



PUBLIC TRUSTEE AND GUARDIAN

ANNUAL REPORT



*...protection and support of rights, choices,  
security and justice for all persons  
in the ACT community*



# Contacting the Public Trustee and Guardian



Enquiries about this publication should be directed to -

**Public Trustee and Guardian** Andrew Taylor  
**Office Address** Level 9  
221 London Circuit  
CANBERRA CITY ACT 2601

**Postal Address** PO Box 221  
CIVIC SQUARE ACT 2608

**Telephone** (02) 6207 9800  
**Facsimile** (02) 6207 9811  
**Web** [www.ptg.act.gov.au](http://www.ptg.act.gov.au)  
**Email** [ptg@act.gov.au](mailto:ptg@act.gov.au)  
**Hours** 9.00am – 4.30pm Mon–Fri

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## Transmittal Certificate



### PUBLIC TRUSTEE AND GUARDIAN

ABN 45 801 644 305

When Replying  
Please Quote: AJT

Telephone: (02) 6207 9800  
Facsimile: (02) 6207 9811

17 September 2020

Mr Gordon Ramsay MLA  
Attorney General  
ACT Legislative Assembly  
London Circuit  
CANBERRA ACT 2601

Dear Attorney General

I am pleased to present the Annual Report for the Public Trustee and Guardian for the ACT for the year ended 30 June 2020.

This Report has been prepared under s. 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Public Trustee and Guardian for the ACT.

I certify that information in the attached Annual Report and the information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the Public Trustee and Guardian for the ACT has been included for the period 1 July 2019 to 30 June 2020.

I also certify that fraud prevention has been managed in accordance with Part 2.3 (see section 113, Public Sector Management Standards 2016).

S.13 of the *Annual Reports (Government Agencies) Act 2004* (the Act) requires that I present the 2019-20 Annual Report to you as responsible Minister within 15 weeks of the end of the reporting year. Under an amendment to the Act, PTG has sought and been granted an extension of time to close of business on Friday 18 December 2020.

Yours sincerely

**Andrew  
Taylor**

Andrew Taylor  
Public Trustee and Guardian

Digitally signed by  
Andrew Taylor  
Date: 2020.09.17  
10:39:22 +10'00'

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PO Box 221 Civic Square ACT 2608  
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Web: [www.ptg.act.gov.au](http://www.ptg.act.gov.au) Email: [ptg@act.gov.au](mailto:ptg@act.gov.au)

## Message from the Public Trustee and Guardian



In presenting this report, I wish to start by saying thank you to our people. The significant volume of work you have undertaken during the year is acknowledged. The work that you do is often at difficult times in our clients' lives and very often you have had to make unwelcome decisions in their lives. The volume of work is ever-increasing against a backdrop of major change.

In a recent letter to the Public Trustee and Guardian, a long-time stakeholder of PTG commented on the importance of the work of the Public Trustee and Guardian -

*"I should emphasise the importance of the work of PTG in the context of the administration of justice. The Public Trustee and Guardian's office stands as a "hotspot" corporation sole on behalf of the ACT government to ensure all deceased estates are dealt with expeditiously, accurately and conclusively, often in a climate of disputation between warring family members and sometimes involving disadvantaged or disabled families and beneficiaries. They are frequently the focus of public scrutiny and challenge. Therefore, the proper and efficient conduct by officers of the Public Trustee and Guardian's Office in the performance of their duties is of paramount importance in the cohesive administration of justice in the ACT."*

Towards the end of the year the COVID-19 Emergency Period brought new demands and, given the essential nature of many of our services, a need to adapt to new ways of keeping up with the demand. It is likely however, that many of the lessons learned during that time will shape the way PTG engages staff and undertakes its business in the years ahead.

I also want to acknowledge and thank the stewardship, support and direction of Richard Glenn, Director-General, Justice and Community Safety Directorate and his Deputies during the year as well as the invaluable support of the Directorate.

Much of the essential strategic direction for PTG as an independent Territory Authority is established through the advice and stewardship of the Public Trustee and Guardian Investment Board, the Official Visitors Board, PTG's Internal Audit Committee and the GreaterGood Board.

I particularly acknowledge the major contribution to PTG, to Government and to the community of two long-serving PTG staff, Joanne Thompson and Stephen Kellett, who both announced their retirement during the year. Having 50 years of service at PTG between them, they take a significant amount of expertise with them but have left behind a modern, dynamic and purpose-driven government agency.

At the date of this report, the ACT's Health Emergency Control Centre COVID-19 Status Report reported 108 confirmed cases, 3 deaths and 105 recovered cases. The ACT Public Service issued a directive that ACT Public Servants work from home except where impracticable or where emergency required otherwise. Against this backdrop, PTG's performance for the reported year has been significantly affected, most notably in our ability to continue to provide an expected level of service response and in PTG's ability to source adequate revenue under its largely self-funded budget.

During the reported year, PTG continued to progress its Business Transformation Strategy which focusses mainly on infrastructure, ICT, people and capability. The Strategy continues to implement a single culture blending the two legacy units of Public Trustee and Public Guardian into a modern, functional and responsive agency.

PTG has invested significantly in the business of the agency and its people over the last three years.

The reported year heralded the completion of a three-stage review of PTG's accommodation needs with staff taking possession of new or refurbished premises. This marked the signing of a 10-year lease of accommodation on two floors designed to accommodate PTG's needs well into the future. The design of the office has effectively segregated the operational areas from the Governance and Corporate/Finance Units ensuring better segregation of staff from client access.

The end of the previous year marked the completion of a transition from the former classification structure for PTG staff to an Administrative Service Officer structure for all staff below Executive and non-legal. This was achieved through the 2018-2021 ACTPS Administrative and Related Classifications Enterprise Agreement, the culmination of a long process in which staff cooperated with management and unions to achieve the new structure. The revised structure was an important part of the Strategy and was both a symbolic and practical demonstration of the new unified agency.

The year's end heralded the completion of User Acceptance Testing of the Guardianship module of PTG's Microsoft Dynamic 365 Customer Relationship Management (CRM) system. Modules completed or substantially completed are Will drafting, Enduring Power of Attorney drafting and Guardianship. At the same time PTG is well advanced in building a replacement Precedent Module and in rolling out its Objective-based Electronic Document and Records Management System (EDRMS).

An audit of PTG's progress in the development of its CRM, undertaken by Shared Services ICT at the completion of the reported year reported:

*"Overall PTG has undertaken a methodical, well-engaged, collaborative and well-researched approach to transitioning their disparate ICT systems to the D365 platform, as part of their Business Transformation Program 2017. This was first demonstrated by engaging with all staff and management back in 2016 as a precursor to this transformation work and has continued through to the current state."*

During the year, PTG commissioned an Independent Review of its Cash Investment Strategy through PricewaterhouseCoopers (PwC) to assess whether PTG is appropriately engaging with risk given the current state of the investment market. PTG is also seeking to optimise value from its investment strategy through partnership with the private sector to access a broader suite of Authorised Deposit-Taking Institutions to leverage optimal cash investment opportunities for clients.

I note the merger of the Public Trustee and Public Guardian functions will be retrospectively reviewed in the coming year as part of a broader review of the restructuring of the ACT's Rights Protection Agencies undertaken in 2016.

PTG has worked with JACS transitioning the administration of the Official Visitor Scheme across to the ACT Human Rights Commission as part of the review of the scheme conducted in 2017. I have accepted appointment as Interim Chair of the Board for 12 months to facilitate the changeover.

In conclusion, 2019-20 has been a difficult but fruitful year, and one which amply reflects our achievements in protecting and supporting rights, choices, security and justice for all persons in the ACT community.

**Andrew Taylor**

PUBLIC TRUSTEE AND GUARDIAN  
CHAIR, OFFICIAL VISITORS BOARD

B.1 Organisational Overview

Vision

Protection and support of rights, choices, security and justice for all persons in the ACT community.



MISSION

- Safeguard, manage and uphold the personal, legal and financial interests of clients by -
- ▶ Building and fostering trust in the delivery of our services
  - ▶ Connecting with clients, the community and stakeholders in service delivery
  - ▶ Promoting our products/services and those of the ACT Civil and Administrative Tribunal
  - ▶ Providing a respectful and professional service within a human rights framework.

VALUES

- ▶ Excellence: we foster a culture of excellence in the delivery of our services
- ▶ Openness: we demonstrate honesty, integrity, compassion and inclusion when delivering our services
- ▶ Innovation: we challenge ourselves to seek new and improved work practices
- ▶ Collaboration: we work through interaction and support in partnerships
- ▶ Teamwork: we work together with respect, valuing staff expertise, professionalism and commitment.

ROLE, FUNCTIONS AND SERVICES

- ▶ Guardianship and Management services
- ▶ Will and Executor services
- ▶ Enduring Power of Attorney services
- ▶ Trustee services
- ▶ External Manager services
- ▶ Official Visitor Scheme administration
- ▶ Confiscated Criminal Asset services
- ▶ Unclaimed Money administration
- ▶ Investment and Funds Management services
- ▶ GreaterGood – Public Ancillary Fund administration.

Our Organisational Structure, Environment and Planning Framework

The Public Trustee and Guardian is an independent statutory officeholder in the Justice and Community Safety (JACS) Directorate.

The inclusion of Public Trustee and Public Guardian functions in one single statutory office is unique in Australia. PTG has the functions of a traditional Public Trustee complemented by the role of Public Guardian in making personal and health care decisions for persons with a decision-making disability.

Structure

PTG comprises four business units – Guardianship, Financial Management Services, Wills/Estates/Trusts and Finance. Each Unit is headed by a Senior Director/Deputy Public Trustee and Guardian. The

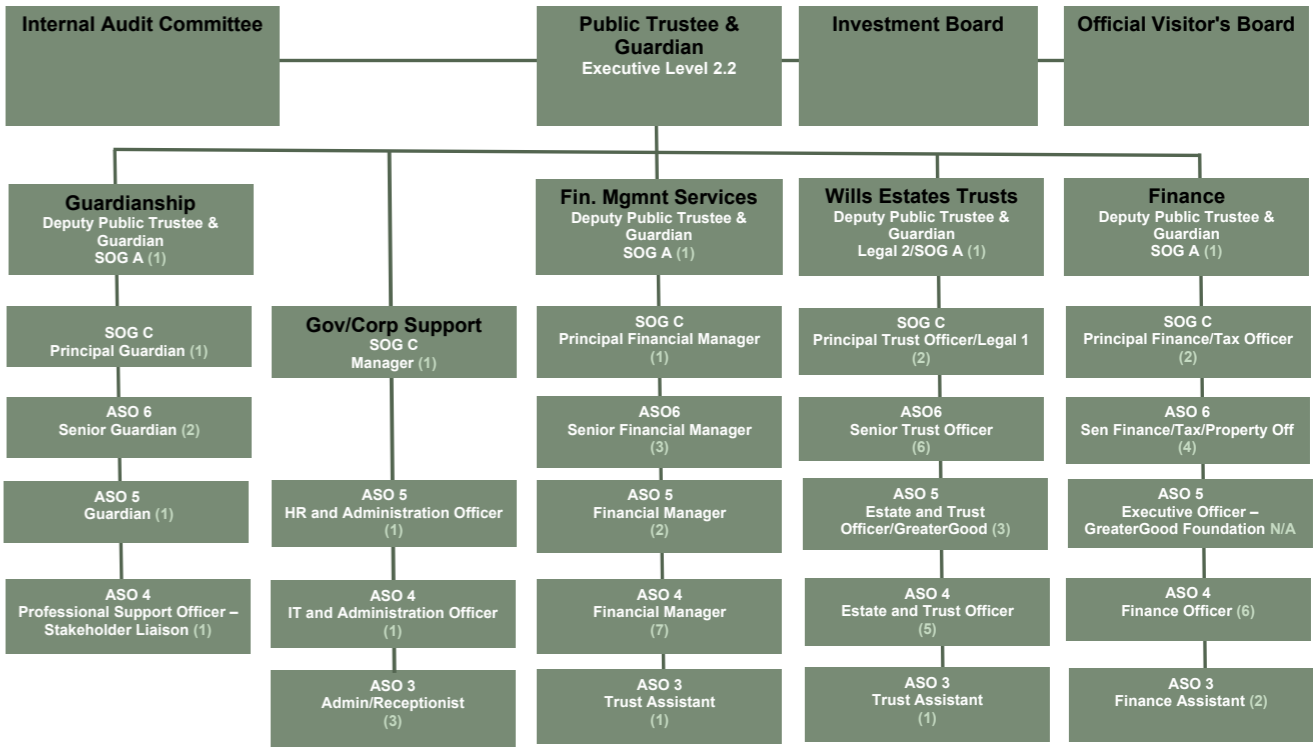
Governance and Corporate Unit provides governance, HR, training and facilities management support.

PTG's Investment Board, established under the Public Trustee and Guardian Act 1985, provides investment advice to the Public Trustee and Guardian. The Board comprises the Public Trustee and Guardian as Senior Member and at least two external members appointed by the Minister on an honorary basis. Four members are currently appointed. (refer Annexures - Investment Board Report)

PTG's Audit Committee comprises representatives of business units and, during the reported year, was independently chaired by Mr. Malcolm Prentice, a former long-standing auditor with the ACT Auditor-General's Office.

PTG's administrative structure is set out in the Organisation Chart below.

Organisation Chart



## Organisational Environment

*PTG is a corporation sole with perpetual succession. Under s. 55 of the Financial Management Act 1996, the Public Trustee and Guardian has some responsibilities as Chief Executive Officer of a Territory Authority.*

The Public Trustee and Guardian is responsible for PTG’s governance including the following Boards -

- Public Trustee and Guardian Investment Board (as Senior Member)
- Official Visitors Board (Chair)
- GreaterGood (Trustee)

The Public Trustee and Guardian reports to the Deputy Director-General (Justice), Justice and Community Safety Directorate (JACS) and has financial management responsibilities to the Chief Minister, Treasury and

Economic Development Directorate (CMTEDD). In respect to trustee/guardian roles however, the Public Trustee and Guardian is autonomous and independent.

PTG prepares its own annual report under the *Annual Reports (Government Agencies) Directions 2019*.

PTG’s organisational environment is broader and more diverse than many of its peer state/territory agencies. These include guardianship, unclaimed money, uncollected goods, government trust funds, confiscated criminal assets, GreaterGood (The Capital Region Community Foundation) as well as administration of aspects of the ACT Official Visitor Scheme.

PTG has a strong organisational relationship with several JACS agencies including the Public Advocate and the ACT Civil and Administrative Tribunal.



## Planning Framework and Direction Setting

*PTG’s Senior Leadership Group is the strategic planning body. Personal Achievement and Development Plans (PADP) are aligned with business plan strategies and set the direction for the staff learning and development program.*

During the year, PTG commenced a staff adequacy review which aims to right-size PTG’s staff in terms of its responsibilities and workload.

PTG participates in the strategic planning and management of JACS as a member of the JACS Executive Communication Forum (JEC).

As Senior Member of PTG’s Investment Board, the Public Trustee and Guardian is responsible for overseeing investment strategy as well as establishing and reviewing policy in respect to funds management.

The Public Trustee and Guardian is trustee for GreaterGood, a Public Ancillary Fund, registered charity and community charitable foundation.

As Chair of the ACT Official Visitors Board, the Public Trustee and Guardian is responsible for the appointment, training and administration of the Official Visitor Scheme. The scheme covers corrections, mental health, disability, homelessness and children and young people. PTG continued to partner JACS in implementing the findings of a review of the Scheme.

Although this review was paused due to the COVID Emergency period, a number adjustments were made to staff numbers to address workload pressures.

## Summary of Performance

*PTG’s performance is measured by its Strategic and Accountability Indicators. These indicators were modified following agreement by the Treasurer and Attorney-General in the lead up to the 2019–20 budget estimates process. Performance is reported against these Indicators in B.2 Performance Analysis and in the Statement of Performance accompanying the financial statements annexed to this report.*

### In summary -

- **Source of revenue** – Revenue is sourced from non-Government user-charges, interest, Controlled Recurrent Payments (CRP) and Community Service Obligation (CSO) funding.
- **Community Service Obligation Funding** received was \$527,000.00.
- **Outcome** - for PTG recorded an operating loss of \$623,160 against budget of \$215,000. The increase is mainly related to higher client numbers with more complex portfolios, staff on various forms of extended leave and tasks associated with short-term business transformation projects.
- **Revenue** - PTG received total revenue of \$8,661,765. Revenue is \$687,765 higher mainly due to higher management fees, unclaimed money fees, trust administration fees and taxation fees.
- **Expenses** - PTG’s expenditure was \$9,284,925.00. Expenses are \$1,095,925.00 higher than budget. This resulted mainly from higher employee and superannuation expenses (\$1,262,157) due to a higher than expected number of staff employed to accommodate -
  - higher client numbers and more complex client portfolios;
  - a number of staff on various forms of extended leave; and
  - tasks associated with short term business transformation projects.
- **Dividend to Government** - under an agreement with the ACT Treasurer, PTG pays ACT Treasury an annual dividend of 50% of any end-of-year operating surplus. The dividend for 2019-20 was Nil.
- **Funds Management** - PTG operates three externally managed statutory Common Funds and an internally managed Cash Common Fund. All external funds are under index or ‘passive style’ management. PTG’s external fund manager Vanguard, reported that PTG’s externally managed funds all achieved index and performed well against comparative indices.

- **Cash Common Fund** - PTG’s internally managed Cash Common Fund performed within expectation having regard to declining low rates on offer. Interest returns varied with the market cash rate and, at 30 June 2020, the interest rate was .80%. Funds invested in this fund at 30 June 2020 were \$106.62m.
- **Investment Strategy** - PTG operates four risk models designed to maximise investment performance and overall return at client level. Returns compared to 2018/19 were - Growth .1% to previous 6.35%, Balanced 2.4% to previous 7.5%, Conservative 2.80% to previous 6.3%, Capital Stable .80% to previous 1.50%. This is entirely reflective of normal and expected financial market volatility.
- **Government Funds** - Government funds invested and managed by PTG increased from \$180.6m to \$184.35m.
- **Deposits to Confiscated Criminal Assets (CAT) Trust Fund** - PTG deposited \$1,457,331.18 to the CAT fund compared with \$904,911.97 in 2018–19. This resulted from a higher number and value of forfeitures made by the Supreme Court under the *Confiscation of Criminal Assets Act 2003*.
- **Unclaimed Money** - The balance of funds held in the Unclaimed Money Trust Account grew from \$40.61m in 2018-19 to \$46.24 in 2019-20.
- **Perpetual Care Trusts** - Deposits made to the Perpetual Care Trusts under the *Cemeteries and Crematoria Act 2003* Act grew from \$12.05m in 2018-19 to \$13.49m in 2019-20.
- **The corpus of funds held in GreaterGood** (The Capital Region Community Foundation) increased from \$21.84m to \$23.39m.
- **GreaterGood** distributed \$1,412,717 to charitable causes operating mainly in the ACT during 2019-20.

Assessment of Performance against 2019–20 Objectives

PTG’s Budget Paper is its Statement of Intent and sets out PTG’s priorities for the reporting year.

The following objectives are taken from PTG’s Statement of Intent 2019-20 -


2019-20 OBJECTIVES	OUTCOMES
Continue the implementation of PTG’s Business Transformation Project. In 2019-20, PTG will complete its accommodation renewal, implement several modules of its ICT integrated Customer Relationship Management System (CRM) including Guardianship, External Management, Unclaimed Moneys, Precedent/letter Database and EDRMS.  Continue to implement efficiencies through the merger of the Public Trustee and Public Guardian functions.	<ul style="list-style-type: none"><li>▶ Completion of Accommodation modernisation program.</li><li>▶ Completion of PTG’s Staff Classification Review.</li><li>▶ Wills, Powers of Attorney modules completed in the CRM. Guardianship module in test prior to implementation.</li></ul>
Raise awareness in the community of the role of the Public Trustee and Guardian including developing and undertaking a range of presentations and information seminars which highlight the importance of estate planning including a well-drafted Will and EPA as well as what happens in the event of incapacity. This will be achieved through continual development of PTG’s website, fact sheets, seminars, forums, newsletters, expos and an online facility to “Book a Presentation” by the Public Trustee and Guardian”.	<ul style="list-style-type: none"><li>▶ PTG’s ‘Book-a-Presentation’ web page received 18 requests for presentations to the community.</li><li>▶ Each presentation attendee is provided with a free Will consultation.</li><li>▶ Videos and stories developed and published to GreaterGood website and Facebook.</li><li>▶ PTG continues to publish its “Going Public” booklets.</li></ul>
Participating in industry forums to identify and implement best practice. This will be achieved through close cooperation with state/territory trustee and guardian agencies as well as through membership of industry representative organisations such as AGAC. PTG will also continue to work closely with ACAT in establishing practice that achieves efficient processes under the <i>Guardianship and Management of Property Act 1991</i> . PTG will continue to foster a collaborative relationship with ACAT to identify and implement better practice.	<ul style="list-style-type: none"><li>▶ PTG continues to work closely with other PT&amp;Gs in the development of practice. PTG has meetings with ACT Civil and Administrative Tribunal Presidential Member to discuss improvements.</li><li>▶ Public Trustee and Guardian appointed as Director/Treasurer/Trustee of Australian Guardianship and Administration Council (AGAC).</li><li>▶ The Public Trustee and Guardian Is a member of the organising committee for the 2022 AGAC National Conference.</li></ul>




Retirement of Stephen Kellett following 20 years of excellent service to PTG

Outlook and Priorities


PTG's Outlook and Priorities are tied to its Operating Model.




- ▷ Increase community awareness of PTG's role, its services and products through a strong Community Engagement Program




- ▷ Commission a replacement Precedent Letter Database as part of its Customer Relationship Management (CRM) System




- ▷ Roll out PTG's Objective EDRMS to other business units and link with the CRM.
- ▷ Investigate replacement Trust Accounting systems




- ▷ Participate in industry/peer forums to identify and implement best practice.




- ▷ Identify changes to PTG's Fees and Charges framework
- ▷ Seek adjustments to PTG's Community Service Obligation funding




- ▷ Investigate PTG's Cash Common Fund commission-based Income model




- ▷ Review performance of PTG's external Funds Manager




- ▷ Assist JACS in the implementation of the findings of an independent review of the Official Visitor Scheme



- ▷ Identify, develop and promote a potential model for the implementation of a Supported Decision-Making framework




- ▷ Participate in a major review of reforms to the structure and operation of protection of rights services in the ACT brought about by the Protection of Rights (Services) Legislation Amendment Act 2016 to consider the extent to which the protection of rights services reforms achieved their intended aims.



- ▷ Pursue a number of changes to legislation governing the operations of PTG. These include changes relating to delegations, removing the impediment to a person depositing their Will with PTG, establishment of some certainty as to what happens to funds belonging to a person under financial management by PTG upon their death.

Operating Model



**VISION:**  
Protection and support of rights, choices, security and justice for all persons in the ACT Community.



**MISSION:**  
Safeguard, manage and uphold the personal, legal and financial interests of our clients.



**OUR TRANSFORMATION:**  
A modern, functional and responsive agency

**Stakeholder Outcomes:**

- Consistent management and staff buy-in to transformation leading to better outcomes
- Community engagement through regular education and information
- Community value delivered through strong relationships and beneficial outcomes
- Client trust built through empathy, skill, transparency, objectivity and timeliness
- Client satisfaction through a high level of client feedback
- Financial sustainability for government
- Improved lives of ACT residents
- Greater efficiency through modern systems and processes
- Government trust in our capacity to contribute to its aims and programs
- Clear, responsive, compassionate and effective decision-making as Guardian and Manager

**ACT Government Strategic Goals:**

- Delivering quality frontline services in an open, inclusive and tolerant manner.
- Building safe, caring and connected communities by ensuring the future capacity of the organisation is able to meet current and emerging needs.

**Who We Are**

We are an organisation dedicated to making a difference to peoples lives through the delivery of a range of consistent, dependable and unique services.

We are committed to our purpose and mission and are accepting of our clients no matter their situation or needs.

We are supportive within the community sector and will provide and maintain a leadership profile that is informed by our unique capabilities and perspective.

**What We Do**

We bring imagination and optimism to everything we do, demonstrating resilience, highly ethical behaviour and empathy to provide a sense of security to our clients and their families.

We challenge the status quo in order to be an organisation that is adaptive, forward looking, energetic and open minded. We apply diligence and thoroughness in achieving outcomes for clients.

We are a service orientated and trusted organisation focussed on achieving positive outcomes for the community.

**How We Work**

We are a unified team, passionate about our work, and care for each other. Our approach is flexible, adaptable, balanced and efficient.

We work in an integrated manner, building and maintaining strong internal networks by sharing data, information, insights and developments that facilitate an end to end, single client view.

We apply social intelligence to our work — a community orientation characterised by empathy, entrepreneurialism, leadership and connection.

As a learning organisation we value personal development and apply reflective practice, act on feedback and are continually scanning our environment for opportunities.

**How We Are Seen**

Our Value Proposition

- A **unique mix of responsive** services that reflect **excellence** and **achievement**
- A **trusted and respected decision maker and advisor** in the ACT community
- High levels of **integrity, compassion and sensitivity**, particularly with vulnerable clients
- A **confident, open minded, flexible** learning organisation that displays **adaptability** and **proactivity**
- **Accessible** service delivery, catering for the **diversity of needs** within the ACT community

**Outcomes**

- **Sector Leadership**
- **Organisational Sustainability**
- **Community Respect**
- **Career Opportunities**
- **Professional Knowledge**
- **Recognition**

**Service Philosophy**

**Serving the ACT Community:**  
...services built on solid foundations of professionalism, integrity, responsiveness and sound financial management practices...

**Respect Always:**  
...treating others with the sensitivity, courtesy and understanding we would wish for ourselves...

**Making the Law Accessible:**  
...access to services to support whole of life decisions and provide peace of mind...

**Protecting The Vulnerable:**  
...we give voice to the voiceless, stepping in where there is no one else who can...

**Business Processes**

**Modern:**

- Accessible services using multiple platforms and channels – web, face to face, phone, community outreach
- Continuous systems integration and improvement to facilitate single client view and improve efficiency
- Ongoing digitisation of records to improve access and retrieval

**Functional:**

- Sound investment strategies, business continuity and forward planning
- Benchmark setting legal services and care for protected persons

**Responsive:**

- High levels of governance and scrutiny

**Workforce Capabilities**

**Specialised Knowledge:**

- Law – ACT legislation, wills, trusts, estates, EPOA's
- Taxation
- Property
- Social Welfare
- Financial Management and Accounting
- Business Management

**Public Sector Capabilities:**

- ACTPS Values and Signature Behaviours
- ACTPS Shared Capability Framework

**Institutional Strengths:**

- Reflective practice
- Client centric approach
- Community focussed
- Accountable and transparent
- Nationally active with other Trustees
- Knowledge managers
- Receptive to change

**Sustainability Focus**

**Maintain a Sound Financial Base:**  
The PTG has a strong financial base to build upon in order to continue to operate, improve and respond to an environment where there continues to be growth in client numbers and complexity without corresponding funding increases from government.

**Seek Opportunities for Expansion:**  
The PTG must continue to offer high quality and competitive legal services and build on current institutional capabilities and strengths to expand into neighboring regions that face limited choice and service options.

**Strengthen and Expand Community Links**  
The PTG must continue to be responsive and flexible in meeting the needs of the community based on high awareness of the services, performance and value it presents to the ACT community.

Internal Accountability



*We are committed to achieving the highest standards of internal accountability and corporate governance.*

*PTG is a largely self-funding, independent Territory Authority with a significant degree of statutory autonomy, however our internal accountability practices reflect ACT Public Sector requirements.*

PTG has responsibilities under several ACT Acts including -

- Public Trustee and Guardian Act 1985
- Adoption Act 1933
- Administration and Probate Act 1929
- Cemeteries and Crematoria Act 2003
- Confiscation of Criminal Assets Act 2003
- Crimes Act 1900
- Criminal Code 2002
- Financial Management Act 1996
- Guardianship and Management of Property Act 1992
- Official Visitor Act 2012
- Powers of Attorney Act 2006
- Trustee Act 1925
- Unclaimed Moneys Act 1950
- Wills Act 1968.

Executive/Senior Leadership Group

*The Public Trustee and Guardian reports to the Director-General, Justice and Community Safety Directorate through the Deputy Director-General (Justice). PTG reports directly to ACT Treasury in respect to financial and budget matters.*

Each of PTG’s business units is headed by a Senior Director/Deputy Public Trustee and Guardian. PTG’s Governance and Corporate Unit is headed by an Assistant Director.

Management and Governance is the responsibility of the Senior Leadership Group comprising the Public Trustee and Guardian assisted

by its four Senior Directors and an Assistant Director.

The Public Trustee and Guardian’s executive responsibilities are to -

- Lead and improve service delivery
- Effectively allocate budget, planning and resources
- Deliver best practice policies, practices and procedures
- Ensure case management strategies meet the needs of clients and stakeholders
- Ensure a high-performance culture
- Generate efficiencies.

Andrew Taylor

Public Trustee and Guardian

Andrew Taylor is an Executive in the ACT Public Service and was re-appointed to the statutory office of Public Trustee and Guardian on 1 April 2019. Prior to that, Mr Taylor held appointments as Public Trustee for the ACT, Public Advocate (Including Public Guardian) of the ACT and Registrar-General. Mr Taylor is Senior Member of PTG’s Investment Board, Trustee for GreaterGood (The Capital Region Community Foundation) and Chair of the Official Visitors’ Board. Mr Taylor is also appointed as Director/Treasurer/Trustee of the Australian Guardianship and Administration Council (AGAC), a not-for-profit company limited by guarantee and registered charity.



Helen Connolly

A’g Senior Director, Guardianship Unit - Deputy Public Trustee and Guardian

Helen Connolly was appointed as Acting Senior Director, Guardianship Unit in 2019 during the extended absence of Ms Christina Thompson as Deputy Public Guardian for Queensland. Ms Connolly was previously employed with ADACAS, a private advocacy agency as a manager of projects exploring supported decision-making in ACT, leading supported decision-making in health care decisions, grant applications, policy review and advocacy and generating solutions in individual, organisational and systemic engagement with vulnerable people. Helen is a qualified Specialist Occupational Therapist and case manager.



Joanne Thompson

Senior Director, Finance Unit - Deputy Public Trustee and Guardian

Joanne Thompson was appointed as Senior Director of PTG’s Finance Unit in 2006 and has 30 years’ experience with PTG following a career in the superannuation industry. Ms Thompson has managed all PTG accounting functions including office management, government trust accounts, investment/funds management, taxation and property and has had responsibility for financial reporting. She has also been responsible for administering PTG’s Cash Common Fund and for maximising the return on cash investments. Ms Thompson ended her career with PTG at the end of May 2020 and proposes to retire. Mr Callum Hughes was appointed to undertake the role for 6 months from 1 June 2020.



Kathryn Toy  
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Senior Director, Financial Management Services Unit - Deputy Public Trustee and Guardian

Kathryn Toy was appointed as Senior Director of PTG’s Financial Management Services Unit in 2014. Ms Toy trained as a nurse at The Canberra Hospital and joined PTG from the private sector. She has extensive experience in business management, administration and financial management and has overall responsibility for the financial and property affairs of represented persons both under order of the ACT Civil and Administrative Tribunal (ACAT) and under Enduring Powers of Attorney (EPOA).



Gregory Burn  
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Senior Director, Wills, Estates and Trusts Unit - Deputy Public Trustee and Guardian

Gregory Burn was appointed as Senior Director of PTG’s Wills, Estates and Trusts Unit in 2015. Mr Burn was previously appointed as Senior Legal Officer (Wills) at NSW Trustee and Guardian. Prior to that he was a sole practitioner in his own legal practice. He is responsible for the preparation of Wills and EPOAs, administration of deceased estates as executor or administrator and the administration of trusts including Confiscated Criminal Assets. Mr Burn is a Practising Solicitor in NSW and ACT.



Denise Caldwell  
.....

Manager, Governance and Corporate Support Unit

Denise Caldwell was appointed as Assistant Director, Governance and Corporate Unit in April 2016. Prior to that Ms Caldwell was appointed as a Senior Advocate with the Public Advocate of the ACT. Her responsibilities include governance, HR, training and facilities management support to the office. Denise is a former Registered Nurse.



Remuneration

Remuneration for the position of Public Trustee and Guardian is as an ACT Government Executive in accordance with a Determination of the ACT Remuneration Tribunal. PTG staff are remunerated under the *ACT Public Sector Administrative and Related Classifications Enterprise Agreement 2018-2021* with the exception of PTG’s two legal officers who are covered by the *Legal Professionals Enterprise Agreement 2018–21*.

