



2017/18



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Transmittal Certificate

**PUBLIC TRUSTEE AND GUARDIAN**

ABN 45 801 644 305

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4 June 2018

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 2018.

This Report has been prepared under Section 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 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 2017 to 30 June 2018.

I also hereby certify that fraud prevention has been managed in accordance with Public Sector Management Standards, Part 2.

S.13 of the *Annual Reports (Government Agencies) Act 2004* requires that you cause a copy of the Report to be laid before the Legislative Assembly within 15 weeks of the end of the reporting year.

Yours sincerely,

Andrew Taylor
Public Trustee and Guardian

**WILLS • ESTATES • TRUSTS • GUARDIANSHIP • FINANCIAL MANAGEMENT •
POWERS OF ATTORNEY**

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Public Trustee and Guardian Report



I am pleased to present the Annual Report for 2017-18 for the Public Trustee and Guardian for the ACT (PTG).

Our products and services make a significant difference in the lives of Canberrans and this report highlights the outcomes we have achieved for clients and other stakeholders during the reported year. Our products and

services are available to all Canberrans, from all culturally and linguistically diverse backgrounds, in particular to the most vulnerable members in our community.

The Public Trustee and Guardian (PTG) has the unique distinction of serving what is perhaps the most diverse clientele of any Australian Public Trustee including commercial and community service; individual and government and trustee/guardianship clients. PTG also has other unique responsibilities for a Public Trustee and Guardian of its size including its own investment/funds management arm; trustee for many significant government trusts; statutory trustee for Confiscated Criminal Assets; default trustee for many Court trusts; as well as Chair of the Official Visitors Board.

Combining the decision-making roles of Public Guardian and Public Trustee within one single decision-maker, whilst unheralded in Australia, has rationalised administration, eliminated duplication and overlap and significantly improved outcomes for some of our most vulnerable community members. This has broken down hierarchy toward a more pragmatic approach to government administration, responding to community and individual need rather than bureaucratic intervention.

Merging these vital roles and responsibilities and developing strong ties with peer state/territory agencies has synergies with the private sector emulating arrangements between partners that enhance collaborative service delivery, improve client access to a more diverse range of services/entitlements and elimination of separate silos.

It was pleasing to note, towards the end of what has been a year of strategic achievement, PTG has resolved several long-standing accommodation and service delivery concerns for two extremely vulnerable clients.

We continuously survey our clients to find out what's important to them, in the interests of continuous improvement. Our staff also make a significant impact on this through our Continuous Improvement Group.

Our Business Transformation Strategy made significant strides through process documentation, ICT developments, accommodation renewal and investment strategy enhancement.

PTG engaged in a staff secondment arrangement with the private sector providing exposure to expertise in succession law, speedy resolution of some long standing legal issues as well as upskilling of staff.

As well as improving our current infrastructure and services, what may seem radical today may become tomorrow's norm as we look ahead to some potential new initiatives including EDRMS, a central ACT Probate Notice System and a central Territory Will Bank. Innovation is very much at the centre of the current three year business strategy, through which PTG will herald a more efficient, trusted and sustainable Public Trustee and Guardian.

PTG staff are among the Territory's hardest working and most valued employees and changes currently being made to structure, classifications and staffing numbers will provide a capability platform well into the future.

In his Treasurer's speech in delivering the ACT budget for 2017-18, Chief Minister and Treasurer Andrew Barr MLA delivered a strong message about renewal across the city and suburbs, in particular about 'better support when it matters'.

PTG has sought to emulate these ideals with a strong focus on renewal across all areas of business -

- Completion of Organisation and Corporate restructure
- Completion of two of three stages of PTG's Accommodation renewal strategy with the final stage about to commence
- Establishment of a Customer Relationship Management (CRM) System
- Completion of modern and up to date Will and Enduring Power of Attorney drafting software systems
- Completion of an external review of PTG's staff classifications
- Independent review of PTG's Investment Strategy and Cash Common Fund
- Participation in the review of ACT's Official Visitor Scheme.

Once again PTG had a strong community outreach agenda during the year, presenting to community groups; attending a range of events, such as Seniors Week Expo; and offering free forums during Seniors and Wills Weeks.

I acknowledge the leadership and support of the Director-General, JACS, Deputy Director-General JACS (Justice), members of PTG's Investment Board, members of the Official Visitors Board, members of the GreaterGood Board, PTG's independent Internal Audit Committee Chair and ministerial staff.

As Public Trustee and Guardian, I have the privilege and satisfaction of working with a group of people whose determination, compassion and energy are fundamental to good outcomes in our community.

ANDREW TAYLOR
Public Trustee and
Guardian

Section B: Organisational Overview and Performance



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 service
- 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

Our Organisational Structure, Environment and Planning Framework



The Public Trustee and Guardian is unique in Australia, combining the functions of Public Guardian and Public Trustee in one single organisation.

The Public Trustee and Guardian (PTG) is an independent statutory office-holder within the Justice and Community Safety (JACS) Directorate.

The role of the ACT's Public Trustee and Guardian is unique in Australia in that the Public Trustee and Public Guardian's functions are merged into a single entity with one single decision-maker.

PTG has all of the functions of a traditional Public Trustee complemented by the role of a Public Guardian in making personal and health care decisions for persons with a decision-making disability.

