by holdings of units of the unit trust funds. The total value is based on the calculated net asset value multiplied by the number of units held.

Investments are valued at their fair value as of the date of the financial statements. For securities listed on an exchange, fair value is the closing price listed on the exchange. If no closing price is available, the average of the latest bid and ask prices is used. Securities not listed on an exchange are valued based on a quotation service from a recognized dealer. Investments in money market instruments are reported at cost, which approximates market value. Investments denominated in a foreign currency are translated into their Canadian dollar equivalents at the year-end exchange rate.

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

2. Summary of Significant Accounting Policies (continued)

(c) Revenue Recognition

All investment transactions are recognized as of their trade date. Interest income and dividend income have been accrued at year-end. Transactions denominated in a foreign currency are translated at the exchange rate prevailing at the time of the transaction.

Derivative products such as foreign exchange contracts, futures and swaps are recorded at the value the unit trust funds would have paid or received had the contract been terminated at the year-end date. The resulting gain or loss is included in investment income.

Both realized and unrealized gains and losses are included in investment income.

3. Investments

(a) Trustee

The assets of the Teachers' Pension Plan are held in trust by NBIMC. NBIMC was appointed as trustee on 11 March 1996 by an Act of the New Brunswick Legislature which bears its name (NBIMC Act) and assumed responsibility for the management of the Plan's assets effective 1 April 1996.

(b) Investments

There are currently 13 unit trust funds, each with a specific investment mandate. The unit trust funds are established pursuant to a Unit Trust Declaration made by the NBIMC on 1 April 1998. Each fund is an open-end, unincorporated trust, governed by the laws of the Province of New Brunswick.

Following is a description of each unit trust fund in existence during the year ended March 31, 2003:

Nominal Bond:

Invests primarily in investment grade bonds (a minimum of triple-B rated by a major rating agency) of G-7 countries and Canadian provinces paying a nominal rate of interest. The return objective is to add 20 basis points to its benchmark, the Scotia Capital All Government Index, over a four-year moving average.

New Brunswick Fixed Income Opportunity:

Invests primarily in fixed income issues to finance economic activity in New Brunswick. The return objective is to add 20 basis points to its benchmark, the Scotia Capital All Government Index, over a four-year moving average.

Inflation Linked Securities:

Invests primarily in fixed income instruments of G-7 countries that are adjusted for inflation. The return objective is to add 10 basis points to its benchmark, the Scotia Capital Real Return Bond Index, over a four-year moving average.

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

Money Market:

Invests primarily in fixed income securities having a maturity of less than one year. The return objective is to add 20 basis points to its benchmark, which is calculated as 80% of the Scotia Capital 91-Day Treasury Bill Index and 20% of the Call Loan Rate.

Allocation Equity International:

This fund is used to implement asset allocation decisions and diversify equity investments by participating in the equity markets of U.S., Japan and developed European countries. It gains exposure to these markets by using derivative products such as futures, options and swaps, as well as investing in pooled funds of index products managed by an external manager. Leverage on derivative products is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments. This fund is also used to implement quantitative long-short strategies on the U.S. equity markets.

Allocation Equity Domestic:

This fund is used to implement asset allocation decisions by investing in the Canadian equity market. Its primary investments are derivative products such as futures, options and swaps. Leverage is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments.

New Brunswick and Atlantic Canada Equity Opportunity:

This fund invests in public and private equities or instruments convertible into equities of New Brunswick and Atlantic Canada companies. The return objective is to add 80 basis points to its benchmark, the S&P/TSX Composite, over a four-year moving average.

Canadian Equity:

Investments are selected primarily from the top 120 companies on the Toronto Stock Exchange. The return objective is to add 80 basis points to its benchmark, the S&P/TSX Composite, over a four-year moving average.

TSE Small-Cap:

Managed by an external manager, this fund invests primarily in the bottom 180 companies of the S&P/TSX Composite. The return objective is to exceed the performance of its benchmark, the S&P/TSX Small-Cap Index, by 100 basis points.

Private Equity:

This fund is managed by external managers that invest primarily in non-publicly traded securities of U.S. and European companies. The return objective is to exceed the performance of its benchmark, a blend of the S&P 500, FTSE-100, DAX, CAC-40 and MIB-30 total return indices, by 300 basis points over a four-year moving average.

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

U.S. Real Estate:

This fund is managed by an external manager that invests primarily in publicly traded securities of U.S. Real Estate Investment Trusts. The return objective is to add 150 basis points to the NAREIT® Equity Index.

Public Equity:

This fund is managed by external managers. As of March 31, 2002 two managers were in place, with each having a 50% allocation of total assets. One manager, whose mandate remains in place, invests primarily in U.S. publicly-traded companies and has a return objective of 200 basis points above the S&P 500 Total Return index. The mandate of the second manager had been to invest primarily in European publicly-traded companies and had a return objective of 200 basis points above its benchmark, an equal blend of the total return indices for the FTSE-100, DAX, CAC-40 and MIB-30 indices. On January 7, 2003, this mandate was terminated.

Student Investment:

This fund is managed by students at the University of New Brunswick who are registered in the Student Investment Fund Program. Its initial base was \$1 million and is to be invested using the same philosophy as that used by NBIMC. The overall benchmark for this fund is composed of 50% S&P/TSX 60, 45% Scotia Capital All Government Index and 5% Scotia Capital 91-Day Treasury Bill Index. The activities of this fund are closely monitored by NBIMC staff who execute and process all transactions on behalf of the students.

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

The following table reflects the holdings of the Teachers' Pension Plan in the unit trust funds for which NBIMC is trustee.

	Units	Unit Value	Thousands	
			2003 Amount	2002 Amount
Fixed Income:				
Nominal Bond	605,750	\$1,276	\$ 772,704	\$ 857,671
New Brunswick Fixed Income Opportunity	16,961	1,392	23,611	19,944
			796,315	877,615
Inflation Linked Securities	206,552	1,529	315,891	352,587
Money Market	78,173	1,199	93,702	135,400
			1,205,908	1,365,602
Equities:				
Allocation Equity International	521,699	747	389,786	369,434
Allocation Equity Domestic	58,505	1,140	66,706	40,658
New Brunswick and Atlantic Canada Equity Opportunity	22,559	1,114	25,126	28,236
Canadian Equity	664,112	905	601,224	693,248
TSE Small-Cap	59,826	1,003	59,995	76,546
Private Equity	126,102	590	74,413	83,907
U.S. Real Estate	41,322	1,202	49,676	58,379
Public Equity	48,774	681	33,208	75,068
			1,300,134	1,425,476
Balanced:				
Student Investment	528	1,227	649	682
			\$ 2,506,691	\$ 2,791,760

(c) Risk Management

Rates of return vary based on the degree of uncertainty. The fundamental sources of uncertainty to which investments are exposed are credit risk and price risk. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk is the risk that the value of an investment will fluctuate due to future changes in foreign exchange rates. Interest rate risk is the risk that the value of an investment will fluctuate due to future changes in market interest rates. Market risk is the risk that the value of a financial instrument will fluctuate as a result of future changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed income instruments and restrictions by limiting most investments to G-7 countries.

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

Borrowing or leveraging is not allowed. Controls are in place respecting the use of derivatives. Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency.

4. Investment Income

The following table reflects the investment income of the Teachers' Pension Plan in each of the unit trust funds for which NBIMC is trustee for the year ended 31 March 2003.

	Thousands			
	Interest	Dividends	Current Period Increase/ (Decrease) in Market Value	Total
Fixed Income:				
Nominal Bond New Brunswick Fixed Income Opportunity	\$ 47,764	\$ -	\$ 29,098	\$ 76,862
	1,581	-	1,073	2,654
	49,345	-	30,171	79,516
Inflation Linked Securities	11,728	-	50,245	61,973
Money Market	3,569	-	(179)	3,390
	64,642	-	80,237	144,879
Equities:				
Allocation Equity International	10,411	(26)	(144,332)	(133,947)
Allocation Equity Domestic	1,590	-	(10,308)	(8,718)
New Brunswick and Atlantic Canada Equity Opportunity	208	457	(4,153)	(3,488)
Canadian Equity	2,845	26	(124,704)	(121,833)
TSE Small-Cap	10	925	(13,047)	(12,112)
Private Equity	1,863	-	(27,753)	(25,890)
U.S. Real Estate	13	3,264	(2,324)	953
Public Equity	25	639	(21,387)	(20,723)
	16,965	5,285	(348,008)	(325,758)
Balanced:				
Student Investment	20	7	(60)	(33)
Total - 2003	\$ 81,627	\$ 5,292	\$ (267,831)	\$ (180,912)
Total - 2002	\$ 91,670	\$ 6,641	\$ (3,514)	\$ 94,797

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

5. Harmonized Sales Tax

After extensive discussions between NBIMC and the Canada Customs and Revenue Agency, it was determined that NBIMC was obligated to collect and remit Harmonized Sales Tax (HST) on the fees it charges to the pension funds under its trusteeship. As a result, NBIMC voluntarily collected and remitted HST to Canada Customs and Revenue Agency for the years 1996 to 2001 during 2002. This amount is reported as a separate item on the statement of changes in net assets for 2002. HST related to the fiscal years ending March 31, 2002 and March 31, 2003 has been included under the caption "Investment management fees" on the statement of changes in net assets.

6. Funding Policy

Employees are required to contribute 7.3% of their earnings to YMPE plus 9% of earnings above the YMPE. The employer makes contributions equal to the employee contributions.

The most recent actuarial valuation for funding purposes was prepared by Morneau Sobeco, a firm of consulting actuaries, as of 1 April 2000. This valuation disclosed a surplus of \$221,127,000.

7. Obligation for Pension Benefits

The present value of accrued benefits was determined using the projected unit credit method pro-rated on service and actuarial assumptions which reflect management's best estimate for the future. An actuarial valuation was made as of 1 April 2003 by Morneau Sobeco.