Public Trustee and Guardian Investment Board

PTG’s Investment Board was established by s.46 of the *Public Trustee and Guardian Act 1925*. The Board advises the Public Trustee and Guardian on investment matters and strategy. The Board has no governance responsibilities and does not provide advice to the Minister.

A report on meetings of PTG’s Investment Board is provided as an annexure to this report.

The composition of the Board was established by s.48(1) of the *Public Trustee and Guardian Act 1985* and comprised the following persons during the reported period -

Appointment Title	Position	Member	Expiry Date
Public Trustee and Guardian Investment Board	Senior Member	Mr Andrew Taylor	ex officio
Public Trustee and Guardian Investment Board	Member	Mr Michael Davison	02/03/2021
Public Trustee and Guardian Investment Board	Member	Ms Serhan Mackey	09/09/2021
Public Trustee and Guardian Investment Board	Member	Ms Tracy Savage	04/12/2021
Public Trustee and Guardian Investment Board	Member	Mr Patrick McAuliffe	28/03/2022

PTG’s Senior Director (Finance), Accountant and Investment Officers attend Investment Board meetings.

Internal Audit Committee

PTG’s Internal Audit Committee, headed by independent Chair Mr Malcolm Prentice, manages and reviews all aspects of risk identified in PTG’s Risk Register. Mr Prentice was formerly an auditor with the ACT Auditor-General.

During the reported year, the Committee commissioned a review of PTG’s Risk Register.

Public Trustee And Guardian Senior Leadership Group

PTG’s Senior Leadership Group is an internal governance forum focussing on -

- Governance
- Implementing PTG’s strategic/business plans
- Resource management

Official Visitors’ Board

In April 2020, the functions of the Board were changed to reflect the revised scheme. The Board has the following functions -

- Oversee the exercise of functions by official visitors
- Arrange for the recruitment, induction, training and support of official visitors
- Provide support for and manage the exercise of functions by official visitors under this Act, an operational Act or another territory law
- Consider and try to resolve any complaints about official visitors
- Exercise any other function given to the board by legislation.

The composition of the Board is established by s.23B(1) of the *Official Visitor Act 2012* (the Act) and comprised the following persons during the reported period -

Appointment Title	Position	Member	Expiry Date
Public Trustee and Guardian	Chair (apptd by Minister)	Mr Andrew Taylor	30 June 2021
Commissioner under the <i>Human Rights Commission Act 2005</i> nominated by the Commissioners under the Act	Public Advocate, Commissioner for Children and Young People	Ms Jodie Griffiths-Cook	Ongoing
Official Visitor elected by Official Visitors	Official Visitor, Member	Ms Narelle Hargreaves OAM	August 2020
Official Visitor elected by Official Visitors	Official Visitor, Member	Mr Shannon Pickles	August 2020

A report on meetings of the Board is provided as an annexure to this report. Under the amended Act, the Board must give the Minister, within three months of the end of the financial year, a written report for the financial year.



B.2 Performance Analysis

Key Performance Indicators for 2019-20 to 2022-23

INDICATOR	Actual Outcome 2018-19	2019-20 Budget	Estimated Outcome 2019-20	Planned 2020-21	Planned 2021-22	Planned 2022-23	Planned 2023-24
Guardianship Orders - no. of people for whom PTG acted as Guardian appointed by the ACT Civil and Administrative Tribunal (ACAT) under the <i>Guardianship and Management of Property Act 1991</i> (GMPA) during the reported period	223	230	221	235	240	245	*
Management Orders - no. of orders in which PTG was appointed as Manager by ACAT under the GMPA current at the end of the reported period by ACAT	509	510	508	515	520	525	*
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for all matters made during the reported period <sup>1</sup>	136	130	118	135	140	145	*
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for financial and property matters under active management at the end of the reported period	35	38	39	39	39	40	*
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for personal and health care matters active at the end of the reported period	5	7	7	7	7	7	*
Police Call-outs - no. of responses to call outs by police and community following death during the reported period <sup>2</sup>	1	1	0	1	1	1	*
Welfare funerals - no. arranged by PTG during the reported period <sup>3</sup>	2	2	0	2	2	2	*
Examination of Accounts - no. examined by PTG during the reported period upon filing by External Managers appointed by ACAT for Protected Persons <sup>4</sup>	454	570	453	590	610	630	*
Deceased Estate Administrations - number of deceased estate administrations completed during the reported period <sup>5</sup>	77	100	74	105	110	115	*
Trusts (for all purposes) – no. held at end of reported period	630	648	656	652	655	658	*
Wills - no. of wills prepared by PTG during the reported period <sup>6</sup>	476	465	324	475	475	495	*
Customer Survey - % of clients responding to PTG's survey during the reported year that reported PTG met or exceeded their expectations <sup>7</sup>	95%	90%	95.15%	90%	90%	90%	*

Notes:

- Given the adjusted effect of the COVID Emergency Period, the number of Enduring Powers of Attorney appointing PTG for all matters was higher than expected. Notwithstanding, the number of people choosing to make an EPA through PTG can be attributed to effective marketing by PTG at Community Forums as well as through Fact Sheets and the popularity of PTG's publication "The Power to Choose".
- The number of callouts was lower than expected - PTG's performance in this regard is purely reactive following callout by ACT Policing.
- The number of welfare funerals was lower than expected. PTG's performance in this regard is purely reactive upon request. PTG is working with ACT Government to formalize arrangement under which welfare funerals are administered. During the reported year, PTG also arranged the disposal of eight unclaimed bodies in conjunction with the Forensic Medicine Centre and the Justice and Community Safety Directorate,
- The number of examinations performed by PTG was lower than expected due to the higher time taken to perform the examinations. This was due to a higher complexity of accounts submitted and constraints of the COVID-19 pandemic.
- The number of estate administrations completed was lower than expected. This was due to a high number of complex estates that were unable to be finalised due to ongoing taxation issues, family provision claims, a greater number of beneficiaries residing overseas and the resourcing constraints of the COVID-19 pandemic.
- The lower than expected number of Wills prepared is attributed the COVID-19 pandemic with will drafting appointments significantly curtailed to accord with protocols established to protect PTG's staff and member of the community.
- Refer page 35 for explanation of variances over previous years

\* - Figures for 2023-24 have not been included as PTG has not been able to finalise its budget estimates.

Client Investment/Funds Management Services

Statutory requirements

S.55(1) of the *Public Trustee and Guardian Act 1985* requires PTG to establish and maintain one or more Common Funds and must pay into those funds, all money received on behalf of an estate, trust or person, including moneys received as manager of property.

S.25A of the Act permits PTG to invest and manage client funds, held on behalf of a person under disability, into superannuation. This enables PTG to take advantage of associated tax benefits on behalf of those clients.

S.14A of the *Trustee Act 1925* requires PTG to invest its clients' funds prudently and in accordance with the 'Prudent Person Investment Principle'.

Investment Strategy

Investment Strategy is guided by PTG's Investment Board. PTG's external asset/markets consultant, PricewaterhouseCoopers (PwC) gauges fund manager performance against investment objectives, strategic asset allocation and risk parameters, having considered client risk profiles and return objectives.

PwC prepares annual reports and recommendations to the Board, in accordance with recommended objectives. The Strategy is designed to maximise investment performance and overall return for a client's investment portfolio and is reviewed on a 5-yearly basis (last reviewed in 2017).

Non-Cash funds are managed by Vanguard Investments, accessed under ACT Treasury contract. Through Vanguard, PTG offers clients a suite of three externally managed funds for investment purposes in addition to PTG's internally managed Cash Common Fund.

- This suite comprises -
- Conservative Common Fund
  - Balanced Common Fund
  - Growth Common Fund

Objectives

- PTG's investment objectives are particularly useful for:
- Setting investment strategy
  - Informing clients what they can expect from their investment
  - Assessing the performance of the portfolio in achieving its investment goals.
- The following issues are considered in setting investment objectives:
- Level of dependence upon investment income for living expenses
  - Risk of loss objectives reflecting the likelihood of the portfolio loss in a year
  - Targets for a total return reflecting both income and capital growth.

PTG's Investment Strategy and risk profiles enable tailored investment portfolios providing clients potential for a mix of capital growth, income returns and tax effectiveness.

2020 Risk Management Review

- During the reported year, on the recommendation of PTG's Investment Board, PTG commissioned PwC to review elements of the Strategy and risk management, including:
- review of the investment arrangements of the Cash Common Fund, addressing five specific Issues raised by PTG
  - review of the performance of Vanguard as Fund Manager.

The review followed discussion with state/territory Public Trustees on Cash Investment models. At the time of publication of this report, PTG's Investment Board was considering the recommendations contained in the consultant's report.

Funds under Management

At 30 June 2020, PTG had total funds under management of \$410.04m compared to \$391.47m in 2018-19.

Client (non-government) funds, managed by PTG as trustee, were \$225.69m in 2019–20 compared to \$209.14m in 2018–19.

Government moneys managed by PTG as trustee were \$184.35m in 2019–20 compared to \$180.06m in 2018–19.

PTG Common Funds

- Fund sizes and performances for the reported period were as follows:
- Cash Common Fund**
- Managed internally and invested in a range of bank and non-bank financial institution deposits, notes and bills of exchange. Interest returns vary with the market cash rate and, at 30 June 2020, the interest rate was .80%. Funds invested in this fund at 30 June 2020 were \$106.62m.
- Conservative Common Fund**
- Invested in a diversified index trust, performance return after fees for the 12 months to 30 June 2020 was 2.80%. Funds invested in this fund at 30 June 2020 were \$15.92m.
- Balanced Common Fund**
- Invested in a diversified index trust. Performance return after fees for the 12 months to 30 June 2020 has been 2.40%. Funds invested in this fund at 30 June 2020 were \$40.13m.
- Growth Common Fund**
- Funds are invested in a diversified index trust. Performance return after fees for the 12 months to 30 June 2020 has been .10%. Funds invested in this fund at 30 June 2020 were \$63.58m.

Comparative Performance of Common Funds 2019-20

PERFORMANCE PERIOD TO 30 JUNE 2020	3 MTHS	6 MTHS	1 YR	3 YRS	5 YRS	10 YRS	INCEP
Cash Common Fund	0.10	0.30	0.80	1.30	1.50	2.60	3.60
Conservative Common Fund*	6.90	0.70	2.80	n/a	n/a	n/a	4.30
Balanced Common Fund*	8.60	-0.30	2.40	n/a	n/a	n/a	4.60
Growth Common Fund*	11.20	-3.30	0.10	n/a	n/a	n/a	5.00

\*Information in respect to these funds is limited to 3 months to 2 years as these funds were established following a review implemented in December 2017.

Clients of similar risk profiles are grouped into four risk models, Conservative, Balanced, Growth and Capital Stable for investment in appropriate allocations into the common funds. Investments reflect individual client risk profiles as assessed and are reviewed annually.

Conservative Model Portfolio

The objective is to provide income return, moderate volatility and potential for some growth to protect the real value of the trust and is suitable for trusts with income needs, shorter investment terms or conservative risk profiles. Performance return after fees for the 12 months to 30 June 2020 has been 2.80%.

Balanced Model Portfolio

The objective is to provide a balance between income and capital return with moderate volatility and is suitable for medium term trusts or those with a mix of income and capital needs for beneficiaries. Performance return after fees for the 12 months to 30 June 2020 has been 2.40%.

Growth Model Portfolio

The objective is to attain higher long term returns in excess of inflation. A higher weighting in growth assets provides potential for superior long term returns for clients able to accept increased volatility in the short term and provides prospective tax efficiencies associated with franked dividends and capital growth. Performance return after fees for the 12 months to 30 June 2020 has been .10%.

Capital Stable Portfolio

Accounts requiring stability of capital are invested through the cash common fund providing a market interest return on daily balances with funds available at call. The cash common fund is suitable for cash balances and trusts of uncertain term. Credit interest rate during the period decreased with interest rates being .80%.

Comparative Performance of Risk Models 2019-20

PERFORMANCE PERIOD TO 30/06/19	3 MTHS	6 MTHS	1 YR	3 YRS	5 YRS	10 YRS	INCEP
Capital Secure Risk Profile	0.10	0.30	0.80	1.30	1.50	2.60	3.60
Conservative Risk Profile*	6.90	0.70	2.80	3.60	3.90	5.80	5.70
Balanced Risk Profile*	8.60	-0.30	2.40	4.40	5.10	6.90	5.77
Growth Risk Profile*	11.20	-3.30	0.10	5.30	6.10	8.20	6.70

\*Information in respect to these funds is limited to 3 months to 2 years as these funds were established following a review implemented in December 2017.

Services to Government

Government Trust Moneys

By instrument under the *Financial Management Act 1996*, all trust money and other non-public money managed by ACT Government Directorates is required to be invested with PTG.

Government Trust Moneys are invested in a range of securities, including bank bills and financial institution deposits managed internally as well as through PTG's Australian Fixed Interest Index Common Fund. The circumstances of each account are reviewed regularly, and investment strategies established according to individual risk profiles, objectives, income needs and relevant legislation.

Funds are not invested in Australian or International Equities and are not at risk of unethical investment.

Funds invested and managed by PTG at 30 June 2020 were \$184.35m, compared to \$180.06m for the previous year in respect to the following accounts -

- ▷ ACT Civil and Administrative Tribunal
- ▷ ACT Health
- ▷ ACT Health Ethics Committee
- ▷ ACT Procurement Solutions
- ▷ ACT Planning and Land Authority
- ▷ Agents Act Consumer Compensation
- ▷ Canberra Cemeteries - Perpetual Care Trust
- ▷ Confiscated Assets Trust Fund
- ▷ Default Insurance Fund – Uninsured Employer Fund
- ▷ Default Insurance Fund – Collapsed Insurer Fund
- ▷ Motor Vehicle Dealers Compensation Fund
- ▷ Office of the Nominal Defendant of the ACT Fund
- ▷ Residential Rental Bonds Trust Account
- ▷ Uncollected Goods Trust Account.

Criminal Assets

The *Confiscation of Criminal Assets Act 2003* (COCA Act) authorises the confiscation of the proceeds of crime and other criminal assets. PTG's statutory role is limited to administering assets restrained under the Act. Forfeited assets are secured, sold and moneys realised are deposited into the Confiscated Assets Trust (CAT) Fund.

Under the COCA Act, the Minister responsible must, at least once in each financial year, decide the amount of distributable funds available for payment from the CAT Fund.

In 2019-20, PTG deposited a total of \$1,457,331.18 to the CAT fund compared with \$904,911.97 in 2018–19.

Funds were derived from confiscated cash, the sale of six properties and 16 confiscated motor vehicles. Variations in the amount deposited from one year to another reflect the number and value of forfeiture orders made in a year.

Uncollected Goods

The *Uncollected Goods Act 1996* provides for the surrender of goods, or proceeds of disposed goods, that were lost or abandoned in public places or on unleased Territory land. The Uncollected Goods Trust Account is held by JACS and maintained by PTG.

At 30 June 2020, PTG held \$699,706.16 in the Uncollected Goods Trust Account compared to \$1,488,538.48 in 2018-19. This followed an amendment to the *Uncollected Goods Regulation 2016* providing for the interest held in this fund, including 3 year-aged funds, to be used for charitable and social welfare purposes. To achieve this, interest is transferred to the Uncollected Goods Charitable Fund established as a fund under GreaterGood. Benefits from this fund are distributed annually in consultation with JACS and the responsible Minister.

Unclaimed Money

The Unclaimed Money Act 1950 relating to unclaimed assets in the hands of liquidators of companies, unclaimed amounts held by companies and agents.

At 30 June 2020, PTG held \$46,236,677.03 in unclaimed money compared to \$40,613,401.09 at 30 June 2019.

During the reported year:

- ▷ 27 lodgements were received for a total of \$7,095,019.60 compared to 56 lodgements for a total of \$6,795,009.26 in the previous year.
- ▷ 485 claims for a total of \$1,317,476.25 were received and paid compared to 415 claims for a total of \$1,145,093.31 for the previous year.
- ▷ The average claim for 2019-20 was \$2,716.45 compared to \$2,759.26 for the previous year.
- ▷ 478 individual fees were charged for a total of \$35,378.00 compared to 337 individual fees charged for a total of \$25,185.00 in 2018–19.

Income of \$230,173.30 from the investment of unclaimed moneys was identified and will be paid in the next quarter.

At 30 June 2020, no unclaimed estate money was paid to the Territory under Schedule 6, Part 6.2, Item 4 of the *Administration and Probate Act 1929*.

Cemeteries and Crematoria Trusts

The *Cemeteries and Crematoria Act 2003* (the Act) establishes a Perpetual Care Trust in respect to each of the public cemeteries or crematoria in the Territory. The trusts are established for the purposes of maintenance of the relevant cemetery or crematorium.

Each Perpetual Care Trust is a charitable trust established for public charitable purposes. PTG is trustee for the Perpetual Care Trusts

under the Act. These trusts are charitable trusts, kept in respect to each cemetery and crematorium, for the maintenance of grounds, monuments and infrastructure. Each cemetery or crematorium operator is required to deposit a specified percentage of their receipts into the fund to be held in trust and invested through the common funds.

Deposits made to the Perpetual Care Trusts under the Act grew from \$12.05m in 2018-19 to \$13.49m in 2019-20.

Deposits to Perpetual Care Trust 2019-20

Cemetery/ Crematorium	Deposits to date (all)	Withdrawals date (all)	Net Income date (all)	Net Growth on Investments	Balance as at 30/06/2019
	(\$)	(\$)	(\$)	(\$)	(\$)
Gungahlin Cemetery	6,559,164	6,522,389	58,045	430	94,390
Gungahlin Cemetery Reserve	1,688,614	148,614	322,362	124,736	1,987,099
Hall Cemetery	112,992	139,236	19,660	12,888	6,304
Hall Cemetery Reserve	327,413	6,365	59,281	10,010	390,339
Woden Cemetery	6,080,801	6,572,251	556,981	111,562	177,093
Woden Cemetery Reserve	4,882,634	111,523	1,039,818	410,665	6,221,593
Woden Mausoleum	614,266	390,055	50,119	-	274,330
Woden Mausoleum Reserve	1,125,733	526,929	163,260	80,225	842,289
Norwood Park Reserve	119,611	-	42,696	7,927	170,234

The Act currently permits the Trusts to be registered by the Australian Charities and Not-for-Profits Commission (ACNC) as charities. Registration as a charity with the ACNC is a requirement for the entitlement of each Trust to various taxation exemptions under the *Income Tax Assessment Act 1997* (C'th), including the right to a refund of franking credits.

The ACNC has previously relied on the definition of “charity” in the *Charities Act 2013* (C'th) in determining whether to allow registration with them as a charity. The definition of charity in the *Charities Act 2013* excludes “government entities”.

The ACNC has written to each of the Perpetual Care Trusts in April 2020, disputing the entitlement of those Perpetual Care Trusts to registration as a charity and accordingly to the refund of franking credits.

Products and Services

*At the commencement of 2018-19, PTG adopted revised Strategic and Accountability Indicators. Given the extent and nature of the changes, this affected PTG’s ability to draw comparisons with some of the indicators reported against previous years.*

Wills

The number of Wills prepared by PTG during the reported year was 324 compared with 476 for the previous year. The lower than expected number of Wills results directly from a policy implemented by PTG during the COVID emergency period under which Wills were made only in emergency situations.

Deceased Estate Administration

The number of deceased estate administrations completed during the reported year was 74 with an estimated gross value of \$44,734,912.06, compared to 77 estates finalised during the previous year with an estimated value of \$50,870,477.40.

During the reported period, 8 matters were finalised under PTG’s Executor Assist service compared to 2 for the previous year. The number recorded was lower than expected due to a high number of complex estates and the constraints of the COVID Emergency period.

Trusts

PTG acts as trustee, manager or receiver of funds for those unable to manage their funds. These trusts are distinct from those entrusted to the care of PTG by government and include -

- Estate trust
- Life tenancy
- Supreme Court Trusts
- Magistrates Court trusts
- Agency Trusts
- Superannuation death benefit
- Unclaimed Trust (with Tax File Number (TFN))
- Unclaimed Trust (without Tax File Number (TFN))
- Miscellaneous trust
- Special disability trust
- Victims of overseas terrorism
- Trusts-beneficiary under care of Director General
- Victims of Crime Financial Assistance Scheme
- Discretionary testamentary trust
- Motor Accident Insurance Commission compensation trusts.

The number of trusts held at the end of the reporting year administered during the year was 656 compared to 630 for the previous year.

The value of trusts under administration at 30 June 2020 was \$147,940,861.26 compared to \$88,449,870.38 in the previous year.

This is due to the higher number of orders made by the Magistrates and Supreme Courts appointing PTG as trustee. The number also reflect the number of trusts made under the Victims of Crime Compensation Scheme.

Case Study

*In 1959, a woman tragically lost her husband in a car accident when she was pregnant with twins. The twins were each awarded £1,000.00 and the Supreme Court retained the funds until 1988, when the trusts of \$5,299.69 were transferred to the then Public Trustee for the ACT.*

*Various attempts were made to locate the twins without success. Records of the twins’ date of birth were found to be inaccurate and it was discovered that the birth certificates were cancelled and new ones issued.*

*It became evident that the twins’ mother had remarried, and her husband had adopted the twins at 7 years of age. PTG quickly located one living in QLD and the other in NSW. Both were shocked to hear from PTG as they had just turned 60. They were aware that a trust existed for them somewhere and had even tried to search for it many years ago, but with no success. They were very happy to be reunited with the trusts, which had grown to \$20k each, as one of them is still working with a small mortgage.*

Enduring Powers of Attorney (EPA)

The number of EPA’s appointing PTG for all matters during the reported period was 118 compared to 136 for the previous year. This reflects the slowdown in appointments during the COVID Emergency period.

The number of EPA’s appointing PTG for financial and property matters under active management at the end of the reported period was 39.

The number of EPA’s appointing PTG for personal and health care matters under active management at the end of the reported period was 7.

Taxation Services

PTG has been approved by the Australian Tax Practitioners Board as a registered tax agent since 1986, providing specialist taxation services incidental to its Deceased Estate, Court Trust, Management and Charitable Trust activities.

PTG prepared and lodged 1,532 income tax returns in 2019-20 compared to 1,388 in 2018-19. Income tax returns are lodged electronically with the ATO online or manually with paper forms as required throughout the financial year.

Revenue from taxation services has increased by 33.89% from \$285,212.00 in 2018-19 to \$381,875.00 in 2019-20. This was due to a significantly higher number of returns being completed and lodged during the year as well as a considerable increase in the number of complex tax matters dealt with. PTG’s client matters have become increasingly complex involving diverse asset holdings and varied family situations. Additionally, the introduction of taxation law amendments by the Australian Taxation Office required changes to current practices and new approaches to taxation matters to ensure compliance. These changes have impacted upon PTG’s client base, with complications

relating to the administration of deceased estates and taxation related matters becoming a regular occurrence.

During the 2020 financial year, a new position was created as more resources were allocated to the Taxation Unit. This has allowed complicated taxation matters to be resolved and overall professional services to be provided in a timely and more efficient manner and with more returns being handled in-house. PTG is however currently trialling the outsourcing of returns with State Trustees Victoria and will use this facility only during peak times for taxation matters.

Property Services

PTG completed 27 property settlements during 2019-20 compared to 21 in 2018-19. The total value of property conveyed was \$16.2m compared to \$11.6m in 2018-19. During the reported year, PTG had 67 properties under management and PTG’s Property Officers made 30 property visits. PTG’s property sales attract an average agent’s commission of 1.74% using 13 different real estate firms. All real estate agents used are subject to PTG’s Code of Conduct for Service Providers.

Under PTG’s COVID Emergency Period property management policy, PTG’s Property Officers made less in-person visits. PTG’s experience has been that Canberra’s traditionally stable property market has not suffered during the COVID-19 pandemic.

Examination of External Managers’ Accounts

PTG is required to examine accounts maintained by Managers appointed under the *Guardianship and Management of Property Act 1991* to manage the financial and property affairs of persons with a decision-making disability.

The number of accounts examined by PTG during the reported period was 453 compared to 454 for the previous year.

Financial Management

During the reported year, 78 new orders were made by ACAT appointing PTG as Guardian and Manager in the same order. This is indicative of the increasing value of PTG’s conjoined service since the merger of both functions into one agency and includes reviews conducted on documents only.

The number of orders in which PTG was appointed as Manager by ACAT under the *Guardianship and Management of Property Act 1991* (the GMP Act), current at the end of the reported year, was 508 compared with 507 in the previous year.

The churn of clients for newly appointed and revoked or deceased matters was 113 matters during the period. The workload arising from such churn is significant in addition to the ongoing financial administration of the 508 current matters. The intense and urgent nature of financial administration has been increasing and continues to place an increasing demand on resources requiring in PTG to fund extra positions to cope with the workload.

It is also noted that providing management services for persons under order of ACAT has become more complex necessitating PTG to undertake administration involving property, assets and debt recovery, whilst dealing with family disputes, dysfunctional family dynamics/estrangements and litigation. The pressures applied from external stakeholders as applicants are immediate once appointment

is confirmed and include an expectation to make immediate decisions despite PTG not yet having information about the person’s financial means.

Case Study

*Nais is in her 30s and lives alone with supports through an NDIS package to facilitate her engagement in community and participation in employment. Her friends provide support and advice and PTG is appointed as substitute decision-maker to make decisions about accommodation. Nais sought to move to a new house and there were complex financial commitments and arrangements and each friend had a different view. PTG consulted with Nais to ascertain her preferences and considered the financial implications before making the decision. Once the accommodation was settled, PTG stepped away from Nais’ life and sought revocation of the order.*

Guardianship

PTG is appointed by ACAT to act as Guardian under the GMP Act in relation to such matters as -



**ACCOMODATION:** Where and with whom the person may live



**LEGAL:** to commence or continue legal proceedings



**MEDICAL** decisions about medical treatments excepting specific procedures or care under the *Mental Health Act 2015*

PTG provided guardianship services to 228 people during the reported period, with additional work at ACAT/Court hearings, through phone enquiry and other information sharing.

During the reported period, PTG acted as Attorney under Enduring Power of Attorney (EPOA) for personal care and health care matters on behalf of 7 people. PTG’s appointment as Guardian ceased for 36 individuals either through revocation, deceased clients or transfer to private guardianship. When PTG is appointed by ACAT as Guardian under the *Guardianship and Management of Property Act 1991* (the Act), decision-making primarily relates to complex, domain-specific health and personal welfare matters e.g. where a person lives and who they live with, the medical treatment they receive, the nature of the supports to be provided and instructions in legal matters.

The number of orders made and the authority under which such orders were utilised has not changed significantly since the previous reporting period, however, the number and complexity of decisions made continued to grow.

Our Organisational Structure, Environment and Planning Framework

Decision Summary - Guardianship & EPOA Clients - 2019-20

TYPE OF DECISION	NO OF DECISIONS	% OF DECISIONS
Aged Care Assessment Consent	8	0.63
Accommodation	169	13.22
Care and Support	102	7.98
Dental - Including Surgical	27	2.11
Exchange of Information	158	12.36
Legal	20	1.56
Medical - Including Surgical	46	3.6
Mental Health Treatment	13	1.02
NDIS - Access Referral Form	3	0.23
NDIS - Accommodation	4	0.31
NDIS Appointment of service	40	3.31
NDIS Change of circumstance	24	1.88
NDIS Exchange of Information	132	10.33
NDIS Review of plan	8	0.63
NDIS reviewable decision	13	1.02
NDIS Service agreement	469	36.70
Social	4	0.31
Training	1	0.08
Travel	37	2.90
TOTAL	1278	100

Case Study

*PTG was appointed as Guardian/Manager for Barri, who is in his 80s and lives alone with little contact with neighbours and with no family. He was finding home maintenance and cleaning increasingly challenging and paranoid about others entering his home. After sustaining a fall, he was admitted to hospital with a fractured hip. He was confused about facts relating to his care, had not been eating well or attending his GP and was in poor health. His utility bills were in arrears. Barri could not recall appointing an attorney or making a Will and decisions needed to be made regarding his care, supports and accommodation. Barri was keen to return home and described himself as a loner. PTG established payment schedules for Barri’s utilities, initiated information-sharing with his GP and service providers after he was assessed as eligible for assistance through the Commonwealth My Aged Care Scheme. PTG supported his discharge from hospital to home and in accordance with his wishes, PTG facilitated his move to an interstate residential aged care facility close to friends, and assisted in the management of his property and finances to facilitate this.*

The majority of persons represented (>75%) are over 65 with almost 20% over 80 years of age and the majority are non-indigenous.

Decisions made for Emergency Guardianship appointment enable PTG to be appointed as Emergency Guardian when an urgent decision is required. During the reported period, PTG was appointed Guardian for 6 people with all emergency decisions relating to medical matters including surgical.

Orders are issued for periods up to 3 years and only where there is evidence of impaired decision-making or significant supports required to participate in the decision at hand. There must be a decision to be made and an indication that there would be serious adverse consequences should a guardian not be appointed. Guardians make decisions on behalf of a represented person in accordance with decision making principles and giving precedence to the values, will and preference of the person. If it is not possible to gain an indication of the views and wishes of a person with regard to a decision, then the options to be considered will be informed by those who know the person and those with expert knowledge with regard to the decision.

Case Study

Jay is a young person with prolonged chronic mental illness. His family and mental health treatment team have supported him in decisions about his health and welfare and financial matters. Jay's health had deteriorated and he had interactions with justice services. His mother had become seriously ill and Jay's father sought assistance to remain involved but to have formal decision-making authority through PTG. PTG was appointed to assist Jay in accommodation, financial and health decisions and with legal matters. PTG continues to work with Jay, his family and his treating team to clarify values and preferences around treatment and care, supports in accommodation and recovery, and access to the NDIS.

Where a person has articulated their preferences in an Advance Care Planning document such as an EPOA, a substitute decision-maker must make every effort to give effect to the expressed wish of that person in the event they are unable to make decisions on their own behalf.

During the reported year, the Guardianship Unit has provided services to persons with a variety of factors contributing to impaired decision-making ability. These include intellectual disability, mental illness, dementia and acquired brain injury.

PTG provides service in its primary role acting as substitute decision-maker for people in the ACT community. Additionally, PTG responds to enquiries and provides advice on the role of Guardians and specific advice to private guardians seeking support in their role as substitute decision-makers. During the reported period, 236 orders were issued appointing private guardians and managers, 51 appointments for Guardians only and 10 as Managers only.

PTG collaborates across ACT Government Directorates and with organisations throughout the ACT and nationally on issues of importance to persons who require support in decision making. Such issues include equitable access to services, safeguarding against abuse, exploitation or neglect, enabling development of decision-making ability.

Case Study

Jenna is an adult in her 50's with an intellectual disability who has been a client of PTG for some time as she requires assistance in decision-making. Jena uses mobility and communication aids and lives in specialist disability accommodation with supports. She has had support in financial management and guardianship for many years and decisions are made related to NDIS service agreements, holidays, health and employment. PTG continues to aim for a broadened support network for Jena but anticipates that she will require decision support for the foreseeable future.

Australia is a signatory to the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD). Additionally, the ACT is recognised as a national leader in the development of human rights-driven services. PTG opts for the lightest touch possible in the lives of those for whom we are appointed to further supported decision-making in line with Australia's obligations under the UNCRPD.

During the reported year, PTG has stretched resources to offer support to many clients appointed whilst improving our service opportunity through a successful budget bid. PTG endeavours to continually improve its service through efficiency by initiating a Microsoft Dynamic 365 Customer Relationship Management (CRM) module as well as rolling out PTG's Electronic Document and Records Management System (EDRMS) to deliver consistency and explicit compliance with statutory decision-making principles and human rights.

PTG's Guardians participate in learning opportunities to raise awareness of the role of substitute decision-makers under current legislation and our vision for supported decision-making in the future. It is a privilege to be involved in the lives of the people we serve and to contribute to maximising the active participation of each person in decisions about their own lives.



B3 Scrutiny

Ombudsman

During the reported year, 20 complaints were received by the Ombudsman in relation to the Public Trustee and Guardian. The Ombudsman closed all 20 complaints. The Ombudsman reported there were no carryover cases and that all complaints received within 2019-20 were closed in the same year.

Of the 20 complaints closed, eight were closed on the initial phone call, eleven were closed at early resolution and there was one investigation. This was closed when it was decided that further investigation was not warranted.

The table below indicates the comparative number of approaches to the ACT Ombudsman between 2013-14 and 2019-20.