Structure

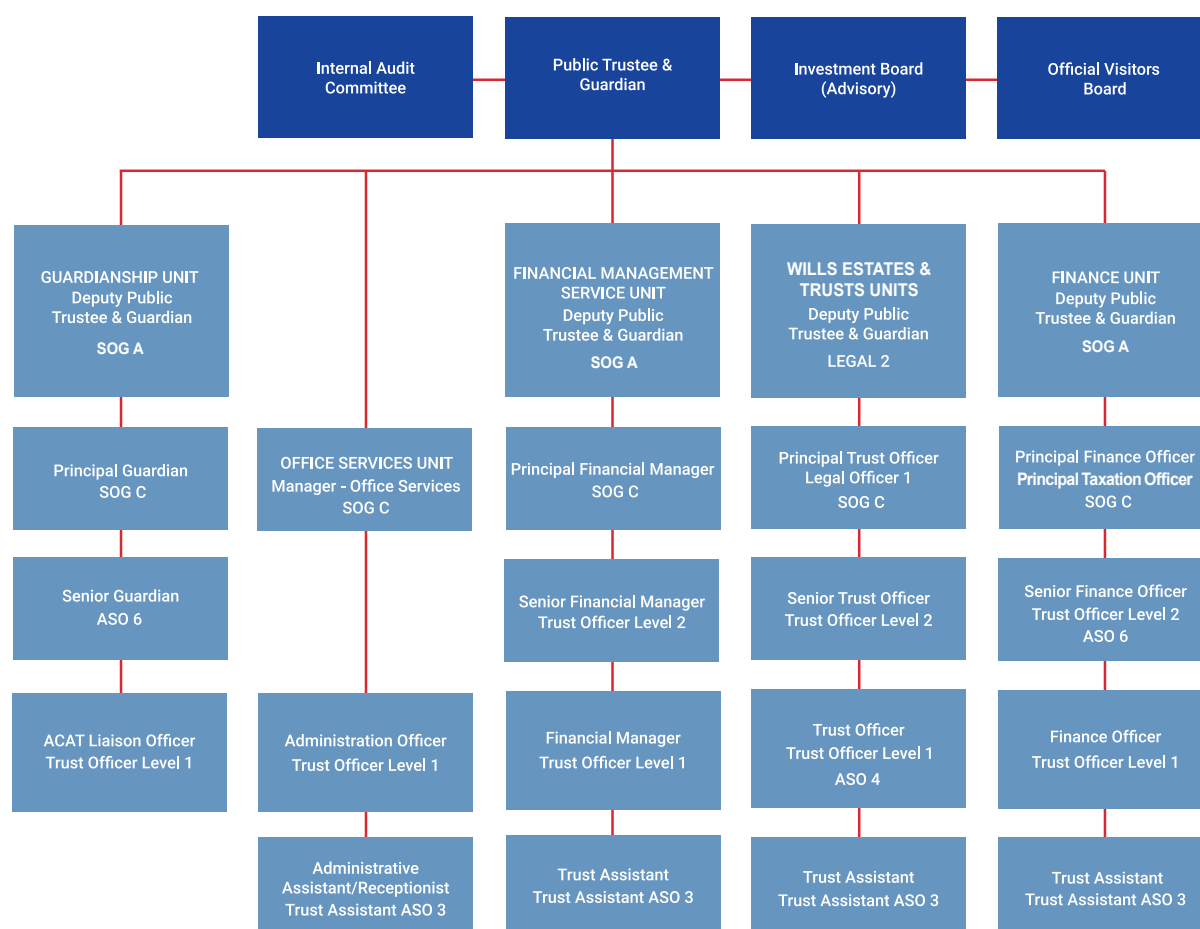
PTG has four business units – Guardianship, Financial Management Services, Wills/Estates/Trusts and Finance – each headed by a Deputy Public Trustee and Guardian.

An Office Services Unit provides governance, HR, training and facilities management support to the office. During the year, the Investment/Funds Management Unit was merged with the Finance Unit as part of PTG's Business Transformation Strategy. The structure and classification of positions across the office has been reviewed and will be implemented as part of the current Enterprise Agreement.

PTG's Investment Board, was established under the **Public Trustee and Guardian Act 1985**, to provide investment advice to the Public Trustee and Guardian. The Board must comprise the Public Trustee and Guardian as Senior Member and at least two external members appointed by the Minister on an honorary basis. Three members are currently appointed.

PTG's Audit Committee comprises a number of business unit representatives and is independently chaired by Mr Roger Broughton, former Executive Director, Investment and Economics, ACT Chief Minister Treasury and Economic Development Directorate (CMTEDD).

PTG's administrative structure is set out in the organisation chart opposite.



(this Chart does not indicate the number of staff at each classification)

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 (Senior Member)**
- **Official Visitors Board (Chair)**
- **GreaterGood (Trustee)**

The Public Trustee and Guardian reports to the Deputy Director-General (Justice) JACS and has financial management responsibilities to the CMTEDD. As a trustee however, the Public Trustee and Guardian is autonomous and independent.

PTG prepares its own annual report under the **Annual Reports (Government Agencies) Notice 2017**.

PTG's organisational environment is broader and more diverse than 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 the ACT Official Visitor Scheme.

PTG has a strong organisational relationship with a number of JACS agencies including the Public Advocate and ACT Civil and Administrative Tribunal (ACAT).

Planning Framework and Direction Setting

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



During 2017–18, PTG's Business Transformation Project undertook a review of the structure of the office including an independent review of position classifications. This resulted from the merger of the Public Trustee and Public Guardian functions into one agency and the need to rationalise the inherently different classification structures.

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. During the reported year, PTG implemented a comprehensive 5-year review of investment strategy under the guidance of PricewaterhouseCoopers (PwC) and members of the Investment Board.

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

As Chair of the ACT Official Visitors Board, the Public Trustee and Guardian is responsible for appointments, training and the 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 a review of the Official Visitor Scheme.

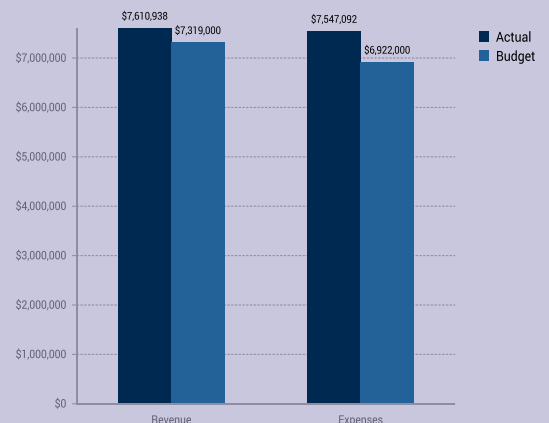
Summary of Performance

PTG's performance is measured by its Strategic and Accountability Indicators. These indicators were modified following agreement with the Treasurer and the Attorney-General in the lead up to the 2018-19 budget estimates process. Performance is reported against the indicators current at the time of this report.