Significant long-term assumptions and the range of short-term assumptions used in the valuation are:

	Long-term Assumptions	Short-term Assumptions
Rate of return on assets	7.9%	7.9%
Annual wage and salary increase	4.0% plus promotional increase between 0.25% and 1.5%	2.0% to 4.0%
Inflation	3.5%	3.5%
Rate of pension escalation after retirement (Actives and pensioners who retired on or after May 1, 1995)	3.2%	2.0% to 3.2%
(Pensioners who retired prior to May 1, 1995)	3.4%	2.0% to 3.4%

The actuarial present value of benefits as at 31 March and the principal components of changes in actuarial present values during the year were as follows:

**TRUST FUND NO. 7
TEACHERS' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

7. Obligation for Pension Benefits (continued)

	(in millions)	
	2003	2002
Actuarial present value of accrued pension benefits at beginning of year	\$ 2,932.18	\$ 2,759.63
Interest accrued on benefits	227.82	214.81
Benefits accrued	67.44	69.95
Benefits paid	(164.27)	(151.03)
Change in assumptions	28.70	-
Experience loss (gain)	26.86	38.82
	<hr/>	<hr/>
Actuarial present value of accrued pension benefits at end of year	\$ 3,118.73	\$ 2,932.18
	<hr/>	<hr/>
Net assets available for benefits	\$ 2,512.89	\$ 2,796.35
	<hr/>	<hr/>

8. Investments in Plan Sponsor

As at 31 March 2003, the Teachers' Pension Plan held:

- 48% of the total nominal bond unit trust fund of \$1,598,461,388. Of this total, \$41,633,475 consisted of Province of New Brunswick and Province of New Brunswick guaranteed securities.
- 47% of the total \$198,190,000 in the Money Market Fund. Of this total, \$9,884,000 consisted of short term Province of New Brunswick guaranteed securities.

TRUST FUND NO. 8
GROUP INSURANCE TRUST FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 8
GROUP INSURANCE TRUST FUND
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ ---	\$ 31,561
Short term investments	---	900,000
Receivable from Assumption Mutual Life Insurance Company	---	345,561
Accrued interest receivable	350	2,754
	350	1,279,876
Investments	---	150,000
Deferred Charges:		
Unamortized premiums less discounts	---	(161)
	\$ 350	\$ 1,429,715

LIABILITIES AND FUND EQUITY

Current liabilities:		
Accounts payable	\$ 350	\$ ---
Fund equity	---	1,429,715
	\$ 350	\$ 1,429,715

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
(unaudited)
for the year ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 1,429,715	\$ 2,784,992
Add:		
Bank interest	1,433	1,386
Interest earned on investments	38,573	47,220
Net gain on disposal of investments	5,659	---
Amortization of premiums less discounts	119	(726)
Group Insurance refund (deficiency)	---	(1,403,157)
	45,784	(1,355,277)
Deduct:		
Rate stabilization expenditures	1,475,499	---
Fund equity at end of year	\$ ---	\$ 1,429,715

The accompanying notes are an integral part of these Financial Statements.

**TRUST FUND NO. 8
GROUP INSURANCE TRUST FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003**

1. General

The Group Insurance Trust Fund is held in trust by the Minister of Finance. The Fund is used as a rate stabilization fund by charging or crediting annual plan deficits or surpluses to the Fund. The Fund is also used for special purpose expenditures.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Bank interest and interest earned on investments are reported on the statement of activity on the accrual basis.

b) Investments

Investments in bonds and debentures are reported on the statement of financial position at par value. Unamortized discounts are reported separately on the statement as deferred credits. Short term deposits are recorded on the statement of financial position at cost.

c) Discounts

Discounts are deferred and amortized to income on a constant yield basis over the remaining life of the related security.

TRUST FUND NO. 9
MENTAL HEALTH TRUST FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 9
MENTAL HEALTH TRUST FUND
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 93,452	\$ 28,896
Short term deposits	-	300,000
Accrued interest receivable	12,468	9,103
	105,920	337,999
Investments (market value \$703,771) (Note 3)	663,000	418,000
Unamortized premiums less discounts	24,477	2,488
	\$ 793,397	\$ 758,487

LIABILITIES AND FUND EQUITY

Fund equity	\$ 793,397	\$ 758,487
	\$ 793,397	\$ 758,487

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
(unaudited)
for the year ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 758,487	\$ 717,679
Add:		
Bank interest	1,406	6,870
Interest earned on investments	33,828	34,779
	35,234	41,649
Deduct:		
Amortization of premiums less discounts	324	841
Fund equity at end of year	\$ 793,397	\$ 758,487

The accompanying notes are an integral part of these Financial Statements.

**TRUST FUND NO. 9
MENTAL HEALTH TRUST FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003**

1. General

Treasury Board Minute 77-140 directed that the bequest to the Province from the Estate of Caroline deLancy Torrie be held in a Trust Fund to be administered by the Department of Finance. As stipulated in the will, the funds are to be used for the treatment, by psychoanalysis, of deserving New Brunswickers.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Bank interest and interest earned on investments are reported on the statement of activity on the accrual basis.

b) Investments

Investments in bonds and debentures are reported on the statement of financial position at par value. Unamortized premiums less discounts are reported separately on the statement as deferred charges. Short term deposits are recorded on the statement of financial position at cost.

c) Discounts and Premiums

Discounts and premiums are deferred and amortized to income on a constant yield basis over the remaining life of the related security.

3. Investments

Value of the investments at 31 March 2003 is as follows:

	Par Value	Net Book Value	Market Value
Bonds and debentures issued or guaranteed by New Brunswick	\$203,000	\$201,491	\$212,353
Bonds and debentures issued or guaranteed by other Provinces.....	<u>460,000</u>	<u>485,986</u>	<u>491,418</u>
	<u>\$663,000</u>	<u>\$687,477</u>	<u>\$703,771</u>

FINANCIAL STATEMENTS

PROVINCIAL **C**COURT **J**JUDGES' **P**PENSION **P**PLANS

31 MARCH 2003

Office of the
Auditor General

Bureau du
vérificateur général



AUDITOR'S REPORT

To the Honourable Jeannot Volpé
Minister of Finance
Province of New Brunswick

I have audited the statement of net assets available for benefits of the Provincial Court Judges' Pension Plans as at 31 March 2003 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plans' trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the Plans' trustee, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Plans as at 31 March 2003 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Daryl C. Wilson'.

Daryl C. Wilson, FCA
Auditor General

Fredericton, N. B.
27 November 2003

**TRUST FUND NO. 10
 PROVINCIAL COURT JUDGES' PENSION PLANS
 STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
 31 MARCH 2003**

	Thousands	
	2003	2002
ASSETS		
Investments (note 3)	\$ 19,350	\$ 22,342
Employee contributions receivable	2	18
Total assets	19,352	22,360
LIABILITIES		
Accounts payable	33	48
Deferred employer contributions	1,021	1,177
Total liabilities	1,054	1,225
NET ASSETS AVAILABLE FOR BENEFITS	\$ 18,298	\$ 21,135

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


 John Mallory
 Deputy Minister of Finance

**TRUST FUND NO. 10
 PROVINCIAL COURT JUDGES' PENSION PLANS
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 FOR THE YEAR ENDED 31 MARCH 2003**

	Thousands	
	2003	2002
INCREASE IN ASSETS		
Investment income (note 4)	\$ -	\$ 690
Securities lending	1	1
Pension contributions		
Employee	223	243
Province of New Brunswick	156	156
Total increase in assets	380	1,090
DECREASE IN ASSETS		
Investment loss (note 4)	1,973	-
Pensions	1,196	1,171
Administrative expenses	15	35
Investment management fees	33	27
Harmonized Sales Tax (note 5)	-	6
Total decrease in assets	3,217	1,239
INCREASE (DECREASE) IN NET ASSETS	(2,837)	(150)
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	21,135	21,285
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	\$ 18,298	\$ 21,135

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

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plans

Judges appointed prior to 18 February 2000 may choose a pension plan under either the Provincial Court Act (PCA) or the Provincial Court Judges' Pension Act (PCJPA). Judges appointed on or after that date fall under the Provincial Court Judges' Pension Act.

All transactions related to these plans are made through this Trust Fund except those related to the Supplementary benefits available under the Provincial Court Judges' Pension Act. These Supplementary benefits exceed the maximum benefits allowed under the Income Tax Act. The Consolidated Fund of the Province pays these Supplementary benefits.

The following description of the Provincial Court Judges' Pension Plans is a summary only. For more information, reference should be made to the Provincial Court Act or the Provincial Court Judges' Pension Act.

(a) Judges' Pension Plan under the Provincial Court Act (PCA)

i. General

The Plan is a contributory defined benefit pension plan covering Provincial Court Judges appointed prior to 18 February 2000 who did not elect a pension under the PCJPA. The plan is established under the authority of the Provincial Court Act and its regulations.

ii. Funding Policy

Under the Plan, the Plan members and the Plan sponsor make contributions. The determination of the value of benefits owed by the Plan is made on the basis of an actuarial valuation (see note 6).

iii. Service Pensions

Pension benefits are equal to 60% of the final salary less 0.7% of the 3 year average of the year's maximum pensionable earnings (YMPE) for each year of pensionable service after 31 August 1966. Pension benefits are integrated with the Canada Pension Plan at age 65 and are indexed annually to a maximum of 6%.

Normal retirement is at age 65. Mandatory retirement is at age 75. Unreduced benefits are available at age 60 with 25 years of service or at age 65 with 10 years of service.

iv. Disability Benefits

A disability pension is available in the amount of 60% of the salary being paid on the date on which the judge becomes entitled to be paid a disability benefit with a minimum of 2 years of pensionable service.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plans (continued)

v. Death Benefits

In the event of death in service and if less than 2 years of service, the member's contributions with interest to the date of death will be refunded to the spouse or estate. However, if the member was entitled to a vested pension, a spousal pension of 50% of the pension benefit is payable, and if there is no spouse but there is a child, a pension is paid in respect of the child until age 18.