Comparative Table of Approaches to the ACT Ombudsman

2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
5	1	14	10	10	10	20

ACT Auditor-General

The ACT Auditor-General provides audit services to PTG as follows -

- Audit of the financial statements and review of the Statement of Performance for the Public Trustee and Guardian;
- Audits of the Special Purpose Financial statements of the Public Trustee and Guardian Trust Account, Capital Region Community Foundation Gift Fund and Capital Region Community Foundation Open Fund; and
- Audit of the Capital Region Community Foundation against the Public Ancillary Fund Guidelines.

On completion of the end-of-year financial audit for the year ended 30 June 2019, the ACT Auditor-General summarised her findings as follows -

CATEGORY	PREVIOUSLY REPORTED	RESOLVED	NEW	BALANCE
Reporting	1	(1)	-	-
Governance	-	-	-	-
Internal controls	-	-	-	-
Fraud	-	-	-	-
Total	1	(1)	-	-

At 30 June 2019, on completion of the end of year audit, the Auditor-General reported -

Auditor-General Report – Audit Management Report for the Year Ended 30 June 2019

RECOMMENDATION AND SUMMARY	ACTION	STATUS
No new audit findings were identified during the audits of the financial statements and limited assurance engagement of the statement of performance of the Public Trustee and Guardian in 2018-10	No action required	NFA



Legislative Assembly Committees

Standing Committee on Justice and Community Safety – Inquiry into Annual and Financial Reports – Report dated March 2020

The Public Trustee and Guardian appeared before the Committee on 6 November 2019. The Committee asked several questions about PTG’s investment and management of funds held in the Unclaimed Money Trust. No recommendations were made by the Committee.

The Committee also sought progress in respect to the following -

11. The Committee recommended a program be implemented to encourage more people to deposit their Wills with the PTG to allow Wills to be made available to the Courts by electronic means and to avoid loss or destruction of Wills.	The Public Trustee and Guardian (PTG) has in place a Business Transformation Project and has identified this as a future sustainability project. PTG proposes to investigate similar systems in place elsewhere in Australia and commence discussion with the ACT Law Society and the ACT Supreme Court. The <i>Public Trustee and Guardian Act 1985</i> currently prevents PTG from accepting a Will for deposit unless the Public Trustee is appointed as executor in the Will. PTG has sought an amendment to the Act to permit the deposit of Wills other than where PTG is appointed as executor.
27. The Committee recommends that steps be taken to remove the requirement for 24 hours’ notice for visits by the Official Visitor for Disability Services Visitor having regard to the requirements applicable to other ACT Official Visitors.	The <i>Disability Services Amendment Act 2018</i> removed the 24-hour written notice requirement to visit a visitable place. The Disability Official Visitor now only must give the owner of the operating entity ‘reasonable notice’. No notice is required if the OV reasonably believes that an entitled person at the place is at risk of harm.
28. The Committee recommended that steps be taken to review the current requirement for the Official Visitor for Disability Services to obtain consent to view records in residences visited by the Official Visitor.	Agreed in principle. This matter is being considered in the implementation of the recommendations of the review of the Official Visitor Scheme. It will be important to ensure that any amendment to consent requirements is consistent with the rights to privacy and equality protected under the <i>Human Rights Act 2004</i> .
29. The Committee recommended that a mechanism be developed which will enable the Official Visitor for Disability Services to work with organisations providing disability support so the Official Visitor for Disability Services can make sure personnel found to be unsuitable for work in disability support services do not take up repeat employment in disability support. The Committee recommended that the Official Visitor for Disability Services be empowered to follow up cases of personnel unsuitable for work in disability support services without breaching the privacy of the individuals involved.	<p>Agreed in principle. The Official Visitor (OV) can make referrals of complaints regarding the treatment of vulnerable people in visitable places to investigative entities, including the Commissioner for Fair Trading (who oversees the Working with Vulnerable People Background checking scheme). However, there are currently no provisions for OVs Agreed in principle. The Official Visitor (OV) can make referrals of complaints regarding the treatment of vulnerable people in visitable places to investigative entities, including the Commissioner for Fair Trading (who oversees the Working with Vulnerable People Background Checking Scheme). However, there are currently no provisions for OVs to receive information from the Commissioner about the actions taken as a result of that information.</p> <p>Consideration will be given to improving information sharing mechanisms to ensure that risks to vulnerable people identified by OVs are able to be shared in a timely way (whether directly or through appropriate referrals) to inform decisions regarding working with vulnerable people registration and registration of providers under NDIS. Broader legislative and policy consideration is required to fully understand the implications, both in relation to the purview of OVs as independent oversight entities and the functions of the Commissioner in relation to worker screening, of including a power under either Act for the OVs to take on an information sharing entity status. However, given the status and expertise of the OVs it is agreed that advice provided by the OVs to the Commissioner should be weighted more carefully than other general reports.</p>

Select Committee on Estimates

The Select Committee on Estimates 2020-21 was disestablished on Thursday 2 April 2020 because the 2020-2021 budget was delayed due to COVID-19.

B.4 Risk Management

Process for Developing Risk Management Plan

PTG’s Internal Audit Committee monitors PTG’s Risk Management Plan. Risk is identified through business practices, identified failures, audits, liaison with other Public Trustees/Public Advocates/Public Guardians and through complaint. As each risk is identified, PTG analyses the source, impact, risk owner, risk controls currently in place and attributes a risk rating. PTG then develops a risk treatment owner, action to be taken, a revised risk rating and a process for monitoring and reviewing.

At the date of this report, PTG was in the process of reviewing and updating its Risk Register with the ACT Insurance Authority (ACTIA).

Approach to Identifying Areas of Significant Operational or Financial Risk

PTG’s Risk Management Plan covers investment, financial, operational and administrative risk as well as workplace health and safety and addresses operational, tactical and strategic risk. PTG also carries responsibility for risk associated with client assets including real property.

PTG’s major risks have been identified through internal and external audits and also through workshops facilitated by the JACS Directorate. PTG also collaborates with Public Trustees/Public Guardians/Public Advocates in other jurisdictions in the identification and treatment of risk.

All PTG staff are required to note and sign a Staff Code of Conduct on an annual basis. All Service Providers are required to sign and note a Code of Conduct prior to their engagement. A Conflict of Interest Declaration and Register have been established.

PTG continues to progress its Business Transformation Project which addresses a range of identified risks including outdated ICT platform, inadequate accommodation, insufficient space for growth, the need for up-to-date Manuals, a statistic reporting tool and a continually revised Investment Strategy.

Arrangements in Place to Manage and Monitor Risks

PTG’s Internal Audit Committee conducts rolling audits and checks of risks identified in the Register.

PTG’s Senior Leadership Group oversees PTG’s risk management processes.

The risk management framework is structured and transparent and allows PTG to identify, assess and manage risk across the agency systematically and consistently.

The Senior Leadership Group comprises key Senior Director/Asst Director staff responsible for supporting the Public Trustee and Guardian in fulfilling his oversight responsibilities relating to the identification, assessment, and management of risk, whilst adhering to internal risk management policies and procedures. Working with the Public Trustee and Guardian, this forum supports management through the mitigation of risks and through proactive identification and development of controls.

Insurance

Insurance is a fundamental tool in PTG’s approach to risk management. PTG’s statutory authority insurance requirements are sourced through the ACTIA and meet the cost of future asset losses and legal liabilities that occur as a result of PTG’s activities.

PTG’s premium for 2020/21 is \$19,303.14, a reduction on the 2019/20 premium of 1%.

Following is an overview of cover provided by ACTIA -

- Property Insurance
- Public Liability and professional Indemnity Insurance
- Directors and officers Liability Insurance
- Corporate travel Insurance

Guarantee and Reserve Account

PTG is required to maintain a Guarantee and Reserve Account (GRA) under s. 61 of the *Public Trustee and Guardian Act 1985*. The purpose of the GRA is to provide a means of -

- Covering loss on the realisation of an investment
- Payment of costs and expenses incurred in protecting investments
- Payment of other expenses or charges incurred in the maintenance or administration of a common fund or investments from a common fund
- Payment of certain costs and expenses incurred in legal proceedings involving an estate or trust in respect of which moneys are held in the common fund
- Payment of the costs and expenses or part of the costs and expenses incurred by the Public Trustee and Guardian in obtaining certain legal advice or proceedings.

The GRA does not provide a guarantee that all investment earnings will be positive. This risk has been significantly reduced as a large part of the Common Fund investments, apart from Cash Common Fund, are made through an external professional fund manager.

PTG has engaged Vanguard, under ACT Government contract, to manage the funds held in its three Common Funds. Using an external investment manager for these Common Funds has a significant impact on the needs of the GRA as the Common Funds are not directly exposed to individual investment default risk, and any defaults are reflected in the unit price of the investments and hence not payable from the GRA.

PTG’s Cash Common Fund is directly managed by PTG. The funds are spread across 10 financial institutions to reduce the impact of any financial institution default.

The maturity dates of the term deposits are also spread evenly to facilitate payments from the Trust Account. As with the externally managed investments, the likelihood of a default occurring with any of these investments is extremely low.

However, a reasonable GRA holding could meet an individual product default as the investments are held in a significant number of separate term investments with face values between \$500,000 and \$1,500,000 with most having a face value of \$1,000,000 or less.



On recommendation of the Public Trustee and Guardian Investment Board, for risk management purposes, PTG diversifies cash investments through a range of Authorised Deposit Taking Institutions with no more than 25% of the total fund placed with any one institution and no more than 10% with Building Society/Credit Unions and no lower than ‘BBB’ rating.

**Fraud Control**

PTG has several management systems, processes, controls, training and procedures directed at preventing, detecting and minimising the risk of fraud. The Senior Leadership Group oversees management systems and the investigation of any fraud matters. All findings and recommendations are reported to the Internal Audit Committee and, where appropriate, to JACS.

**The Process for Identifying and Responding to Emerging Risk**

State/Territory Public Trustees/Public Guardians/Public Advocates/Guardianship Tribunal heads meet every six months and exchange information including about risk identification, management and mitigation.

PTG has published several policies dealing with risk to the organisation and resulting from risk investigation and assessment. These policies are published to PTG’s Intranet for staff access and also for open access.

**Business Continuity Planning**

PTG’s Business Continuity Plan is designed to ensure that critical processes continue if a serious unplanned event occurs that can disrupt its functions. The Plan defines PTG’s approach to the management of risk associated with such disruption and provides the minimum standard to ensure the effective management of such risk in order to support the achievement of the organisation’s objectives.

PTG’s Business Continuity Plan was reviewed externally on 17 June 2019 and a report provided in July 2019. An extract from the report issues by the auditor is as follows.

*“As a team, the leadership of the PTG responded very well to the scenario and its challenges. The plan was implemented with the team outlining options and actions which were possible if the scenario deteriorated further. In identifying the response, the team demonstrated a solid understanding of the capabilities and restrictions of their people, equipment and options.*

***Recommendation 1:** The plan be reviewed to address improvements identified during the exercise.*

***Recommendation 2:** Consider identifying locations or facilities appropriate for securing urgent documentation immediately in the event of an alarm or potential evacuation.*

*With these improvements and continued exercising, the PTG will maintain its highly capable and prepared position for responding to an emergency or continuity event.”*

In response, PTG has implemented a project aimed at rolling out its Electronic Document and Records Management System (EDRMS) across all business units. At the time of this report the EDRMS was being rolled out in PTG’s Guardianship Unit.

PTG invoked its Business Continuity Plan shortly after the commencement of the COVID-19 pandemic and will apply lessons learned through this time to the plan.

**B.5 Internal Audit**

**Internal Audit Arrangements**

The Internal Audit Committee has an important role in overseeing the development and review of key performance indicators, preparation and finalisation of PTG’s annual financial statements and to ensure that the recommendations contained in audit reports, both internal and external, are implemented.

**Audit Committee Charter and Operations**

PTG’s Internal Audit Charter was revised on 31 July 2020. PTG records its thanks to the independent Chair, Mr Malcolm Prentice, a former senior auditor with the ACT Auditor-General’s Office.

**Links with Risk Review Processes**

The Risk Management Strategy informs PTG’s Internal Audit Committee agenda. The Committee addresses and conducts audits of issues identified in PTG’s Risk Register.

**Membership of Internal Audit Committee**

Under its Charter, the Committee consists of at least three members and a maximum of 6 members and should have an independent external Chair.

The Committee comprises-

- an independent external representative as Chair
- 5 internal members (below Senior Director level) representing PTG’s business units
- a member of PTG’s staff at Senior Director level responsible as Secretariat.
- other officers may attend by invitation of the Committee
- the Public Trustee and Guardian and PTG’s Finance Director may attend as observers.

The Board met on two occasions during 2019-20 and again shortly after the commencement of the reported year in July 2020 to finalise PTG’s financial statements for the reported year.

The following issues were dealt with by the Committee -

- Review of PTG’s 2018-19 financial statements prior to audit July 2019
- Review and rationalising PTG Risk Register and Audit Program
- Standardising the review of PTG files being reported on
- COVID-19 pandemic issues and risks
- Engagement of PricewaterhouseCoopers to review brokers and risk associated with PTG’s Internal Cash Management Policy, and also to review the performance of Vanguard as PTG’s Funds Manager
- Review of Occupational Violence and Isolated work policy
- Regular reports by PTG’s business unit representatives on file audits conducted
- Review of PTG’s 2019-20 financial statements prior to audit July 2020.

**PTG’s Investment Risk Profile Models Address Client Needs**

PTG is bound by the “Prudent Person Investment Principle” at Part 2.2 of the *Trustee Act 1925*. The Principle requires that a trustee must exercise the care, diligence and skill that a prudent person engaged in that profession, business or employment would exercise in managing the affairs of other persons.

Accordingly, PTG ensures that investments are made in accordance with an appropriate risk profile. This involves an annual analysis of the circumstances and acceptable risk tolerance of each investment client.

Major risk investment categories applied are Cash, Conservative, Balanced and Growth. Funds are invested through sector common funds in tactical asset allocations, set in consultation with PTG’s asset/markets consultant PriceWaterhouseCoopers.

B.6 Fraud Prevention

Risk Assessments Conducted

PTG’s Risk Register identifies risk and establishes appropriate controls and checks in compliance with the ACT Insurance Authority as well as ACT Government and JACS Directorate standards.

PTG’s ongoing Business Transformation Strategy has as its central aim, the modernisation of all aspects of the office to address current and emerging risk and addresses -

- Accommodation requirements for the next 10 years - full refurbishment and new 10-year lease completed
- A uniform staff classification system for all PTG staff - completed 2019
- A contemporary and robust investment strategy - revised June 2020
- Enhancement of PTG’s ICT infrastructure - ongoing
- Replacement Tax preparation software - MYOB Installed and upgraded several times
- Rollout of PTG’s EDRMS to Guardianship Unit approaching implementation.

During the reported year, several audits were conducted:

- End of year Audit by ACT Auditor-General - August 2019
- Occupational Violence and Isolated Work Audit - August 2019
- Review of Brokers and Risk associated with Internal Cash Management Policy, and Review of Performance by Vanguard as Investment Manager
- Business Continuity Plan Audit finalised in July 2020
- PTG ensures that investments are made in accordance with an appropriate risk profile involving an annual analysis of the circumstances and acceptable risk tolerance of each investment client.

Fraud Control Plans Prepared/Revised

At the time of this report, PTG had engaged ACT Insurance Authority (ACTIA) to assist in the process of reviewing its Risk Management Plan which incorporates a Fraud/Corruption risk component. This review is being undertaken under the auspices of the Internal Audit Committee.

Other Fraud Prevention Strategies Adopted

PTG has established a Code of Conduct for its staff as well as for external service providers. Codes reflect the trusted nature of the Public Trustee and Guardian’s role in the community and inform expected standards and behaviours to be demonstrated when employed or engaged by PTG. The Codes contains specific clauses relating to confidentiality, email and information technology, conflict of interest, and personal behaviour. It expressly deals with breaches and non-compliance with the code.

Each staff member is required to acknowledge the Staff Code of Conduct each year. The Code incorporates ACT Public Service values and signature behaviours of respect, integrity, collaboration and innovation.

PTG has also established a Service Provider Code of Conduct. The Code is published to PTG’s website and must be completed and declared by service providers prior to engagement by PTG.

During the reported year, PTG engaged a person to review its policies.

Conflict of Interest

PTG staff are required to take care to avoid actual or apparent conflicts of interest between their private affairs and their employment responsibilities.

PTG has established a Conflict of Interest Declaration Form and maintains a Register recording all declarations and any outcome. During the year, one declaration of a potential conflict was made by a PTG statutory officeholder. The declaration was noted, and it was agreed there was no real conflict with the person’s duties.

Fraud Awareness Training

All PTG staff are required to undergo mandatory fraud/risk training following engagement. During the reported year 9 staff attended fraud/risk training. As previously mentioned, all staff are required to acknowledge the Staff Code of Conduct on an annual basis.

Fraud Detection Strategies

PTG has adopted a range of strategies designed to detect and minimise the risk of fraud. These include separation of duties and cross-checking of financial and client matters, review of delegations to determine and establish awareness of all delegation applying to each affected position and random audits by either PTG’s Internal Audit Committee or external.

PTG also utilises TACTICS software as a means of simultaneously analysing disparate databases to detect irregularities in transactions with client financial records.

PTG has previously worked with KPMG and has adopted fraud detection strategies contained in its publication “Analysis of Global Patterns of Fraud”. Many of the strategies contained in that report have been incorporated into office policy. A significant part of that is maintaining awareness among staff of fraud risk and building a consideration of fraud risk into new processes.

PTG is in the process of updating its Risk Management Plan which incorporates Fraud/Corruption Risk.

B.7 Freedom of Information

*PTG refers its Freedom of Information (FOI) requests to the Assistant Director, Freedom of Information, Justice and Community Safety (JACS) Directorate for assistance in responding.*

Open Access Information – S. 96 (3) (A) (I), (II) and (III) Freedom of Information Act 2016

- PTG made no decisions to publish Open Access information
- PTG made no decisions not to publish Open Access information
- PTG made no decisions not to publish a description of Open Access information withheld.

FOI Applications Received and Decision Type – S. 96 (3) (A) (IV), (VII), (VIII) and (IX) Freedom of Information Act 2016

- PTG received three access applications during the reported year. One of these requests was subsequently withdrawn and another was fund not to meet the eligibility criteria for access
- Access to all information requested was given in one case
- PTG did not refuse access to any information during the reported year.

FOI Processing Timeframe – S. 96 (3) (V) and (VI); S. 96 (3) (D) Freedom of Information Act 2016

- One application was decided within the time to decide under s. 4.
- No applications were not decided within the time to decide under s. 40
- The only application made was responded to within the statutory time for response.

Amendment to Personal Information – S. 96 (A) (X) and S. 96 (3) (E) Freedom of Information Act 2016

- No requests were made to amend personal information.

Reviews – S. 96 (3) (B); S. 96 (3) (C) Freedom of Information Act 2016

- No applications were made to the Ombudsman for review under s. 74
- No applications were made to ACAT for review under s. 84.

Fees – S. 96 (3) (F) Freedom of Information Act 2016

- No fees and charges were collected in respect to any applications.

Process on how to Lodge An FOI Request

PTG has included a menu item on the Home Page of its website outlining the process on how to lodge FOI requests with PTG as the reporting entity. The item includes a link to the JACS web page.

ACT Ombudsman Report

Refer JACS Annual Report 2019-20.

B.8 Community Engagement and Support

PTG staff work collaboratively to deliver quality outcomes for their clients in a culture that celebrates individual and collective success.

By developing service improvements and creating products that better enable PTG to deliver on its purpose, PTG remains focused on getting the best outcomes for its clients and for the community.

Community Engagement Activities

- PTG’s Community Engagement activities seek to increase -
- ▶ awareness of the functions of and services provided by PTG including Guardianship and Financial Management services
  - ▶ the number of people who are aware of the importance of having an up-to-date will and EPA and are willing to appoint PTG as executor or attorney
  - ▶ awareness in the community of GreaterGood as a medium for philanthropy.

A function of the agency, under s. 91B of the *Public Trustee and Guardian Act 1985*, is to promote community discussion and provide community education and information, about the functions of the ACT Civil and Administrative Tribunal (ACAT) under the *Guardianship and Management of Property Act 1991*. PTG has prepared a Fact Sheet directed to private Financial Managers appointed by ACAT to manage the financial affairs of those with an impaired decision-making disability. PTG has also prepared several Fact Sheets to educate and inform the community about the functions of ACAT.

During the reported year, no formal community consultation was undertaken.

Community presentations

PTG conducts community presentations aimed at informing and educating community groups in respect to its statutory responsibilities. During the year, PTG presented at 18 community forums across its Will/ Estates/Financial Management and Guardianship responsibilities (refer - Table *Community Presentations*).

PTG’s video “Make it Happen, Make a Will” aims to increase community awareness about Wills as well as the number of will appointments. The video is now broadcast in all ACT Access Canberra shopfront as well as on the PTG website. Posters printed of six screens from the video and have been placed strategically in the office, in retirement villages, nursing homes, hospitals and hospices.

PTG also commissioned a series of videos depicting stories about persons setting up charitable funds under GreaterGood. These continue to form the basis of a web page “Our Stories” on the GreaterGood website.

GreaterGood (Capital Region Community Foundation)

PTG is committed to promoting philanthropy in the Canberra region, having established GreaterGood (The Capital Region Community Foundation) in 2003.

PTG also established JACS4GreaterGood, a charitable account within GreaterGood, enabling JACS employees to donate to charities to make a real and long-lasting contribution to beneficial outcomes in their community.

GreaterGood consists of two charitable funds, a Gift Fund and an Open Fund. Capital held in both funds at 30 June 2020 was \$23.39m

The total distributed to charitable causes during 2019-20 was \$1,412,717.00. The total distributed to charitable causes since inception to 30 June 2020 was \$11,934,354.78

There were 87 individual charitable accounts within GreaterGood at 30 June 2020.

Case Study

*In 2005, PTG presented at a PROBUS meeting on Wills, Substitute Decision-Making and philanthropy through GreaterGood. Greatergood enables everyday people to open their own named perpetual charitable trust investing capital and generating regular income on a perpetual basis for distribution to their recommended charitable causes.*

*Following the presentation, a member of the audience appointed PTG as executor in his Will and commented that GreaterGood was just what he was seeking....immediately opening a charitable trust with a contribution of a home unit. Since making his Will, he made supplementary annual contributions to his trust. At the time of his death in 2019, the balance of his account was \$1.4 million, having distributed close to \$500,000 to his chosen charities over the course of his trust. In his Will, he bequeathed the whole of his estate, a further \$5 million, to his charitable trust, bringing the total to \$6.4 million.*

*Given the nature of GreaterGood as a Public Ancillary Fund, his legacy will live on in perpetuity and he will hold a special place in the foundation for years to come.*

Community Outreach

PTG’s community engagement is assessed by reference to the following activities -

- ▶ Public forums during Seniors Week and Wills Week (A Wills Week seminar was held on 11 November 2019. Two Seniors Week seminars were held on 18&20 March 2020)
- ▶ Regular community group visits and presentations (these were curtailed during the COVID emergency period)
- ▶ Newsletter “Going Public” - 6 published and updated
- ▶ Interactive website
- ▶ Facebook page - GreaterGood
- ▶ Comprehensive Fact Sheets
- ▶ Continuous Customer Survey
- ▶ “50+ Lifestyle and Living” newspaper supplement (Canberra and Queanbeyan Chronicle)
- ▶ Will it Your Way website and Facebook (Ambassador)
- ▶ Free Wills for Seniors of 60 years and over.

Community Presentations

FORM OF COMMUNITY ENGAGEMENT	OUTCOME
Communities@work – Presentation 2/8/19	Members of the community educated and informed about Enduring Powers of Attorney (EPOA's) and Wills
Estate Planning Discussion Group – 8/8/19	Attendees were informed about PTG’s functions
Department of Foreign Affairs and Trade – 24/9/19	Staff informed about Wills and Enduring Power of Attorney
ACT Legal Aid – 3/10/19	Presentation on Powers of Attorney and the Protection of Assets
Official Visitor Training – 4/11/19	8 members of the Official Visitor program were informed about PTG’s roles on Financial Management and Guardianship
Wills Week Forum 11/11/19	Information to community members about PTG’s role, EPOA’s and Wills
Black Mountain School 13/11/2019	Parents/staff were informed about substitute Decision-Making and Guardianship
Law Society of the ACT - 16/11/19	Presentation on Public Trustee and Guardian functions
ADACAS – Health Care for Young People – 19/11/19	Staff and Educators discussed Guardianship and EPOA’s
Palliative Education Coordinator, Clare Holland House – 5/12/19	Staff discussed end-of-life options and substitute decision-making
Brian Hennessy House – 3/2/20	Staff/residents informed about Guardianship and EPOA’s
National Disability Services – 19/2/20	60 people engaged on the topic of Guardianship
Hawker Men’s Shed – 28/2/20	WETU staff spoke to members on EPOAs, Wills and Superannuation
Lions Club of Canberra Lake Tuggeranong – 9/3/20 (2)	Presentation on EPOA’s and Wills
DHULWA Secure Mental Health Facility– 3/4/20	Staff and residents were informed about Guardianship and EPOA’s
AUSTRAC – 20/5/20	30 people attended and 50 people dialled in to a talk on EPOA’s, Wills and Philanthropy
Imagine More - 26/6/20	A presentation was held via Zoom on EPOA’s and Guardianship

Customer Survey

PTG undertakes a continuous voluntary customer survey inviting feedback against 5 measures across 6 of its main service areas. The survey form is available at both Receptions, Will Interview Rooms and is available at seminars and presentations. Customer participation is voluntary and involves completing the survey form and returning via pre-paid post.

The Customer Survey compliments PTG’s Complaints Policy readily available through PTG’s website at [www.ptg.gov.au](http://www.ptg.gov.au).

PTG conducted an audit of the software system used to record and report Customer Survey responses in July 2020. The audit identified inaccuracies for the last 5 Annual Reporting periods.

The anomalies were found to be the result of a software error. Commencing the reporting year 2020-21, PTG has implemented a new data collection and reporting tool.

The reported and corrected results are as follows -

Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Reported - % of clients responding to PTG’s survey during the reported year that reported PTG met or exceeded their expectations	92%	92%	90%	94%	93%	95.15%
Corrected report - % of clients responding to PTG’s survey during the reported year that reported PTG met or exceeded their expectations	93%	93%	92%	93%	92%	95.15%

During the reported year, 66 clients responded to the survey with 95.15% of clients reporting that PTG met or exceeded their expectations, against 92% reported for the previous year. Of responses received, 60% responded that PTG exceeded their expectations, 35% felt that PTG met their expectations, 3% of respondents found PTG below expectation and 2% did not provide a rating.



Sponsorships

PTG provided sponsorship of \$4,400.00 (inc GST) to the ACT Chief Minister’s Inclusion Awards held on 5 December 2019 at The Great Hall, Parliament House.

The awards provide acknowledgement of the outstanding achievements of businesses, organisations and individuals who have demonstrated their commitment to encourage, welcome and support people with disability in their workplace, business and community in the ACT.

The awards celebrated a record-breaking 102 finalists across four award categories and PTG is proud to have been associated with the awards over several years.

Representation on External Forums

PTG subscribes to several important forums, through which issues of community importance are discussed, negotiated and lobbied. These include:

FORUM	DESCRIPTION
State/Territory Public Trustees’ and Guardians’/Advocates’ forums	PTG maintains a co-operative, working relationship with State/Territory Public Trustees (PT’s) and Public Guardians (PG’s) /Public Advocates (PA’s) through bi-annual meetings. These agencies co-operate in the development of best practice, products and services, ICT solutions, leveraging value and price from suppliers (incl superannuation) and also in benchmarking. PT’s and PG’s also cooperate in responding to issues of national importance e.g. National Disability Insurance Scheme, Ageing and Disability matters, National Inquiries. PTG representatives met with State/Territory Public Trustees/Public Advocates/ Public Guardians during August 2018 and March 2019.
Australian Guardianship and Administration Council (AGAC)	PTG is a member of AGAC, a national forum of agencies whose role is to protect adults who have a disability that impairs their capacity to make decisions and manage their affairs. Agencies include PTs, PG’s, PA’s, Protective Commissioners as well as Boards and Tribunals. AGAC meets bi-annually*. Two meetings were held in the reported period coinciding with the meetings above.
Financial Planners’ Association ACT Chapter	PTG retains membership of the Financial Planners’ Association.
Financial Services Institute of Australasia	PTG is a member of the Financial Services Institute of Australasia. Several staff have achieved qualifications in financial planning and management through the Institute.
COTA (ACT)	PTG is a member of the Council on the Ageing (COTA (ACT)). COTA (ACT) is the peak older person’s organisation in Australia representing issues at territory and federal levels. COTA (ACT) has conduct of ACT Seniors Week activities as well as the ACT Seniors Card Directory through which PTG advertises.
Law Society of the ACT Succession Law Planning Committee	PTG is represented on this ACT Law Society joint industry/government forum.
Law Society of the ACT	PTG maintains membership of the ACT Law Society. Several PTG staff are practising solicitors and members of the Society. PTG staff access continuing legal education through the Society.
CPA Australia	Several PTG staff members are registered as Associate Members of the CPA.
Philanthropy Australia	PTG is a member of Philanthropy Australia through GreaterGood.

B.9 Aboriginal and Torres Strait Islander Reporting

Progress Towards Programs, Projects and Initiatives that benefit Aboriginal and Torres Strait Islander People.

PTG provides Wills at no cost to persons identifying as of Aboriginal or Torres Strait Islander background. This program is aimed at ensuring that Aboriginal and Torres Strait Islander People have access to a professional Will to ensure that their assets are protected upon death.

Case Study

*During the year, PTG continued to administer the estate of a deceased Aboriginal man. His remains had not been claimed, no Will had been left and the matter had been referred to PTG by a funeral director.*

*PTG identified the deceased person’s assets including several superannuation policies and an associated insurance policy. PTG worked with the ACT Health Directorate’s Aboriginal Liaison Officer in respect to an appropriate form of disposal of the remains of the deceased. PTG also conducted exhaustive searches including Koori Mail, BDM, ACT Housing, local media and has identified a beneficiary. Further genealogical searches will be undertaken. At the date of the report, PTG was close to finalising the estate.*

Services Provided to Aboriginal and Torres Strait Islander Persons

SERVICE PROVIDED	NUMBER OF PERSONS
Wills	Nil
Estates	1
Financial Management Services	12
Guardianship	9
Trusts	Nil
Enduring Powers of Attorney	Nil
External Manager (Account Examination)	1

B.10 Work Health and Safety

Work Health and Safety Act 2011

PTG is committed to protecting the health, safety and wellbeing of its employees, contractors, clients and visitors.

PTG’s Workplace Health and Safety representative is a member of PTG’s Internal Audit Committee. This ensures cooperation between management and employees in developing and carrying out measures designed to ensure a safe and healthy working environment.

The JACS Annual Report 2019–20 incorporates PTG’s statistics in respect to s. 171 and s. 172 of the *Work Health and Safety Act 2011*. During the year, PTG had two elected workplace health and safety representatives.

During the COVID 19 Emergency Period, PTG sought to return up to 30 of its staff to work in the office essentially to provide essential services to vulnerable clients and to finalise estates. PTG has satisfied JACS Workplace Health and Safety representatives that staff health and safety will not be compromised in doing so and has established the necessary protocols to achieve that.

Programs Initiated/Implemented to improve Return to Work Performance

During the reported year PTG has staff on long-term sick/injury leave as follows -

- 1 staff member on extended sick leave from Nov 2019-June 2020
- 1 staff member on sick leave (post op) for three months
- 1 staff member on sick leave (post op) for 7 weeks.

The following initiatives were undertaken in 2019-20 in the interests of creating a safer workplace -

- Completed changeover to new security provider involving new secure entry cards, duress alarms, CCTV and after hours monitoring
- Funded several staff appointments with the Directorate’s Employee Assistance Provider
- Appointed new RED Contact Officer
- Provided ergonomic seating to suit the individual needs of staff
- Undertaken workplace inspections to cover areas of identified risk as required
- Provided influenza vaccine to 22 PTG staff
- Tested and tagged all electrical appliances
- Encouraged regular blood donations by PTG staff
- Inspected and replenished first aid kits for office and vehicles
- Provided protective clothing kits in office vehicles for site visits
- Participated in fire safety audit & fire evacuations
- Tested smoke alarms and sprinklers annually
- Provided training to staff in preventing bullying and harassment
- Carried out pest extermination for office premises and PTG’s warehouse.