In summary -

- **Source of revenue** – PTG's revenue is sourced from Government and non-Government user-charges, interest, Controlled Recurring Payments (CRP) and Community Service Obligation (CSO) funding
- **CSO Funding** for 2017-18 was \$510,000
- **Outcome** - for 2017-18, PTG has a revised estimated surplus of \$63,845 against budget of \$397,000. The main decrease is related to higher employee expenses
- **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 2017-18 is \$31,923
- **Funds Management** - PTG operates seven 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
- **Revenue** - PTG's total estimated revenue was \$7,319,000. Revenue is \$291,938 higher than budget due to higher User Charges. Total actual revenue was \$7,610,938
- **Expenses** - PTG's total estimated expenses were \$6,922,000. Expenses are \$625,093 higher than budget. Total actual expenditure was \$7,547,092. The increase relates to higher employee expenses and depreciation
- **Cash Common Fund** - PTG's internally managed Cash Common Fund achieved well, and in excess of all indices measured against by PTG's asset/markets consultant PwC. The operation of this fund was reviewed in 2016-17 by PwC. In its report, PwC recommended that PTG continue to manage the fund with a number of minor adjustments. These included extending the potential investment term from 180 to 365 days and increasing the proportion of funds invested with 'A rated' financial institutions from 25% to 45%. The adjustments resulted in an overall increase in yield on investment, attracting higher rates whilst maintaining liquidity
- **Investment Strategy** - Returns compared to 2016-17 were - Growth 5.18% to previous 8.95%, Balanced 3.90% to previous 6.50%, Conservative 2.29% to previous 2.21%, Capital Stable 1.52% to previous 1.70%
- **Government Funds** - Government funds invested and managed by PTG decreased from \$179.8M to \$177.0M
- **Deposits to Confiscated Criminal Assets Trust Fund** - PTG deposited \$868,758 to the fund compared to \$718,467 in 2016-17. 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 \$32.8M to \$35.86M in 2017-18

Revenue and Expenses



Assessment of Community Engagement

The Public Trustee and Guardian works collaboratively to deliver quality outcomes for its clients in a culture that celebrates individual and collective success.



By developing service improvements and creating products that better enable us to deliver on our purpose, we remain focused on getting the best outcomes for our clients and our community.

PTG has a history of promoting charitable causes, establishing GreaterGood (The Capital Region Community Foundation) in 2003 including JACS4GreaterGood, also established by PTG. This enables employees to donate to charities to make a real and long lasting contribution to beneficial outcomes in their community.

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

- Bi-annual public forums in March (Seniors Week) and September (Wills Week)
- Regular community group visits and presentations
- Bi-Annual newsletter "Going Public"
- Interactive website
- Facebook page (GreaterGood)
- Comprehensive Fact Sheets and information sheets and publications eg Power to Choose
- Sponsorship of community events
- GreaterGood (community philanthropy)
- Continuous Customer Survey
- Start Living newspaper supplement (Canberra Chronicle)
- Will it Your Way (www.willityourway.com)
- Free Wills for Seniors of 60 years and over

During the year PTG presented at 16 community forums, reaching 948 persons across its Will/Estates/Financial Management and Guardianship responsibilities.

PTG's continuous customer survey helps to measure customer satisfaction, identify unhappy customers and find potential advocates for our business. The survey is printed on a reply-paid post basis.






The Public Trustee and Guardian personally responds to any survey response where the level of service has been found to fall short of expectations or includes a complaint.

During the reported year 131 clients responded to our survey with 91% of clients reporting that PTG met or exceeded their expectations, against 89% reported for the same period last year. Of all clients surveyed, 57% responded that PTG exceeded their expectations, 33% felt that PTG met their expectations, 7% did not provide a rating and 1% of respondents found PTG below expectation.

Assessment of Performance Against 2017–18 Objectives

PTG's Statement of Intent set out PTG's priorities for the reporting year.

The following objectives are taken from PTG's Statement of Intent 2017-18

2017-18 OBJECTIVES	OUTCOMES
 <p>Implement the requirements of the Public Trustee and Guardian Act 1985, by establishing the new office of Public Trustee and Guardian. This will be achieved by organisational re-structure, functional revision, accommodation changes and budgetary adjustments. A Business Transformation Project is underway with the assistance of an ACT contractor, Yellow Edge. As a result, a re-structure of the office has resulted in the merger of two PTG business Units into one.</p>	<p>PTG fully re-structured. Review of classifications completed and awaiting Enterprise Agreement. Second stage of accommodation proposal completed. Final stage of accommodation proposal approved with work to commence in June/July 2018. PTG has met its budgetary projections returning an end of year dividend to the Territory.</p>
 <p>Implement efficiencies through the merger of the former Public Trustee for the ACT and the Guardianship function of the former Public Advocate of the ACT. This will continue to be achieved through the absorption of the Guardianship function into existing administrative and governance structures.</p>	<p>Positions of Tribunal Delegate and Tribunal Liaison officer established in place of former duplicated roles. Full administrative, finance and governance support now provided to Guardianship function. Improved training and staff development for Guardianship staff.</p>
 <p>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 is being achieved through the new website, fact sheets, seminars, forums and newsletters. PTG has amended its website to include a "Start Making Your Will Now..." module along with a video and an online appointment request form. This has proven to be highly successful in attracting new Will clients.</p>	<p>Two public forums conducted in Seniors Week and Wills Week. Presentation at Law Society and Centrelink Forums as well as many community and stakeholder groups. Video published to PTG's website.</p>
 <p>Promoting efficiencies through new technologies. PTG recently implemented a major upgrade of its trust management business system. There is an opportunity to utilise an inbuilt Precedent Document Database and an Electronic Document and Records Management System (EDRMS) in place of those currently in use at PTG. There is also an opportunity to use the existing system to record client data relating to Guardianship appointments. PTG has also completed the process of building an Unclaimed Money claims and payments system through Access Canberra. PTG has engaged an ICT Project Manager to commence on 22 May 2017 to manage the completion of various ICT Projects.</p>	<p>PTG has implemented two modules (Wills and EPA drafting software) of its Client Relationship Management System with several more in progress. Scanning of all Wills and EPA's into PTG's EDRMS is now completed. PTG has also established its own 'cloud' environment. Taxation Assist software has also been replaced with MYOB/AE.</p>
 <p>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 work closely with ACAT in establishing practice that achieves efficient processes under the Guardianship and Management of Property Act 1991. A new collaborative forum between PTG and ACAT has been implemented in order to identify and implement better practice.</p>	<p>PTG continues to work closely with other PTG's in the development of practice. PTG completed a review of National Standards for Financial Managers including an 'Easy English' version. PTG has regular meetings with ACAT Members to discuss improvements</p>