If a member dies after retirement, payments will be continued to the member's spouse for the balance of his/her lifetime at 50% of the amount payable to the member.

vi. Benefits on Termination

On termination of employment, with less than 10 years of pensionable service, a member will receive a refund of his/her own contributions, accumulated with interest, to the date of termination. A judge who is not eligible for an unreduced pension because he/she has not attained the age of 65 years or does not have 25 years of service may be eligible for a reduced annuity.

vii. Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to income taxes.

(b) Judges' Pension Plan under the Provincial Court Judges' Pension Act (PCJPA)

i. General

The Plan is a contributory defined benefit pension plan covering all Provincial Court Judges appointed on or after 18 February 2000. Judges appointed prior to 18 February 2000 may choose a pension under the PCA or the PCJPA. The plan is established under the authority of the Provincial Court Judges' Pension Act and its regulations.

ii. Funding Policy

Under the Plan, the Plan members and the Plan sponsor make contributions. The determination of the value of benefits owed by the Plan is made on the basis of an actuarial valuation (see note 6).

iii. Service Pensions

Pension benefits are 2.75% per year of service up to a maximum pension of 65% calculated on average salary. Average salary is the highest average annual salary of an active judge for any period of 36 successive months. Maximum pension credits to be accumulated equals 23.63 years of service.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plans (continued)

There is no integration and pension benefits are indexed annually to a maximum of 5%. A judge with 2 years on the bench can retire without reduction at age 60. A judge with 2 years of pensionable service can retire early with a 3% reduction for each year before the age 60. There are options for judges to choose alternate survivor pensions and guarantee periods.

There is no mandatory retirement age although contributions are to cease when the maximum pension benefit of 65% is reached or after the day following the last day of the year in which the member attains age 69. Payment of pension benefits must commence on the day following the last day of the year in which the member attains age 69.

iv. Disability Benefits

A disability benefit is available in the amount of 60% of the salary being paid at the date of disability and is payable to age 65. At age 65, the disability benefit ceases and the judge must retire and be paid a disability pension equal to 2.75% times the number of years projected to age 65 times the average salary at the date of disability.

v. Death Benefits

In the event of death in service where the judge had at least two years of pensionable service and was under age 65, a spousal pension is payable in the amount of 50% of the annual pension that would have been payable if the judge had continued in service as a judge to the age of 65 based on the average salary at the time of death. If there is no spouse but there is a child, a pension is paid in respect of the child until age 19. If the child is in full-time attendance at an educational institution, a pension is paid in respect of the child until the age of 25 or when the child ceases to be in full-time attendance at the educational institution, whichever occurs first.

In the event of death in service where the judge had at least two years of pensionable service and was age 65 but not yet 69, a spousal pension is payable in the amount of 50% of the annual pension that would have been payable to the judge if the judge had retired on the date of his/her death. If there is no spouse but there is a child, a pension is paid in respect of the child until age 19. If the child is in full-time attendance at an educational institution, a pension is paid in respect of the child until the age of 25 or when the child ceases to be in full-time attendance at the educational institution, whichever occurs first.

The normal form of pension for a surviving spouse if the member dies after retirement is payable in the amount of 50% of the annual pension being paid to the judge on the date of the judges' death. If there is no spouse but there is a child, a pension is paid in respect of the child until age 19. If the child is in full-time attendance at an educational institution, a pension is paid in respect of the child until the age of 25 or when the child ceases to be in full-time attendance at the educational institution, whichever occurs first.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

1. Description of Plans (continued)

Alternate provisions include:

If a member dies after retirement, and the judge had a surviving spouse at the time of retirement and elected a higher spousal benefit in exchange for a reduced pension, the spousal benefit is payable in accordance with the option chosen at retirement (e.g. 60%, 66 2/3%, 75% or 100%). A member may also elect at the same time to have guaranteed payments made to the surviving spouse and estate for a period of 5, 10, or 15 years after pension benefits have commenced being paid to the member. These options are only available to the spouse who is a spouse at the date the annual pension commences to be paid at the time of the judges' retirement.

A judge with no spouse or dependent child may elect to be paid a reduced pension with guaranteed payment to the judge's estate for the period of 5, 10, or 15 years.

vi. Benefits on Termination

On termination of employment, with less than 2 years of pensionable service, prior to entitlement to a pension, a member will receive a refund of his/her own contributions, accumulated with interest, to the date of termination. On termination of employment, with 2 years of pensionable service and who is less than 60 years of age, the member is eligible for a deferred pension at age 60 or reduced benefits prior to age 60.

vii. Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to income taxes.

Transitional Provisions (Judges appointed prior to 18 February 2000)

A judge who ceases to make contributions when the maximum pension has been reached or when reaching 69 years, or has elected a reduced pension, guaranteed payments, early retirement, or deferred pension under the PCJPA, shall be deemed to have elected to be paid benefits only under the PCJPA and the election is irrevocable.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plans as a financial reporting entity independent of the plan sponsors and plan members. These statements are prepared to assist plan members and others in reviewing the activities of the Plans for the fiscal period, but they do not portray the funding requirements of the Plans or the benefit security of individual plan members.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

2. Summary of Significant Accounting Policies (continued)

(b) Investments

On 1 April 1998, the assets of the Provincial Court Judges' Pension Plans were transferred to unit trust funds established by the New Brunswick Investment Management Corporation (NBIMC).

All investments of the Plans are represented by holdings of units of the unit trust funds. The total value is based on the calculated net asset value multiplied by the number of units held.

Investments are valued at their fair value as of the date of the financial statements. For securities listed on an exchange, fair value is the closing price listed on the exchange. If no closing price is available, the average of the latest bid and ask prices is used. Securities not listed on an exchange are valued based on a quotation service from a recognized dealer. Investments in money market instruments are reported at cost, which approximates market value. Investments denominated in a foreign currency are translated into their Canadian dollar equivalents at the year-end exchange rate.

(c) Revenue Recognition

All investment transactions are recognized as of their trade date. Interest income and dividend income have been accrued at year-end. Transactions denominated in a foreign currency are translated at the exchange rate prevailing at the time of the transaction.

Derivative products such as foreign exchange contracts, futures and swaps are recorded at the value the unit trust funds would have paid or received had the contract been terminated at the year-end date. The resulting gain or loss is included in investment income.

Both realized and unrealized gains and losses are included in investment income.

3. Investments

(a) Trustee

The assets of the Provincial Court Judges' Pension Plans are held in trust by NBIMC. NBIMC was appointed as trustee on 11 March 1996 by an Act of the New Brunswick Legislature which bears its name (NBIMC Act) and assumed responsibility for the management of the Fund's assets effective 1 April 1996.

(b) Investments

There are currently 13 unit trust funds, each with a specific investment mandate. The unit trust funds are established pursuant to a Unit Trust Declaration made by the NBIMC on 1 April 1998. Each fund is an open-end, unincorporated trust, governed by the laws of the Province of New Brunswick.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

Following is a description of each unit trust fund in existence during the year ended March 31, 2003:

Nominal Bond:

Invests primarily in investment grade bonds (a minimum of triple-B rated by a major rating agency) of G-7 countries and Canadian provinces paying a nominal rate of interest. The return objective is to add 20 basis points to its benchmark, the Scotia Capital All Government Index, over a four-year moving average.

New Brunswick Fixed Income Opportunity:

Invests primarily in fixed income issues to finance economic activity in New Brunswick. The return objective is to add 20 basis points to its benchmark, the Scotia Capital All Government Index, over a four-year moving average.

Inflation Linked Securities:

Invests primarily in fixed income instruments of G-7 countries that are adjusted for inflation. The return objective is to add 10 basis points to its benchmark, the Scotia Capital Real Return Bond Index, over a four-year moving average.

Money Market:

Invests primarily in fixed income securities having a maturity of less than one year. The return objective is to add 20 basis points to its benchmark, which is calculated as 80% of the Scotia Capital 91-Day Treasury Bill Index and 20% of the Call Loan Rate.

Allocation Equity International:

This fund is used to implement asset allocation decisions and diversify equity investments by participating in the equity markets of U.S., Japan and developed European countries. It gains exposure to these markets by using derivative products such as futures, options and swaps, as well as investing in pooled funds of index products managed by an external manager. Leverage on derivative products is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments. This fund is also used to implement quantitative long-short strategies on the U.S. equity markets.

Allocation Equity Domestic:

This fund is used to implement asset allocation decisions by investing in the Canadian equity market. Its primary investments are derivative products such as futures, options and swaps. Leverage is avoided by ensuring each derivative product is supported by an appropriate value of short-term investments.

New Brunswick and Atlantic Canada Equity Opportunity:

This fund invests in public and private equities or instruments convertible into equities of New Brunswick and Atlantic Canada companies. The return objective is to add 80 basis points to its benchmark, the S&P/TSX Composite, over a four-year moving average.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

Canadian Equity:

Investments are selected primarily from the top 120 companies on the Toronto Stock Exchange. The return objective is to add 80 basis points to its benchmark, the S&P/TSX Composite, over a four-year moving average.

TSE Small-Cap:

Managed by an external manager, this fund invests primarily in the bottom 180 companies of the S&P/TSX Composite. The return objective is to exceed the performance of its benchmark, the S&P/TSX Small-Cap Index, by 100 basis points.

Private Equity:

This fund is managed by external managers that invest primarily in non-publicly traded securities of U.S. and European companies. The return objective is to exceed the performance of its benchmark, a blend of the S&P 500, FTSE-100, DAX, CAC-40 and MIB-30 total return indices, by 300 basis points over a four-year moving average.