PTG’s Incident Summary - 2017-20

STATUTORY OFFICE	2017	2018	2019	QTR 1 2020	QTR 2 2020
Public Trustee and Guardian	6	9	8	3	0

PTG’s Incident Summary - 2019-20

STATUTORY OFFICE	SECTION 38 NOTIFIABLE INCIDENTS	INCIDENTS WITHOUT INJURY	MINOR INJURIES	LOST TIME INJURIES	TOTAL ALL INCIDENTS
Public Trustee and Guardian	0	6	4	1	11

During the year, no accidents or dangerous occurrences, requiring the giving of notices under s. 38, s. 171 or s. 172 of the *Work Health and Safety Act 2011* were reported.

Total workers’ compensation premium costs were reduced in 2019-20 by 11% representing a reduction for the fourth year in a row. PTG’s Workers’ Compensation Premium Charge for 2019-20 was set at 2.37% of wages and salaries or \$51,337.00, down from \$63,412.00 for the previous period.

The Chief Minister, Treasury and Economic Development Directorate has advised that the PTG’s premium for 2020-21 has been set at 2.25% of wages and salaries, representing a 5% reduction from the 2019-20 rate of 2.37%.

Nature of Improvement, Prohibition, or Non-Disturbance Notice under Part 10

Nil to Report.

Compliance with Improvement, Prohibition or Non-Disturbance Notice under Part 10

Nil to Report.

Nature and Brief Description of any Enforceable Undertaking under Part 11

Nil to Report.

Findings of a Failure to Comply with a Safety Duty under Part 2 Division 2.2, 2.3 or 2.4

Nil to Report.

Instances of a Failure to Address any Finding of Failing to Comply with a Safety Duty

Nil to Report.

Worker Consultation Arrangements

Nil to Report.

Number of Elected Health and Safety Representatives

PTG has trained Work Health and Safety representatives situated on both floors of its premises.

Serious Injury or Illness and Dangerous Incidents that Required Notification to the Regulator in Accordance with Part 3 Section 38 of the Work Health and Safety Act 2011

Nil to report.

During the reported year PTG had two staff members appointed as elected Work Health and Safety Representatives.



B.11 Human Resource Management

FTE and Headcount by Gender

	Female	Male	Total
FTE by Gender	47.4	15.7	63.2
Headcount by Gender	50	16	66
% of Workforce	75.8%	24.2%	100.0%

Headcount by Classification and Gender

Classification Group	Female	Male	Total
Administrative Officers	41	11	52
Executive Officers	0	1	1
Legal Officers	0	2	2
Senior Officers	9	2	11
TOTAL	50	16	66

Employment Category by Gender

Employment Category	Female	Male	Total
Casual	0	0	0
Permanent Full-time	37	11	48
Permanent Part-time	4	2	6
Temporary Full-time	8	3	11
Temporary Part-time	1	0	1
TOTAL	50	16	66

Average Length of Service by Gender

Gender	Female	Male	Total
Average years of service	7.3	8.2	7.5

Headcount by Age and Gender

Age Group	Female	Male	Total
Under 25	0	1	1
25-34	11	4	15
35-44	10	5	15
45-54	12	3	15
55 and over	17	3	20

Headcount by Diversity

	Headcount	% of Total Staff
Aboriginal and/or Torres Strait Islander	0	0.0%
Culturally & Linguistically Diverse	20	30.3%
People with a disability	1	1.5%

Recruitment and Separation Rates

Classification Group	Recruitment Rate	Separation Rate
Total	17.1%	9.5%

- PTG's Business Plan 2019-20 identified the following aims in respect to 'Our People' -
- Provide development opportunities for PTG staff and management
  - Complete the review of PTG's structure to address efficiency
  - Conduct a staff adequacy review across all business units
  - Revise all PTG Policy/Procedure/Practice Manuals
  - Provide contemporary industry training to professional staff
  - Complete PTG's accommodation enhancement project
  - PADP program implemented for all staff
  - Promote a healthy workforce and maintain a safe work environment
  - Review PTG's compliance with recruitment practices.



Learning and Development Delivered in Key Result Areas

PTG reimburses the cost of membership of professional organisations for staff in key program areas. These include staff in general accounting, trust/taxation accounting, succession law, CPA, psychology and social science. Such memberships enable those staff to access continuing professional education.

Study assistance was provided to several staff undertaking tertiary study including Law, CPA and Tax Accounting.

Diploma level training through the University of Western Sydney is accessed by PTG staff in trustee industry disciplines. This study is linked to PTG's Personal Achievement and Development Plans.

Enhancing Skill and Capability

PTG continued the engagement of a Project Manager from ICT Shared Services to manage the implementation of several ICT initiatives during 2018-19 and 2019-20. The following progress has been made within the reported year -

- Development and testing of the Guardianship Unit's CRM Module completed with implementation due in early 2020-21
- Configuration of the External Managers' module to "flat pack" prior development testing was completed
- Commissioning of a replacement Precedent Letter Database as a module of the CRM. Development is ongoing with Naming Convention and Style Guides completed
- Implementation of several upgrades to PTG's income tax return preparation software MYOB/AE
- Integration of the PTG's EDRMS into the CRM, initially through the Guardianship Unit.

PTG engaged a contractor on a part-time basis to work with the office to roll out the EDRMS to all PTG Business Units.

Apprenticeships and traineeships

Not applicable.

Training

PTG provided 139 individual formal training opportunities to its staff during the reported year (see table below). These training instances included internal and external training courses.

Learning continues to be substantially provided through informal on-the-job training/experience with around 30% coming from exposure to peers, coaches and mentors as well as formal education.

JACS provides training to PTG staff in whole of government skills, including HP Records Manager, Microsoft Office suite, anti-bullying and harassment, cultural awareness and fraud awareness training. Other compulsory training provided through the Canberra Institute of Technology (CIT) includes:

- Aboriginal and Torres Strait Islander Cultural Awareness Training
- Respect, Equity and Diversity Training.

PTG completed a review of all PTG policies during the year.

Study Assistance Program

PTG actively encourages its staff to undertake external study in areas of training relevant to PTG's responsibilities. PTG reimburses the cost of this study varying from 100% to 51% depending upon the relevance of the study and the cost. PTG also provides leave to study for and attend exams.

Study opportunities provided to PTG staff during the reported year were as follows -

Learning and Development Provided to PTG Staff

COURSE TITLE	PARTICIPANTS
Aboriginal & Torres Strait Islander Awareness Training	2
Best Practice Recruitment and Staff Selection	2
Easy English	2
Emotional Intelligence as a Leader	1
Emotional Intelligence at Work	1
Essential Writing Skills (Government Emails and Letters)	1
Family and Domestic Violence training (pilot program)	1
Fraud & Ethics	9
Improve Your Will Drafting Skills - Online seminar	1
Increase Productivity: Strategies to organise your day	2
JACS Induction	8
Job Application & Interview Skills	2
Managing Mental Health in the Workplace	4
Managing Vicarious Trauma	1
Microsoft Excel	1
Microsoft Outlook	1
New Recruitment & Staff Selection (refresher)	8
Persuasive Communication	1
Policy in the Public Sector Context	1
Provide first aid (e-learning + 1 day classroom)	2
RED Training	7
RED Contact Officer	1
Supervisor Development Program	2
The essentials of Wills and Estate Planning	3

Conference/Forum Attendance

EVENT NAME	PARTICIPANTS
Australian Guardianship and Administration Council 2019 Meeting (Brisbane 13 March 2020)	2
Australian Guardianship and Administration Council 2019 Meeting (Sydney 18 October 2019)	2
Sixth ACT Wills and Estates Conference	5
Supported Decision-Making Community of practice Workshop/Meeting Sydney	1
Menslink Business Function	2

Study Assistance/Higher Education Applied for and Reimbursed 2019-20

COURSE TITLE	COURSE PROVIDER	PARTICIPANTS
Bachelor of Business	Swinburne University	1
Contemporary Business Issues	CPA Australia	1
Financial Reporting	CPA Australia	1
Gap Assessment – Investigate and substantiate entitlement	University of Western Sydney	1
Prepare Financial Reports for Corporate Entities	Canberra Institute of Technology	1
Strategic Management Accounting	CPA Australia	1

B.12 Ecologically Sustainable Development

Reported as part of JACS Annual Report.

Re-accreditation under the ACTSMART program was not undertaken when due in December 2019, however PTG continues to conduct regular audits to ensure that appropriate levels of material are recycled and deposited to landfill.

ACTSMART conducted a delayed review and reported on 25 August 2020

Work Experience

PROGRAM	PARTICIPANTS
CSD Work Experience Support Program (WESP)	3

Secondments

ORGANISATION	PARTICIPANTS
Snedden Hall & Gallop Lawyers	1

In-House ‘Training Wheels’

SUBJECT	PARTICIPANTS
Intermediary Program – Witness Communication	19
Managing Stressful Situations	11
Shares	18

Graduated Return to Work Participants

ORGANISATION	PARTICIPANTS
PTG	2

Special Employment Agreement (Sea), Australian Workplace Agreement (Awa) & Attraction and Retention Incentive (Arin) Arrangements

PTG had no Special Employment Agreement (SEA), Australian Workplace Agreement (AWA) & Attraction and Retention Incentive (ARIN) arrangements in place during the reported year.

that PTG was re-accredited as an ACTSMART business until 24 August 2021.

As part of PTG’s Accommodation Renewal Project, PTG installed high efficiency, low energy lighting and double roller blinds throughout the office. PTG’s accommodation has a 4.5 NABERS rating. Bathrooms are fitted with hand dryers, 6-star Sensor taps, soap dispensers and 3L/4.4L half-full flush toilets.

C.1 Financial Management Analysis

General Overview

Objectives

PTG’s primary objective is to protect and support rights, choices, security and justice for all persons in the community.

PTG’s principal activities include:

- Guardianship and Management services
- Will and Executor services
- Enduring Power of Attorney services
- Trustee services
- External Manager services
- Official Visitor Scheme administration
- Confiscated Criminal Asset services
- Unclaimed Money
- Investing and Funds Management services
- GreaterGood – Public Ancillary Fund administration

Risk Management

PTG’s Risk Register covers investment, financial, operational and administrative risk as well as workplace health and safety. PTG’s major risks have been included in the Justice and Community Safety Directorate Risk Management Plan. The recommendations made by KPMG in its Review of Controls in the Financial Management Services Unit report have been substantially implemented.

Key risks include –

- risk that failure to integrate guardianship and financial management services in a conjoined manner and without compromise to the two disciplines
- risk that increased costs in non-viable business will result in cost exceeding income
- risks to sustainability – the need to maintain income through appropriate fees and charges to fund rising costs associated with commercial/contestable activities and subsidies PTG’s Community Service Obligations
- risk that client funds are appropriately invested and managed
- risk of failure to ensure a high level of integrity and honesty among all staff
- risk caused by outdated systems and the need to ensure processes are innovative, robust and up to date
- risk that PTG staff may not be adequately skilled to meet the demands of the community which they serve.

Financial Performance

The following financial information is based upon the actual audited figures for 2019-20 and 2018-19. The budget estimates reflect those contained in the 2019-20 Budget Papers with the forward estimates based on the 2019-20 Supplementary Budget Papers.

Total Net Cost of Services

Table 1: Net Cost Of Services

	Actual 2018-19 \$m	Original Budget 2019-20 \$m	Actual 2019-20 \$m	Forward Estimate 2020-21 \$m	Forward Estimate 2021-22 \$m	Forward Estimate 2022-23 \$m
Total Expenditure	8.488	8.189	9.285	8.764	8.990	9.210
Total Own Source Revenue	5.906	5.714	6.110	5.890	6.201	6.398
Net Cost of Services	2.582	2.475	3.175	2.874	2.789	2.812

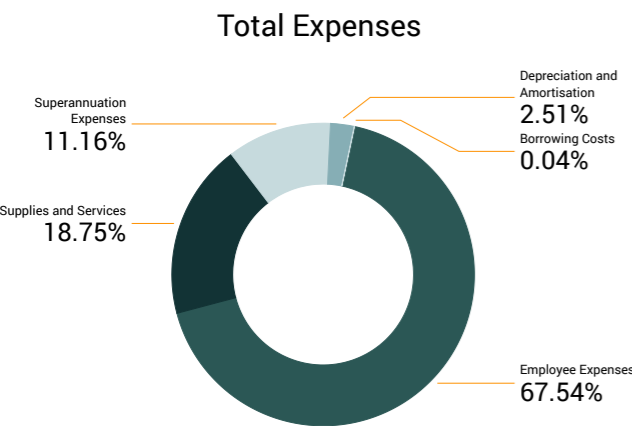
Total Expenditure is for all services and includes costs associated with PTG’s Guardianship and Official Visitor functions. Total Own Source Revenue only includes fees charged for services provided. The above table excludes Controlled Recurrent Payments (CRP).

Operating Result

*The Operating Loss for the year ended 30 June 2020 was \$623,159. This a significantly different outcome from the budget Operating Loss estimate of \$215,000. The overall result is a decrease of \$139,303 compared to the previous year's Operating Loss of \$483, 856.*

Total Expenses

1. Components of Expenses



PTG's expenses for 2019-20 are largely related to employee and superannuation expenses which comprise 78% (or \$7,307,157) of total expenses. Supplies and services comprising 19% (or \$1,740,800) of total expenses relates largely to Rental, ICT (Computing), Office and Official Visitor expenses. Depreciation is 2% (or \$233,261) of total expenses.

2. Comparison to the original budget

Total expenses for the period ended 30 June 2020 were \$9,284,925. This is \$1,095,925 higher than the 2019-20 budget estimate of \$8,189,000. This resulted mainly from higher employee and superannuation expenses (\$1,262,157) due to a change in the way Official Visitors are remunerated following advice received from the ACT Remuneration Tribunal and a higher than expected number of staff employed resulting from:

- higher client numbers and more complex client portfolios;
- a number of staff on various forms of extended leave; and
- tasks associated with business transformation projects.

3. Comparison to 2018-19 actual expenses

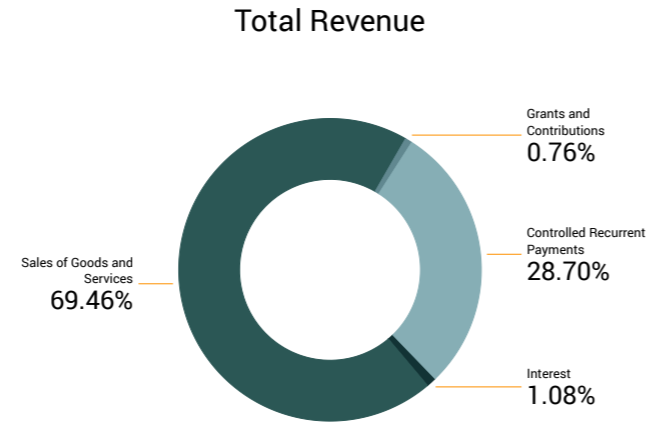
In comparison to the previous period, the increase of \$797,298 in expenses mainly resulted from an increase in employee and superannuation expenses (\$770,435) as described above.

4. Future trends

Expenses for 2020-21 are expected to remain consistent with 2019-20.

Total Revenue

1. Components of Revenue



PTG's income for 2019-20 largely relates to Sale of Goods and Services which comprise 69% (or \$6,016,106) of total income. 29% (or \$2,486,000) relates to Controlled Recurrent Payments received from Government.

2. Comparison to the original budget

Total revenue for the period ended 30 June 2020 was \$8,661,766. This is \$687,766 higher than the 2019-20 budget estimate of \$7,974,000 and resulted from:

- higher than expected income from management fees (\$77,395) associated with higher values of invested funds. These fees are calculated as a percentage commission based on the value of invested funds including Common Funds, Superannuation, Cash Balances and Unclaimed Moneys received at period end (monthly, quarterly or yearly);
- higher income from other fees as per PTG's Fee Determination (\$205,575) associated with PTG's role as trustee for the Unclaimed Money Trust Fund;
- higher taxation return preparation fees (\$61,897) associated with a higher number of clients with more complex taxation issues;
- higher capital commission (\$65,221) associated with an unexpected increase in the interim collection of fees associated with the administration of deceased estates;
- higher administration fees from trusts (\$96,675) associated with PTG's statutory role as trustee appointed under the *Confiscation of Criminal Assets Act 2003*; and
- higher controlled recurrent payments following a supplementary budget bid (\$128,000) to increase funding for 6 months to provide Guardianship services together with a s.16B of the *Financial Management Act 1996* (FMA) rollover of funding from 2018-19 to 2019-20 (\$98,000).

This has been partially offset by lower:

- income from will preparation fees (\$33,937) associated a decrease in appointments due to the COVID-19 pandemic; and
- lower investment revenue (\$73,851) associated with falling interest rates in a slowing economy.

3. Comparison to 2018-19 actual income

Total revenue for the period ended 30 June 2020 increased by \$657,995 compared to the

2018-19 result of \$8,003,771. This is primarily due to an increase in controlled recurrent payments and fees received from clients, resulting from the higher values of invested funds as described above.

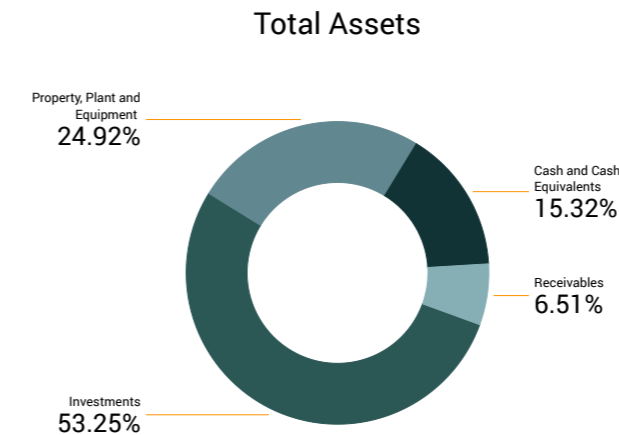
4. Future Trends

Revenue for 2020-21 is expected to increase due to controlled recurrent payments following a budget bid to increase funding for Guardianship Services. In 2019-20 only 6 months funding was received (\$128,000).

Financial Position

Total Assets

1. Components of Assets



Key indicators of the health of PTG's financial position include the ability to sustain the existing asset base, pay debts falling due in the short term and maintain prudent levels of longer-term liabilities. Total assets (\$7,797,915) at 30 June 2020 relate to Cash and Cash Equivalents of 15% (\$1,194,780), Investments of 53% (\$4,152,102), Plant and Equipment of 25% (\$1,943,453) and Receivables of 7% (\$507,580).

2. Comparison to budget

The total asset position at 30 June 2020 is \$7,797,915. This is \$681,085 lower than the

2019-20 budget estimate of \$8,479,000. This is due to:

- lower Investments (\$1,405,898) due to the redemption of invested funds transferred to Cash and Cash Equivalents to attain a higher interest rate on credit balances and to purchase the remainder of the fit-out of level 9 and part of the ground floor at 221 London Cct. This was not anticipated in the budget; and
- lower Receivables (\$203,420) due to receipt of funds from payment of invoices prior to 30 June 2020 that were not anticipated.

This has been partially offset by higher:

- Cash and Cash Equivalents (\$888,780) to attain a better rate of

interest; and

- Property, Plant and Equipment (\$60,453) mainly due a valuation completed at 30 June 2020 resulting in an increase to the asset revaluation reserve.

3. Comparison to 2018-19 actual

Total assets decreased by \$57,586 compared to the 2018-19 result of \$7,855,501 this is due to a decrease in Investments (\$947,898) as a result of funds being withdrawn to fund the previously mentioned fit-out and to attain a better rate of return.

This has been partially offset by an increase in:

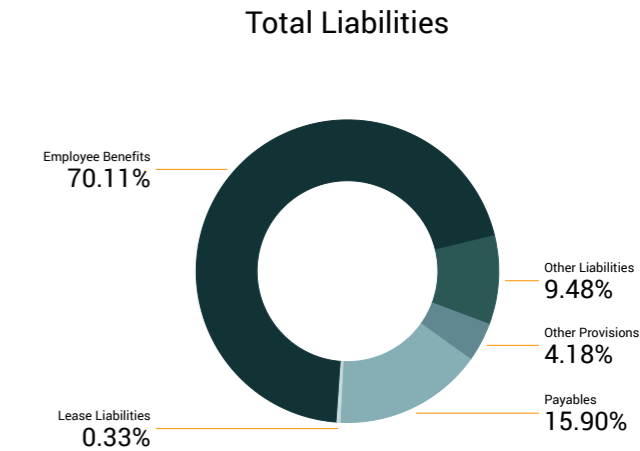
- Cash and Cash Equivalents (\$403,216) to attain a better rate of interest;
- Plant and Equipment (\$443,539) mainly due to the remainder of the cost of fit-out of level 9 and part of the ground floor at 221 London Cct; and
- an increase in Receivables (\$62,346) due to a higher return on investments in the last quarter of 2019-20 resulting in higher commission receivable.

4. Future trends

It is anticipated that assets will decrease to \$7,334,000 by 30 June 2021 as a result of a decrease in Cash and Cash Equivalents and Investments due to an anticipated increase in cash outflows.

Total Liabilities

1. Components of total liabilities



Liabilities (\$3,309,698) at 30 June 2020 largely relate to Employee Benefits, which include annual and long service leave accrued by staff, accounting for 70% (or \$2,188,096) of Liabilities. Other Provisions account for 4% (or \$138,230) this includes the Provision for Make Good. Other liabilities comprise 9% (or \$313,663) and relates to lease-related liabilities associated with PTG's office accommodation. Payables comprise 16% (or \$526,249) of liabilities and include accrued expenses.

2. Comparison to budget

Total liabilities (\$3,309,698) are (\$385,698) higher than the original 2019-20 budget of \$2,924,000 mainly due to higher Employee Benefits (\$474,652) due to higher leave balances as a result of the COVID-19 pandemic, increased staffing numbers, salary increases, and associated impacts

on long service leave together with a higher than expected Present Value Factor used to calculate the value of long service leave.

This has been partially offset by lower Payables (\$133,751) resulting from invoices being received and paid by 30 June 2020.

3. Comparison to 2018-19 actual

In comparison to the previous period, the increase of \$476,970 in liabilities was due to:

- an increase Employee Benefits (\$273,816) due to an increase in the number of staff employed, increased leave balances due to the COVID-19 pandemic, increased salaries and

associated impacts on Long Services leave and an increase in the Present Value Factor used to calculate long service leave

- an increase in Payables (\$237,067) resulting from an outstanding invoice for back payment of superannuation for Official Visitors following advice received from the ACT Remuneration Tribunal.

These have been partially offset by a decrease in the Lease Incentive Liability (\$46,936) due to the unwinding of part of the accommodation lease incentive liability.

4. Future Trends

It is anticipated that overall liabilities will remain constant for 2020-21.

Liquidity

“Liquidity” is the ability of PTG to satisfy its short-term debts as they fall due. A common indicator for liquidity is the current ratio, which compares the ability to fund short-term liabilities from short-term assets. A ratio of less than 1:1 may indicate a reliance on the next financial year’s operating revenue to meet short-term debts. Table 2 illustrates the current liquidity position.

Table 2: Current Ratio

	Prior Year Actual 2019 \$m	Current Year Actual 2020 \$m	Current Year Budget 2020 \$m	Forward Year Budget 2021 \$m	Forward Year Budget 2022 \$m	Forward Year Budget 2023 \$m
Total Current Assets	6.354	5,854	6.595	5,936	5,958	5,987
Total Current Liabilities	2.250	2.767	2.367	2,341	2,395	2,457
Net Current Assets	4.104	3,087	4,228	3,595	3,563	3,530
Current Ratio	2.82:1	2.11:1	2.79:1	2.53:1	2.49:1	2.44:1

PTG’s current ratio at 30 June 2020 is 2:11 to 1, this is lower than the budgeted current ratio at 30 June 2020 of 2.79 to 1. This is due to lower than expected asset values and higher than expected liabilities. PTG anticipates current assets to remain relatively stable, a modest increase in liabilities and to maintain a strong level of liquidity in the forward years.

PTG Historical Financial Performance (rolling 10-year period)

	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019-20
Appropriation	\$669,000	\$682,000	695,000	706,000	706,000	\$624,001	\$1,643,250	\$2,057,000	\$2,097,999	\$2,486,000
Revenue	\$5,007,132	\$5,249,994	\$5,040,986	\$6,398,431	\$6,531,796	\$6,346,022	\$7,345,009	\$7,610,937	\$8,003,771	\$8,661,766
Expend.	\$3,830,580	\$4,495,960	\$4,733,881	\$6,182,022	\$5,822,685	\$5,988,803	\$6,782,608	\$7,547,092	\$8,487,627	\$9,284,925
Result	\$1,176,552	\$754,034	\$307,105	\$216,409	\$709,111	\$357,219	\$562,401	\$29,840	(\$483,856)	(\$623,159)
Dividend	\$588,276	\$377,017	\$153,553	\$108,205	\$354,556	\$178,609	\$281,200	\$14,920	Nil	Nil
Staff (FTE)	35	39	39	40	42.8	51	54	54	58.8	61.45

C.2 Financial Statements

(Refer ANNEXURE - FINANCIAL STATEMENTS)

C.3 Capital Works

Fit out of PTG’s extended accommodation was fully completed during the reported year with the issue of a Certificate of Occupancy and Use on 6 February 2020. The project involved acquisition of further office space on Level 9, 221 London Circuit, surrender of part of PTG’s Ground Floor premises and associated fit out. The works were undertaken by the landlord’s contractor and were not classified as Capital Works on the part of PTG.

C.4 Asset Management

Non-Government Assets

PTG manages significant non-government assets in its capacity as trustee. These assets are reported in the annexed financial statements.

Government Assets

No significant assets were added to or removed from the corporate assets register during 2019-20.

Vehicle

The only government assets directly managed are:

- Volkswagen Golf valued at \$12,000 in 2020 by Ty Noble (FAPV CPV), JLL Public Sector Valuations Pty Ltd.
- Volkswagen Caddy valued at \$17,500 in 2020 by Ty Noble (FAPV CPV), JLL Public Sector Valuations Pty Ltd.

(Vehicles are insured through AON Insurance. Valuations are undertaken three-yearly)

Warehouse

PTG’s has title to a warehouse at 50–52 Grimwade Circuit, Mitchell. The asset is a trust asset and is unencumbered. The warehouse is used to store client effects relating to deceased estates and financial management clients. The warehouse may also be used to store confiscated criminal assets awaiting liquidation. Building insurance is sourced through the Units Plan Owners’ Corporation.

The warehouse was inspected and valued in July 2019 by Herron Todd White at \$320,000. Revaluation is conducted on a three-yearly basis. The warehouse contains no hazardous materials.

Office Accommodation and Equipment

PTG is accommodated in one central location in the City. The building has a 4.5 NABERS rating. Bathrooms are fitted with hand dryers, 6-star Sensor taps, soap dispensers and 3L/4.4L half-full flush toilets.

PTG’s office equipment was fully replaced as part of the refurbishment. All staff have been allocated laptops with dual screens. Printing/copying/ scanning functions are undertaking through multi-function devices located throughout the office.

C.5 Government Contracting

Procurement Overview

PTG did not undertake any procurement activities during the reported year.

Government Procurement Services

PTG confirms that it has:

- Complied with the quotation and tender thresholds laid out in the *Government Procurement Regulation 2007*
- Ensured all contractors have complied with their employee and industrial relations obligations
- Partnered with Shared Services Procurement for all contracts which exceed \$200,000 in value for goods and services, or \$25,000 in value for works
- Submitted all relevant contracts for review by the Government Procurement Board consistent with the provisions of the *Government Procurement Regulation 2007*.



Additional Information for Procurements exempted from Quotation and Tender Threshold Requirements

- Contracts in this category currently entered into and continuing include:
- Vanguard Investments Australia – Contract for the supply of fund management services in connection with PTG’s Conservative Common Fund, Balanced Common Fund, Growth Common Fund and Australian Fixed Interest Common Fund. Accessed under existing contract with ACT Treasury. Fees are charged quarterly and accrued monthly.
  - Ultradata for use under licence and technical support of the TACT trust accounting business system. Annual Licence fees are in the order of \$106,920.37
  - MYOB/AE 8 (income tax software) licence on an annual basis \$3,163.84
  - MYOB Premier 19 – for Business Financial System (annual subscription) \$1,527.27
  - Filemaker Pro – Guardianship Unit Business System – Software adjustments \$0.00
  - Nexon - Acquisition and modification of Microsoft Dynamic CRM - \$94,537.02 (this includes maintenance of OWLS, maintenance and set up for PLD, Guardianship and Private Managers)
  - Objective - Electronic Document and Records Management (EDRMS) Software - \$35,529.25

Social Procurement

PTG continues to contract a young man with an intellectual disability to provide services to PTG.

Aboriginal and Torres Strait Islander Procurement Policy

Refer Justice and Community Safety Directorate Annual Report 2019-20.

C.6 Statement of Performance

Refer ANNEXURE – FINANCIAL STATEMENTS.

Part 4 Annual Report Requirements For Specific Reporting Entities

Report Relates to Legislation – Confiscation of Criminal Assets Act 2003 Sections 102 and 103

S.102 Notice Of Sale, Modification Or Destruction Of Restrained Property By Public Trustee

The *Confiscation of Criminal Assets Act 2003* (COCA Act) authorises the confiscation of the proceeds of crime and other criminal assets. PTG’s statutory role is limited to administering assets restrained under the Act. Forfeited assets are secured, sold and moneys realised are deposited into the Confiscated Assets Trust (CAT) Fund.

PTG’s responsibilities are generally at the end of the criminal justice process and are largely reactive in compliance with court orders.

In 2019-20, PTG deposited a total of \$1,457,331.18 to the CAT fund compared with \$904,911.97 in 2018–19.

Under s.102 (1) of the COCA Act, PTG must give written notice of a proposed sale, modification or destruction of restrained property under s.101 to -

- (a) the owner of the property (if known); and
- (b) anyone else PTG believes may have an interest in the property.

In accordance with the Act, notices were given to the owners of property and to anyone PTG believed had an interest in those properties.

S. 103 Emergency Modification or Destruction of Restrained Property

S. 103(1) of the COCA Act applies if PTG considers that restrained property is a serious threat to public health or safety and places an onus upon PTG to notify specified persons if assets are destroyed or disposed of.

In dealing with Confiscated Criminal Assets, PTG has authorised ACT Policing to take possession and dispose of certain assets that are deemed to be a serious threat to public health or safety.

These include, but are not limited to -

- Hydroponic equipment commonly used for the production of marijuana
- Chemicals commonly used in the manufacture of illicit drugs and other drug paraphernalia
- Firearms and ammunition
- Modified vehicles.

Current practice involves several different means of disposal or remediation depending upon the nature of the asset. Depending upon its nature, the asset may be immediately destroyed or disposed of by sale.

PTG may also deals with unsafe residential or commercial buildings (eg asbestos, illegal works). PTG and its registered services providers are apprised of their obligations in respect to the presence of asbestos in residential properties.

Part 5 Whole Of Government Annual Reporting

5.1 Bushfire Risk Management

This section is not applicable to PTG’s operations.

5.2 Human Rights

Education and Training

During the reported year, PTG provided several staff with human rights training through the JACS Directorate’s training program.

Reviews for Compatibility With Human Rights

During the reported year, PTG did not conduct any reviews involving compatibility with human rights principles.

Information

PTG embraces ACT Public Service values and signature behaviours of respect, integrity, collaboration and innovation. PTG’s Staff Code of Conduct establishes expected standards of behaviour for staff including:

- ▶ Treating members of the public and work colleagues with the highest level of courtesy and sensitivity to their rights
- ▶ Refraining from engaging in or condoning sexual harassment or discrimination on the basis of gender, transgender, marital status, pregnancy, sexual preference, disability, age, race, religion, political conviction or carer’s responsibilities.

The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) seeks to change attitudes and approaches to persons with disabilities. It takes to a new height the movement from viewing persons with disabilities as “objects” of charity, medical treatment and social protection towards viewing persons with disabilities as “subjects” with rights, who are capable of claiming those rights and making decisions for their lives based on their free and informed consent as well as being active members of society.

Article 12 of the Convention “Equal recognition before the Law”, underpins the work undertaken by PTG in acting as Guardian and Manager under appointment by ACAT. PTG’s Guardianship and Financial Management Services Units have a strong understanding of the application of this important principle.

PTG has contributed to the development and maintenance by the Australian Guardianship and Administration Council (AGAC) of National Standards for Guardians and Managers. These important documents establish 12 national standards that set minimum service levels to be provided to persons with a decision-making disability by their appointed financial manager. The standards complement statutory requirements, policies, principles and practices, codes of professional conduct and ethical behaviour, privacy and confidentiality of personal information and records, and other requirements, which financial managers in each state/territory should aspire to.