Outlook and Priorities

PTG's Outlook and Priorities are tied to the Operating Model established as part of the Business Transformation Project



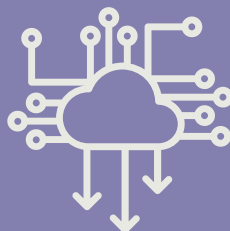
- Progress PTG's Business Transformation Strategy to completion. This Strategy has elements of Organisational re-structure, accommodation modernisation, ICT development, position classification review, and review of a number of corporate governance process including delegations review, review of strategic Accountability Indicators, implementation of the Investment strategy review recommendations, development of manuals etc



- Continue to leverage efficiencies for the broader Public Trustee and Guardian including bolstering the office Services Unit, re-positioning of the roles of External Management and Unclaimed Money into the Finance Unit. Restructure of several business units will be finalised during the forthcoming year



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



- Promote efficiencies through new technologies. In March 2018, PTG finalised a business case outlining its proposed review of ICT Business Systems. PTG is in the process of developing a Customer Relationship Management (CRM) which is being leveraged of the back of the recently implemented Will and Enduring Power of Attorney (EPA) drafting software developed on a Microsoft Dynamic platform. The system leverages upon the significant work undertaken by the NSW Trustee and Guardian which PTG has acquired at minimal cost and will continue to implement during the coming year



- Participate in industry forums to identify and implement best practice. PTG closely collaborates with state/territory Public Trustees/Public Guardian/Public Advocates/Guardianship Tribunals through bi-annual meetings. This collaboration has seen the development of National Standards for both Guardianship and Financial Management. PTG coordinated the review of the National Standards for Financial Management In 2018 and these will be implemented in the forthcoming year. PTG is co-hosting the National Conference of the Australian Guardianship and Administration Council (AGAC) In March 2019. A collaborative forum between PTG and ACAT has been implemented in order to identify and implement better practice. PTG is also working closely with peer state/territory agencies in a response to the NDIA on Transport Hub Funding. PTG is also a member of a committee appointed and funded by federal government to implement the findings of a review of elder abuse aimed at harmonising Australian EPA laws and establishing a National Register of EPAs.

Operating Model

Stakeholder Value → Our Ethos

Enabling Culture

Core Enablers



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



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

PTG complies with key legislation including -

- Public Trustee and Guardian Act 1985***
- Administration and Probate Act 1929***
- Cemeteries and Crematoria Act 2003***
- Confiscation of Criminal Assets Act 2003***
- Financial Management Act 1996***
- Guardianship and Management of Property Act 1991***
- Official Visitor Act 2012***
- Powers of Attorney Act 2006***
- Trustee Act 1925***
- Unclaimed Moneys Act 1950***
- Wills Act 1968***

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.

PTG is committed to achieving the highest standards of internal accountability and corporate governance. A new Office Services Business Unit was established.

Executive/Senior Leadership Group

PTG's four business units are each headed by a Director (Senior Officer Grade A) following a review of PTG's Organisational Structure and Manager classification completed during the reported year.

PTG's Management and Governance is the responsibility of the Senior Leadership Group comprising the Public Trustee and Guardian assisted by its four Directors and the Manager, Office Services Unit.

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 appointed to the statutory office of Public Trustee and Guardian on 1 April 2016. Prior to that Mr Taylor was appointed as both Public Trustee for the ACT and as Public Advocate of the ACT. The statutory office of Public Trustee and Guardian has responsibilities as Guardian and Manager as well as a traditional trustee role in addition to governance and responsibilities as an ACT Government Executive.

Mr Taylor is Senior Member of PTG's Investment Board, Trustee for GreaterGood (The Capital Region Community Foundation) and Chair of the Official Visitor Board.

Upon the incorporation of the Australian Guardianship and Administration Council (AGAC) during 2016–17 as a company limited by guarantee, the Public Trustee and Guardian assumed the role as an ex officio director and treasurer of AGAC.



CHRISTINA THOMPSON

Director, Guardianship Unit - Deputy Public Trustee and Guardian

Christina Thompson was appointed as Director, Guardianship Unit in 2016 and has completed her first full year in that capacity. Ms Thompson was previously employed with the Public Advocate of the ACT for over nine years during which she established the role of Senior Advocate, Mental Health and Forensic. As a Senior Psychologist with extensive clinical and forensic experience, Ms Thompson joined PTG following an eight-month secondment to ACT's Mental Health, Justice Health and Alcohol and Drug Services where she undertook a major service reform project.

**JOANNE THOMPSON*****Director, Finance Unit - Deputy Public Trustee and Guardian***

Joanne Thompson was appointed as Director, Finance Unit in 2006 and has 28 years' experience with PTG. Prior to that, she was employed in the superannuation industry. Ms Thompson manages all PTG accounting functions including office management, government trust accounts, investment/funds management, taxation and property and has responsibility for financial reporting. She is also responsible for administering PTG's Cash Common Fund and to ensure maximum return on cash investments.

**KATHRYN TOY*****Director, Financial Management Services Unit - Deputy Public Trustee and Guardian***

Kathryn Toy was appointed as Director, Financial Management Services 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 clients both under order of the ACAT and under EPA.

**GREGORY BURN**

(July to December 2017)

Director, Wills/Estates/Trusts Unit - Deputy Public Trustee and Guardian

Gregory Burn was appointed as Director, Wills/Estates/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 Enduring Powers of Attorney, 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.

**STEPHEN KELLETT**

(December 2017 to June 2018)

A/g Director, Wills/Estates/Trusts Unit - Deputy Public Trustee and Guardian

Stephen Kellett has over 40 years' experience in the trustee industry, having been admitted as a Member of the Executor and Trustee Institute in 1993. Mr Kellett was appointed as Acting Director of the Wills/Estates/Trusts Unit during the temporary absence of Gregory Burn.