U.S. Real Estate:

This fund is managed by an external manager that invests primarily in publicly traded securities of U.S. Real Estate Investment Trusts. The return objective is to add 150 basis points to the NAREIT® Equity Index.

Public Equity:

This fund is managed by external managers. As of March 31, 2002 two managers were in place, with each having a 50% allocation of total assets. One manager, whose mandate remains in place, invests primarily in U.S. publicly-traded companies and has a return objective of 200 basis points above the S&P 500 Total Return index. The mandate of the second manager had been to invest primarily in European publicly-traded companies and had a return objective of 200 basis points above its benchmark, an equal blend of the total return indices for the FTSE-100, DAX, CAC-40 and MIB-30 indices. On January 7, 2003, this mandate was terminated.

Student Investment:

This fund is managed by students at the University of New Brunswick who are registered in the Student Investment Fund Program. Its initial base was \$1 million and is to be invested using the same philosophy as that used by NBIMC. The overall benchmark for this fund is composed of 50% S&P/TSX 60, 45% Scotia Capital All Government Index and 5% Scotia Capital 91-Day Treasury Bill Index. The activities of this fund are closely monitored by NBIMC staff who execute and process all transactions on behalf of the students.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

The following table reflects the holdings of the Provincial Court Judges' Pension Plans in the unit trust funds for which NBIMC is trustee.

	Units	Unit Value	Thousands	
			2003 Amount	2002 Amount
Fixed Income:				
Nominal Bond	3,688	\$ 1,276	\$ 4,703	\$ 5,416
New Brunswick Fixed Income Opportunity	131	1,392	183	159
			4,886	5,575
Inflation Linked Securities	1,532	1,529	2,344	2,709
Money Market	596	1,199	714	1,083
			7,944	9,367
Equities:				
Allocation Equity International	4,801	747	3,587	3,624
Allocation Equity Domestic	452	1,140	516	325
New Brunswick and Atlantic Canada Equity Opportunity	174	1,114	194	226
Canadian Equity	5,923	905	5,361	6,347
TSE Small-Cap	526	1,003	528	709
Private Equity	974	590	575	671
U.S. Real Estate	319	1,202	384	467
Public Equity	377	681	257	601
			11,402	12,970
Balanced:				
Student Investment	4	1,227	4	5
			\$ 19,350	\$ 22,342

(c) Risk Management

Rates of return vary based on the degree of uncertainty. The fundamental sources of uncertainty to which investments are exposed are credit risk and price risk. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Price risk is comprised of currency risk, interest rate risk and market risk. Currency risk is the risk that the value of an investment will fluctuate due to future changes in foreign exchange rates. Interest rate risk is the risk that the value of an investment will fluctuate due to future changes in market interest rates. Market risk is the risk that the value of a financial instrument will fluctuate as a result of future changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

3. Investments (continued)

Risk is reduced through asset class diversification, diversification within each asset class, quality constraints on fixed income instruments and restrictions by limiting most investments to G-7 countries. Borrowing or leveraging is not allowed. Controls are in place respecting the use of derivatives. Forward foreign exchange contracts are used to manage currency exposure in connection with securities purchased in foreign currency.

4. Investment Income

The following table reflects the investment income of the Provincial Court Judges' Pension Plans in each of the unit trust plans for which NBIMC is trustee for the year ended 31 March 2003.

	Thousands			
	Interest	Dividends	Current Period Increase/ (Decrease) in Market Value	Total
Fixed Income:				
Nominal Bond	\$ 291	\$ -	\$ 189	\$ 480
New Brunswick Fixed Income Opportunity	12	-	9	21
	303	-	198	501
Inflation Linked Securities	87	-	381	468
Money Market	27	-	(1)	26
	417	-	578	995
Equities:				
Allocation Equity International	96	-	(1,382)	(1,286)
Allocation Equity Domestic	12	-	(82)	(70)
New Brunswick and Atlantic Canada Equity Opportunity	2	4	(33)	(27)
Canadian Equity	25	-	(1,137)	(1,112)
TSE Small-Cap	-	8	(118)	(110)
Private Equity	14	-	(219)	(205)
U.S. Real Estate	-	25	(18)	7
Public Equity	-	5	(170)	(165)
	149	42	(3,159)	(2,968)
Balanced:				
Student Investment	-	-	-	-
Total - 2003	\$ 566	\$ 42	\$ (2,581)	\$ (1,973)
Total - 2002	\$ 686	\$ 55	\$ (51)	\$ 690

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

5. Harmonized Sales Tax

After extensive discussions between NBIMC and the Canada Customs and Revenue Agency, it was determined that NBIMC was obligated to collect and remit Harmonized Sales Tax (HST) on the fees it charges to the pension funds under its trusteeship. As a result, NBIMC voluntarily collected and remitted HST to Canada Customs and Revenue Agency for the years 1996 to 2001 during 2002. This amount is reported as a separate item on the statement of changes in net assets for 2002. HST related to the fiscal years ending March 31, 2002 and March 31, 2003 has been included under the caption "Investment management fees" on the statement of changes in net assets.

6. Funding Policy

Effective February 18, 2000 members are required to contribute 7% of salary. The employer contributes an amount determined by an actuarial valuation that together with judges' contributions is necessary to cover current service cost under the registered portion of the plan. Contributions must cease when the maximum pension benefit amount (65% of average salary) is reached or age 69 whichever occurs earlier.

If additional amounts are required to amortize any unfunded liability in relation to benefits payable under the registered portion of the plan as determined by an actuarial valuation, the Minister of Finance shall, at the request of Board of Management, pay equal annual installments over a period determined by the Minister out of the Consolidated Fund into the Trust Fund.

The most recent actuarial valuation for funding purposes was prepared by Morneau Sobeco, a firm of consulting actuaries, as of 1 April 2001. This valuation disclosed an unfunded liability at 1 April 2001.

7. Obligation for Pension Benefits

The present value of accrued pension benefits was determined using the accrued benefit actuarial cost method, prorated on service and actuarial assumptions which reflect management's best estimate for the future. An actuarial valuation was made as of 1 April 2003 by Morneau Sobeco.

Significant long-term assumptions used in the valuation are:

Rate of return on assets	7.9%
Annual wage and salary increase	4.5%
Inflation	3.5%
Rate of pension escalation after retirement	Subject to 5% maximum- 3.3%
	Subject to 6% maximum- 3.4%

**TRUST FUND NO. 10
PROVINCIAL COURT JUDGES' PENSION PLANS
NOTES TO FINANCIAL STATEMENTS
31 MARCH 2003**

7. Obligation for Pension Benefits (continued)

The actuarial present value of the total benefits as at 31 March and the principal components of changes in actuarial present values during the year were as follows:

	2003 (in millions)
Actuarial present value of accrued pension benefits at beginning of year	\$ 24.57
Interest accrued on benefits	1.93
Benefits accrued	0.89
Benefits paid	<u>(1.24)</u>
Actuarial present value of accrued pension benefits at end of year	<u>\$ 26.15</u>
Net assets available for benefits	<u>\$ 18.30</u>

Any benefits exceeding those allowed under the Income Tax Act are paid by the Consolidated Fund and not Trust Fund 10. For fiscal year ending 31 March 2003:

Actuarial present value of accrued pension benefits to be paid through the Consolidated Fund	\$ 3,823,000
Actuarial present value of accrued pension benefits to be paid by this Fund	\$22,330,500

8. Investments in Plan Sponsor

As at 31 March 2003, the Provincial Court Judges' Pension Plans held:

- 0.3% of the total nominal bond unit trust fund of \$1,598,461,388. Of this total, \$41,633,475 consisted of Province of New Brunswick and Province of New Brunswick guaranteed securities.
- 0.4% of the total \$198,190,000 in the Money Market Fund. Of this total, \$9,884,000 consisted of short term Province of New Brunswick guaranteed securities.

TRUST FUND NO. 16
MARGARET R. LYNDS BEQUEST
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 16
MARGARET R. LYNDS BEQUEST
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 2,620	\$ 10,514
Accrued interest receivable	1,622	2,098
	4,242	12,612
Investments (market value \$119,767) (Note 3)	116,000	110,000
Deferred Charges:		
Unamortized premiums less discounts	1,210	(27)
	\$ 121,452	\$ 122,585

LIABILITIES AND FUND EQUITY

Fund equity	\$ 121,452	\$ 122,585
	\$ 121,452	\$ 122,585

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
(unaudited)
for the year ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 122,585	\$ 123,587
Add:		
Bank interest	445	1,186
Interest earned on investments	6,264	6,489
	6,709	7,675
Deduct:		
Payment of E. Belle Lynds Scholarships	7,503	8,505
Amortization of premiums less discounts	339	172
	7,842	8,677
Fund equity at end of year	\$ 121,452	\$ 122,585

The accompanying notes are an integral part of these Financial Statements.

TRUST FUND NO. 16
MARGARET R. LYNDS BEQUEST
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

1. General

The Margaret R. Lynds Bequest Fund is held in trust by the Minister of Finance under the authority of the Last Will and Testament of Margaret R. Lynds, and a Decree Varying Trust issued by the Court of Queen's Bench of New Brunswick. Investment income from the Fund is used to award a maximum of three annual scholarships, of equal value, to students pursuing the study of communications at specified Universities. For the year ending 31 March 2003, three scholarships were awarded.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Bank interest and interest earned on investments are reported on the statement of activity on the accrual basis.

b) Investments

Investments in bonds and debentures are reported on the statement of financial position at par value. Unamortized premiums less discounts are reported separately on the statement as deferred charges.

c) Discounts and Premiums

Discounts and premiums are deferred and amortized to income on a constant yield basis over the remaining life of the related security.