The document and associated Fact Sheets have been circulated through all members; websites.

Complaints

The role of financial Manager and Guardian of last resort, in a substitute decision-making framework, is by its nature and intrusive one and brings with it an expected level of complaint. The *Guardianship and Management of Property Act 1991* establishes that decision-making may be made contrary to the person’s wishes where necessary to protect them from adverse consequences. This is balanced against the requirement for PTG as Manager/ Guardian to consult with the person’s carer/s. The Act incorporates decision-making principles developed in accordance with human rights principles.

Contracts

PTG engages the services of a person with an intellectual disability to provide services to the office.

Liaison

PTG partners with its Public Advocate/Public Guardian/Public Trustee and Tribunal members to make representations to government in respect to issues affecting the rights of persons with disabilities.

Reviews

PTG is a continuing member of AGAC’s Elder Abuse National Projects Governance Group which has been tasked with a number of research and reporting projects by the federal government.

The Group continues to work with the federal government in the establishment of a national online register for Enduring Powers of Attorney. An online register was a key recommendation of the Australian Law Reform Commission’s inquiry into elder abuse, and the Government to work with states and territories to reform enduring powers and establish the national register.

Litigation

PTG is appointed as Manager and Guardian by ACAT for persons with impaired decision-making ability. These appointments regularly require PTG to act as litigation guardian under Court order, or as guardian for legal matters under appointment by ACAT. In doing so, PTG seeks to ensure that the interests of a person who has impaired capacity are protected against the disadvantage that the person would otherwise be under.

5.3 Legal Service Directions

The *Law Officers Act 2011* (the Act) was established to create the Offices of Attorney-General, Solicitor-General and the Government Solicitor. Under s. 15 of the Act, PTG is required to report on measures taken to ensure compliance with the *Law Officers (General) Legal Services Directions 2012* and *Model Litigant Guidelines 2010*.

Compliance With Legal Services Directions

The Directions cover issues such as:

- ▶ Outsourcing of legal work
- ▶ Use of in-house lawyers as approved by the Attorney-General.

PTG is a government-owned Territory authority. Some of PTG’s functions and responsibilities are akin to those of a trustee corporation or a legal practice in that the office acts as a consultant in respect to succession law matters and provides commercial legal services to the community including trust creation and administration, will drafting, EPA drafting and estate administration.

Unlike the ACT Government Solicitor (ACTGS), PTG exists to provide services to individual members of the ACT community. The ACTGS has approved the creation of two Legal Officer positions within PTG to employ appropriately qualified persons to satisfy its succession law responsibilities.

PTG does not undertake litigation in respect to government matters however litigation is undertaken on behalf of our guardian, financial management, trust and estate and clients. In that regard PTG may brief external practitioners in accordance with the Model Litigant Guidelines.

Compliance With Model Litigant Guidelines

PTG’s Declaration by Service Provider ensure that providers of legal services are aware of the Law Officer (Model Litigant) Guidelines 2010 and apply them in their representation of PTG and its clients.

5.4 Territory Records

PTG’s Records Disposal Schedule is published on the ACT Legislation Register. A records management framework has been implemented in accordance with the schedule.

A declaration under s. 28 of the *Territory Records Act 2002* has been granted to prevent public access to PTG’s client files including client files of the former Curator of Estates of Deceased Persons. The application was granted on 4 July 2008 (Exemption no 97) and renewed on 3 July 2018 (2018/12).

## Part 6 State Of The Service Report

### 6.1 Workforce Profile

(Refer B.11) PTG did not have any Attraction and Retention Initiatives (ARINs), or Special Employment Arrangements in respect to any staff member during the reported year.

### 6.2 Culture And Behaviour

Respect, Equity and Diversity (RED) training is mandatory for PTG’s staff. The Public Trustee and Guardian has maintained a Contact Officer since the commencement of the RED framework. The RED Contact Officer has proven to be a highly useful Framework for staff at PTG.

PTG has a strong culture of working to provide protection and support for rights, choices, security and justice for all persons in the ACT community.

Our key values reflect a culture of -

- Excellence - we foster a culture of excellence in the delivery of our services
- Openness - we demonstrate honesty, integrity, compassion and inclusion when delivering our services
- Innovation - we challenge ourselves to seek new and improved work practices
- Collaboration - we work through interaction and support in partnerships
- Teamwork - we work together with respect, valuing staff expertise, professionalism and commitment.

### 6.3 Public Interest Disclosure

S. 11 of the *Public Interest Disclosure Act 1994* requires PTG to establish and maintain procedures to facilitate disclosures about improper conduct or wrongdoing by the office.

PTG is subject to the JACS Public Interest Disclosure Policy. The policy seeks to help people who seek to disclose matters under the Act. Persons interested in making a disclosure in respect to PTG may do so to the Executive Director – Governance JACS or, if unavailable, through the JACS Internal Audit Committee.

No public interest disclosures were made during 2019–20.

### 6.4 Public Service Standards Commissioner

No investigations were conducted by the Public Sector Standards Commissioner in respect to PTG.

## Annexure Financial Statements





AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY

## INDEPENDENT LIMITED ASSURANCE REPORT

### To the Members of the ACT Legislative Assembly

#### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Public Trustee and Guardian for the year ended 30 June 2020.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2020 are not in agreement with the Public Trustee and Guardian's records or do not fairly reflect, in all material respects, the performance of the Public Trustee and Guardian, in accordance with the *Financial Management Act 1996*.

#### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

#### Public Trustee and Guardian's responsibilities for the statement of performance

The Public Trustee and Guardian is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

#### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Public Trustee and Guardian.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Public Trustee and Guardian's records or do not fairly reflect, in all material respects, the performance of the Public Trustee and Guardian, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Public Trustee and Guardian, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

#### Limitations on the scope

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Public Trustee and Guardian.

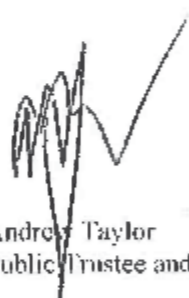


Ajay Sharma  
Assistant Auditor-General, Financial Audit  
29 September 2020

**Public Trustee and Guardian  
Statement of Performance  
For the Year Ended 30 June 2020**

**Statement of Responsibility**

In my opinion, the Statement of Performance is in agreement with Public Trustee and Guardian's records and fairly reflects the service performance of the Public Trustee and Guardian for the year ended 30 June 2020 and also fairly reflects the judgements exercised in preparing it.



Andrew Taylor  
Public Trustee and Guardian

17 August 2020

**PUBLIC TRUSTEE AND GUARDIAN  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDING 30 JUNE 2020**

Performance of the Public Trustee and Guardian (PTG) is measured by the increase in volume of new business, which includes PTG's ability to meet agreed standards and provide professional and efficient services to the ACT community.

INDICATOR	Original Budget 2019-20	Actual Outcome 2019-20	Variance %	Notes
Guardianship Orders - no. of people for whom PTG acted as Guardian appointed by the ACT Civil and Administrative Tribunal (ACAT) under the <i>Guardianship and Management of Property Act 1991</i> (GMPA) during the reported period	230	221	(4)	
Management Orders - no. of orders in which PTG was appointed as Manager by ACAT under the GMPA current at the end of the reported period by ACAT	510	508	(0)	
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for all matters made during the reported period	130	118	(9)	1
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for financial and property matters under active management at the end of the reported period	38	39	3	
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for personal and health care matters active at the end of the reported period	7	7	0	
Police Call-outs - no. of responses to call outs by police and community following death during the reported period	1	0	(100)	2
Welfare Interests - no. arranged by PTG during the reported period	2	0	(100)	3
Examination of Accounts - no. examined by PTG during the reported period upon filing by External Managers appointed by ACAT for Protected Persons	570	453	(21)	4
Deceased Estate Administrations - no. of deceased estate administrations completed during the reported period	100	74	(26)	5
Trusts (for all purposes) - no. held at end of reported period	648	656	1	
Wills - no. of wills prepared by PTG during the reported period	465	324	(30)	6
Customer Survey - % of clients responding to PTG's survey during the reported year that reported PTG met or exceeded their expectations	90	91	1	

The above Statement of Performance should be read in conjunction with the accompanying notes.

The above accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.

**PUBLIC TRUSTEE AND GUARDIAN  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDING 30 JUNE 2020**

**Notes – Explanation of material variance (+/-5%)**

1. The number of Enduring Powers of Attorney appointing PTG for all matters was higher than expected. The higher number of people choosing to make an EPA can be attributed to more effective marketing by PTG at Wills Week, Seniors Week, Senior's Expo and Community Forums as well as through more informative Fact Sheets and the popularity of PTG's publication "The Power to Choose".
2. The number of callouts was lower than expected - PTG's performance in this regard is purely reactive following callout by ACT Policing.
3. The number of welfare funerals was lower than expected. PTG's performance in this regard is purely reactive upon request. PTG is working with ACT Government to formalize arrangement under which welfare funerals are administered.
4. The number of examinations performed by PTG was lower than expected due to the higher time taken to perform the examinations. This was due to a higher complexity of accounts submitted and constraints of the COVID-19 pandemic.

**PUBLIC TRUSTEE AND GUARDIAN  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDING 30 JUNE 2020**

**Notes – Explanation of material variance (+/-5%)**

5. The number of estate administrations completed was lower than expected. This was due to a high number of complex estates that were unable to be finalised due to ongoing taxation issues, family provision claims, a greater number of beneficiaries residing overseas and the constraints of the COVID-19 pandemic.
6. The lower than expected number of Wills prepared is attributed the COVID-19 pandemic with will drafting appointments significantly curtailed to accord with protocols established to protect PTG's staff and member of the community.



AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY

## INDEPENDENT AUDITOR'S REPORT

### To the Members of the ACT Legislative Assembly

#### Opinion

I have audited the financial statements of the Public Trustee and Guardian for the year ended 30 June 2020 which comprise the operating statement, balance sheet, statement of changes in equity, statement of cash flows, statement of appropriation and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, the Public Trustee and Guardian's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

#### Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Public Trustee and Guardian in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the Public Trustee and Guardian for the financial statements

The Public Trustee and Guardian is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996*, and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Public Trustee and Guardian to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

#### Auditor's responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an auditor's report that includes an independent opinion on the financial statements of the Public Trustee and Guardian.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

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



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
28 September 2020

Public Trustee and Guardian  
 Financial Statements  
 For the Year Ended 30 June 2020

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Statement of Responsibility

In my opinion, the financial statements are in agreement with the Public Trustee and Guardian's accounts and records and fairly reflect the financial operations of the Public Trustee and Guardian for the year ended 30 June 2020 and the financial position of the Public Trustee and Guardian on that date.



Andrew Taylor  
 Public Trustee and Guardian

21 September 2020

Public Trustee and Guardian  
 Financial Statements  
 For the Year Ended 30 June 2020

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Statement by the Chief Finance Officer

In my opinion, the financial statements have been prepared in accordance with the Australian Accounting Standards, and are in agreement with the Public Trustee and Guardian's accounts and records and fairly reflect the financial operations of the Public Trustee and Guardian for the year ended 30 June 2020 and the financial position of the Public Trustee and Guardian on that date.



Callum Hughes  
 A/g Senior Director Finance  
 Public Trustee and Guardian

21 September 2020

**PUBLIC TRUSTEE AND GUARDIAN**  
**OPERATING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note No.	Actual 2020 \$	Original Budget 2020 \$	Actual 2019 \$
<b>Income</b>				
<b>Revenue</b>				
Controlled Recurrent Payments	4	2,486,000	2,260,000	2,097,999
Sales of Goods and Services from Contracts with Customers	5	6,016,106	5,559,000	5,738,412
Grants and Contributions		66,151	-	-
Investment Revenue		93,508	165,000	167,360
<b>Total Income</b>		<b>8,661,765</b>	<b>7,974,000</b>	<b>8,003,771</b>
<b>Expenses</b>				
Employee Expenses	6	6,271,292	5,214,000	5,794,881
Superannuation Expenses	7	1,036,865	831,000	741,841
Supplies and Services	8	1,740,800	1,843,000	1,797,229
Borrowing Costs	9	3,707	-	3,976
Depreciation	15	233,261	301,000	149,700
<b>Total Expenses</b>		<b>9,284,925</b>	<b>8,189,000</b>	<b>8,487,627</b>
<b>Operating (Deficit)</b>		<b>(623,160)</b>	<b>(215,000)</b>	<b>(483,856)</b>
<b>Other Comprehensive Income</b>				
<i>Items not reclassified subsequently to profit or loss</i>				
Increase / (Decrease) in Asset Revaluation Surplus		88,604	-	(412,631)
<b>Total Other Comprehensive Income / (Deficit)</b>		<b>88,604</b>	<b>-</b>	<b>(412,631)</b>
<b>Total Comprehensive (Deficit)</b>		<b>(534,556)</b>	<b>(215,000)</b>	<b>(896,487)</b>

The above Operating Statement should be read in conjunction with the accompanying notes.

Page 1

**PUBLIC TRUSTEE AND GUARDIAN**  
**BALANCE SHEET**  
**AT 30 JUNE 2020**

	Note No.	Actual 2020 \$	Original Budget 2020 \$	Actual 2019 \$
<b>Current Assets</b>				
Cash and Cash Equivalents	12	1,194,780	306,000	791,564
Receivables	13	507,580	711,000	445,234
Investments	14	4,152,102	5,558,000	5,100,000
Prepayments		-	20,000	17,692
<b>Total Current Assets</b>		<b>5,854,462</b>	<b>6,595,000</b>	<b>6,354,490</b>
<b>Non-Current Assets</b>				
Plant and Equipment	15	1,943,453	1,883,000	1,499,914
Prepayments		-	1,000	1,097
<b>Total Non-Current Assets</b>		<b>1,943,453</b>	<b>1,884,000</b>	<b>1,501,011</b>
<b>Total Assets</b>		<b>7,797,915</b>	<b>8,479,000</b>	<b>7,855,501</b>
<b>Current Liabilities</b>				
Payables	16	526,249	660,000	289,182
Lease Liabilities	17	6,260	-	-
Employee Benefits	18	2,188,096	1,660,000	1,914,372
Lease Incentive Liability	19	46,936	47,000	46,936
<b>Total Current Liabilities</b>		<b>2,767,541</b>	<b>2,367,000</b>	<b>2,250,490</b>
<b>Non-Current Liabilities</b>				
Lease Liabilities	17	4,644	-	-
Employee Benefits	18	132,556	185,000	132,464
Lease Incentive Liability	19	266,727	236,000	313,663
Other Provisions	20	138,230	135,000	136,111
<b>Total Non-Current Liabilities</b>		<b>542,157</b>	<b>557,000</b>	<b>582,238</b>
<b>Total Liabilities</b>		<b>3,309,698</b>	<b>2,924,000</b>	<b>2,832,728</b>
<b>Net Assets</b>		<b>4,488,217</b>	<b>5,555,000</b>	<b>5,022,773</b>
<b>Equity</b>				
Accumulated Funds		3,811,619	4,554,000	4,434,779
Asset Revaluation Surplus		676,598	1,001,000	587,994
<b>Total Equity</b>		<b>4,488,217</b>	<b>5,555,000</b>	<b>5,022,773</b>

The above Balance Sheet should be read in conjunction with the accompanying notes.

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## PUBLIC TRUSTEE AND GUARDIAN

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated Funds Actual 2020 \$	Asset Revaluation Surplus Actual 2020 \$	Total Equity Actual 2020 \$	Original Budget 2020 \$
<b>Balance at 1 July 2019</b>	<b>4,434,779</b>	<b>587,994</b>	<b>5,022,773</b>	<b>5,770,000</b>
Comprehensive Income				
Operating (Deficit)	(623,160)	-	(623,160)	(215,000)
Increase in the Asset Revaluation Surplus	-	88,604	88,604	-
<b>Total Comprehensive (Loss) / Income</b>	<b>(623,160)</b>	<b>88,604</b>	<b>(534,556)</b>	<b>(215,000)</b>
<b>Balance at 30 June 2020</b>	<b>3,811,619</b>	<b>676,598</b>	<b>4,488,217</b>	<b>5,555,000</b>
	Accumulated Funds Actual 2019 \$	Asset Revaluation Surplus Actual 2019 \$	Total Equity Actual 2019 \$	
<b>Balance at 1 July 2018</b>	<b>4,918,635</b>	<b>1,000,625</b>	<b>5,919,260</b>	
Comprehensive Income				
Operating (Deficit)	(483,856)	-	(483,856)	
(Decrease) in the Asset Revaluation Surplus	-	(412,631)	(412,631)	
<b>Total Comprehensive (Deficit)</b>	<b>(483,856)</b>	<b>(412,631)</b>	<b>(896,487)</b>	
<b>Balance at 30 June 2019</b>	<b>4,434,779</b>	<b>587,994</b>	<b>5,022,773</b>	

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

## PUBLIC TRUSTEE AND GUARDIAN

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020

	Note No.	Actual 2020 \$	Original Budget 2020 \$	Actual 2019 \$
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Controlled Recurrent Payments		2,486,000	2,266,000	2,097,999
Sales of Goods and Services from Contracts with Customers		5,936,354	5,922,000	5,944,936
Interest Received		108,357	155,000	212,952
Goods and Services Tax Collected from Customers		584,221	584,000	591,540
Other		1,652	-	4,374
<b>Total Receipts from Operating Activities</b>		<b>9,116,584</b>	<b>8,927,000</b>	<b>8,851,801</b>
<b>Payments</b>				
Employee		6,007,004	5,188,000	5,522,518
Superannuation		876,522	1,191,000	745,941
Supplies and Services		1,669,325	1,646,000	2,121,612
Goods and Services Tax Remitted to the Australian Taxation Office		359,537	370,000	330,262
Goods and Services Tax Paid to Suppliers		161,675	190,000	275,622
Other		2,419	-	4,131
<b>Total Payments from Operating Activities</b>		<b>9,076,482</b>	<b>8,785,000</b>	<b>9,000,086</b>
<b>Net Cash Inflows / (Outflows) from Operating Activities</b>	23(b)	<b>40,102</b>	<b>142,000</b>	<b>(148,285)</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 This amount is presented as controlled recurrent payments of \$1,739,000 and payments for community service obligations of \$627,000 in the Budget Papers.

PUBLIC TRUSTEE AND GUARDIAN  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2020

	Note No.	Actual 2020 \$	Original Budget 2020 \$	Actual 2019 \$
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Sale of Property, Plant and Equipment		3,684	-	-
Sale of Investments		4,800,000	540,000	4,500,000
<b>Total Receipts from Investing Activities</b>		<b>4,803,684</b>	<b>540,000</b>	<b>4,500,000</b>
<b>Payments</b>				
Payments for Plant and Equipment		584,217	600,000	825,327
Purchase of Investments		3,850,000	109,000	3,600,000
<b>Total Payments from Investing Activities</b>		<b>4,434,217</b>	<b>709,000</b>	<b>4,425,327</b>
<b>Net Cash Inflows / (Outflows) from Investing Activities</b>		<b>369,467</b>	<b>(169,000)</b>	<b>74,673</b>
<b>Cash Flows from Financing Activities</b>				
<b>Payments</b>				
Payment of Dividends		-	-	31,923
Repayment of Borrowings		-	-	90,340
Repayment of Lease Liabilities - Principal		6,353	-	-
<b>Total Payments from Financing Activities</b>		<b>6,353</b>	<b>-</b>	<b>122,263</b>
<b>Net Cash (Outflows) from Financing Activities</b>		<b>(6,353)</b>	<b>-</b>	<b>(122,263)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents Held</b>		<b>403,216</b>	<b>(27,000)</b>	<b>(195,875)</b>
Cash and Cash Equivalents at the Beginning of the Reporting Period		791,564	333,000	987,439
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	23(a)	<b>1,194,780</b>	<b>306,000</b>	<b>791,564</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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PUBLIC TRUSTEE AND GUARDIAN  
STATEMENT OF APPROPRIATION  
FOR THE YEAR ENDED 30 JUNE 2020

	Original Budget 2020 \$	Total Appropriated 2020 \$	Appropriation Drawn 2020 \$	Appropriation Drawn 2019 \$
Controlled Recurrent Payments	2,260,000	2,486,000	2,486,000	2,097,999
<b>Total Appropriation</b>	<b>2,260,000</b>	<b>2,486,000</b>	<b>2,486,000</b>	<b>2,097,999</b>

The above Statement of Appropriation should be read in conjunction with the accompanying notes.

**Column Heading Explanations:**

The *Original Budget* column shows the amounts that appear in the Operating Statement in the Budget Papers.

The *Total Appropriated* column includes all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Public Trustee and Guardian during the reporting period. This amount equals the Controlled Recurrent Payments shown in the Statement of Cash Flows.

**Variances between 'Total Appropriated' and 'Appropriation Drawn'**

	Controlled Recurrent Payments \$
<b>Reconciliation of Appropriation for 2019-20</b>	
Original Appropriation	2,260,000
Supplementary Appropriation (FMA s.13)	128,000
Rollover of Undisbursed Appropriation (FMA s.16B)	98,000
<b>Total Appropriated</b>	<b>2,486,000</b>
<b>Controlled Appropriation Drawn</b>	<b>2,486,000</b>

The increase of \$226,000 between the Original Budget for PTG and the Total Appropriated is due to *Financial Management Act 1996 (FMA)* Section 16B transfer of funding from 2018-19 into 2019-20 of \$98,000 for the Official Visitor Scheme, and additional Supplementary Appropriation of \$128,000 to increase staff in the Guardianship Unit.

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# PUBLIC TRUSTEE AND GUARDIAN

## INDEX TO THE NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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# PUBLIC TRUSTEE AND GUARDIAN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### 1. OBJECTIVES OF THE PUBLIC TRUSTEE AND GUARDIAN

The Public Trustee and Guardian is a corporation solely established under the *Public Trustee and Guardian Act 1985*. In 2016, the former Public Trustee for the ACT merged with the Guardianship unit of the Public Advocate of the ACT to form the Public Trustee and Guardian.

The objectives of the Public Trustee and Guardian, as authorised by the *Public Trustee and Guardian Act 1985* and the *Trustee Act 1925*, are to protect and support rights, choices, security and justice for all persons in the ACT Community by preparing wills and enduring powers of attorney, administering estates and trust management. The Public Trustee and Guardian is also responsible for the protection of the financial personal and property interests of persons with a legal disability, where appointed under the *Guardianship and Management of Property Act 1991* as a financial manager and/or guardian.

The Public Trustee and Guardian acts as agents for the Territory under the *Confiscation of Criminal Assets Act 2003* and for unclaimed moneys under the *Unclaimed Money Act 1950*, and holds investment responsibility for government and non-government trust funds.

The Public Trustee and Guardian is the trustee for the Perpetual Care Trusts under the *Cemeteries and Crematoria Act 2003* and for the Capital Region Community Foundation (Greater Good).

The Public Trustee and Guardian is the chair of the Official Visitors Board under the *Official Visitor Act 2012* and is responsible for providing administration services to Official Visitors.

### 2. SIGNIFICANT ACCOUNTING POLICIES

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information

Appendix A - Basis of Preparation of the Financial Statements  
Appendix B - Significant Accounting Policies  
Appendix C - Impact of Accounting Standards Issued But Yet to Be Applied

### 3. CHANGE IN ACCOUNTING ESTIMATES

Refer to Appendix D – Change in Accounting Policy

## PUBLIC TRUSTEE AND GUARDIAN

 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## 4. CONTROLLED RECURRENT PAYMENTS

Controlled Recurrent Payments (CRP) is revenue received from the ACT Government to fund the costs of delivering outputs.

Community Service Obligations (CSO) is revenue received from the ACT Government to fund services to the public at subsidised rates.

	2020	2019
	\$	\$
Controlled Recurrent Payments	1,959,000	1,579,999
Community Service Obligations	527,000	518,000
<b>Total Controlled Recurrent Payments</b>	<b>2,486,000</b>	<b>2,097,999</b>

Controlled Recurrent Payments were higher in 2019-20 due to an increase in funding to assist in the provision of Guardianship Services and an increase in funds required to administer the Official Visitors Scheme as a result of a back payment of superannuation for staff under the Official Visitors Scheme following advice from the ACT Remuneration Tribunal.

## 5. SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS

Sales of Goods and Services from Contracts with Customers revenue is derived by providing goods and services to other ACT Government agencies and to the public. Sales of Goods and Services from Contracts with Customers revenue is legally retained by the Public Trustee and Guardian and is driven by consumer demand.

## ACT Government Customers

Other Fees	600	600
<b>Total Sales of Goods and Services from ACT Government Customers</b>	<b>600</b>	<b>600</b>

## Non-ACT Government Customers

Commission (a)	2,104,071	1,846,518
Management Fees (b)	2,577,395	2,357,485
Other Fees (c)	1,334,040	1,533,809
<b>Total Sales of Goods and Services from Non-ACT Government Customers</b>	<b>6,015,506</b>	<b>5,737,812</b>
<b>Total Sales of Goods and Services from Contracts with Customers</b>	<b>6,016,106</b>	<b>5,738,412</b>

(a) Commission from Non-ACT Government entities is charged on the value of the income earned for funds managed in the Public Trustee and Guardian and Government Trust Account. These commissions are earned from funds held on behalf of the general public. There has been an increase in commission received due to a higher amount of funds under management from the administration of deceased estates.

(b) Management Fees are based on a percentage of the value of client funds invested in the Public Trustee and Guardian Trust account which has increased during the 2019-20 year.

(c) The entitlement for the balance of fees receivable from the Unclaimed Money Trust Fund was lower in 2019-20 than it was in 2018-19, which resulted in a decrease to Other Fees.

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## PUBLIC TRUSTEE AND GUARDIAN

 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<b>6. EMPLOYEE EXPENSES</b>		
Wages and Salaries (a)	5,831,454	5,290,209
Annual Leave Expense (b)	161,707	41,527
Long Service Leave Expense (c)	108,071	293,492
Termination Payments	102,841	87,107
Fringe Benefits Tax	7,608	7,504
Workers' Compensation Insurance Premiums	51,337	69,109
Other Employee Expenses and On-Costs	8,274	5,933
<b>Total Employee Expenses</b>	<b>6,271,292</b>	<b>5,794,881</b>

(a) The Public Trustee and Guardian had an average of 61.45 staff employed at 30 June 2020 (58.27 at 30 June 2019). The increase in Wages and Salaries relates to an increase in staffing numbers and a change in the way Official Visitors are remunerated following advice received from the ACT Remuneration Tribunal - these were previously recognised as contractor expenses in supplies and services. Additional staff were employed due to an increase in the number of clients being serviced and the complexity of work, as well as to cover for absences of staff on annual and long service leave. A project manager was also employed to manage the transition to an Electronic Documents Records Management System.

(b) Annual Leave expenses have increased in 2019-20 due to a number of staff cancelling or forgoing leave due to the world health crisis.

(c) Long Service Leave expenses have decreased due to a number of long term staff taking leave. This has been partially offset by salary increases and associated impacts on the expense, together with an increase in the present value factor used for calculating long service leave from 110.1 percent to in 2018-19 to 113.6 percent in 2019-20.

## 7. SUPERANNUATION EXPENSES

The Public Trustee and Guardian makes fortnightly payments to the Territory Banking Account for CSS and PSS superannuation liabilities. The productivity benefit for these schemes is paid directly to the Commonwealth Superannuation Corporation (CSC).

Superannuation payments are also made to external providers as part of employee fund of choice arrangements.

## Superannuation Contributions to the Territory

Banking Account (a)	321,547	282,600
Productivity Benefit	30,890	40,837
Superannuation to External Providers (b)	683,428	418,404
<b>Total Superannuation Expenses</b>	<b>1,035,865</b>	<b>741,841</b>

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 7. SUPERANNUATION EXPENSES (CONTINUED)

(a) The increase in Superannuation Contributions to the Territory Banking Account is due to an increase to the employers contribution rate to PSS Funds.

(b) The increase in superannuation expenses to External Providers is due to an increase in staffing numbers together with a change in the way Official Visitors are remunerated (Refer Note 6 Employee Expenses). The majority of new staff were previously employed in the Private Sector and can only contribute to super schemes offered by external superannuation fund providers.

	Note No.	2020 \$	2019 \$
<b>8. SUPPLIES AND SERVICES</b>			
Audit Fee	11	86,669	83,838
Computer Expenses (a)		351,230	354,142
Consultants Costs		47,818	57,060
Office Expenses (b)		183,065	158,168
Postage, Printing and Stationery		45,975	57,831
Rental and Property Expenses (c)		484,236	459,118
Repairs and Maintenance		135,140	126,931
Travel Expenses		3,907	5,684
Staff Training		11,657	31,678
Marketing Expenses		25,549	37,922
Official Visitors Expenses (d)		354,131	360,567
Business Transformation Project (e)		2,000	43,643
Other Expenses		9,423	20,847
<b>Total Supplies and Services</b>		<b>1,740,800</b>	<b>1,797,229</b>

(a) Computer Expenses consist of computer leasing, infrastructure software and storage costs.

(b) Office Expenses increased as a result of an increase in the cost of Payroll Services together with an increase in the number of staff employed.

(c) Rental and Property Expenses increased due to the annual percentage increase in rent as per the terms of the lease together with an increase in Office Space to accommodate the extra staff.

(d) Official Visitors provide a monitoring and complaints system for entitled persons in a visitable place, who are dependent on the service provider or accommodation manager supporting them.

(e) The Public Trustee and Guardian is currently undergoing a 'Business Transformation' with the aim to change how the organisation operates, the infrastructure, organisational culture and services delivered. In 2019-20 costs associated with the Business Transformation Project were applied to 'Employee Expenses' as a contractor was employed to develop an Electronic Documents Records Management System. In 2018-19 the costs incurred were associated with a re-evaluation of Trust Officer positions and duty statements which outline position responsibilities. The Business Transformation project is now complete and no further supplier costs are anticipated.

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
<b>9. BORROWING COSTS</b>		
Interest Expense on Borrowings (a)	-	527
Lease Interest Expense	168	-
Finance Cost on Make Good	3,539	3,449
<b>Total Borrowing Costs</b>	<b>3,707</b>	<b>3,976</b>

(a) Interest Expense on Borrowings relate to the interest on the Filout Loan for part of level 9 of 221 London Circuit, Canberra. The Filout loan was fully repaid on 30 July 2018 and therefore no associated interest has been incurred for 2019-20.

## 10. WAIVERS AND WRITE-OFFS

There were no waivers in 2019-20. Similarly, there were no waivers in 2018-19.

The Public Trustee and Guardian approves the write-off of debts owed by third parties. Write-offs are made by the Public Trustee and Guardian under delegated authority for amounts that are unable to be recovered from clients.

	No.	No.
<b>Write-offs</b>		
Irrecoverable Debts	2 (13,014)	3 170
<b>Total Write-offs</b>	<b>2 (13,014)</b>	<b>3 170</b>

In 2019-20 Public Trustee and Guardian has written-off one fee for the drafting of a will and enduring power of attorney. This has been more than offset by a refund from an estate matter that had previously been written-off in the 2017-18 financial year.

## 11. AUDITOR'S REMUNERATION

Auditor's remuneration consists of financial audit services provided to the Public Trustee and Guardian by the ACT Audit Office. No other services were provided by the ACT Audit Office.

Audit Fees Paid or Payable to the ACT Audit Office	<b>86,669</b>	<b>83,838</b>
Audit fees paid for by the Public Trustee and Guardian were:		
Financial Statements of the Public Trustee and Guardian (Office Account)	42,813	41,566
Financial Statements of the Public Trustee and Guardian (Trust Account) and Capital Region Gift and Open Funds	38,194	37,082
Compliance with Public Ancillary Guidelines	5,662	5,190
<b>Total auditors remuneration</b>	<b>86,669</b>	<b>83,838</b>

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 12. CASH AND CASH EQUIVALENTS

The Public Trustee and Guardian holds a bank account with Westpac Banking Corporation as part of the ACT whole-of-government banking arrangements. The weighted average interest rate returned on the bank account was 1.51% in 2019-20 (2.08% in 2018-19).

The Public Trustee and Guardian hold deposits with various other financial institutions at call throughout the year. The weighted average interest rate returned on these investments was 1.85% in 2019-20 (2.70% in 2018-19).

	2020	2019
	\$	\$
Cash at Bank (a)	1,194,080	790,864
Cash on Hand	700	700
<b>Total Cash and Cash Equivalents</b>	<b>1,194,780</b>	<b>791,564</b>

(a) The increase in Cash at Bank is due to a higher interest rate on credit balances. The bank interest rate as at 30 June 2020 is 1.10% which is higher than the rate on term deposits.