**DENISE CALDWELL****Manager, Office Services Unit**

Denise Caldwell was appointed as Manager, Office Services Unit in April 2016. Prior to that Denise 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 **JACS Enterprise Agreement – Administrative & Related Classifications 2013–2017**, with the exception of two legal officers who are covered by the **ACT Public Sector Legal Professionals Enterprise Agreement 2013–17**.

Public Trustee and Guardian Investment Board

PTG's Investment Board was established under the **Public Trustee and Guardian Act 1925** and 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 full report on meetings of PTG's Investment Board is provided as an annexure to this report.

The composition of the Board is established in accordance with the **Public Trustee and Guardian Act 1985** and comprised the following persons during the reported period:

- **Andrew Taylor** – Public Trustee and Guardian for the ACT (Senior Member)
- **Patrick McAuliffe** – (Member)
- **Dr Jill Charker** – (Member)
- **Caroline Spencer** – (Member)
- **Michael Davison** - (Member)

PTG's Director, Finance Unit and Principal Finance and Investment Officers attend Board meetings.

Internal Audit Committee

PTG's Internal Audit Committee, headed by independent Chair, Mr Roger Broughton, manages and reviews all aspects of risk to PTG. The Committee has representation by all business units.

Public Trustee and Guardian Senior Leadership Group

PTG's Senior Leadership Group is an internal governance forum focusing on:

- Overall governance responsibility
- Implementing PTG's strategic/business plans
- Resource management

Official Visitors Board

The composition of the Official Visitors Board is determined by the **Official Visitor Act 2012**. At 30 June 2018, the Board comprised:

- **Andrew Taylor** – Public Trustee and Guardian for the ACT (*ex officio* Chair)
- **Jodie Griffiths-Cook** – Public Advocate of the ACT and Commissioner for Children and Young People, ACT Human Rights Commission (Member)
- **Shannon Pickles** – Official Visitor (Mental Health), nominated by official visitors as representative (Member)
- **Narelle Hargreaves OAM** – Official Visitor (Children and Young People/Disability) nominated by official visitors as representative (Member)

The Board is a representative panel whose function is to:

- Co-ordinate arrangements for the appointment of official visitors
- Arrange training for official visitors
- Facilitate interactions between official visitors
- Arrange for the provision of administrative assistance to official visitors
- Exercise any other function given to it under the Act or another Territory law

The Board has no role in determining or overseeing the functions of official visitors. The Board meets concerns around independence and support while allowing official visitors to be largely self-determining.

A full report on the Official Visitors Board is provided as an annexure to this report.

B.2 Performance Analysis



Key Performance Indicators for 2018-19 to 2021-22

Indicator	Actual Outcome 2016-17	2017-18 Budget	Actual Outcome 2017-18	Planned 2018-19	Planned 2019-20	Planned 2020-21	Planned 2021-22
Guardianship Orders - no. of people for whom PTG acted as Guardian appointed by the ACT Civil and Administrative Tribunal (ACAT) under the Guardianship and Management of Property Act 1991 (GMPA) during the reported period ¹	N/A	N/A	N/A	225	230	235	240
No. of Guardianship orders appointing PTG made under the GMPA by ACAT during the reported period ²	198	160	191	N/A	N/A	N/A	N/A
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 ³ (this measure has been reworded)	473	495	499	495	500	505	510
Enduring Power of Attorney (EPA) - no. of EPA's appointing PTG for all matters made during the reported period ⁴ (this measure has been reworded)	209	230	121	100	110	120	130
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 ⁵ (this measure has been reworded)	37	40	38	37	37	39	39
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 ⁶	N/A	N/A	N/A	7	7	7	7
Police Call-outs - no. of responses to call outs by police and community following death during the reported period ⁷ (this measure has been reworded)	17	14	8	3	3	3	3
Welfare funerals - no. arranged by PTG during the reported period ⁸ (this measure has been reworded)	17	14	4	6	6	6	6
Examination of Accounts - no. examined by PTG during the reported period upon filing by External Managers appointed by ACAT for Protected Persons ⁹ (this measure has been reworded)	568	500	506	550	560	570	580
Deceased Estate Administrations - no. of deceased estate administrations completed during the reported period ¹⁰	N/A	N/A	N/A	100	102	104	106
Number of deceased estate administrations completed <\$100,000 ¹¹	24	33	29	N/A	N/A	N/A	N/A
Number of deceased estate administrations completed >\$100,000 ¹²	45	43	66	N/A	N/A	N/A	N/A
Trusts (for all purposes) – no. held at end of reported period ¹³	N/A	N/A	N/A	585	590	595	600
Number of trusts held under legal disability <\$100,000 ¹⁴	340	344	365	N/A	N/A	N/A	N/A
Number of trusts held under legal disability >\$100,000 ¹⁴	59	59	60	N/A	N/A	N/A	N/A
Wills - no. of wills prepared by PTG during the reported period ¹⁵ (this measure has been reworded)	549	520	423	410	420	430	440
Percentage of expenditure over total income ¹⁶	92%	88%	99%	N/A	N/A	N/A	N/A
Customer Survey - % of clients responding to PTG's survey during the reported year that reported PTG met or exceeded their expectations ¹⁷	N/A	N/A	N/A	90%	90%	90%	90%

Notes:

1. This is a new indicator in 2018-19. The indicator has been established to report the number of people for whom PTG acted as Guardian during a reported year. The measure is seen as important as an appointment may be made for an individual in a financial year and revoked during the same year. This measures the true volume of work undertaken as opposed to merely the number of active accounts on hand at the end of the financial year.
2. This indicator will be discontinued in 2018-19, because it did not present a true picture of the number of orders under which PTG may have acted as Guardian during the reported year.
3. This indicator has been re-worded from "No of current financial management orders made under the GMPA by ACAT" to clarify that the number of current financial management orders is taken at the end of the financial year.
4. This indicator has been re-worded from "Enduring Powers of Attorney" to clarify that the number of EPA's made is the total of all EPA's made during the financial year and is taken at the end of the financial year. The number of EPA's made by PTG for all purposes decreased due to the number of people choosing either to make their own EPA, or to refrain from making an EPA in favour of an appointment by ACAT.
5. This indicator has been re-worded from "No. of active financial management accounts under EPA" to clarify that the number of EPA's appointing PTG for financial and property matters being reported relates to those which have become activated and are current at the end of the financial year. The number of EPA's under active management for financial and property matters has decreased in 2017-18 due to revocation, death of the person appointing PTG as Attorney and lower numbers of EPA's activated through loss of capacity.
6. This is a new indicator for 2018-19 and is established to provide consistency with the related indicator for active EPA's for financial and property matters.
7. This indicator has been re-worded from "No. of responses to community callouts following death" to clarify that the callout are made by police and community following a death and that the number of callouts is the number made during the financial year. This measure has been retained as an indicator of Community Service Obligations. The re-worded indicator also addresses the External Focus criterion. Whilst PTG's performance in this regard is purely reactive following callout by ACT Policing or the community, PTG is however not compelled to respond to a police callout or to act as an administrator as a result. Reasons for refraining from responding to a police callout include that PTG may become liable for significant costs with no possibility of recovery.
8. This indicator has been re-worded from "No. of welfare funerals arranged by PTG" to clarify that the number relates to the number of welfare funerals arranged during the reported year. Whilst PTG's performance in this regard is purely reactive, PTG is however not compelled to respond to requests to arrange welfare funerals. Reasons for refraining from responding to requests for welfare funerals include that PTG may become liable for significant costs with no possibility of recovery.
9. This indicator has been re-worded from "No. of examinations of accounts provided from external managers under the GMPA" to clarify that the indicator relates to the number of examinations undertaken by PTG during the financial year.
10. This is a new indicator in 2018-19 replacing the previous indicators for estate administrations of above and below \$100,000 in value and now counts all estate administrations irrespective as to value.
11. This indicator will be discontinued in 2018-19 given that the value of estates has increased to the point that there are few estates under \$100,000. Value of the estate is no longer a measure of performance as estates of low value may have an equal degree of complexity to estates over \$100,000.
12. This indicator will be discontinued in 2018-19 as value of the estate is no longer a measure of performance as estates of higher value may have an equal degree of complexity to estates of a value lower than \$100,000.
13. This is a new indicator for 2018-19 replacing the previous indicators measuring trusts by value under and over \$100,000 in value. The former categorisation no longer has any relevance as trusts of lower value can be equally complex or time-consuming to those over \$100,000. The new measure is the sum of all trusts for all purposes held at the end of the financial year.
14. These two indicators will be discontinued in 2018-19 given the significantly broader reasons for the establishment of trusts and that value of the trust is no longer a measure of performance as trusts of low value (under \$100,000) can be equally complex or time-consuming as those over \$100,000.
15. This indicator has been re-worded from "Wills" to clarify that the number reported is the number of Wills made by PTG during the reported period. The 2017-18 estimated outcome is below budget due to PTG adopting a policy under which we will only make a Will for a person where appointed as primary executor or secondary/alternate executor to the spouse or partner. Previously PTG would make many more Wills however rarely became executor under these Wills.
16. This indicator will be discontinued in 2018-19. The Auditor-General commented that this indicator may no longer have any relevance.
17. This is a new indicator for 2018-19. This indicator was previously reported annually as part of PTG's Annual Report only, but has now been included in these indicators for the first time. It responds to the criterion requiring External Focus.

Client Investment Services and Products

Funds Management

Funds Management/Investment continues to be the cornerstone of PTG's business undertakings. During the reported year, PTG commenced implementing the recommendations contained in the report prepared by Pricewaterhouse Coopers (PwC) following a scheduled 5-yearly review of its investment strategy conducted in 2016.

At 30 June 2018, PTG had funds under management of \$372.367M. Client funds are invested through PTG's common funds in accordance with the 'Prudent Person Investment Principle' under the **Trustee Act 1925**. 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. Client (non-government) moneys held in these funds were \$370.32M in 2017–18 compared to \$375.16M in 2016–17. The **Public Trustee and Guardian Act 1985** permits PTG to take advantage of tax benefits accruing to trust clients by investing funds into superannuation where appropriate.

PTG offers clients a suite of eight managed funds for investment purposes.

This suite includes -

- Australian Equities Common Fund
- Fixed Interest Common Fund
- Listed Property Common Fund
- International Equities Common Fund
- Conservative Common Fund
- Balanced Common Fund
- High Growth Common Fund
- Cash Common Fund

The Cash Common Fund is managed internally. All other investment funds are managed by Vanguard Investments, under contract with ACT Treasury. PTG utilises an external independent asset/markets consultant PwC to gauge fund manager performance against investment objectives, strategic asset allocation and risk parameters, having considered client risk profiles and return objectives.

PTG Common Funds

Fund sizes and performances for the period 1 April 2017 to 31 March 2018 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 31 March 2018, the interest rate was 1.50%. Funds currently under investment total \$103.3m.

Australian Equities Common Fund

Invested into a managed portfolio of stocks listed on the Australian Securities Exchange. Performance return after fees for the 12 months to 31 March 2018 has been 1.97%. Funds currently under investment total \$33.2m.

Australian Fixed Interest Common Fund

Invested into a managed pooled trust of corporate and government bonds and floating rate notes. Performance return after fees for the 12 months to 31 March 2018 has been 2.20%. Funds currently under investment total \$29.2m.

Australian Listed Property Trust Common Fund

Invested into a managed pooled trust holding listed property trusts across retail, industrial and commercial sectors. Performance return after fees for the 12 months to 31 March 2018 has been -0.68%. Funds currently under investment total \$7.1m.

International Equities Common Fund

Invested in a hedged index trust. Performance return after fees for the 12 months to 31 March 2018 has been 4.06%. Funds currently under investment total \$14m.

Conservative Common Fund

Invested in a diversified index trust. Performance return after fees for the 4 months to 31 March 2018 has been -0.47%. Funds currently under investment total \$4.4m.

Balanced Common Fund

Invested in a diversified index trust. Performance return after fees for the 4 months to 31 March 2018 has been -1.34%. Funds currently under investment total \$9.3m.

High Growth Common Fund

Invested in a diversified index trust. Performance return after fees for the 4 months to 31 March 2018 has been -0.92%. Funds currently under investment total \$2.80m.