3. Investments

Value of the investments at 31 March 2003 is as follows:

	Par Value	Net Book Value	Market Value
Bonds and debentures issued or guaranteed by New Brunswick	\$ 51,000	\$ 50,719	\$ 52,935
Bonds and debentures issued or guaranteed by other Provinces.....	<u>65,000</u>	<u>66,491</u>	<u>66,832</u>
	<u>\$116,000</u>	<u>\$117,210</u>	<u>\$119,767</u>

TRUST FUND NO. 19
THE NEW BRUNSWICK POWER CORPORATION SINKING FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 19
THE NEW BRUNSWICK POWER CORPORATION SINKING FUND
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 96,834	\$ 2,100
Accrued interest receivable	848,468	848,468
	945,302	850,568
Investments (market value \$37,841,721) (Note 2)	38,306,000	34,170,000
Deferred charges:		
Unamortized premiums less discounts.....	(3,520,525)	(2,825,840)
	\$ 35,730,777	\$ 32,194,728
LIABILITIES AND FUND EQUITY		
Fund equity	\$ 35,730,777	\$ 32,194,728
	\$ 35,730,777	\$ 32,194,728

The accompanying notes are an integral part of these Financial Statements.

TRUST FUND NO. 19
THE NEW BRUNSWICK POWER CORPORATION SINKING FUND
STATEMENT OF ACTIVITY
(unaudited)
for the year ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 32,194,728	\$ 28,849,080
Add:		
Bank interest.....	824	1,460
Interest earned on investments	1,824,705	1,835,848
Sinking fund installments	1,250,000	1,250,000
Amortization of discounts less premiums.....	460,520	258,340
	<u>3,536,049</u>	<u>3,345,648</u>
Deduct:		
Funds provided for redemption of debentures	<u>-</u>	<u>-</u>
Fund equity at end of year	<u>\$ 35,730,777</u>	<u>\$ 32,194,728</u>

The accompanying notes are an integral part of these Financial Statements.

TRUST FUND NO. 19
THE NEW BRUNSWICK POWER CORPORATION SINKING FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

1. Summary of Significant Accounting Policies

a) The Accounting Entity

The New Brunswick Power Corporation Sinking Fund is held in trust by the Minister of Finance under the authority of Section 15 of the Electric Power Act. The Act provides that the Corporation shall pay to the Minister such payments for sinking fund purposes as may be required by the terms of any bond or debenture issue and such funds shall be retained and invested for the account of the Corporation to make payment at the maturity of any such bonds or debentures.

b) Accrual Accounting

Interest earned on investments is reported on the statement of activity on the accrual basis.

c) Foreign Currency Translation

Investments and accrued interest receivable on securities held in foreign currencies are translated at the rate of exchange prevailing at the statement of financial position date. Unrealized gains and losses arising on translation of long-term investments are deferred and amortized to income on a straight-line basis over the remaining life of the related security.

d) Valuation of Investments

Investments in bonds and debentures are reported on the statement of financial position at par value. Unamortized discounts less premiums and the unamortized balance of unrealized foreign exchange gains or losses are reported separately on the statement as deferred credits or charges. Short term deposits are reported on the statement of financial position at cost.

e) Discounts and Premiums

Discounts and premiums are deferred and amortized to income on a constant yield basis over the remaining life of the related security.

For investments in bonds and debentures in foreign currencies, the cost of investments is amortized to Canadian dollar par value, calculated as foreign currency par value at the exchange rate at the date the fund purchased the investment.

2. Investments

Value of the investments at 31 March 2003 is as follows:

	Par Value	Carrying Value	Market Value
Bonds and debentures issued or guaranteed by New Brunswick.....	<u>\$ 38,306,000</u>	<u>\$ 34,785,475</u>	<u>\$ 37,841,721</u>
	<u>\$ 38,306,000</u>	<u>\$ 34,785,475</u>	<u>\$ 37,841,721</u>

TRUST FUND NO. 20
VISCOUNT BENNETT BEQUEST
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 20
VISCOUNT BENNETT BEQUEST
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at March 31, 2003

ASSETS	2003	2002
Current:		
Cash	\$ 15,394	\$ 16,354
Accrued interest receivable	3,020	4,243
	18,414	20,597
Investments (market value \$216,774) (Note 3)	202,000	212,000
Deferred Charges:		
Unamortized premiums less discounts	5,721	925
	\$ 226,135	\$ 233,522
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Unexpended trust income (Note 4)	\$ 8,105	\$ 30,492
Fund equity	218,030	203,030
	\$ 226,135	\$ 233,522

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
(unaudited)
for the Year Ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 203,030	\$ 203,030
Add:		
Bank interest	1,073	1,768
Interest earned on investments	13,426	14,462
	14,499	16,230
Deduct:		
Amortization of premiums less discounts	262	320
Trust income available for expenditure (Note 4)	(763)	15,910
	(501)	16,230
Fund equity at end of year	\$ 218,030	\$ 203,030

The accompanying notes are an integral part of these Financial Statements.

**TRUST FUND NO. 20
VISCOUNT BENNETT BEQUEST
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003**

1. General

The Viscount Bennett Bequest is held in trust by the Minister of Finance under the authority of Board of Management Minute 88-0051. The income from the fund is used for the development of the Province's historic resources.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Bank interest and interest earned on investments are reported on the statement of activity on the accrual basis.

b) Investments

Investments in bonds and debentures are reported on the statement of financial position at par value. Unamortized premiums less discounts are reported separately on the statement as deferred charges.

c) Discounts and Premiums

Discounts and premiums are deferred and amortized to income on a constant yield basis over the remaining life of the related security.

3. Investments

Value of the investments at 31 March 2003 is as follows:

	Par Value	Net Book Value	Market Value
Bonds and debentures issued or guaranteed by New Brunswick	\$127,000	\$127,755	\$134,182
Other bonds and debentures	<u>75,000</u>	<u>79,965</u>	<u>82,592</u>
	<u>\$202,000</u>	<u>\$207,720</u>	<u>\$216,774</u>

4. Unexpended Trust Income

Unexpended trust income from the date of inception of the fund is recorded on the balance sheet as a current liability. This represents the amount available for expenditure for the purposes of the trust.

Changes in the balance of unexpended trust income during the year were as follows:

Unexpended trust income at beginning of year	\$30,492
Add: Trust income for the year	<u>14,237</u>
	44,729
Less: Amount transferred to Fund Equity	15,000
Grants paid	<u>21,624</u>
Unexpended trust income at end of year	<u>\$8,105</u>

TRUST FUND NO. 23
ARTS DEVELOPMENT TRUST FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 23
ARTS DEVELOPMENT TRUST FUND
STATEMENT OF FINANCIAL POSITION
 (unaudited)
 as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 71,944	\$ 5,120
Short term deposits	---	1,000,000
Lottery revenue receivable	7,324	---
Accrued interest receivable	153	232
	<u>\$ 79,421</u>	<u>\$ 1,005,352</u>

LIABILITIES AND FUND EQUITY

Current liabilities:		
Accounts payable	\$ ---	\$ 490,000
Fund equity	79,421	515,352
	<u>\$ 79,421</u>	<u>\$ 1,005,352</u>

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
 (unaudited)
 for the Year Ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 515,352	\$ 1,031,583
Add:		
Lottery revenues	700,000	700,000
Investment income	10,195	31,759
Bank interest	874	2,010
	<u>711,069</u>	<u>733,769</u>
Deduct:		
Arts development expenditures	1,147,000	1,250,000
Fund equity at end of year	<u>\$ 79,421</u>	<u>\$ 515,352</u>

The accompanying notes are an integral part of these Financial Statements.

**TRUST FUND NO. 23
ARTS DEVELOPMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003**

1. General

The Arts Development Trust Fund is established under the authority of the Arts Development Trust Fund Act. The Act provides that the net profits of the Lotteries Commission of New Brunswick from the lottery scheme designated under paragraph 11.1(a) of the Lotteries Act shall be paid into the Fund. In the event that the amount paid pursuant to paragraph 11.1(a) does not total seven hundred thousand dollars, an amount sufficient to ensure that the total amount paid equals seven hundred thousand dollars shall be paid into the Fund. The Fund is held in trust by the Minister of Finance and assets of the Fund are used to provide grants to individuals and arts organizations so as to promote artistic creation and excellence in the Arts.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Revenues and expenditures are reported on the accrual basis.

b) Short Term Deposits

Short term deposits are reported on the statement of financial position at cost.

TRUST FUND NO. 24
SPORT DEVELOPMENT TRUST FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 24
SPORT DEVELOPMENT TRUST FUND
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 28,410	\$ 235,687
Lottery revenue receivable	194,164	---
Accrued interest receivable	233	227
	<u>\$ 222,807</u>	<u>\$ 235,914</u>

LIABILITIES AND FUND EQUITY

Current liabilities:		
Accounts payable	\$ 146,641	\$ 144,887
Fund equity	76,166	91,027
	<u>\$ 222,807</u>	<u>\$ 235,914</u>

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
(unaudited)
for the Year Ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 91,027	\$ 101,461
Add:		
Lottery revenues	500,000	500,000
Investment income	---	219
Bank interest	1,593	3,351
	<u>501,593</u>	<u>503,570</u>
Deduct:		
Sport development expenditures	516,454	514,004
Fund equity at end of year	<u>\$ 76,166</u>	<u>\$ 91,027</u>

The accompanying notes are an integral part of these Financial Statements.

TRUST FUND NO. 24
SPORT DEVELOPMENT TRUST FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

1. General

The Sport Development Trust Fund is established under the authority of the Sport Development Trust Fund Act. The Act provides that the net profits of the Lotteries Commission of New Brunswick from the lottery scheme designated under paragraph 11.1(b) of the Lotteries Act shall be paid into the Fund. In the event that the amount paid pursuant to paragraph 11.1(b) does not total five hundred thousand dollars, an amount sufficient to ensure that the total amount paid equals five hundred thousand dollars shall be paid into the Fund. The Fund is held in trust by the Minister of Finance and assets of the Fund are used to provide grants to individual athletes and sport organizations to promote leadership and excellence in sport.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Revenues and expenditures are reported on the accrual basis.

b) Short Term Deposits

Short-term deposits are reported on the statement of financial position at cost.