## 13. RECEIVABLES

<b>Current Receivables</b>		
Trade Receivables (a)	498,666	419,371
Less: Expected credit loss allowance	-	-
	498,666	419,371
Accrued Investment Revenue	8,914	25,863
<b>Total Receivables</b>	<b>507,580</b>	<b>445,234</b>

(a) The increase in Trade Receivables is due to a higher return on investments in the last quarter of 2019-20 resulting in a higher commission receivable.

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 13. RECEIVABLES (CONTINUED)

Ageing of Receivables	Days Past Due					
	Total	Not Overdue	1 - 30 Days	31 - 60 Days	61 - 90 Days	> 91 Days
	\$	\$	\$	\$	\$	\$
30 June 2020						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	507,580	393,587	-	107,424	968	5,581
Expected credit loss allowance	-	-	-	-	-	-
30 June 2019						
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	445,234	332,598	-	-	104,026	8,610
Expected credit loss allowance	-	-	-	-	-	-

Receivables overdue for more than 90 days mainly relate to recovery of salaries. These amounts are expected to be received during the first quarter of the 2020-21 financial year. The expected credit loss rate is nil as most receivables are due from the Trust account that Public Trustee and Guardian manages.

	2020	2019
	\$	\$
<b>Classification of ACT Government/Non-ACT Government Receivables</b>		
<b>Receivables with ACT Government Entities</b>		
Trade Receivables	4,830	9,984
<b>Total Receivables with ACT Government Entities</b>	<b>4,830</b>	<b>9,984</b>
<b>Receivables with Non-ACT Government Entities</b>		
Net Trade Receivables	493,836	409,387
Accrued Investment Revenue	8,914	25,863
<b>Total Receivables with Non-ACT Government Entities</b>	<b>502,750</b>	<b>435,250</b>
<b>Total Receivables</b>	<b>507,580</b>	<b>445,234</b>

## 14. INVESTMENTS

Short-term investments were held with a range of banks throughout the year for terms between 3 to 12 months. The weighted average interest rate returned on these investments was 1.85% in 2019-20 (2.70% in 2018-19).

<b>Current Investments</b>		
Term Deposits	4,152,102	5,100,000
<b>Total Current Investments</b>	<b>4,152,102</b>	<b>5,100,000</b>
<b>Total Investments</b>	<b>4,152,102</b>	<b>5,100,000</b>

The decrease in invested funds at 30 June 2020 is mainly attributable to funds being allocated towards the cost of the fitout of Ground Floor of 221 London Circuit, Canberra and an increase in Cash at Bank as the interest rate on the bank account is higher than the reinvestment rate for investments.

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
<b>15. PLANT AND EQUIPMENT</b>		
Plant and equipment includes motor vehicles, computer equipment, furniture and fittings, office fit-out and a security system.		
Motor Vehicles (at Fair Value)	29,500	27,179
Less: Accumulated Depreciation	-	(3,250)
	<u>29,500</u>	<u>23,929</u>
Furniture and Fittings (at Fair Value)	16,350	21,950
Less: Accumulated Depreciation	-	(4,059)
	<u>16,350</u>	<u>17,891</u>
Computer Equipment (at Fair Value)	700	4,400
Less: Accumulated Depreciation	-	(2,400)
	<u>700</u>	<u>2,000</u>
Office Fit-out (at Fair Value)	1,884,430	1,639,156
Less: Accumulated Depreciation	-	(184,927)
	<u>1,884,430</u>	<u>1,454,228</u>
Security System (at Fair Value)	2,000	2,525
Less: Accumulated Depreciation	-	(659)
	<u>2,000</u>	<u>1,866</u>
Right of Use Assets (at Fair Value)	17,088	-
Less: Accumulated Depreciation	(6,615)	-
	<u>10,473</u>	<u>-</u>
<b>Total Plant and Equipment</b>	<b><u>1,943,453</u></b>	<b><u>1,499,914</u></b>

## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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## 15. PLANT AND EQUIPMENT (CONTINUED)

## Valuation of Plant and Equipment

A qualified independent valuer, performed a valuation of the office fit-out, furniture and fittings, computer equipment, motor vehicles and security system at 30 June 2020.

As disclosed in Appendix B Note 20 Provision for Make Good, the Public Trustee and Guardian has included in the office fit-out valuation, the estimated cost of returning the premises occupied by the Public Trustee and Guardian to a similar condition to that which existed prior to the occupancy in the event the Public Trustee and Guardian were to leave the premises.

The fair valuation of the office fit-out was based on its estimated depreciated replacement cost as the current operating lease of the office accommodation on part of the ground floor and level 9, 221 London Circuit has an expiry date of 6 March 2027.

The fair valuation of motor vehicles, furniture & fittings and computer equipment was based on the market approach that reflects recent transaction prices for similar plant and equipment.

The next valuation is expected to be undertaken at 30 June 2023.

**PUBLIC TRUSTEE AND GUARDIAN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**15. PLANT AND EQUIPMENT (CONTINUED)**

**Reconciliation of Plant and Equipment - 2019-20**

	Motor Vehicle	Furniture and Fittings	Computer and Equipment	Office Fit-out	Security System Use Assets	Right of Use Assets	Total
Carrying Amount at the Beginning of the Reporting Period	23,929	17,891	2,000	1,454,228	1,866	-	1,499,914
Recognition of Right-of-use Assets on initial application of AASB16	-	-	-	-	-	17,088	17,088
Additions	-	-	-	571,620	907	-	572,527
Revaluation Increment/(Decrement)	8,367	488	(100)	78,945	(505)	-	87,185
Depreciation	(2,786)	(2,029)	(1,200)	(220,363)	(268)	(6,615)	(233,261)
Carrying Amount at the End of the Reporting Period	29,500	16,350	700	1,884,430	2,000	10,473	1,943,453

**Reconciliation of Plant and Equipment - 2018-19**

	Motor Vehicle	Furniture and Fittings	Computer and Equipment	Office Fit-out	Security System Use Assets	Right of Use Assets	Total
Carrying Amount at the Beginning of the Reporting Period	13,299	24,998	3,200	1,185,263	2,151	-	1,228,911
Additions	12,680	-	-	820,853	-	-	833,333
Impairment Losses Recognised Directly in Other Comprehensive Income	-	(4,580)	-	(408,070)	-	-	(412,630)
Depreciation	(2,050)	(2,547)	(1,200)	(143,518)	(285)	-	(149,700)
Carrying Amount at the End of the Reporting Period	23,929	17,891	2,000	1,454,228	1,866	-	1,499,914

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**PUBLIC TRUSTEE AND GUARDIAN**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**15. PLANT AND EQUIPMENT (CONTINUED)**

**Fair Value Hierarchy**

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the agency can access at the measurement date
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs that are unobservable for particular assets or liabilities.

**Classification According to the Fair Value Hierarchy 2020**

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Plant and Equipment at Fair Value</b>				
Motor Vehicle	-	29,500	-	29,500
Furniture and Fittings	-	16,350	-	16,350
Computer Equipment	-	700	-	700
Office Fit-out	-	-	1,884,430	1,884,430
Security System	-	-	2,000	2,000
Right of Use Assets	-	10,473	-	10,473
	-	57,023	1,886,430	1,943,453

**Classification According to the Fair Value Hierarchy 2019**

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Plant and Equipment at Fair Value</b>				
Motor Vehicle	-	23,929	-	23,929
Furniture and Fittings	-	17,891	-	17,891
Computer Equipment	-	2,000	-	2,000
Office Fit-out	-	-	1,454,228	1,454,228
Security System	-	-	1,866	1,866
	-	43,820	1,456,094	1,499,914

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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## 15. PLANT AND EQUIPMENT (CONTINUED)

## Valuation Techniques, Inputs and Processes

## Level 3 Valuation Techniques and Significant Unobservable Inputs

Valuation Technique: The majority of the Office Fit-out and Security System were considered to be specialised assets with no observable market sales data. These were measured using the depreciated replacement cost approach that reflects the cost to a market participant to construct assets of comparable utility adjusted for obsolescence.

Significant Unobservable Inputs: In determining the value of Office Fit-out and Security System, consideration was given to the age and condition of the assets, their estimated replacement cost and current use.

There has been no change to the above valuation techniques during the reporting period

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

## Fair Value Measurements using Significant Unobservable Inputs (Level 3)

30 June 2020	Office Fit-out	Security System
	\$	\$
Fair Value at the Beginning of the Reporting Period	1,454,228	1,866
Additions	571,620	907
Revaluation increments/(decrements) recognised in Other Comprehensive Income	78,945	(505)
Depreciation	(220,363)	(268)
<b>Fair Value at the End of the Reporting Period</b>	<b>1,884,430</b>	<b>2,000</b>
30 June 2019	Office Fit-out	Security System
	\$	\$
Fair Value at the Beginning of the Reporting Period	1,185,263	2,151
Additions	820,653	-
Disposals	(408,070)	-
Depreciation	(143,618)	(285)
<b>Fair Value at the End of the Reporting Period</b>	<b>1,454,228</b>	<b>1,866</b>

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<b>16. PAYABLES</b>		
<b>Current Payables</b>		
Trade Payables (a)	219,895	60,116
Accrued Expenses (b)	143,046	136,278
	362,941	196,394
Net Goods and Services Tax Payable	163,308	92,788
<b>Total Current Payables</b>	<b>526,249</b>	<b>289,182</b>
<b>Total Payables</b>	<b>526,249</b>	<b>289,182</b>
<b>Payables are aged as follows:</b>		
Not Overdue	19,113	286,785
Overdue for Less than 30 Days (c)	200,038	-
Overdue for 30 to 60 Days	-	54
Overdue for More than 60 Days	-	2,343
<b>Total Current Payables</b>	<b>219,151</b>	<b>289,182</b>
<b>Classification of ACT Government/Non-ACT Government Payables</b>		
<b>Payables with ACT Government Entities</b>		
Trade Payables	2,729	1,758
Accrued Expenses	111,491	102,269
<b>Total Payables with ACT Government Entities</b>	<b>114,220</b>	<b>104,027</b>
<b>Payables with Non-ACT Government Entities</b>		
Trade Payables	217,166	58,358
Accrued Expenses	31,555	34,009
Net Goods and Services Tax Payable	163,308	92,788
<b>Total Payables with Non-ACT Government Entities</b>	<b>412,029</b>	<b>185,155</b>
<b>Total Current Payables</b>	<b>526,249</b>	<b>289,182</b>
<b>Total Payables</b>	<b>526,249</b>	<b>289,182</b>

(a) Trade Payables have increased due to an outstanding invoice for back payment of superannuation entitlements for Official Visitors following advice received from the ACT Remuneration Tribunal.

(b) Accrued Expenses relate mainly to Audit Fees and Professional Fees for accounting services.

(c) Payables that are overdue for less than 30 days relate to the outstanding amount payable for superannuation for Official Visitors as per (a) above.

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 17. LEASE LIABILITIES

Public Trustee and Guardian has applied AASB 16 Leases using the modified-retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

**Agency as a Lessee**

Public Trustee and Guardian has one operating lease for a motor vehicle. Information relating to the leases in place and associated balances and transactions are provided below.

**Terms and Conditions of Leases**

Public Trustee and Guardian holds 1 motor vehicle lease. The loan term was for 3 years. The lease ends January 2022.

**Right-of-Use Assets**

	Motor Vehicles	Total
	\$	\$
Balance at 1 July 2019	-	-
Additions to right-of-use assets	17,088	17,088
Depreciation charge	(6,615)	(6,615)
Impairment of right-of-use assets	-	-
<b>Balance at 30 June 2020</b>	<b>10,473</b>	<b>10,473</b>

**Lease Liabilities**

The maturity analysis of lease liabilities at 30 June 2020 based on contractual undiscounted cash flows is shown in the table below.

< 1 year (\$)	1 – 5 years (\$)	> 5 years (\$)	Total undiscounted Lease Liabilities (\$)	Total Lease Liabilities included in the Balance Sheet (\$)
6,352	4,662	-	11,014	10,904

	2020
Balance Sheet	\$
Current Lease liabilities	6,260
Non-Current Lease liabilities	4,644
<b>Total Lease Liabilities</b>	<b>10,904</b>

**Operating Statement**

The amounts recognised in the operating statement relating to leases where Public Trustee and Guardian is a lessee are shown below.

Depreciation of right-of-use assets	(6,615)
Interest on lease liabilities	168

**Statement of Cash Flows**

Total cash outflow of leases	6,353
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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<b>18. EMPLOYEE BENEFITS</b>		
<b>Current Employee Benefits</b>		
Annual Leave (a)	619,396	516,588
Long Service Leave (b)	1,394,494	1,286,515
Accrued Salaries	121,571	59,779
Other Employee Benefits	52,635	51,490
<b>Total Current Employee Benefits</b>	<b>2,188,096</b>	<b>1,914,372</b>
<b>Non-Current Employee Benefits</b>		
Long Service Leave	132,556	132,464
<b>Total Non-Current Employee Benefits</b>	<b>132,556</b>	<b>132,464</b>
<b>Total Employee Benefits</b>	<b>2,320,652</b>	<b>2,046,836</b>

<b>Estimated Amount Payable within 12 months</b>		
Annual Leave	619,396	516,588
Long Service Leave	90,006	59,618
Accrued Salaries	121,571	59,779
Other Employee Benefits	52,635	51,490
<b>Total Employee Benefits Payable within 12 months</b>	<b>883,608</b>	<b>687,475</b>
<b>Estimated Amount Payable after 12 months</b>		
Long Service Leave	1,437,044	1,359,361
<b>Total Employee Benefits Payable after 12 months</b>	<b>1,437,044</b>	<b>1,359,361</b>
<b>Total Employee Benefits</b>	<b>2,320,652</b>	<b>2,046,836</b>

The Public Trustee and Guardian had 61.45 full time equivalent staff employed at 30 June 2020 (61.91 at 30 June 2019).

(a) Annual leave has increased in 2019-20 due to a number of staff cancelling or forgoing leave due to the world health crisis.

(b) Long Service leave accrues from the commencement of employment by a staff member. As the period of service increases, so do the benefits. Long service leave provision has increased due to an increase in the number of staff becoming eligible for Long Service Leave as well as an increase in the present value factor used for calculating leave from 110.1 percent to 113.6 percent in 2019-20. This has been partially offset by a number of staff utilising their entitlements in 2019-20.

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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	2020 \$	2019 \$
<b>19. LEASE INCENTIVE LIABILITY</b>		
Current Lease Incentive Liability		
Lease Incentive Liability	46,936	46,936
<b>Total Current Lease Incentive Liability</b>	<b>46,936</b>	<b>46,936</b>
Non-Current Lease Incentive Liability		
Lease Incentive Liability	266,727	313,663
<b>Total Non-Current Lease Incentive Liability</b>	<b>266,727</b>	<b>313,663</b>
<b>Total Lease Incentive Liability</b>	<b>313,663</b>	<b>360,599</b>

The AGT Property Group entered into a lease on 6 March 2017 on behalf of Public Trustee and Guardian for part of the ground floor and level 9, 221 London Circuit, Canberra. The lease included a lease incentive of \$469,359 for the fit-out of level 9, 221 London Circuit Canberra. The lease incentive is to be amortised over a 10 year period (i.e. to the end of the lease term). At 30 June 2020, the remaining term of the lease agreement is 7 years.

**20. OTHER PROVISIONS**

Non-Current Other Provisions		
Provision for Make Good	138,230	136,111
<b>Total Non-Current Other Provisions</b>	<b>138,230</b>	<b>136,111</b>
<b>Total Other Provisions</b>	<b>138,230</b>	<b>136,111</b>

**Provision for Dividends**

The Public Trustee and Guardian will not be paying a dividend for the 2019-20 year as there is no surplus to distribute this year. The loss in the 2019-20 year is mainly attributed to the higher wage expenses (Refer Note 6 *Employee Expenses*).

**Reconciliation of the Provision for Dividends**

Balance at the Beginning of the Reporting Period	-	31,923
Increase in Provision during the Reporting Period	-	-
Amount Paid during the Reporting Period	-	(31,923)
<b>Provision for Dividends at the end of the Reporting Period</b>	<b>-</b>	<b>-</b>

## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**20. OTHER PROVISIONS (CONTINUED)****Provision for Make Good**

On 6 March 2017, The AGT Property Group entered into a lease on behalf of Public Trustee and Guardian for part of the ground floor and level 9, 221 London Circuit, Canberra. There are clauses within the lease which require the Public Trustee and Guardian, upon cessation of the tenancy, to return the office space to the condition it was in before it was leased. The lease is for 10 years with a 5-year option to extend.

The provision for make good was valued at \$129,300 on 30 June 2017. The expected future outlay is estimated to be \$167,137 to meet the make good obligation. The present value using the 10 year Commonwealth Government bond rate as at 30 June 2017 (2.6%) is \$138,230.

	2020 \$	2019 \$
<b>Reconciliation of Provision for Make Good</b>		
Balance at the Beginning of the Reporting Period	136,111	132,662
Increase in Provision due to Unwinding of Discount	3,539	3,449
(Decrease) in Provision due to revaluation of Make Good	(1,420)	-
<b>Balance at the End of the Reporting Period</b>	<b>138,230</b>	<b>136,111</b>

**21. FINANCIAL INSTRUMENTS**

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2 (see Appendix B) Significant Accounting Policies.

**(a) Credit 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. The Public Trustee and Guardian's credit risk is limited to the amount of financial assets it holds net of any allowance for impairment losses. The Public Trustee and Guardian expects to collect all receivables that are not past due or impaired.

Credit risk is managed by the Public Trustee and Guardian for cash and cash equivalents investments by only investing surplus funds with various financial institutions, who have a "BBB" credit rating or above indicating that they have adequate capacity to meet their financial commitments. There is no collateral held as security for financial assets. Investments are made with the highest rating banks to ensure more security over funds invested.

Credit risk of receivables is managed by ensuring clients are invoiced for services, and requesting payment from clients when the service is performed. There have been no significant changes in credit risk exposure since last reporting period. Trade receivables are always measured at lifetime expected credit losses (the simplified approach).

## PUBLIC TRUSTEE AND GUARDIAN

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## 21. FINANCIAL INSTRUMENTS (CONTINUED)

## (b) Liquidity Risk

Liquidity risk is the risk that the Public Trustee and Guardian will encounter difficulty in meeting obligations associated with financial liabilities. To limit its exposure to liquidity risk, the Public Trustee and Guardian ensures that it does not have a large portion of its financial liabilities maturing in any reporting period and that, at any particular point in time it has a sufficient amount of current financial assets to meet its current financial liabilities.

The Public Trustee and Guardian's exposure to liquidity risk and the management of this risk has not changed since the last reporting period.

The Public Trustee and Guardian's maximum exposure to liquidity risk relating to these financial liabilities is shown below in Note 22(d) Maturity Analysis and Exposure to Interest Rates.

## (c) Fair Value of Financial Assets and Liabilities

The carrying amounts and fair values of financial assets and liabilities at the end of the reporting period are:

	Note No.	Carrying Amount 2020	Fair Value 2020	Carrying Amount 2019	Fair Value 2019
		\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and Cash Equivalents	12	1,194,780	1,194,780	791,564	791,564
Receivables	13	507,580	507,580	445,234	445,234
Investments	14	4,152,102	4,152,102	5,100,000	5,100,000
<b>Total Financial Assets</b>		<b>5,854,462</b>	<b>5,854,462</b>	<b>6,336,798</b>	<b>6,336,798</b>
<b>Financial Liabilities</b>					
Payables	16	362,941	362,941	196,394	196,394
Lease Liabilities	17	10,904	10,904	-	-
<b>Total Financial Liabilities</b>		<b>373,845</b>	<b>373,845</b>	<b>196,394</b>	<b>196,394</b>

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PUBLIC TRUSTEE AND GUARDIAN  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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## 21. FINANCIAL INSTRUMENTS (CONTINUED)

## (d) Maturity Analysis and Exposure to Interest Rates

The following table sets out the Public Trustee and Guardian's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period at 30 June 2020. All financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

30 June 2020	Financial Instruments	Note No.	Fixed Interest Maturing In:					Non-Interest Bearing	Total
			Weighted Average Interest Rate	Floating Interest Rate	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years		
			Rate	Rate	\$	\$	\$	\$	\$
	<b>Financial Assets</b>								
	Cash and Cash Equivalents	12	1.51%	1,194,080	-	-	-	700	1,194,780
	Receivables	13	-	-	-	-	-	507,580	507,580
	Investments	14	1.85%	-	4,152,102	-	-	-	4,152,102
	<b>Total Financial Assets</b>			<b>1,194,080</b>	<b>4,152,102</b>	<b>-</b>	<b>-</b>	<b>508,280</b>	<b>5,854,462</b>
	<b>Financial Liabilities</b>								
	Payables	16	-	-	-	-	-	362,941	362,941
	Lease Liabilities	17	-	-	5,260	4,644	-	-	10,904
	<b>Total Financial Liabilities</b>			<b>-</b>	<b>5,260</b>	<b>4,644</b>	<b>-</b>	<b>362,941</b>	<b>373,845</b>
	<b>Net Financial Assets</b>			<b>1,194,080</b>	<b>4,146,842</b>	<b>(4,644)</b>	<b>-</b>	<b>145,339</b>	<b>5,480,617</b>

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**PUBLIC TRUSTEE AND GUARDIAN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**21. FINANCIAL INSTRUMENTS (CONTINUED)**

**(d) Maturity Analysis and Exposure to Interest Rates**

The following table sets out the Public Trustee and Guardian's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period at 30 June 2019. All financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

30 June 2019	Note No.	Weighted Average Interest Rate	Fixed Interest Maturing In:				Non-Interest Bearing	Interest Bearing	Total
			Floating Interest Rate	1 Year or Less	Over 1 Year to 5 Years	Over 5 Years			
Financial Instruments									
Financial Assets									
Cash and Cash Equivalents	12	2.08%	790,864	-	-	-	-	-	791,564
Receivables	13	-	-	-	-	-	-	-	445,234
Investments	14	2.70%	-	5,100,000	-	-	-	-	5,100,000
<b>Total Financial Assets</b>			<b>790,864</b>	<b>5,100,000</b>	<b>-</b>	<b>-</b>	<b>445,934</b>	<b>-</b>	<b>6,336,798</b>
Financial Liabilities									
Payables	16	-	-	-	-	-	-	-	196,394
Lease Liabilities	17	-	-	-	-	-	-	-	-
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>196,394</b>	<b>-</b>	<b>196,394</b>
<b>Net Financial Assets</b>			<b>790,864</b>	<b>5,100,000</b>	<b>-</b>	<b>-</b>	<b>249,540</b>	<b>-</b>	<b>6,140,404</b>

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**PUBLIC TRUSTEE AND GUARDIAN**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**21. FINANCIAL INSTRUMENTS (CONTINUED)**

**(e) Fair Value Hierarchy**

All financial assets and liabilities are measured subsequent to initial recognition at amortised cost and as such no Fair Value Hierarchy is disclosed.

**22. CAPITAL AND OTHER EXPENDITURE COMMITMENTS**

The operating lease, with Namazzi Pty Limited and Eudora (ACT) Pty Limited, for part of the ground floor and level 9, 221 London Circuit, Canberra relates to the premises occupied by the Public Trustee and Guardian. The term of the lease is for a period of 10 years with a 5-year option. This lease commenced in March 2017 and the 10 year lease finishes in March 2027. There are 7 years remaining on the lease.

From the 2019-20 financial year, due to the adoption of AASB16 Leases, this property lease is now recognised as part of ACT Property Groups lease liabilities and expenditure commitments is therefore not required to be recognised under commitments of Public Trustee and Guardian.

	2020	2019
	\$	\$
Non-Cancellable Operating Lease Commitments		
are Payable as follows:		
Not later than one year	-	507,427
Later than one year but not later than five years	-	2 227,262
Later than five years but not later than ten years	-	1 685,662
<b>Total Operating Lease Commitments</b>	<b>-</b>	<b>4,420,351</b>

All amounts shown in the commitments above are inclusive of GST

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## PUBLIC TRUSTEE AND GUARDIAN

 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## 23. CASH FLOW RECONCILIATION

(a) Reconciliation of Cash and Cash Equivalents at the end of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet.

	2020	2019
	\$	\$
Total Cash and Cash Equivalents Recorded in the Balance Sheet	1,194,780	791,564
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Statement of Cash Flows	1,194,780	791,564

(b) Reconciliation of the Operating Surplus to Net Cash Inflows from Operating Activities

Operating (Deficit)	(623,160)	(483,856)
Add / (Less) Non-Cash Items		
Depreciation	233,261	149,700
Adjustment to Motor Vehicle Cost Base	-	3,684
Borrowing costs	3,707	3,449
Adjustment to Interest on Investment reinvested	(2,102)	-
Amortisation of lease incentive	(46,935)	(46,936)
Cash Before Changes in Operating Assets and Liabilities	(435,229)	(373,959)
Changes in Operating Assets and Liabilities		
(Increase) / Decrease in Receivables	(66,031)	261,504
Decrease in Prepayments	18,789	240
Increase / (Decrease) in Payables	248,757	(306,857)
Increase in Employee Benefits	273,816	270,787
Net Changes in Operating Assets and Liabilities	475,331	225,674
Net Cash Inflows / (Outflows) from Operating Activities	40,102	(148,285)

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## PUBLIC TRUSTEE AND GUARDIAN

 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## 24. RELATED PARTY DISCLOSURES

A related party is a person that controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP or/and their close family members individually or jointly have controlling interests.

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

KMP of the Public Trustee and Guardian are the Attorney-General, Director-General of the Justice and Community Safety Directorate and certain members of the Senior Management Team. The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of Public Trustee and Guardian.

This note does not include typical citizen transactions between the KMP and Public Trustee and Guardian that occur on terms and conditions no different to those applying to the general public.

## (A) CONTROLLING ENTITY

Public Trustee and Guardian is an ACT Government controlled entity. The consolidated Territory Government reporting entity is the parent of Public Trustee and Guardian.

## (B) KEY MANAGEMENT PERSONNEL

## B.1 Compensation of Key Management Personnel

Compensation details for all Cabinet Ministers, including the Attorney-General, is disclosed in the note on related party disclosures, included in the ACT Executive's financial statements for the financial year ended 30 June 2020.

Compensation of the Head of Service is included in the note on related party disclosures, included in the Chief Minister, Treasury and Economic Development Directorate's (CMTEDD) financial statements for the financial year ended 30 June 2020.

The Director General of Justice and Community Safety Directorate is compensated by Justice and Community Safety Directorate.

Three of the KMP are employees of the Public Trustee and Guardian and are compensated by the Public Trustee and Guardian.

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## PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 24. RELATED PARTY DISCLOSURES (CONTINUED)

## (B) KEY MANAGEMENT PERSONNEL (CONTINUED)

## B.1 Compensation of Key Management Personnel (continued)

Total Compensation for the Public Trustee and Guardian and others assessed to be KMP of the Public Trustee and Guardian paid by the Public Trustee and Guardian are set out below.

	2020	2019
	\$	\$
Short-term employee benefits	626,747	535,188
Post employment benefits	87,224	67,723
Other long-term benefits	14,923	12,691
<b>Total Compensation by Public Trustee and Guardian to KMP</b>	<b>728,894</b>	<b>615,602</b>

## B.2 TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no transactions with KMP that were material to the financial statements of the Public Trustee and Guardian.

## B.3 TRANSACTIONS WITH PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of the Public Trustee and Guardian.

## (C) TRANSACTIONS WITH OTHER ACT GOVERNMENT CONTROLLED ENTITIES

All transactions with other ACT Government controlled entities are disclosed in the relevant notes of the financial statements of the Public Trustee and Guardian.

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PUBLIC TRUSTEE AND GUARDIAN  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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## 25. BUDGETARY REPORTING

Significant judgements have been applied in determining what variances are considered as 'major variances'. Variances are considered to be major variances if both of the following criteria are met.

- (i) The line item is a significant line item, where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity total); or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities total) of the financial statements; and
- (ii) The variances (original budget to actual) are greater than plus (+) or minus (-) 2.5% and \$500,000 of the budget for the financial statement line item.

Operating Statement Line Items	Actual 2019-20	Original Budget 2019-20	Variance	Variance	Variance Explanation
	\$	\$	\$	%	
Employee Expenses	1,184,783	5,214,000	1,057,282	20%	The higher than anticipated value of Employee Expenses is due to a higher number of staff employed during the year to cover for increasing workloads due to an increase in the number of clients serviced and complexity of work as well as to cover for staff on annual and long service leave. Actual full-time equivalent staff for the year was 81.45 compared to a budgeted figure of 80.85. In addition, there was a change in the way Official Visitors are remunerated following advice received from the ACT Remuneration Tribunal. Annual leave expenses also increased due to a number of staff canceling or forgoing leave due to the COVID-19 pandemic.
Cash and Cash Equivalents	1,184,783	305,000	888,780	290%	The higher than anticipated value of Cash and Cash Equivalents held is to take advantage of higher interest rates on the bank account at 30 June 2020.

\* Original Budget refers to the amounts presented to the Legislative Assembly in the original budgetary statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

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**PUBLIC TRUSTEE AND GUARDIAN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**25. BUDGETARY REPORTING (CONTINUED)**

Balance Sheet Line Items	Actual 2019-20	Original Budget* 2019-20	Variance	Variance	Variance Explanation
	\$	\$	\$	%	
Investments	4,152,132	5,559,000	(1,405,898)	(25%)	The lower than anticipated value of Investments was mainly due to funds allocated towards the costs associated with the fitout of the premises at Level 3, 221 London Circuit, Canberra and to take advantage of the better interest rate on the bank account under Cash and Cash Equivalents as at 30 June 2020. This was not anticipated in the budget.
Current Employee Benefits	2,188,096	1,960,000	528,096	32%	The higher than anticipated value of Current Employee Benefits relates to an increase in staffing numbers and an increase in the number of staff choosing not to take their annual leave due to the COVID-19 pandemic.

\* Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

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**PUBLIC TRUSTEE AND GUARDIAN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**25. BUDGETARY REPORTING (CONTINUED)**

Statement of Cash Flows Line Items	Actual 2019-20	Original Budget* 2019-20	Variance	Variance	Variance Explanation
	\$	\$	\$	%	
Employee Expenses	6,007,004	5,188,000	819,004	16%	The higher than anticipated value of Employee Expenses is due to a higher number of staff employed during the year to cover for increasing workloads due to an increase in the number of clients serviced and complexity of work as well as to cover for staff on annual and long service leave. Actual full-time equivalent staff for the year was 61.45 compared to a budgeted figure of 50.85. In addition, there was a change in the way Official Visitors are remunerated following advice received from the ACT Remuneration Tribunal.
Proceeds from Maturity of Investments	4,800,000	540,000	4,260,000	789%	Proceeds from the sale of Investments primarily relates to the maturity of Term Deposits. The increase in the Proceeds from the Maturity of Investments is due to the movement of funds between banking institutions to achieve the best return possible. Funds were also redeemed to cover the cost of the fitout for part of the ground floor. This movement was not anticipated in the budget.
Purchase of Investments	3,850,000	109,000	3,741,000	3432%	Purchase of Investments primarily relates to the investment in Term Deposits. PTG obtains the best interest rates by investing in term deposits with banking institutions for varying periods depending on rates of return. This was not anticipated in the budget.

\* Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

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## PUBLIC TRUSTEE AND GUARDIAN

**APPENDIX A – BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020**
**APPENDIX A – BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS****LEGISLATIVE REQUIREMENT**

The *Financial Management Act 1996 (FMA)* requires the preparation of annual financial statements for ACT Government Agencies.

The FMA and the *Financial Management Guidelines* issued under the Act, requires the Public Trustee and Guardian's financial statements to include:

- an Operating Statement for the reporting period;
- a Balance Sheet at the end of the reporting period;
- a Statement of Changes in Equity for the reporting period;
- a Statement of Cash Flows for the reporting period;
- a Statement of Appropriation for the reporting period;
- the significant accounting policies adopted for the reporting period; and
- such other statements as are necessary to fairly reflect the financial operations of the Public Trustee and Guardian during the year and its financial position at the end of the reporting period.

These general purpose financial statements have been prepared to comply with Australian Accounting Standards as required by the FMA. Accordingly, these financial statements have been prepared in accordance with:

- (i) Australian Accounting Standards; and
- (ii) ACT Accounting and Disclosure Policies.