Comparative Performance of Common Funds

Performance period to 30/06/2018	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Inception
Conservative Common Fund	7.08	2.08	2.29	6.07	7.42	6.22	2.32
Balanced Common Fund	10.87	3.38	3.9	7.86	9.40	7.23	4.32
Growth Common Fund	16.38	5.26	5.18	9.91	12.10	8.10	6.61
Cash Common Fund	0.37	0.74	1.52	1.71	2.06	3.25	3.90

PTG Investment Strategies

PTG's investment objectives are particularly useful for -

- Setting investment strategy
- Giving clients some idea of what to expect from their investment
- Assessing the performance of the portfolio in achieving its investment goals

PTG Risk Profiles

Investments reflect individual client risk profiles as assessed and are reviewed annually in accordance with the 'prudent person trustee investment principle' in the Trustee Act 1925. 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. Returns are in respect to the 12 months to 31 March 2018.

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. It is suitable for trusts with income needs, shorter terms or conservative risk profiles. Performance return after fees for the 12 months to 31 March 2018 has been 1.77%.

Balanced Model Portfolio

The objective is to provide a balance between income and capital return with moderate volatility. It 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 31 March 2018 has been 2.36%.

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 31 March 2018 has been 2.30%.

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 has decreased from 1.60% to 1.50% in keeping with the reductions in the market cash rate.

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 funds held at 30 June 2018 amounted to \$177.0M compared to \$179.8M at 30 June 2017 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
- 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
- Residential Rental Bonds Trust Account
- Uncollected Goods Trust Account.

Funds held in these accounts 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.

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

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

PTG deposited a total of \$868,758 into the CAT fund compared with \$718,467 in 2016–17.



Variations in the amount deposited from one year to another reflect the number and value of forfeiture orders made in a year.

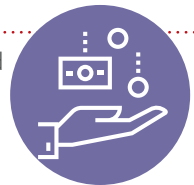
Uncollected Goods

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 2018, there was a total of \$1,301,233.32 in the Uncollected Goods Trust Account.



Unclaimed Money

At 30 June 2018, the balance of capital held in the Unclaimed Money Trust Account was \$35,853,549.48 in unclaimed money compared to \$32,775,830.92 at 30 June 2017.



During the reported year:

- 51 lodgements were received for a total of \$3,921,171.27 compared to 38 lodgements for a total of \$3,298,539.39 the previous year
- 2,216 claims for a total of \$824,066.71 were received and paid compared to 2,806 claims for a total of \$756,167.77 for the previous year
- The average claim for 2017–18 was \$371.87 compared to \$269.48 for the previous year
- 262 individual fees were charged for a total of \$19,386.00 compared to 249 individual fees for a total of \$18,153.09 for the previous year
- Income of \$450,395.07 from the investment of unclaimed moneys was identified and paid on 10 July 2018

No unclaimed estate money was paid to the Territory under Schedule 6, Part 6.2, Item 4 of the **Administration and Probate Act 1929** during the reported year.

Cemeteries and Crematoria Trusts

PTG is trustee of the Perpetual Care Trusts under the **Cemeteries and Crematoria Act 2003** (the Act). The Perpetual Care 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.

At 30 June 2018, a total of \$10.19M in deposits was held compared to \$7.876M at 30 June 2017.

Deposits to Perpetual Care Trust

Cemetery/Crematorium	Deposits to date (all) (\$)	Withdrawals to date (all) (\$)	Net income to date (all) (\$)	Net growth on investments(\$)	Balance as at 30/06/2018
Gungahlin Cemetery	4,708,774	4,671,998	21,664	-	58,009
Gungahlin Cemetery Reserve	1,410,839	113,401	207,823	120,071	1,625,332
Hall Cemetery	99,887	126,131	13,581	12,888	225
Hall Cemetery Reserve	283,900	-	36,348	8,974	329,223
Woden Cemetery	4,785,778	5,277,228	434,500	112,608	55,258
Woden Cemetery Reserve	4,464,577	-	654,429	391,589	5,545,201
Woden Mausoleum	506,996	282,785	26,183	-	250,394
Woden Mausoleum Reserve	1,022,862	427,869	109,518	77,472	781,982
Norwood Park Reserve	92,950	-	33,111	7,882	133,943

Products and Services

Wills

During the reported year, 423 wills were completed, compared with 549 in the previous year. The 2017-18 estimated outcome is below budget due to PTG adopting a policy under which we will only make a Will for a person where appointed as primary executor or secondary/alternate executor to the spouse or partner. Previously PTG would make many more Wills however rarely became executor under these Wills. PTG finalised the development of a replacement Will drafting (software) module as part of its Customer Relationship Management (CRM) System.

Deceased Estate Administration

95 estates were finalised during the year with an estimated value of \$60,143,463, compared to 69 estates were finalised during the year with an estimated value of \$43,372,954.42 for the previous year. During the reported period 4 matters were finalised under PTG's Executor Assist service. During the last part of the reported year, PTG seconded a solicitor from the private sector to participate in an experience/expertise exchange program.

Trusts

PTG acts as trustee, manager or receiver of funds for those unable to manage their funds. The number of trusts administered during the year was 425 compared to 399 for the previous year. The value of trusts under administration at 30 June 2018 was \$112,776,196. This is entirely reflective of appointments made by the ACT Supreme and Magistrates Courts.

Enduring Powers of Attorney (EPA)

The number of EPAs under active management by PTG has increased from 37 last year to 38 this year. There has been significant marketing of EPAs during the reported year through newspaper editorials and seminars. Declining numbers of appointments of PTG as attorney suggests people in the community are either appointing individuals to act as their attorney or, more likely, refraining from doing so altogether in favour of an order of the ACAT appointing a Guardian/Manager.

Financial Management

When PTG is appointed to act as (Financial) Manager under Order by the ACAT under the **Guardianship and Management of Property Act 1991** we help arrange, protect and manage the financial assets of people with impaired decision-making ability.

PTG is appointed in approximately 50% of cases. At 30 June 2018, PTG was appointed as Manager for 473 persons compared with 499 persons at 30 June 2017.