TRUST FUND NO. 25
NEW BRUNSWICK PUBLIC LIBRARIES TRUST FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 25
NEW BRUNSWICK PUBLIC LIBRARIES TRUST FUND
STATEMENT OF FINANCIAL POSITION
 (unaudited)
 as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 118,764	\$ 116,077
Accrued interest receivable	252	173
	\$ 119,016	\$ 116,250

LIABILITIES AND FUND EQUITY

Fund equity	\$ 119,016	\$ 116,250
	\$ 119,016	\$ 116,250

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
 (unaudited)
 for the year ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 116,250	\$ 112,345
Add:		
Bank interest	2,766	3,905
Fund equity at end of year	\$ 119,016	\$ 116,250

The accompanying notes are an integral part of these Financial Statements.

TRUST FUND NO. 25
NEW BRUNSWICK PUBLIC LIBRARIES TRUST FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

1. General

The New Brunswick Public Libraries Trust Fund is established under the authority of the New Brunswick Public Libraries Foundation Act. The Fund is held in trust by the Minister of Finance. The purpose of the Foundation includes receiving gifts of real and personal property to support public libraries and public library services in the Province.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

Revenues and expenditures are reported on the accrual basis.

TRUST FUND NO. 29
ENVIRONMENTAL TRUST FUND
FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003

TRUST FUND NO. 29
ENVIRONMENTAL TRUST FUND
STATEMENT OF FINANCIAL POSITION
(unaudited)
as at 31 March 2003

ASSETS	2003	2002
Current:		
Cash	\$ 98,161	\$ 69,675
Short term deposits (par value \$ 4,300,000)	4,300,000	3,500,000
Environmental fees receivable	833,042	850,851
Accrued interest receivable	245	673
Accounts receivable	259,642	---
	\$ 5,491,090	\$ 4,421,199

LIABILITIES AND FUND EQUITY

Current liabilities:		
Accounts payable	\$ 2,373,234	\$ 2,675,787
Fund equity	3,117,856	1,745,412
	\$ 5,491,090	\$ 4,421,199

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF ACTIVITY
(unaudited)
for the year ended 31 March 2003

	2003	2002
Fund equity at beginning of year	\$ 1,745,412	\$ 1,411,852
Add:		
Environmental fees	5,118,305	4,943,860
Interest earned on investments	92,489	84,716
Bank interest	2,624	4,259
	5,213,418	5,032,835
Deduct:		
Expenditures (Note 3)	3,840,974	4,699,275
Fund equity at end of year	\$ 3,117,856	\$ 1,745,412

The accompanying notes are an integral part of these Financial Statements.

**TRUST FUND NO. 29
ENVIRONMENTAL TRUST FUND
NOTES TO FINANCIAL STATEMENTS
(unaudited)
31 MARCH 2003**

1. General

The Environmental Trust Fund is established under the authority of the Environmental Trust Fund Act. The Beverage Containers Act provides that fifty per cent of the environmental fees shall be paid into the Fund.

Under the Environmental Trust Fund Act, the Minister of Finance is the custodian and trustee of the Fund. The assets of the Fund are to be used to pay for costs incurred to provide for environmental protection and restoration, and to promote the sustainable development of natural resources within the Province.

2. Summary of Significant Accounting Policies

a) **Basis of Accounting**

Revenues and expenditures are recorded on the accrual basis.

b) **Short Term Deposits**

Short term deposits are reported on the statement of financial position at cost.

3. 2003 Expenditures

The expenditures presented in the financial statements for 2003 have been reduced by \$282,886 due to a recovery of prior year expenditures.

FINANCIAL STATEMENTS

**PENSION PLAN FOR MANAGEMENT EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS**

31 DECEMBER 2002

Office of the
Auditor GeneralBureau du
vérificateur général

AUDITOR'S REPORT

To the Minister of Finance
Province of New Brunswick

I have audited the statement of net assets available for benefits of the Pension Plan for Management Employees of New Brunswick School Districts as at 31 December 2002 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the Plan's trustee, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at 31 December 2002 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read "Daryl C. Wilson".

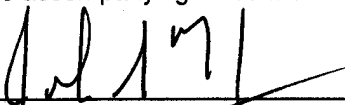
Daryl C. Wilson, FCA
Auditor General

Fredericton, N. B.
4 April 2003

**TRUST FUND NO. 30
PENSION PLAN FOR MANAGEMENT EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
31 DECEMBER 2002**

	2002	2001
ASSETS		
Investments		
Money market instruments	\$ 372,528	\$ 1,053,985
Bonds and debentures	6,275,857	6,960,740
Canadian common stocks	3,815,402	3,898,754
Foreign pooled equities	1,869,627	1,378,180
	<u>12,333,414</u>	<u>13,291,659</u>
Receivables		
Accrued interest and dividends	60,832	80,419
	<u>33,163</u>	<u>2,335</u>
Cash	33,163	2,335
	<u>33,163</u>	<u>2,335</u>
Total assets	<u>12,427,409</u>	<u>13,374,413</u>
LIABILITIES		
Accounts payable	13,021	11,163
	<u>13,021</u>	<u>11,163</u>
Total liabilities	<u>13,021</u>	<u>11,163</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 12,414,388</u>	<u>\$ 13,363,250</u>

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



 John Mallory
 Deputy Minister of Finance

**TRUST FUND NO. 30
PENSION PLAN FOR MANAGEMENT EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002	2001
INCREASE IN ASSETS		
Investment income		
Interest	\$ 369,255	\$ 420,412
Dividends	101,268	322,070
Pension contributions - employee	-	3,160
Total increase in assets	<u>470,523</u>	<u>745,642</u>
DECREASE IN ASSETS		
Current period decrease in market value of investments	570,852	1,092,719
Pensions	766,354	703,067
Refunds	19,039	5,340
Investment management fees	39,368	40,271
Custodial fees	9,226	12,460
Administrative expenses	14,546	6,725
Total decrease in assets	<u>1,419,385</u>	<u>1,860,582</u>
INCREASE (DECREASE) IN NET ASSETS	(948,862)	(1,114,940)
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>13,363,250</u>	<u>14,478,190</u>
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u>\$ 12,414,388</u>	<u>\$ 13,363,250</u>

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

**TRUST FUND NO. 30
PENSION PLAN FOR MANAGEMENT EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

1. Description of Plan

The following description of the Pension Plan for Management Employees of New Brunswick School Districts is a summary only. For more information, reference should be made to the Plan Document.

(a) General

The Plan is a contributory defined benefit pension plan which provides retirement benefits for Management Employees of New Brunswick School Districts and their dependents. The Plan is administered by the Office of Human Resources, with investment matters being advised on by the Department of Finance.

(b) Funding Policy

Prior to 1 September 1996, plan members contributed a percentage of their salaries and the employer was required to contribute the balance of the cost of providing accrued benefits under the Plan. The determination of the value of benefits is made on the basis of an actuarial valuation (see note 3).

Effective 1 September 1996, all active contributors to the plan ceased and those individuals still employed commenced membership in the Public Service Superannuation Plan.

(c) Service Pensions

Effective January 1996, normal retirement pension equals 2.0% (for service before 1990) and 1.5% (for service after 1989) of average annual salary during the highest paid consecutive 5 years up to the year's maximum pensionable earnings (YMPE) and 2% of the average salary above the YMPE multiplied by the number of years of pensionable service. The pension continues for the lifetime of the pensioner. Pension benefits are indexed annually according to the consumer price index increase to a maximum of 3%.

Normal retirement age is 65. Unreduced pension is available at age 60 with 5 years of pensionable service. Reduced benefits are available at age 55 with 5 years pensionable service.

A past service grant was provided for services rendered between 1 January 1967 and 1 March 1974 for individuals hired as management employees of NB School Boards prior to 1 March 1974 who have been continuously employed by a School Board and who were active contributors to the plan at 1 January 1996.

Individuals had until 31 December 1996 to decide on the following options with respect to accrued benefits under the said plan:

- a) take advantage of the intra-provincial reciprocal pension transfer agreement,
- b) transfer the value of their pension to the Public Service plan, or
- c) obtain a refund of contributions with interest, which was only permitted if the individual was not successful in obtaining employment covered by the Public Service Superannuation Act.

**TRUST FUND NO. 30
PENSION PLAN FOR MANAGEMENT EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

1. Description of Plan (Continued)

(d) Death Benefits

If a vested member dies after retirement and has a spouse or dependent children then an immediate 50% spouse's or dependent's pension is payable. If a member dies prior to retirement a refund of the member's required contributions with interest is payable to the deceased member's beneficiary.

(e) Benefits on Termination

Upon termination of employment, a member who has less than 5 years of pensionable service is entitled to a refund of contributions made to the Plan with accumulated interest. A member with more than 5 years pensionable service may elect to receive an annual pension payable commencing on his normal retirement date or a refund of contributions made to the Plan with accumulated interest.

(f) Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to taxes on income.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a financial reporting entity independent of the plan sponsors and plan members. These statements are prepared to assist plan members and others in reviewing the activities of the Plan for the fiscal period but they do not portray the funding requirements of the Plan or the benefit security of individual plan members.

(b) Investments

All investments are recorded as of settlement date. Investments are carried at market value except for money market instruments, which are carried at cost.

(c) Foreign Currency Translation

Investments in equities denominated in foreign currencies are translated to Canadian dollars at the rate of exchange in effect at the date of the statement of net assets available for benefits.