**ACCRUAL ACCOUNTING**

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to historical cost convention, except for plant and equipment which is valued at fair value in accordance with the valuation policies applicable to the Public Trustee and Guardian during the year.

**CURRENCY**

These financial statements are presented in Australian dollars.

**INDIVIDUAL NOT-FOR-PROFIT REPORTING ENTITY**

The Public Trustee and Guardian is an individual not-for-profit reporting entity.

**REPORTING PERIOD**

These financial statements state the financial performance, changes in equity and cash flows of the Public Trustee and Guardian for the year ending 30 June 2020 and the financial position of the Public Trustee and Guardian as at 30 June 2020.

**COMPARATIVE FIGURES****BUDGET FIGURES**

To facilitate a comparison with the Budget Papers, as required by the FMA, budget numbers for 2019-20 have been presented in the financial statements. Budget numbers in the financial statement are the original budget numbers that appear in the Budget Papers.

## PUBLIC TRUSTEE AND GUARDIAN

**APPENDIX A – BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020**
**COMPARATIVE FIGURES (CONTINUED)****PRIOR YEAR COMPARITIVES**

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

**ROUNDING**

All amounts in the financial statements have been rounded to the nearest whole dollar (\$). Use of "-" represents zero amounts or amounts rounded down to zero.

**GOING CONCERN**

The 2019-20 financial statements have been prepared on a going concern basis as the ongoing functions, activities and funding of the Public Trustee and Guardian are set out in the Budget Papers.

**IMPACT OF THE COVID-19 PANDEMIC ON THE PUBLIC TRUSTEE AND GUARDIAN FINANCIAL  
 RESULTS**

The Public Trustee and Guardian has assessed the impact of the COVID-19 pandemic on its Controlled financial results.

The impact on the Public Trustee and Guardian has been minimal. Investment revenue is lower than budget and the prior year, largely due to interest rates falling in a slowing economy. Sales of Goods and Services is higher than budget and the prior year, as there has been an increase in funds under management and an increase in the number of matters finalised generally. There has been a decrease in costs associated with Supplies and Services including staff training, marketing, postage and printing due to a majority of staff working from home. None of these items have had a material impact on the operating result. There has been no impact on balance sheet items. Some of the services provided by the Public Trustee and Guardian have been affected. For example will and enduring power of attorney drafting and property visits, however these changes have had minimal impact on revenue.

## PUBLIC TRUSTEE AND GUARDIAN

**APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES****SIGNIFICANT ACCOUNTING POLICIES - INCOME****REVENUE RECOGNITION**

Revenue is recognised in accordance with AASB 15 Revenue from Contracts with Customers where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 Income of not-for-Profit Entities

**AASB 15**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of Public Trustee and Guardian have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Commissions are paid each month on the value of the income earned on all funds under management of the Public Trustee and Guardian. Management fees are paid based on a percentage of the client funds invested in the Public Trustee and Guardian Trust account.

**AASB 1058**

Where revenue streams are in the scope of AASB 1058, Public Trustee and Guardian recognises the asset received (generally cash or other financial asset) at fair value, recognises any related amount (e.g. liability or equity) in accordance with an accounting standard and recognises revenue as the residual between the fair value of the asset and the related amount on receipt of the asset.

**NOTE 4 – CONTROLLED RECURRENT PAYMENTS**

Controlled Recurrent Payments are recognised as revenue when the Public Trustee and Guardian gains control over the funding. Control over appropriated funds is obtained upon receipt of cash.

**NOTE 6 – SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS**

Revenue from providing Trustee services is recognised as revenue once the service has been provided.

## PUBLIC TRUSTEE AND GUARDIAN

**APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**SIGNIFICANT ACCOUNTING POLICIES - EXPENSES****NOTE 6 – EMPLOYEE EXPENSES**

Employee benefits include:

- Short-term employee benefits, such as wages and salaries, annual leave loading, and applicable on-costs, if expected to be settled wholly before twelve months (see Appendix B - Note 18 Employee Benefits if lower than 12 months) after the end of the annual reporting period in which the employees render the related services;
- Other long-term benefits, such as long service leave and annual leave; and
- Termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

(See Appendix B – Note 18 Employee Benefits for accrued wages and salaries and annual and long service leave).

**NOTE 7 – SUPERANNUATION EXPENSES**

Employees of the Public Trustee and Guardian will have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) Public Trustee and Guardian makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by the Chief Minister, Treasury and Economic Development Directorate. The Public Trustee and Guardian also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice) Public Trustee and Guardian makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

**SUPERANNUATION LIABILITY RECOGNITION**

For the Public Trustee and Guardian employees who are members of the defined benefit CSS or PSS the employer superannuation liabilities for superannuation benefits payable upon retirement are recognised in the financial statements of the Superannuation Provision Account.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – EXPENSES (CONTINUED)

## NOTE 7 – SUPERANNUATION EXPENSES (CONTINUED)

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice) Public Trustee and Guardian makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

## SUPERANNUATION LIABILITY RECOGNITION

For the Public Trustee and Guardian employees who are members of the defined benefit CSS or PSS the employer superannuation liabilities for superannuation benefits payable upon retirement are recognised in the financial statements of the Superannuation Provision Account.

## NOTE 8 – SUPPLIES AND SERVICES

## REPAIRS AND MAINTENANCE

Maintenance expenses, which do not increase the service potential of an asset, are expensed.

## NOTE 10 – WAIVERS AND WRITE-OFFS

Debts waived are expensed during the year in which the right to payment was waived. Debt write-offs are expensed during the year in which debt is written-off due to amounts that are unable to be recovered from clients. Further details are disclosed at Note 10 *Waivers and Write-offs*.

## NOTE 15 - DEPRECIATION OF NON-CURRENT ASSETS

Depreciation is applied to physical assets such as plant and equipment. Depreciation is calculated on a straight-line basis and the useful lives of all major assets held by the Public Trustee and Guardian are reviewed annually. Depreciation of Plant and Equipment is determined as follows:

Class of Asset	Depreciation Method	Useful Life (Years)
Furniture and Fittings	Straight line	5-10
Computer Equipment	Straight line	5
Office Fit-out	Straight line	5-10
Security System	Straight line	5
Motor Vehicle	Straight line	8

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – ASSETS

## ASSETS – CURRENT AND NON-CURRENT

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets which do not fall within the current classification are classified as non-current.

## SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES – FAIR VALUE OF ASSETS

The Public Trustee and Guardian has made a significant estimate regarding the value of its assets. Office fit-out, furniture and fittings, computer equipment, security system and the motor vehicle have been recorded at fair value as determined by an independent valuer. See Note 15 *Plant and Equipment* for further information. The valuation uses significant judgements and estimates to determine fair value, including the appropriate indexation figure and quantum of assets held. The fair value of assets is subject to management assessment between formal valuations.

## NOTE 12 – CASH AND CASH EQUIVALENTS

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

## NOTE 13 - RECEIVABLES

## ACCOUNTS RECEIVABLES

Accounts receivable are measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement (see Appendix B – Note 10 *Waivers and Write-Offs*).

## IMPAIRMENT LOSS - RECEIVABLES

The allowance for expected credit losses represents the amount of receivables the Public Trustee and Guardian estimates will not be repaid. The allowance for impairment losses based on objective evidence and a review of overdue balances. The Public Trustee and Guardian measures expected credit losses of a financial instrument in a way that reflects:

- (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (b) the time value of money; and
- (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions (AASB 9.5.5.17).

For trade receivables Public Trustee and Guardian applied the simplified approach under AASB 9, which uses a lifetime expected loss for all trade receivables.

A provision matrix is used to calculate the expected credit loss.

Where Public Trustee and Guardian has no reasonable expectation of recovering an amount owed by a debtor and ceases action to collect the debt, as the cost to recover the debt is more than the debt is worth, the debt is written-off by directly reducing the receivable against the loss allowance.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – ASSETS (CONTINUED)

## NOTE 14 – INVESTMENTS

Investments are held with the various Banking Institutions for a fixed period varying between three to twelve months. Any interest income earned at the end of each fixed term is recognised in the Operating Statement.

## NOTE 15 – PLANT AND EQUIPMENT

## ACQUISITION AND RECOGNITION OF PLANT AND EQUIPMENT

Plant and equipment is initially recorded at cost.

Where plant and equipment is acquired at no cost, or minimal cost, cost is its fair value as at the date of acquisition. However, property plant and equipment acquired at no cost or minimal cost as part of a restructuring of administrative arrangements is measured at the transferor's book value.

Plant and equipment with a minimum value of \$2,000 are capitalised.

## MEASUREMENT OF PLANT AND EQUIPMENT AFTER INITIAL RECOGNITION

Plant and equipment is subsequently measured at fair value.

Plant and Equipment is revalued every three years. However, if at any time it is considered that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to Plant and Equipment at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

## SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES – USEFUL LIVES OF PLANT AND EQUIPMENT

The Public Trustee and Guardian has made a significant estimate in determining the useful lives of its Plant and Equipment. The estimation of useful lives of Plant and Equipment has been based on the historical experience of similar assets and on valuations provided by Australian Valuation Solutions Pty Limited. The useful lives are assessed on an annual basis and any adjustments are made when necessary.

Further information concerning useful lives can be found in Appendix B – Note 15 *Depreciation of Non-current Assets*.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES

## LIABILITIES – CURRENT AND NON-CURRENT

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Public Trustee and Guardian does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Liabilities which do not fall within the current classification are classified as non-current.

## NOTE 16 – PAYABLES

Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after the invoice date.

Payables include Trade Payables and Accrued Expenses.

## NOTE 17 – LEASE LIABILITIES

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentive receivables;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that termination option.

After the commencement date, lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. As this rate was not able to be readily determined, the rate on the ACT Accounting website was used (<https://apps.treasury.act.gov.au/accounting>). This rate reflects the lessee's incremental borrowing rate consistent with Treasury policy.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES (CONTINUED)

## ACCOUNTING POLICIES UNDER AASB 16 – APPLICABLE FROM 1 JULY 2019 – AGENCY AS LESSEE

At inception of a contract, Public Trustee and Guardian assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- the contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset;
- Public Trustee and Guardian has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- Public Trustee and Guardian has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement date, Public Trustee and Guardian recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Public Trustee and Guardian is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then Public Trustee and Guardian uses the incremental borrowing rate published by ACT Treasury which most closely matches the remaining lease term.

Subsequent to initial recognition the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in Public Trustee and Guardian's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in the operating statement if the carrying amount of the right-of-use asset has been reduced to zero.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES (CONTINUED)

## NOTE 18 – EMPLOYEE BENEFITS

Employee benefits are listed in Appendix B – Note 6 *Employee Expenses*.

## WAGES AND SALARIES

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

## ANNUAL AND LONG SERVICE LEAVE

Annual and long service leave, including applicable on-costs that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At each reporting period end, the present value of future payments is calculated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. In 2019-20 the rate used to estimate the present value of future:

- Annual leave payments is 100.9% at 30 June 2020 (101.6% in 2018-19).
- Long service leave is 113.6% at 30 June 2020 (110.1% in 2018-19).

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Public Trustee and Guardian has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES (CONTINUED)

## NOTE 18 – EMPLOYEE BENEFITS (CONTINUED)

## SIGNIFICANT JUDGEMENTS AND ESTIMATES – EMPLOYEE BENEFITS

Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for annual leave and long service leave requires a consideration of the future wage and salary levels, experience of employee departures and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave, probability that leave will be taken service and that on-costs will become payable.

The significant judgements and assumptions included in the estimation of annual and long service leave liabilities include an assessment by an actuary. The Australian Government Actuary performed this assessment in April 2019. The next actuarial review is expected to be undertaken by early 2022.

## NOTE 19 – LEASE INCENTIVE LIABILITY

The Public Trustee and Guardian has an agreement to lease the part of the ground floor and level 9 of 221 London Circuit, Canberra, from 6 March 2017. A lease incentive was provided by the landlord when the Public Trustee and Guardian entered into this lease. The lease incentive will be amortised over the term of the lease (10 years).

## NOTE 20 – OTHER PROVISIONS

## PROVISION FOR MAKE GOOD

The Public Trustee and Guardian has recorded a liability and a corresponding asset for the estimated cost of returning the premises occupied by the Public Trustee and Guardian, to a similar condition to that which existed prior to the occupancy if the Public Trustee and Guardian was to leave. The provision for make good was estimated by a qualified independent valuer at 30 June 2017.

## SIGNIFICANT JUDGEMENTS AND ESTIMATES – PROVISION FOR MAKE GOOD

Provision for Make Good is the cost of returning the premises occupied by the Public Trustee and Guardian to a similar condition to that which existed prior to the occupancy if the Public Trustee and Guardian was to leave the premises. This cost has been estimated by an independent valuer. The dollar value has been compared to recent make good payments by other government departments and depends on a variety of factors including location, area, density and quality of the fit-out.

## SIGNIFICANT ACCOUNTING POLICIES – OTHER NOTES

## NOTE 21 – FINANCIAL INSTRUMENTS

Financial assets are classified and subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both; (a) the business model for managing the financial assets; and (b) the contractual cash flow characteristics of the financial assets.

Financial liabilities are measured at amortised cost.

## PUBLIC TRUSTEE AND GUARDIAN

 APPENDIX C – IMPACT OF ACCOUNTING STANDARDS ISSUED  
 BUT YET TO BE APPLIED  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Public Trustee and Guardian does not intend to adopt these standards and interpretations early. Where applicable these Australian Standards will be adopted from their application date.

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material (AASB 2, 101, 108, 110, 134, 137, the Framework, and AASB Practice Statement 2) (application date 1 January 2020)

This standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies Changes in Accounting Estimates and Errors. The amendments refine the definition of material in AASB 101 and clarify the definition of material and its application across AASB Standards and other publications.

There is no financial impact on Public Trustee and Guardian.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (AASB 101) (application date 1 January 2022).

There is no financial impact on Public Trustee and Guardian.

## PUBLIC TRUSTEE AND GUARDIAN

**APPENDIX D – CHANGE IN ACCOUNTING POLICY  
 FORMS PART OF NOTE 3 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020**

**CHANGE IN ACCOUNTING POLICY**

Information provided below explains the impact of the adoption of AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 16 Leases on Public Trustee and Guardian's financial statements.

**Initial Application of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue, AASB 111 Construction Contracts, AASB 1004 Contributions and related interpretations for annual reporting periods beginning on or after 1 January 2019 for not-for-profit entities.

The Public Trustee and Guardian bills customers based on the work completed to date. There is no work that has been completed that is not billed and no work billed that has not been completed. As such, there are no contract assets or liabilities as at 30 June 2020.

**Implementation of AASB 16 Leases**

For reporting periods beginning on or after 1 January 2019, AASB 16 Leases supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases- Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of lessees and lessors. The main changes introduced by the new standard include identification of a lease within a contract and a new lease accounting model for lessees that requires lessees to recognise all leases (previously operating and finance leases) in the Balance Sheet as a right-of-use asset and lease liability, except for short-term leases (leases of 12 months or less at commencement date) and low-value assets (valued at less than \$10,000). The operating and finance lease distinction no longer exists.

The Public Trustee and Guardian has applied the modified retrospective approach on initial adoption. As permitted under the specific transition provisions in the standard, comparatives have not been restated. The cumulative effect of initially applying this standard is shown as an adjustment to the opening balance of retained earnings. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate.

The Public Trustee and Guardian has applied the Territory Policy for Transition on AASB 16 Leases – see the Accounting Policy website. (<https://apps.treasury.act.gov.au/accounting>).

**Impact of Adoption of AASB 16**

The impact of adopting AASB 16 is described below.

**Agency as a Lessee**

Under AASB 117, Public Trustee and Guardian assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to Public Trustee and Guardian or remained with the lessor.

Under AASB 16, the concept of operating and finance leases no longer exists for the lessee and therefore all leases which meet the definition of a lease are recognised on the balance sheet (except for short-term leases and leases of low value assets).

## PUBLIC TRUSTEE AND GUARDIAN

**APPENDIX D – CHANGE IN ACCOUNTING POLICY  
 FORMS PART OF NOTE 3 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020**

**CHANGE IN ACCOUNTING POLICY (CONTINUED)**

**Financial Statement Impact of Adoption of AASB 16**

At 1 July 2019, Public Trustee and Guardian has recognised right of use assets of \$17,088 and lease liabilities of \$16,575 for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at the beginning of the current reporting period was 1.23%.



AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY

## INDEPENDENT AUDITOR'S REPORT

### To the Public Trustee and Guardian

#### Opinion

I have audited the special purpose financial statements (financial statements) of the Public Trustee and Guardian Trust Account (Trust Account) for the year ended 30 June 2020 which comprise the operating statement for the Common Fund Interest Account and Guarantee and Reserve Account, balance sheet, statement of changes in equity, statement of cash flows and accompanying notes.

In my opinion, the financial statements:

- (i) present fairly the Trust Account's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended; and
- (ii) is presented in accordance with the basis of preparation described in Note 2 - Appendix A of the financial statements.

#### Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Trust Account in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter

Without modifying the audit opinion, I draw attention to Note 2 – Appendix A of the financial statements which describes the purpose of the financial statements and the basis of accounting used to prepare the financial statements.

The Public Trustee and Guardian has determined that the basis of preparation is appropriate to meet its financial reporting requirements. As a result, these financial statements may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Responsibilities of the Trust Account for the financial statements

The Public Trustee and Guardian is responsible for:

- preparing and fairly presenting the financial statements in accordance with relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of financial statements so that they are free from material misstatements, whether due to error or fraud; and

- assessing the ability of the Trust Account to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

#### Auditor's responsibilities for the audit of the financial statements

I am responsible for issuing an auditor's report that includes an independent opinion on the financial statements of the Trust Account.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

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



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
29 September 2020

Level 4, 11 Moore Street Canberra City ACT 2601 PO Box 275 Civic Square ACT 2608  
T 02 6207 0833 F 02 6207 0826 E [actauditorgeneral@act.gov.au](mailto:actauditorgeneral@act.gov.au) W [www.audit.act.gov.au](http://www.audit.act.gov.au)

**PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT  
SPECIAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**DECLARATION BY THE PUBLIC TRUSTEE AND GUARDIAN**

The Public Trustee and Guardian declares that the Trust is not a reporting entity and that these special purpose financial statements are prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

I declare that:

1. the financial statements and notes, as set out on pages 2 to 15, present the Trust's financial position at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. in the Public Trustee and Guardian's opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Public Trustee and Guardian



Andrew Taylor

Dated 14 August 2020

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**PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT  
OPERATING STATEMENT - COMMON FUND INTEREST ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2020**

	Note No.	2020 \$	2019 \$
<b>Income</b>			
Dividends		4,726,200	2,943,149
Interest		1,985,494	2,686,489
Management Fee Rebate		231,039	202,842
Net Gain on Investments	3	(2,214,339)	5,393,159
<b>Total Income</b>		<b>4,728,394</b>	<b>11,225,639</b>
<b>Expenses</b>			
Interest Distributed to Estates and Trusts		853,406	1,592,075
Dividend Distributed to Estates and Trusts		3,761,757	2,083,195
Net Gain Distributed to Estates and Trusts	3	(2,214,339)	5,393,159
Bank Fees		115	25
Management Fees		2,294,276	2,090,928
<b>Total Expenses</b>		<b>4,695,215</b>	<b>11,159,383</b>
<b>Operating Surplus / (Deficit)</b>		<b>33,179</b>	<b>66,256</b>
<b>Total Comprehensive Income / (Deficit)</b>		<b>33,179</b>	<b>66,256</b>

The above Operating Statement should be read in conjunction with the accompanying notes

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## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

OPERATING STATEMENT - GUARANTEE AND RESERVE ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2020

	Note No.	2020 \$	2019 \$
<b>Income</b>			
Interest		23,686	44,475
<b>Total Income</b>		<b>23,686</b>	<b>44,475</b>
<b>Expenses</b>			
Depreciation		16,000	15,000
Commission		1,721	2,856
Management Fees		17,008	19,269
Information Technology Costs	4	264,365	222,102
Other Expenses		200	2,090
<b>Total Expenses</b>		<b>299,294</b>	<b>261,317</b>
<b>Operating (Deficit)</b>		<b>(275,608)</b>	<b>(216,842)</b>
<b>Other Comprehensive Income</b>			
Increase in Asset Revaluation Surplus		-	65,000
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>65,000</b>
<b>Total Comprehensive (Deficit)</b>		<b>(275,608)</b>	<b>(151,842)</b>

The above Operating Statement should be read in conjunction with the accompanying notes.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

BALANCE SHEET  
AS AT 30 JUNE 2020

	Note No.	2020 \$	2019 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5	1,187,256	1,314,445
Receivables	6	3,243,448	2,502,911
Investments	7	106,983,038	100,210,000
Unrealised Assets	8	178,033,237	189,652,775
Prepayments		-	7,952
<b>Total Current Assets</b>		<b>289,426,979</b>	<b>293,688,083</b>
<b>Non-Current Assets</b>			
Investments	7	119,074,382	109,885,554
Property	9	304,000	320,000
Prepayments		-	408
<b>Total Non-Current Assets</b>		<b>119,378,382</b>	<b>110,205,962</b>
<b>Total Assets</b>		<b>408,805,361</b>	<b>403,894,045</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trust Liabilities	10	11,538,368	10,395,948
Other Liabilities	11	23,295	26,280
<b>Total Current Liabilities</b>		<b>11,561,663</b>	<b>10,422,228</b>
<b>Non-Current Liabilities</b>			
Estates and Trusts Under Administration	12	395,333,826	391,319,516
<b>Total Non-Current Liabilities</b>		<b>395,333,826</b>	<b>391,319,516</b>
<b>Total Liabilities</b>		<b>406,895,489</b>	<b>401,741,744</b>
<b>Net Assets</b>		<b>1,909,872</b>	<b>2,152,301</b>
<b>Equity</b>			
Common Fund Interest Account		87,077	53,898
Guarantee and Reserve Account		1,386,767	1,662,375
Asset Revaluation Surplus		436,028	436,028
<b>Total Equity</b>		<b>1,909,872</b>	<b>2,152,301</b>

The above Balance Sheet should be read in conjunction with the accompanying notes.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	Asset Revaluation Surplus 2020	Common Fund Interest Account 2020	Guarantee and Reserve Account 2020	Total 2020
<b>YEAR ENDED 30 JUNE 2020</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at the Beginning of the Reporting Period</b>	<b>436,028</b>	<b>53,898</b>	<b>1,662,375</b>	<b>2,152,301</b>
<b>Comprehensive Income</b>				
Common Fund Interest Account - Operating Surplus	-	33,179	-	33,179
Guarantee and Reserve Account - Operating (Deficit)	-	-	(275,608)	(275,608)
Increase in Asset Revaluation Surplus	-	-	-	-
<b>Total Comprehensive Income / (Deficit)</b>	<b>-</b>	<b>33,179</b>	<b>(275,608)</b>	<b>(242,429)</b>
<b>Balance at the End of the Reporting Period</b>	<b>436,028</b>	<b>87,077</b>	<b>1,386,767</b>	<b>1,909,872</b>

	Asset Revaluation Surplus 2019	Common Fund Interest Account 2019	Guarantee and Reserve Account 2019	Total 2019
<b>YEAR ENDED 30 JUNE 2019</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at the Beginning of the Reporting Period</b>	<b>371,028</b>	<b>(12,358)</b>	<b>1,879,217</b>	<b>2,237,887</b>
<b>Comprehensive Income</b>				
Common Fund Interest Account - Operating (Surplus)	-	66,256	-	66,256
Guarantee and Reserve Account - Operating (Deficit)	-	-	(216,842)	(216,842)
Increase in Asset Revaluation Surplus	65,000	-	-	65,000
<b>Total Comprehensive Income / (Deficit)</b>	<b>65,000</b>	<b>66,256</b>	<b>(216,842)</b>	<b>(85,586)</b>
<b>Balance at the End of the Reporting Period</b>	<b>436,028</b>	<b>53,898</b>	<b>1,662,375</b>	<b>2,152,301</b>

The above Statement of Changes in Equity should be read with the accompanying notes.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020

	Note No.	2020 \$	2019 \$
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Interest		2,640,267	3,070,751
Dividends		3,370,357	3,880,916
Management Fee Rebate		-	2,383
<b>Total Receipts from Operating Activities</b>		<b>6,010,624</b>	<b>6,954,050</b>
<b>Payments</b>			
Management and Other Fees		2,545,004	2,317,458
<b>Total Payments from Operating Activities</b>		<b>2,545,004</b>	<b>2,317,458</b>
<b>Net Cash Inflows from Operating Activities</b>	14(b)	<b>3,465,620</b>	<b>4,636,592</b>
<b>Cash Flows from Investing Activities</b>			
<b>Receipts</b>			
Proceeds from the Sale / Maturity of Investments		118,161,000	67,542,740
Return of Capital		-	390
<b>Total Receipts from Investing Activities</b>		<b>118,161,000</b>	<b>67,543,130</b>
<b>Payments</b>			
Purchase of Investments		136,067,000	77,296,000
<b>Total Payments from Investing Activities</b>		<b>136,067,000</b>	<b>77,296,000</b>
<b>Net Cash Inflows / (Outflows) from Investing Activities</b>		<b>(17,906,000)</b>	<b>(9,752,870)</b>
<b>Cash Flows from Financing Activities</b>			
<b>Receipts</b>			
Receipts from Trusts and Estates		83,787,890	79,082,286
<b>Total Receipts from Financing Activities</b>		<b>83,787,890</b>	<b>79,082,286</b>
<b>Payments</b>			
Payments to Trusts and Estates		69,474,699	73,269,863
<b>Total Payments from Financing Activities</b>		<b>69,474,699</b>	<b>73,269,863</b>
<b>Net Cash Inflows / (Outflows) from Financing Activities</b>		<b>14,313,191</b>	<b>5,812,423</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>(127,189)</b>	<b>696,145</b>
<b>Cash and Cash Equivalents at Beginning of the Reporting Period</b>		<b>1,314,445</b>	<b>618,300</b>
<b>Cash and Cash Equivalents at End of the Reporting Period</b>	14(a)	<b>1,187,256</b>	<b>1,314,445</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

## 1. ACTIVITIES OF THE PUBLIC TRUSTEE AND GUARDIAN

The functions of the Public Trustee and Guardian are defined in the Public Trustee and Guardian Act 1985 and include the administration of deceased estates and trusts and the preparation of wills. The Public Trustee and Guardian also acts as Attorney under Enduring Powers of Attorney and as Guardian and Manager under order of the ACT Civil and Administrative Tribunal. These financial statements show the value of trust, attorney and management funds under administration at 30 June 2020 and the results of these operations for the year ended 30 June 2020.

## 2. SIGNIFICANT ACCOUNTING POLICIES

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information.

Appendix A - Basis of Preparation of the Financial Statements

Appendix B - Significant Accounting Policies

## 3. GAIN ON INVESTMENTS

	2020 \$	2019 \$
Realised Gain on Investments (a)	9,220	206,179
Unrealised Gain / (Loss) on Investments (b)	(2,223,559)	5,186,980
<b>Total Gain on Investments</b>	<b>(2,214,339)</b>	<b>5,393,159</b>
Realised Gain Distributed to Estates and Trusts (a)	9,220	206,179
Unrealised Gain / (Loss) Attributable to Estates and Trusts (b)	(2,223,559)	5,186,980
<b>Total Gain / (Loss) Distributed to Estates and Trusts</b>	<b>(2,214,339)</b>	<b>5,393,159</b>

(a) Realised Gain on Investments decreased in 2019-20. The higher gain in 2018-19 was due to a restructure of the investment strategy of Public Trustee and Guardian.

(b) There is an unrealised loss for 2019-20 as a result of a decline in the market in the current financial year following a significant increase being recognised for the prior year. Capital growth across the investments held was -2.52% on the funds in 2019-20 compared to 4.99% in 2018-19.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
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## 4. INFORMATION TECHNOLOGY COSTS

Information Technology Costs	264,365	222,102
<b>Total Information Technology Costs</b>	<b>264,365</b>	<b>222,102</b>

The Public Trustee and Guardian continues to undergo a 'Business Transformation Project' to improve how the organisation operates, the infrastructure, organisational culture and services delivered. The expenses for this project include upgrades of a number of software applications in addition to employment costs of a full-time Project Manager to oversee this transition.

This is an allowable application of the common fund Guarantee and Reserve account under S.61(5) (c) of the Public Trustee and Guardian Act 1985.

## 5. CASH AND CASH EQUIVALENTS

Cash at Bank - Common Fund	107,431	12,282
Cash at Bank - Guarantee and Reserve (a)	124,925	364,163
Investments - Common Fund (b)	955,000	938,000
<b>Total Cash and Cash Equivalents</b>	<b>1,187,256</b>	<b>1,314,445</b>

(a) Cash at Bank - Guarantee and Reserve decreased due to cash outflows for costs in relation to the Business Transformation Project (refer to Note 4 Information Technology Costs).

(b) Investments - Common Fund increased due to funds received from clients at year end that were placed into the call account until funds were able to be invested.

## 6. RECEIVABLES

<b>Current</b>		
Interest Receivable (a)	426,835	1,060,959
Dividend Receivable (b)	2,673,569	1,317,725
Management Fee Rebates Receivable	57,558	53,677
Gifts Receivable	36,500	25,100
Reduced Input Tax Credits	48,986	45,450
<b>Total Receivables</b>	<b>3,243,448</b>	<b>2,502,911</b>

(a) Interest Receivable represents interest on invested funds not yet received as at 30 June 2020. A decrease in interest receivable is due to a decrease in the interest rates on offer by financial institutions as a result of a declining market, as well as a reduction in cash and cash equivalents held.

(b) Dividend Receivable has increased due to a higher rate of return at 30 June 2020.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
<b>7. INVESTMENTS</b>		
<b>Current Investments</b>		
Investments - Common Fund	105,553,038	98,800,000
Investments - Guarantee and Reserve	1,410,000	1,410,000
<b>Total Current Investments (a)</b>	<b>106,963,038</b>	<b>100,210,000</b>
<b>Non-Current Investments</b>		
Balanced Common Fund	15,866,027	13,452,281
Conservative Common Fund	40,013,880	35,211,281
Growth Common Fund	63,194,475	61,222,012
<b>Total Non-Current Investments (b)</b>	<b>119,074,382</b>	<b>109,885,554</b>
<b>Total Investments</b>	<b>226,037,420</b>	<b>210,095,554</b>

\$ 55 of the Public Trustee and Guardian Act 1985 provides for the pooling of the credit balances of current accounts in a range of Common Funds for investment purposes.

(a) Term Deposits have increased due to an increase in the amount of client funds under management.

(b) The Balanced Common Fund is a diversified investment portfolio with investments in nine asset class portfolios, 50% of the funds invested in this portfolio are in growth markets with the remaining 50% in defensive. The Balanced Fund has been designed for clients that are expected to be with Public Trustee and Guardian for a minimum of 6 years and up to 10 years and this can vary depending on the individual clients needs. The Balanced Common Fund is expected to have a negative return of no more than 1 in every 4 years.

The Conservative Common Fund is a diversified investment portfolio with investments in ten asset class portfolios 35% of the funds invested in this portfolio are in growth markets with the remaining 65% in defensive. The Conservative Fund has been designed for clients that are expected to be with Public Trustee and Guardian for a minimum of 3 years up to 6 years and this can vary depending on the individual clients needs. The Conservative Common Fund is expected to have a negative return of no more than 1 in every 5 years.

The Growth Common Fund is a diversified investment portfolio with investments in nine asset class portfolios, 75% of the funds invested in this portfolio are in growth markets with the remaining 25% in defensive. The Growth Fund has been designed for clients that are expected to be with Public Trustee and Guardian for at least 10 years. The Growth Common Fund is expected to have a negative return of no more than 1 in every 3 years.

All the common funds are subject to risk depending on the level of investment in the different markets, with the major components of risk for these investments being Market Risk, Specific Risk and Volatility Risk.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
<b>8. UNREALISED ASSETS</b>		
<b>Properties at Cost:</b>		
Real Estate	78,184,398	85,019,760
<b>Total Properties at Cost (a)</b>	<b>78,184,398</b>	<b>85,019,760</b>
<b>Unit Based Assets - at Fair Value:</b>		
Shares	5,265,777	8,120,733
Superannuation Policies	731,163	624,133
Property and Unit Trusts	966,662	755,218
<b>Total Unit Based Assets - at Fair Value</b>	<b>6,963,602</b>	<b>9,500,084</b>
<b>Other Assets - at Cost:</b>		
Nursing Home/Retirement Village Bonds	15,450,599	15,403,730
Superannuation Policies	66,418,071	66,963,201
Prepaid Funerals	164,518	127,660
Managed Funds	1,200,066	3,415,424
Investments	8,397,195	8,781,044
Personal Effects	1,254,785	441,872
<b>Total Other Assets - at Cost</b>	<b>92,885,237</b>	<b>95,132,931</b>
<b>Total Unrealised Assets</b>	<b>178,033,237</b>	<b>189,652,775</b>

(a) A number of Confiscated Asset Clients affairs were finalised in the 2019-20 financial year which has resulted in a decrease of Real Estate holdings at year end.

**9. PROPERTY**

Leasehold Building at Market Value	365,000	365,000
Less: Accumulated Depreciation	(61,000)	(45,000)
<b>Total Property</b>	<b>304,000</b>	<b>320,000</b>

An independent valuation of the Public Trustee and Guardian's warehouse at Mitchell was performed by David Jordan (AAPI Certified Practising Valuer) of Herron Todd White as at 30 June 2019. The next valuation is due to be performed on 30 June 2022.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
<b>10. TRUST LIABILITIES</b>		
Mortgages	7,791,119	8,048,327
Funeral Expenses	138,797	47,991
Bank Loans and Credit Cards	8,616	189,404
Medical/Dental Costs	147,887	43,536
Property/Utility Costs	40,023	74,811
Personal Expenses	63,706	123,936
Accommodation/Rent	106,342	223,054
Taxation Debts	220,599	87,957
Sundry Debts	139,737	115,578
Dividends to be Distributed	2,428,665	1,090,917
Accrued Income Commission	130,811	53,009
Accrued Management Fees	323,066	297,428
<b>Total Trust Liabilities</b>	<b>11,538,368</b>	<b>10,395,948</b>

Trust Liabilities increased primarily as result of an increase in the value of the Dividends to be Distributed from the last quarter of 2019-20 being 3.20%, this was 1.74% for the same period in 2018-19.

**11. OTHER LIABILITIES**

GST Payable	-	5,301
Payables	10,359	173
Accrued Expenses	12,936	20,806
<b>Total Other Current Liabilities</b>	<b>23,295</b>	<b>26,280</b>

Accrued Expenses decreased due to Creditor invoices in relation to IT costs being received prior to 30 June 2020 and recognised as Payables. At 30 June 2019 these costs were received after year end and reported as Accrued Expenses.

**12. ESTATES AND TRUSTS UNDER ADMINISTRATION**

Unclaimed Monies	46,541,168	41,109,237
Capital Region Community Foundation - Gift Fund	13,692,068	14,060,537
Capital Region Community Foundation - Open Fund	9,229,448	7,514,015
Estates and Trusts	325,871,142	328,635,727
<b>Total Estates and Trusts Under Administration</b>	<b>395,333,826</b>	<b>391,319,516</b>

Unclaimed monies has increased due to the lodgement of Commonwealth Bank Dividends by Link Market Services in April 2020.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**13. CONTINGENT LIABILITIES****Legal Claims**

The Public Trustee and Guardian Trust is not currently subject to any legal claims (2019: 0)

**14. CASH FLOW RECONCILIATION****(a) Reconciliation of Cash and Cash Equivalents at the end of the Financial Year in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet**

	2020 \$	2019 \$
Cash at Bank	1,187,256	1,314,445
<b>Total Cash and Cash Equivalents</b>	<b>1,187,256</b>	<b>1,314,445</b>

**(b) Reconciliation of Operating Surplus / (Deficit) to Net Cash Inflows from Operating Activities**

Operating Surplus - Common Fund	33,179	68,256
Operating (Deficit) - Guarantee and Reserve Account	(275,608)	(216,842)

**Add / (Less) Non-Cash Items**

Net Gain / (Loss) on Investments	2,214,339	(5,393,159)
Depreciation	16,000	15,000
Management Fee Rebates	(231,039)	(200,459)
Interest Distributed to Estates and Trusts	853,406	1,592,075
Reinvestment of Interest	(3,038)	-
Dividends Distributed to Estates and Trusts	3,761,757	2,083,196
Net Gain / (Loss) Distributed to Estates and Trusts	(2,214,339)	5,393,159
<b>Net Cash Inflow Before Changes in Operating Assets and Liabilities</b>	<b>4,154,657</b>	<b>3,339,226</b>

**Changes in Operating Assets and Liabilities:**

(Increase) / Decrease in Receivables	(725,350)	1,279,855
(Increase) / Decrease in Prepayments	8,360	(6,321)
Increase / (Decrease) in Trust Liabilities	25,637	19,367
Increase / (Decrease) in Other Liabilities	2,316	4,465
<b>Net Change in Operating Assets and Liabilities</b>	<b>(689,037)</b>	<b>1,297,366</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>3,465,620</b>	<b>4,636,592</b>

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

**APPENDIX A - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS  
FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**BASIS OF PREPARATION**

The financial statements have been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and other significant accounting policies disclosed below, which the Public Trustee and Guardian has determined the basis of preparation of the financial statements is appropriate. The accounting policies are consistent with the previous period unless stated otherwise.

The Public Trustee and Guardian has determined the financial statements to include:

- (i) an Operating Statement - Common Fund Interest Account for the year;
- (ii) an Operating Statement - Guarantee and Reserve Account for the year;
- (iii) a Balance Sheet at the end of the year;
- (iv) a Statement of Changes in Equity for the year;
- (v) a Cash Flow Statement for the year; and
- (vi) the significant accounting policies adopted for the year.

These financial statements are special purpose financial statements that have been prepared for the sole purpose of preparing and distributing a financial report for stakeholders, including Trust Clients, the Public Trustee and Guardian and service providers.

**ACCRUAL ACCOUNTING**

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes.

**CURRENCY**

These financial statements have been presented in Australian dollars, which is the Trust's functional currency.

**ROUNDING**

Amounts in the financial statements have been rounded to the nearest dollar.

**PRIOR YEAR COMPARATIVES**

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

**APPENDIX B - SIGNIFICANT ACCOUNTING POLICIES  
FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**SIGNIFICANT ACCOUNTING POLICIES - INCOME****REVENUE RECOGNITION**

Revenue is recognised in accordance with AASB 15 Revenue from Contracts with Customers where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 Income of not-for-Profit Entities.

**AASB 15**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Public Trustee and Guardian Trust have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

**AASB 1058**

Where revenue streams are in the scope of AASB 1058, the Public Trustee and Guardian Trust recognises the asset received (generally cash or other financial asset) at fair value, recognises any related amount (e.g. liability or equity) in accordance with an accounting standard and recognises revenue as the residual between the fair value of the asset and the related amount on receipt of the asset.

**DIVIDENDS**

Dividend revenue is recognised when the right to receive a dividend has been established.

**INTEREST**

Interest revenue is recognised using the effective interest method.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

 APPENDIX B - SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES - EXPENSES

## INTEREST DISTRIBUTIONS

Interest distributions are made to Estates and Trusts quarterly on an accrual basis. Interest rates are set by the Public Trustee and Guardian Investment Board. The recommended interest rate is based on the average yield earned on term deposits.

## DIVIDEND DISTRIBUTIONS

Dividend distributions are made to Estates and Trusts quarterly on a cash basis. The distribution is rate based and determined by the amount of dividend received less expenses directly related to the investment.

## NET GAIN DISTRIBUTED TO ESTATES AND TRUSTS

Net Gain distributions are made to Estates and Trusts yearly on an accrual basis. The distribution consists of the fluctuation in price of the unit trust between the end of the last reporting period and the end of this reporting period, as well as any profit on the sale of units in the unit trust.

## MANAGEMENT FEES

Management fees are charged by the Public Trustee and Guardian against the Common Funds at a rate of 1.1%. The Cash Common Fund fee is charged monthly and is based on the value of cash held in client accounts at the end of each month. The management fee on the Common Funds held as investments is calculated monthly on the value of the investment and charged quarterly once distributions are received.

## SIGNIFICANT ACCOUNTING POLICIES - ASSETS

## NOTE 7 - INVESTMENTS

Australian Equities, Fixed Interest, International Equities, Listed Property, Balanced, Growth and Conservative fund investments are valued at market value by the Public Trustee and Guardian's external custodians using independently sourced prices and foreign exchange rates.

Investments in pooled investment funds are valued in accordance with unit prices at the balance date as advised by the managers of the funds.

The distributions received on the Balanced Fund, Growth Fund and Conservative Fund investments are recorded net of management fees and charges. These fees are deducted at the source prior to distribution.

## NOTE 8 - UNREALISED ASSETS

Estates and Trusts under administration represents both realised and unrealised assets. Unrealised assets of Estates and Trusts under administration are initially recorded by the Public Trustee and Guardian at the value the assets were received, in accordance with the Public Trustee and Guardian guidelines.

After initial recognition, unrealised assets are valued using the cost or revaluation model of valuation. Unit based assets are measured at fair value. Property and other assets are recorded at historical cost.

## PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

 APPENDIX B - SIGNIFICANT ACCOUNTING POLICIES  
 FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES - FAIR VALUE OF UNREALISED ASSETS

The Public Trustee and Guardian has made a significant judgement regarding Unrealised Assets measured at fair value. Unit based assets are valued at 30 June each financial year based on current market values of investments and all other assets are valued at cost. This valuation includes significant judgments and estimates of investments to determine the fair value of investment unit based assets.

## NOTE 9 - PROPERTY

The building is valued at market value. The market value of the building is measured using current prices in a market for similar properties. Valuations are performed every three years.

## SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES - IMPAIRMENT OF ASSETS

The Public Trustee and Guardian, at each reporting date, assesses whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

## SIGNIFICANT ACCOUNTING POLICIES - LIABILITIES

## NOTE 10 - TRUST LIABILITIES

The Public Trustee and Guardian has made a significant judgement regarding Trust Liabilities. Liabilities are only brought to account for those clients that have available funds to pay their debts. Where a client is potentially insolvent, no liabilities are brought to account.

Annexure Inserted Reports



OFFICIAL VISITORS BOARD

REPORT 2019-20

I am pleased to report on the activities of the Official Visitors Board (the Board) for 2019-20.

The Official Visitor Scheme is an independent monitoring scheme for people who are being held in government institutions or staying in community facilities and are dependent upon service providers. The people in this accommodation are described in the *Official Visitor Act 2012* (the Act) as "entitled people". The places that can be visited by Official Visitors are known in the Act as "visitable places".

Official Visitors are independent part-time Public Office Holders, appointed by the Minister for their skills and expertise. They meet and talk with entitled people in visitable places to hear their concerns and help them resolve any complaints. They prepare and send reports to the Minister responsible for the visitable place about any issues or concerns that they hear or observe, giving those Ministers valuable and direct insight into what is happening in these places.

Official Visitors play a vital role in safeguarding and promoting the interests of vulnerable people in our community who find themselves in difficult circumstances. They seek to identify, monitor and resolve service issues locally, using early intervention and resolution practices, and with a view to improve service quality.

Official Visitors visit Bimberi and residential out-of-home care facilities for children and young people, the Alexander Maconochie Centre, mental health facilities, accommodation for people with disability and accommodation for people requiring housing assistance. Some Official Visitors are Aboriginal or Torres Strait Islander persons, appointed to address the needs of Indigenous people.

Each of the following is an Operational Act under the Scheme -

- *Children and Young People Act 2008*
- *Corrections Management Act 2007*
- *Disability Services Act 1991*
- *Housing Assistance Act 2007*
- *Mental Health (Treatment and Care) Act 1994.*

THE BOARD

The Board is established under S. 23A of the Act and is comprised of -

- The Chair, appointed by the Minister

- At least one Commissioner under the *Human Rights Commission Act 2005* nominated by the Commissioners under that Act
- Two Official Visitors elected by the Official Visitors
- Any other member/s appointed by the Minister.

The functions of the Board include –

- Oversee the exercise of functions by Official Visitors
- Arrange for the recruitment, induction, training and support of Official Visitors
- Provide support for and manage the exercise of functions by Official Visitors
- Consider and try to resolve any complaints about Official Visitors
- Any other function given to the Board under legislation.

By amendment to the Act on 3 October 2019, the function of Chair changed from being a statutory appointment of the Public Trustee and Guardian to being an appointment by the Minister. The Minister appointed the Public Trustee and Guardian as Chair for a period of 12 months with effect from 2 April 2020.

During the reporting period, Ms Narelle Hargreaves OAM and Mr Shannon Pickles were the Official Visitor's representatives on the Board. Ms Jodie Griffiths-Cook continued as the representative on behalf of the ACT Human Rights Commission. As part of the review, the Board will be assisted in the administration of the Scheme by an Executive Officer.

The Board met at least twice during 2019-20 on -

- 31 October 2019; and
- 28 April 2020.

Meeting attendances during the reported year were as follows –

MEMBER	NATURE OF APPOINTMENT	MEETING 31.10.19	MEETING 28.04.20
Mr Andrew Taylor	Public Trustee (Chair)	√	√
Jodie Griffiths-Cook	Public Advocate of the ACT/Children and Young People Commissioner	√	√
Ms Narelle Hargreaves OAM	Official Visitor for the purposes of the <i>Disability Services Act 1991</i> and the <i>Children and Young People Act 2008</i>	√	√
Mr Shannon Pickles	Official Visitor for the purposes of the <i>Mental Health (Treatment and Care) 1994 Act</i> and the <i>Corrections Management Act 2007</i> .	√	√

### CALLS TO THE OFFICIAL VISITOR HOTLINE

During the reported year, 261 calls were made to the Official Visitors Hotline.

### CONFLICT OF INTEREST

Prior to each meeting of the Board, members are required to disclose any material interest in an issue to be considered at the meeting. A disclosure was made by Mr Shannon Pickles on 30 May 2020. The disclosure was investigated and it was agreed that this did not give rise to an actual conflict.

### MEETING - 31 OCTOBER 2019

The following matters were discussed by the Board -

- Progress with the review of the scheme, legislation, transitional arrangements
- Authorising another Official Visitor to visit a visitable place
- Board's role as a governance Board/provide guidance to Official Visitors
- Visitable places registers and the role of Operational Directorates
- Minimum number of visits per discipline
- Role of the Executive Officer and quarterly reporting
- Budget adequacy in respect to the transition
- Limits on visits having regard to budget
- Increased demand due to increased entitled persons and visitable places
- Recruitment of Official Visitors for Corrections
- Development of a revised Official Visitor homepage
- Official Visitor Training Day – 4 November 2019
- ACT Remuneration Tribunal Determinations regarding superannuation
- Imminent appointments, vacancies and resignations of Official Visitors.

### MEETING - 28 April 2020

- Official Visitor Guidelines and progress of review
- Absence of a maximum number of visits and its effect on the budget
- Budgetary pressure and causes
- Need for greater information about the activities of Official Visitors
- Funding of the superannuation guarantee shortfall
- The Minister's appointment of the Public Trustee and Guardian as Chair
- Arrangements to recruit an Executive Officer
- Visits during the COVID Emergency period
- Human Rights as a theme for the next Training Day.

### REVIEW OF THE OFFICIAL VISITOR SCHEME

At the time of this report, the *Official Visitor Amendment Bill 2019* was fully implemented and arrangements for the transition of the scheme to the Human Rights Commission had progressed significantly. The Bill was developed in consultation with the Official Visitor Working Group. Members included the ACT Official Visitors, representatives of all Operational Directorates, the ACT Human Rights Commission as well as the Public Trustee and Guardian.

Specifications and a position description for recruitment of the position of Executive Officer have been completed.

The process for consolidating Guidelines for visits under all Operational Acts was largely completed with the Board agreeing to the final major draft to the Guidelines. The Guidelines refer to the visit processes and handling of complaints by Official Visitors and set out how Official Visitors will perform their functions.

### SUPERANNUATION GUARANTEE

The ACT Government Solicitor provided advice that Official Visitors are employees for the purposes of the Commonwealth superannuation legislation and were entitled to the superannuation guarantee. Superannuation from 2013-14 to 2019-20 was calculated by KPMG as \$197,454.73 including nominal interest and administration component charges. PTG issued payment on 10 July 2020 based on the ATO assessment issued with components broken down to the following -

COMPONENT	VALUE
SGC Shortfall	\$151,107.09
Nominal Interest Component	\$46,740.95
Administration Component	\$1,300.00
Interest Payment	\$2,098.52
<b>Total SGC Payable</b>	<b>\$201,246.56</b>

**FINANCIAL – 2019-20 END OF FINANCIAL YEAR SUMMARY**

The overall budget for 2019-20 included \$123,000 for administrative funding and \$453,000 for Official Visitor remuneration and expenses. An additional \$77,000 surplus rollover was approved by the Treasurer under s.16B of the *Financial Management Act 1996*. This had been requested due to forecasted excess spending prior to the public health emergency as well as outstanding superannuation owed. As such the total allocated budget for Official Visitor remuneration and expenses was \$530,000.

Remuneration and expenses funding	\$453,000.00
Administration Funding (to PTG)	\$123,000.00
S.16B Financial Management Act Rollover	\$77,000.00
<b>Total Budget</b>	<b>\$653,000.00</b>
Less Administrative budget (to PTG)	\$123,000.00
Less Remuneration, Expenses funding	\$395,900.49
Less Expenses	\$16,000.72
Less Outstanding Superannuation	\$151,107.09
Less Superannuation Penalties	\$50,139.47
<b>Total Expenses</b>	<b>\$613,147.77</b>
<b>Surplus/deficit</b>	<b>\$83,147.77</b>

Increased expenditure is due to -

- Increased number of visits by Official Visitors
- Increased activities by Official Visitors
- Funding and allowance for the Superannuation Guarantee
- Increased remuneration - Remuneration Tribunal Determination 13/2019.

Final discipline expenditure breakdown for 2019-20 is as follows –



**APPOINTMENTS AT 30 JUNE 2020**

At the date of this report, appointments were as follows –

- Shannon Pickles, Mental Health and Corrections
- Denise Brasser, Corrections
- Jane Grace, Mental Health
- Narelle Hargreaves, Disability
- Mary Durkin, Disability
- Tracey Lea Harris, Children and Young People (Indigenous)
- Chris Redmond, Children and Young People and Disability
- Dianne Lucas, Homelessness
- Vickie Quinn, Corrections (Indigenous)
- Violet Sheridan, Corrections (Indigenous).

**TRAINING**

The Official Visitor Training Day was held on Friday 4 November 2019. Guest speakers at the Training Day included –

- Shane Rattenbury MLA, Minister responsible for the *Official Visitor Act 2012*
- Richard Glenn, Director General, Justice and Community Safety Directorate
- Kathryn Toy, Senior Director, Financial Management Services, PTG
- Gabrielle McKinnon, Senior Manager, Human Rights and Social Policy; Legislation, Policy and Projects; Justice and Community Safety Directorate
- Mandy Donley, Senior Practitioner, Restrictive Practice, Community Services Directorate
- Jacinta Evans, Office of Multicultural Affairs.

**LOOKING FORWARD**

2020-21 will see the Official Visitor Scheme fully transitioned to the ACT Human Rights Commission. The revised Board will prepare its own Report to the Minister at the end of the 2020-21 financial year.

There is a significant workload associated with the transition including budget, website, reporting, training and a manual for Official Visitors.

The position of Executive Officer will be finalised and recruitment action completed within the next several months.

Recruitment of Official Visitors, formerly a responsibility of Operational Directorates, will become a responsibility of the Board from 1 July 2020 commencing with two Official Visitors for Corrections.

I record my thanks to Board Members Jodie Griffiths-Cook, Narelle Hargreaves OAM and Shannon Pickles as well as to Stefan Dzwonnik for administrative and financial support.

**Andrew Taylor**  
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by Andrew Taylor  
Date: 2020.10.15  
16:06:08 +11'00'

Andrew Taylor  
**CHAIR - OFFICIAL VISITORS BOARD**  
**PUBLIC TRUSTEE AND GUARDIAN**



**PUBLIC TRUSTEE AND GUARDIAN**

**PUBLIC TRUSTEE AND GUARDIAN INVESTMENT BOARD**

**REPORT 2019-20**

I am pleased to report on the activities of the Public Trustee and Guardian (PTG) Investment Board (the Board) for 2019-20.

**THE BOARD**

The Board was established under s.46 of the *Public Trustee and Guardian Act 1985* to provide expertise and to ensure best practice in financial and risk management on -

- investment strategies concerning moneys held in the common funds or otherwise available for investment
- core financial areas related to the development and management of the common funds on behalf of PTG client investors
- distribution of income
- aspects of policy and its implementation to ensure that it complies with the *Public Trustee and Guardian Act 1985* (the Act) and the *Trustee Act 1925*.

**MEMBERSHIP**

S.48 of the Act requires that the Board be comprised of the Public Trustee and Guardian (Senior Member) and at least two other members appointed by the Minister for a term not longer than three years. Members are appointed on an honorary basis.

During the reported year, the Board consisted of the Public Trustee and Guardian and four members, including one member representing the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) as follows –

- |                        |                            |
|------------------------|----------------------------|
| → Mr Andrew Taylor     | - ex officio Senior Member |
| → Mr Patrick McAuliffe | - expires 28 March 2022    |
| → Ms Tracy Savage      | - expires 4 December 2021  |
| → Ms Serhan Mackey     | - expires 9 September 2021 |
| → Mr Michael Davison   | - expires 2 March 2021     |

Mr Patrick McAuliffe is Executive Branch Manager, Asset Liability Management in the ACT Chief Minister, Treasury and Economic Development Directorate. Patrick has responsibility for leading the development and implementation of key investment policies and strategies for the ACT Government's financial investment portfolios

(\$5.0 billion); the management and funding of the Government's borrowing program (\$7.1 billion); managing the defined benefit employer superannuation liabilities of the Territory and the Government's funding strategy (\$8.5 billion); management of the Territory's 'public' account cash flows; and financial accountability and reporting in relation to the investment, borrowing and superannuation liability functions.

Ms Tracy Savage

Ms Tracy Savage is CEO of the ACT Long Service Leave Authority. In that capacity, she currently manages some \$220M in assets under the four long service leave schemes administered by the Authority. Tracy has over 20 years' experience in Commonwealth Government defined benefits superannuation administration and has served on several Government Boards and Committees. Tracy holds an Executive Master of Public Administration.

Ms Serhan Mackey

Serhan is an adviser with Finance Control and has over 15 years' experience in the finance industry. She has worked as a Financial Planner for the last 13 years including time spent with major wealth management firms such as the BT Group, AMP and AXA Charter in Melbourne and Commonwealth Superannuation Corporation in Canberra. Serhan was also on the panel of the Department of Defence approved advisers specialising in Military Super, DVA, MSBS and DFRDB from 2017 to 2019. Serhan has completed a Bachelor of Education, Master of Financial Planning, Master of Business and an Advanced Diploma in Financial Services.

Mr Michael Davison is Advocacy Manager at CPA Australia, responsible for leading CPA Australia's advocacy and representation activities on behalf of members across all policy areas within the accounting profession, government and across the broader community. Formerly Senior Policy Adviser, superannuation and financial planning at CPA Australia, Michael has over 15 years' extensive policy and advocacy experience and 25 years' experience in the superannuation and financial services industry. Michael has a Bachelor of Science (ANU) with a mathematics major and a Postgraduate Diploma in Marketing Management at Macquarie Graduate School of Management.

**ASSET/MARKETS CONSULTANT**

During the reported year, PTG utilised PricewaterhouseCoopers (PwC) to provide asset/markets consultancy services to the Board including quarterly reports. PTG engaged PwC to review its investment strategy and risk management, including -

- Review of the investment arrangements of the Cash Common Fund
- Review of the performance of PTG's Fund Manager.

THE YEAR IN REVIEW

Use of brokerage services in the administration of cash investments

The Board considered PTG's proposed use of brokerage services in the administration of its Cash Common Fund investments. Two brokers under consideration would assist PTG in digitising the manual processes involved in managing its two cash portfolios. Benefits include the ability to transact with a larger number of Authorised Deposit Taking Institutions (ADIs) in a more time efficient manner. Engagement of a broker would strengthen governance arrangements and compliance within the portfolio whilst removing the reliance on spreadsheets and the risk of errors in data entry. Both brokers under consideration offer monthly platform subscription arrangements, with no onboarding or establishment fees and the ability to cancel with a short notice period required PTG will trial a platform for a few months to determine whether the potential benefits can be realised at the end of which rates could be compared.

Review of PTG's Fund Manager

The Board noted that whilst PTG's appointed Fund Manager underperformed their benchmarks over the past year, performance has been close to benchmark over the longer term. The underlying asset class portfolios performed relatively close to their respective benchmarks, except for some fixed interest funds. PTG's Fund Manager's diversified funds have been among the very top performers in the survey of similar portfolios, due to –

- Lower fees than the other funds
- Difficulties experienced by active management over the past 7 years
- Higher exposure to international shares than Australian shares, as international shares have outperformed over the past 1, 5, and 10 year periods, particularly on the back of strong performance from US shares
- Maintaining a higher exposure to fixed interest and limited (or zero) exposure to cash. Fixed interest has outperformed cash over the past 1, 5, and 10 year periods, benefiting from the decline in interest rates.

The Board was satisfied that PTG's Fund Manager remains a suitable manager for the portfolios.

Possibly accessing ADIs rated below BBB

The Board noted advice that it would not be worthwhile for PTG to allow the Cash Common Fund to access banks and ADIs rated below BBB. There is not sufficient increased flexibility or higher returns available from below BBB rated issuers to justify the higher default risk, particularly in the current economic environment, where the impact on companies and households is yet to be fully known, particularly while the government stimulus packages are helping to absorb some of the impact.

Possibly increasing the limit placed with building societies/Credit Union

The Board noted there does not appear to be a substantially higher return available from Building Societies and Credit Unions than by investing with equivalent rated banks. However, having a higher limit to Building Societies and Credit Unions would offer some more flexibility in selecting rates within the BBB rated part of the portfolio. The Board considered raising the limit exposed to Building Societies/Credit Unions (rated BBB or above) from 15% to 20% to provide more flexibility.

Increasing the maximum exposure to single entities across ADI's

The Board noted the recommendation that, given the current heightened risks on banks and ADIs, PTG should maintain the single entity limits as currently defined.

PTG's Cash Common Fund Reserve

The Board noted advice against pursuing a reserves approach in the current environment. Given the low rates currently on offer, building reserves would result in the rates paid to clients after commissions being more likely to be negative, or being more negative than they would otherwise.

ATTENDANCE TABLE

Member	9.9.19	3.12.19	3.4.20	15.5.20
Mr Andrew Taylor	√	√	√	√
Mr Patrick McAuliffe	X	√	√	√
Ms Tracey Savage*	√	X	X	X
Ms Serhan Mackey**	X	√	√	√
Mr Michael Davison	X	√	√	√

BOARD ACTIVITIES

The Board considered a range of issues during the year including:

- Review reporting and detail of any negative balances
- Review PTG's 1.1% management fee in respect to its Cash Investments
- Reviewed terms of reference for PwC's review of interest rate for Cash Common Fund and review of fund manager
- Considered PTG's actions to review its risk register
- Investigate opportunities with term security brokerage through external providers
- Review investment arrangements for PTG's Cash Common Fund
- Review the performance of Vanguard as PTG's Investment Manager
- Introduction of Macquarie Bank as an Authorised Deposit Taking Institution in respect to invested cash funds.



- Review PTG's Investment Board Charter concerning out of session decisions on interest rates
- PwC yearly review and Term Deposit Investment Brokers
- Considered PTG's position on reserves.

LOOKING FORWARD

The focus for 2018-19 will be on -

- Implementing any recommendations arising from the 2019-20 review
- Maximising PTG's return on investment
- Trialling and implementing broker services
- Finalising PTG's Risk Register.

I record my thanks to Board Members as well as PTG's administrative staff to the Board. We acknowledge the valuable advice and contribution by PwC to the Board during 2019/20.

Andrew Taylor

SENIOR MEMBER/  
PUBLIC TRUSTEE AND GUARDIAN



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Glossary Of Abbreviations And Acronyms

ACAT	Australian Capital Territory Civil and Administrative Tribunal
AGAC	Australian Guardianship and Administration Council
AUSTRAC	Australian Transaction Reports and Analysis Centre
AWA	Australian Workplace Agreement
CAT	Confiscated Assets Trust Fund
COMMBIZ	Commonwealth Bank - Business
COTA	Council on the Ageing
CPA	Certified Practicing Accountant
CSO	Community Service Obligations
EDRMS	Electronic Document and Records Management System
EPA	Enduring Power of Attorney
ESD	Ecologically Sustainable Development
FMA	<i>Financial Management Act 1996</i>
FTE	Full time equivalent

GFC	Global Financial Crisis
GST	An indirect broad based consumption tax
JACS	Justice and Community Safety Directorate
JEC	JACS Executive Committee
MDA	Management Discussion and Analysis
MOU	Memorandum of Understanding.
OH&S	Occupational Health and Safety
PAACT	Public Advocate of the ACT
PTACT	Public Trustee for the Australian Capital Territory
PTG	Public Trustee and Guardian
PwC	PricewaterhouseCoopers
QA	Quality Assurance
SOG	Senior Officer Grade
SBMP	Strategic Bushfire Management Plan
TACT	Trust Accounting (System)

Glossary Of Technical Terms

Attorney	A person appointed by another to act in his or her place or represent them.
Common Fund	A fund held by more than one person to enable a greater return on the shared investment.
Criminal Assets	Items of value obtained by illegal or criminal acts, forfeited under the <b><i>Confiscation of Criminal Assets Act 2003</i></b> .
CSO	Community Service Obligations. Those obligations to the community that the ACT Government purchases from the Public Trustee and Guardian and broadly include financial management services under order of ACAT, Enduring Powers of Attorney, Welfare Funerals, AFP call-outs, examination of external financial manager's accounts, deceased estates less than \$100,000 and Trusts less than \$100,000.
Current Ratio	The ratio of current assets to current liabilities.
Enduring Power of Attorney	A formal instrument by which one person empowers another to represent him/her, or act in his/her place for certain purposes.
Estate	The sum of the transmittable assets less the liabilities of a person, especially of a deceased, a bankrupt or beneficiary.
Executor	The person or company appointed by a Will to administer an estate in accordance with the terms.
Financial Manager	A person appointed under order of ACAT to make financial decisions in relation to a person's financial matters, or a matter affecting that person's property for persons were the person has impaired decision making ability and is incapable of managing those matters (e.g. bank accounts or property or shares).
Funds Manager	A person or organisation responsible for investing moneys on behalf of another.
Goods and Services Tax	An indirect broad based consumption tax built into the price of specified goods and services and collected at point of sale.
Guardian	A substitute decision-maker appointed under order of ACAT, to make decisions relating to the health and welfare of a person with impaired decision-making ability. A guardian is appointed for a specific time and with specific functions (e.g. where to live, what services they will receive and what medical treatment they should receive or as litigation guardian).

Investment Strategy	A plan distributing assets amongst various investments for future financial return or benefit.
Liquidity	Available cash or the capacity to obtain it on demand.
Long-Term Liability	Payment not required within 12 months or liabilities not classified as current.
Manager	A person appointed pursuant to the <b><i>Guardianship and Management of Property Act 1991</i></b> to manage the financial and property affairs of a represented person (i.e. having impaired decision-making ability).
Minor	A person under the age of legal majority ie under 18 yrs.
Procurement	Acquisition of goods, services and works by Territory entities.
Prudent Person Principle	A legal rule requiring investment advisers to only make investments for their clients' discretionary accounts that a "prudent person" would make.
Public Interest Disclosure	A report made under "whistleblower" legislation under which a person may confidentially report any corrupt, illegal or fraudulent acts in the public sector.
PTG Investment Board	A board established under s. 47 of the <i>Public Trustee and Guardian Act 1985</i> to advise the Public Trustee and Guardian on investment and related matters.
Risk Profile	An individual's sensitivity to volatility of investments.
Statement of Intent	A statement under s. 58 of the <b><i>Financial Management Act 1996</i></b> setting out the activities, objectives and performance criteria of the authority for the year and relating to the ownership by the government in a territory authority or entity.
Sustained Asset Base	Ability to sustain asset base indicated by changes in net assets.
Trustee	A person who holds property in trust for another.
Unclaimed Moneys	Moneys surrendered to the Public Trustee and Guardian on behalf of the Territory under the Unclaimed Money Act 1950.
Will	A written statement made by an individual, which provides for the disposition of property upon death.
Workplace Diversity	The bringing together of different races, genders, cultures, abilities, ages, sexual orientations, family structures, lifestyles & experienced backgrounds in the workplace.



PUBLIC TRUSTEE AND GUARDIAN