3. Funding Policy

This Plan is being curtailed. All former members have been given the option to transfer their benefits to the Public Service plan or to take a deferred pension from this Plan. There are no current contributors to the Plan.

**TRUST FUND NO. 30
PENSION PLAN FOR MANAGEMENT EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

3. Funding Policy (Continued)

The most recent actuarial valuation for funding purposes was prepared by Morneau Sobeco as of 1 January 2002. This valuation disclosed an unfunded liability of \$1,639,200 as of 1 January 2002.

4. Obligation for Pension Benefits

The present value of accrued pension benefits was determined using the projected unit credit method prorated on service and actuarial assumptions which reflect management's best estimate for the future. An actuarial valuation was made as of 1 January 2002 by Morneau Sobeco, a firm of consulting actuaries, and was then extrapolated to 31 December 2002.

Significant long-term assumptions and the range of short-term assumptions used in the valuation are:

	Long-term Assumptions	Short-term Assumptions
Rate of return on assets	7.9%	7.9%
Annual wage and salary increase	4.0%	2.0% to 4.0%
Inflation	3.5%	3.5%
Rate of pension escalation after retirement	2.75%	1.7% to 2.75%

The actuarial present value of benefits as at 31 December and the principal components of changes in actuarial present values during the year are presented below. As prior year figures are based on an extrapolation from 1 January 1993, they have not been included.

	(in millions)
	2002
Actuarial present value of accrued pension benefits at beginning of year	\$ 13.60
Interest accrued on benefits	1.04
Benefits paid	(0.79)
Actuarial present value of accrued pension benefits at end of year	<u>\$ 13.85</u>
Net assets available for benefits	<u>\$ 12.41</u>

5. Investments in Plan Sponsor

As at December 31, 2002, the Plan held no securities issued or guaranteed by the Province of New Brunswick.

FINANCIAL STATEMENTS

**PENSION PLAN FOR GENERAL LABOUR, TRADES
AND SERVICES EMPLOYEES OF
NEW BRUNSWICK SCHOOL DISTRICTS**

31 DECEMBER 2002

Office of the
Auditor General

Bureau du
vérificateur général



AUDITOR'S REPORT

To the Minister of Finance
Province of New Brunswick

I have audited the statement of net assets available for benefits of the Pension Plan for General Labour, Trades and Services Employees of New Brunswick School Districts as at 31 December 2002 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the Plan's trustee, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at 31 December 2002 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read "Daryl C. Wilson".

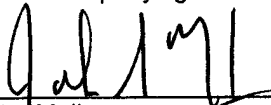
Daryl C. Wilson, FCA
Auditor General

Fredericton, N. B.
4 April 2003

**TRUST FUND NO. 31
PENSION PLAN FOR GENERAL LABOUR, TRADES AND SERVICES EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
31 DECEMBER 2002**

	2002	2001
ASSETS		
Investments		
Money market instruments	\$ 6,928,583	\$ 10,678,947
Bonds and debentures	69,770,732	67,717,216
Canadian equities	64,093,544	64,447,239
Foreign equities	30,777,678	36,662,652
	<u>171,570,537</u>	<u>179,506,054</u>
Receivables		
Employee contributions	73,814	151,871
Employer contributions	417,229	189,217
Accrued interest and dividends	638,325	659,425
Accounts receivable	390	390
	<u>1,129,758</u>	<u>1,000,903</u>
Cash	<u>282,630</u>	<u>77,842</u>
Total assets	<u>172,982,925</u>	<u>180,584,799</u>
LIABILITIES		
Accounts payable	<u>188,579</u>	<u>300,547</u>
Total liabilities	<u>188,579</u>	<u>300,547</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 172,794,346</u>	<u>\$ 180,284,252</u>

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


 John Mallory
 Deputy Minister of Finance

**TRUST FUND NO. 31
PENSION PLAN FOR GENERAL LABOUR, TRADES AND SERVICES EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002	2001
INCREASE IN ASSETS		
Investment income		
Interest	\$ 4,108,863	\$ 4,488,545
Dividends	1,745,400	2,352,947
Current period increase (decrease) in market value of investments	(8,021,094)	5,516,388
Pension contributions		
Employee	2,416,872	2,183,882
Employer	2,278,976	2,088,834
Total increase in assets	<u>2,529,017</u>	<u>16,630,596</u>
DECREASE IN ASSETS		
Pensions	6,721,289	6,074,567
Refunds	2,437,424	2,508,456
Administrative expenses	383,635	340,079
Investment management fees	434,602	426,699
Custodial fees	19,263	23,666
Performance measurement fees	22,710	20,580
Total decrease in assets	<u>10,018,923</u>	<u>9,394,047</u>
INCREASE (DECREASE) IN NET ASSETS	(7,489,906)	7,236,549
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>180,284,252</u>	<u>173,047,703</u>
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u>\$ 172,794,346</u>	<u>\$ 180,284,252</u>

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

**TRUST FUND NO. 31
PENSION PLAN FOR GENERAL LABOUR, TRADES AND SERVICES EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

1. Description of Plan

The following description of the Pension Plan for General Labour, Trades and Services Employees of New Brunswick School Districts is a summary only. For more information, reference should be made to the Collective Agreement and Plan Document.

(a) General

The Plan is a contributory defined benefit pension plan covering General Labour, Trades and Services Employees of New Brunswick School Districts. The Plan is administered by Morneau Sobeco, under the direction and with the assistance of the Office of Human Resources, with investment matters being advised on by the Department of Finance.

(b) Funding Policy

Contributions are made by the Plan members and the Plan sponsor to fund the benefits determined under the Plan. The determination of the value of benefits is made on the basis of an actuarial valuation (see note 3).

(c) Service Pensions

Effective 1 January 2001, normal retirement pension equals 1.9% (for service before 2000) of average annual salary during the highest paid consecutive 5 years up to the year's maximum pensionable earnings (YMPE) and 2% (for service before 2000) of the average salary above the YMPE multiplied by the number of years of pensionable service plus 1.4% (for service after 1999) of average annual salary during the highest paid consecutive 5 years multiplied by the number of years of pensionable service. Pension benefits are indexed annually according to the consumer price index increase to a maximum of 2%.

A member may elect from one of three optional forms of pensions being: 1) life pension with no guarantee period; 2) life pension with guarantee period of 5 or 10 years or 3) joint life and last survivor pension. There are also supplementary pension benefits available when the normal retirement pension is less than \$1,500 per year.

Normal retirement age is 65. Unreduced pension benefits are available at age 60 with 5 years continuous employment. Reduced benefits are available on retirement as early as age 55 with 5 years of continuous employment. Bridging benefits are available for retirement commencing between the ages of 55 to 65 on an unreduced basis.

(d) Death Benefits

If a member dies prior to retirement and before completing 5 years continuous employment, the benefit payable to his beneficiary or estate is a refund of all contributions made by the member with accumulated interest.

**TRUST FUND NO. 31
PENSION PLAN FOR GENERAL LABOUR, TRADES AND SERVICES EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

1. Description of Plan (Continued)

If a member dies after 31 December 1997 and prior to retirement and has completed 5 or more years of continuous employment, the beneficiary or estate shall be paid the Commuted Value of the deferred pension as at the date of the member's death. The Commuted Value is the deferred pension to which the member would have been entitled had the member's continuous employment terminated just prior to their death. In addition, excess contributions (if applicable) to which the member would have been entitled would be refunded to the designated beneficiary or estate.

If the member dies after 31 December 1997 and after retirement and was in receipt of a pension benefit, the death benefit payable is determined in accordance with the provisions of the form of pension selected by the member.

(e) Benefits on Termination

A member who has less than 5 years of continuous employment and is terminated is entitled to a refund of their contributions made to the Plan with accumulated interest.

A member with more than 5 years continuous employment who has terminated may elect to receive a deferred pension commencing on his normal retirement date or an amount equal to the Commuted Value. The Commuted Value is, as at the date of the member's termination, the deferred pension to which the member would have been entitled. The Commuted Value of the deferred pension is to be transferred on a locked-in basis to any registered retirement savings arrangement where the transfer is allowed under the Pension Benefits Act.

(f) Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to taxes on income.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a financial reporting entity independent of the plan sponsors and plan members. These statements are prepared to assist plan members and others in reviewing the activities of the Plan for the fiscal period but they do not portray the funding requirements of the Plan or the benefit security of individual plan members.

b) Investments

All investments are recorded as of settlement date. Investments are carried at market value except for money market instruments, which are carried at cost.

**TRUST FUND NO. 31
PENSION PLAN FOR GENERAL LABOUR, TRADES AND SERVICES EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

2. Summary of Significant Accounting Policies (Continued)

(c) Foreign Currency Translation

Investments in equities denominated in foreign currencies are translated to Canadian dollars at the rate of exchange in effect at the date of the statement of net assets available for benefits.

(d) Pension Contributions

Contributions are recorded in the period that the payroll deductions are made.

3. Funding Policy

In accordance with the Plan Agreement, employees are required to contribute 4.5% of their earnings up to the year's maximum pensionable earnings (YMPE) plus 6% of earnings above the YMPE. The employer is required to contribute an amount necessary in the opinion of an actuary based on an actuarial valuation, which when combined with employee contributions will provide for the benefits stipulated under the Plan. In no event shall employer-required contributions be less than 95% of employee contributions.

The most recent actuarial valuation for funding purposes was prepared by Morneau Sobeco as of 1 January 2000. This valuation disclosed that accrued benefits are fully funded.

4. Obligation for Pension Benefits

The present value of accrued benefits was determined using the projected unit credit method pro-rated on service and actuarial assumptions which reflect management's best estimate for the future. An actuarial valuation was made as of 1 January 2000 by Morneau Sobeco, a firm of consulting actuaries, and was then extrapolated to 31 December 2002.

Significant long-term assumptions and the range of short-term assumptions used in the valuation are:

	Long-term Assumptions	Short-term Assumptions
Rate of return on assets	7.9%	7.9%
Annual wage and salary increase	4.0%	2.0% to 4.0%
Inflation	2.0%	2.0%
Rate of pension escalation after retirement	2.0%	2.0%

**TRUST FUND NO. 31
PENSION PLAN FOR GENERAL LABOUR, TRADES AND SERVICES EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

4. Obligation for Pension Benefits (Continued)

The actuarial present value of benefits as at 31 December and the principal components of changes in actuarial present values during the year, were as follows:

	(in millions)	
	2002	2001
Actuarial present value of accrued pension benefits at beginning of year	\$ 148.21	\$ 140.75
Interest accrued on benefits	11.57	10.98
Benefits accrued	5.66	5.06
Benefits paid	(9.16)	(8.58)
Actuarial present value of accrued pension benefits at end of year	<u>\$ 156.28</u>	<u>\$ 148.21</u>
Net assets available for benefits	<u>\$ 172.79</u>	<u>\$ 180.28</u>

FINANCIAL STATEMENTS

**PENSION PLAN FOR FULL-TIME
CUPE 2745 EMPLOYEES OF
NEW BRUNSWICK SCHOOL DISTRICTS**

31 DECEMBER 2002

Office of the
Auditor General

Bureau du
vérificateur général



AUDITOR'S REPORT

To the Minister of Finance
Province of New Brunswick

I have audited the statement of net assets available for benefits of the Pension Plan for Full Time CUPE 2745 Employees of New Brunswick School Districts as at 31 December 2002 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 the Plan's trustee, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Plan as at 31 December 2002 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read "Daryl C. Wilson".

Daryl C. Wilson, FCA
Auditor General

Fredericton, N. B.
4 April 2003

**TRUST FUND NO. 32
PENSION PLAN FOR FULL-TIME CUPE 2745 EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
31 DECEMBER 2002**

	2002	2001
ASSETS		
Investments		
Money market instruments	\$ 2,356,429	\$ 3,163,623
Bonds and debentures	12,994,143	12,262,105
Canadian equities	13,043,504	12,850,225
Foreign equities	4,991,425	6,689,825
	<u>33,385,501</u>	<u>34,965,778</u>
Receivables		
Employee contributions	35,227	43,636
Employer contributions	24,004	69,886
Accrued interest and dividends	139,191	132,681
	<u>198,422</u>	<u>246,203</u>
Cash	<u>37,139</u>	<u>5,302</u>
Total assets	<u>33,621,062</u>	<u>35,217,283</u>
LIABILITIES		
Accounts payable	<u>30,407</u>	<u>22,163</u>
Total liabilities	<u>30,407</u>	<u>22,163</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 33,590,655</u>	<u>\$ 35,195,120</u>

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



John Mallory
Deputy Minister of Finance

**TRUST FUND NO. 32
PENSION PLAN FOR FULL-TIME CUPE 2745 EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002	2001
INCREASE IN ASSETS		
Investment income		
Interest	\$ 803,393	\$ 886,026
Dividends	288,249	312,523
Current period increase (decrease) in market value of investments	(2,723,969)	157,442
Pension contributions		
Employee	558,963	477,429
Employer	455,940	467,933
Total increase (decrease) in assets	<u>(617,424)</u>	<u>2,301,353</u>
DECREASE IN ASSETS		
Pensions	555,307	447,036
Refunds	232,711	462,552
Administrative expenses	135,066	104,400
Investment management fees	56,844	56,031
Custodial fees	7,113	9,747
Total decrease in assets	<u>987,041</u>	<u>1,079,766</u>
INCREASE (DECREASE) IN NET ASSETS	(1,604,465)	1,221,587
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>35,195,120</u>	<u>33,973,533</u>
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u>\$ 33,590,655</u>	<u>\$ 35,195,120</u>

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

**TRUST FUND NO. 32
PENSION PLAN FOR FULL-TIME CUPE 2745 EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

1. Description of Plan

The following description of the Pension Plan for Full-Time CUPE 2745 Employees of New Brunswick School Districts is a summary only. For more information, reference should be made to the Collective Agreement and Plan Document.

(a) General

The Plan is a contributory defined benefit pension plan covering Full-Time CUPE 2745 Employees of New Brunswick School Districts. The Plan is administered by Morneau Sobeco, under the direction and with the assistance of the Office of Human Resources, with investment matters being advised on by the Department of Finance.

(b) Funding Policy

Contributions are made by the Plan members and the Plan sponsor to fund the benefits determined under the Plan. The determination of the value of benefits is made on the basis of an actuarial valuation (see note 3).

(c) Service Pensions

Effective 8 October 1998, normal retirement pension equals 2% (for service before January 1997) of average annual salary during the highest paid consecutive 5 years multiplied by the number of years of pensionable service plus 1.45% (for service between 1 January 1997 and 31 August 1997) of average annual salary during the highest paid consecutive 5 years multiplied by the number of years of pensionable service plus 1.3% (for service after 31 August 1997) of average annual salary during the highest paid consecutive 5 years multiplied by the number of years of pensionable service. Pension benefits are indexed annually according to the consumer price index increase to a maximum of 2%.

A member may elect from one of three optional forms of pensions being: 1) life pension with no guarantee period; 2) life pension with guarantee period of 10 years or 3) joint life and last survivor pension. There are also supplementary pension benefits available when the normal retirement pension is less than \$1,500 per year.

Normal retirement age is 65. Unreduced pension benefits are available at age 60 with 5 years continuous employment. Reduced benefits are available on retirement at age 55 with 5 years continuous employment.

(d) Death Benefits

If a member dies prior to retirement and before completing 5 years continuous employment, the benefit payable to his beneficiary or estate is a refund of all contributions made by the member with accumulated interest.

**TRUST FUND NO. 32
PENSION PLAN FOR FULL-TIME CUPE 2745 EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

1. Description of Plan (Continued)

If a member dies after 31 December 1997 and prior to retirement and has completed 5 or more years of continuous employment, the beneficiary or estate shall be paid an amount equal to the Commuted Value. The Commuted Value is, as at the date of the member's death, the deferred pension to which the member would have been entitled had the member's continuous employment terminated just prior to their death. In addition, excess contributions (if applicable) to which the member would have been entitled would be refunded to the designated beneficiary or estate.

If the member dies after 31 December 1997 and after retirement and was in receipt of a pension benefit, the death benefit payable is determined in accordance with the provisions of the form of pension selected by the member.

(e) Benefits on Termination

A member who has less than 5 years of continuous employment and is terminated is entitled to a refund of their contributions made to the Plan with accumulated interest.

A member with more than 5 years continuous employment who has terminated may elect to receive a deferred pension commencing on his normal retirement date or an amount equal to the Commuted Value. The Commuted Value is, as at the date of the member's termination, the deferred pension to which the member would have been entitled. The Commuted Value of the deferred pension is to be transferred on a locked-in basis to any registered retirement savings arrangement where the transfer is allowed under the Pension Benefits Act.

(f) Income Taxes

The Plan is a Registered Pension Plan as defined in the Income Tax Act and is not subject to taxes on income.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a financial reporting entity independent of the plan sponsor and plan members. These statements are prepared to assist plan members and others in reviewing the activities of the Plan for the fiscal period but they do not portray the funding requirements of the Plan or the benefit security of individual plan members.

(b) Investments

All investments are recorded as of settlement date. Investments are carried at market value except for money market instruments which are carried at cost.

**TRUST FUND NO. 32
PENSION PLAN FOR FULL-TIME CUPE 2745 EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

2. Summary of Significant Accounting Policies (Continued)

(c) Foreign Currency Translation

Investments in equities denominated in foreign currencies are translated to Canadian dollars at the rate of exchange in effect at the date of the statement of net assets available for benefits.

(d) Pension Contributions

Contributions are recorded in the period that the payroll deductions are made.

3. Funding Policy

In accordance with the Plan Agreement, employees are required to contribute 4.5% of their earnings up to the year's maximum pensionable earnings (YMPE), plus 6% of earnings above YMPE. The employer is required to contribute an amount necessary, in the opinion of an actuary based on an actuarial valuation, which when combined with employee contributions will provide for the benefits stipulated under the Plan.

The most recent actuarial valuation for funding purposes was prepared by Morneau Sobeco as of 1 January 2000. This valuation disclosed that accrued benefits are fully funded.

4. Obligation for Pension Benefits

The present value of accrued benefits was determined using the projected unit credit method pro-rated on service and actuarial assumptions which reflect management's best estimate for the future. An actuarial valuation was made as of 1 January 2000 by Morneau Sobeco, a firm of consulting actuaries, and was then extrapolated to 31 December 2002.

Significant long-term assumptions and the range of short-term assumptions used in the valuation are:

	Long-term Assumptions	Short-term Assumptions
Rate of return on assets	7.9%	7.9%
Annual wage and salary increase	4.0%	2.0% to 4.0%
Inflation	2.0%	2.0%
Rate of pension escalation after retirement	2.0%	2.0%

**TRUST FUND NO. 32
PENSION PLAN FOR FULL-TIME CUPE 2745 EMPLOYEES
OF NEW BRUNSWICK SCHOOL DISTRICTS
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2002**

4. Obligation for Pension Benefits (Continued)

The actuarial present value of benefits as at 31 December and the principal components of changes in actuarial present values during the year, were as follows:

	(in millions)	
	2002	2001
Actuarial present value of accrued pension benefits at beginning of year	\$ 26.39	\$ 24.47
Interest accrued on benefits	2.10	1.93
Benefits accrued	1.07	0.90
Benefits paid	(0.79)	(0.91)
Actuarial present value of accrued pension benefits at end of year	<u>\$ 28.77</u>	<u>\$ 26.39</u>
Net assets available for benefits	<u>\$ 33.59</u>	<u>\$ 35.20</u>