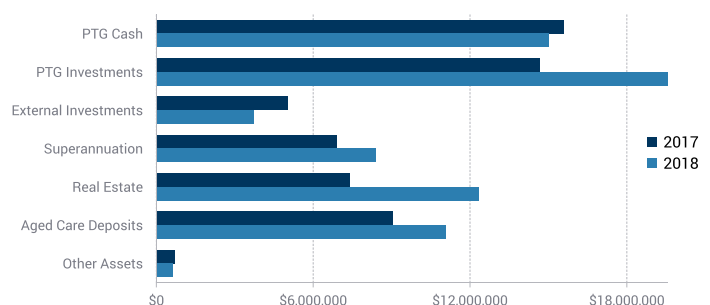
S. 19C of the **Public Trustee and Guardian Act 1985** provides that, where PTG is appointed as Guardian or Manager, the Public Trustee and Guardian must endeavour to find a suitable person (individual) to be appointed in their place. PTG works closely with ACAT to ensure that PTG is appointed as a last resort, preferring individuals wherever possible.

When PTG is appointed to act as financial manager, we help arrange, protect and manage the financial assets of some of our community's most vulnerable people. We provide financial management for people with an impaired decision-making disability as a manager of last resort.

June's* financial affairs have been managed by the Financial Management Services Unit (FMSU) since 1991. We recently learned that June had been excluded as a beneficiary in her deceased father's will. The will had excluded her in favour of other siblings. PTG made a claim under the **Family Provision Act 1969**, resulting in an order awarding June an equitable share of the estate along with the other beneficiaries. PTG identified that the amount awarded would best be utilised in a Special Disability Trust, allowing her retain the benefit whilst accessing Centrelink entitlements. June will now have a secure income, significantly improving the quality of her life and addressing her current and future needs.

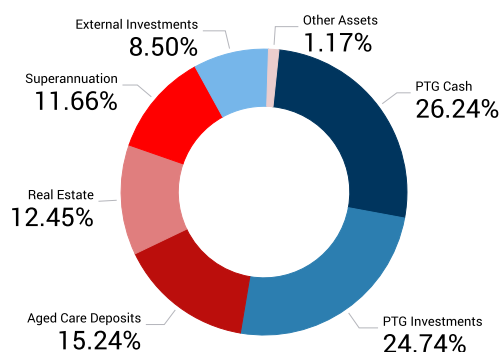
*June is not the actual name of the client

Assets under management
2016/17 and 2017/18

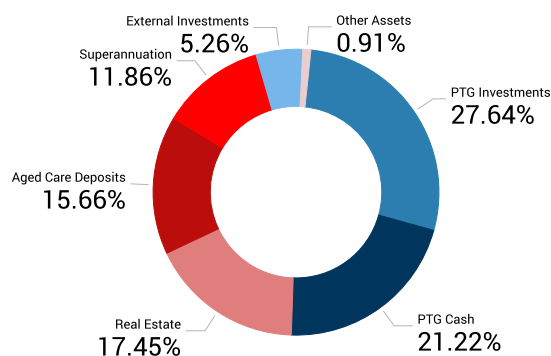


PTG currently manages financial management client assets in excess of \$72M (refer tables above and below).

Assets Under Management 2016/17

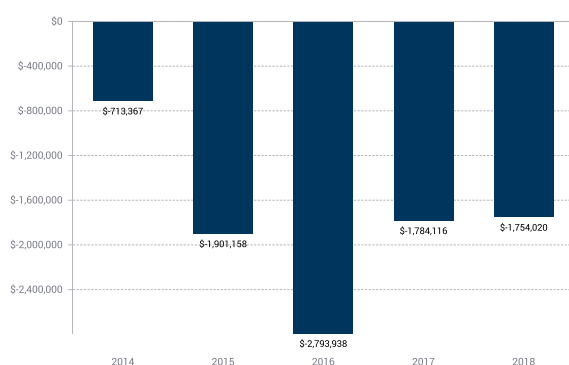


Assets Under Management 2017/18



PTG's financial management clients require management of their liabilities as well as their assets. Mortgages total slightly more than \$1.75M and account for the majority of those clients' liabilities (refer table below).

Client Liabilities under management



Taxation Services

PTG has had a registered tax agent on staff since 1986, providing specialist taxation services incidental to estate, trust and individual income tax return activities.

PTG prepared and lodged 1,323 income tax returns in 2017–18 compared to 1,364 in 2016–17. Income tax returns are lodged with the Australian Taxation Office (ATO) substantially in electronic form, and in paper form where appropriate, throughout the financial year.

Revenue from Taxation Services has increased by 21.96% from \$157,664 to \$192,289. This was substantially due to a positive result from PTG's application to the Australian Taxation Office for a Private Ruling in a number of returns as well as an increase in the number of complex tax matters and a 16% increase in the number of deceased estates finalised. The number of tax returns lodged by PTG was slightly lower due to outsourcing 6.69% of tax returns to registered tax agents during peak times.

Property Services

PTG completed 42 property settlements during 2017–18 compared to 34 in 2016–17. The total value of property conveyed was \$22.7M compared to \$16.5M in 2016–17. During the year, PTG had 78 properties under management and PTG's Property Officers made 18 property visits. PTG's property sales attracted an average agent's commission of 1.55% using 14 different real estate firms. All real estate agents used are subject to PTG's Code of Conduct for Service Providers.

Guardianship

When PTG is appointed as Guardian by the ACT Civil and Administrative Tribunal (ACAT) under the **Guardianship and Management of Property Act 1991**, decision-making primarily relates to complex, domain-specific health and personal welfare matters. Examples include 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.

PTG provided guardianship services to 216 people during the reporting period including appointment by ACAT as guardian for 209 persons and appointment as Attorney for personal care and health care under an Enduring Power of Attorney for 7 people (see Table Guardianship Unit Appointments).

The **Public Trustee and Guardian Act 1985** (S. 19C) provides that, where PTG is appointed as Guardian or Manager, the Public Trustee and Guardian must endeavour to find a suitable individual to be appointed in their place. During the reporting period, the appointment of PTG as Guardian ceased for 23 individuals.

Guardianship Unit Appointments

Statutory Guardianship Number	Number	% Change
2017-18	216	+9.1%
2016-17	198	+40.1% against previous reporting period -2.93% against last full financial year (2014-15)
2015-16 (to 31.3.16)	142	-20.5% (however, not a full financial year)
2014-15	205	-5.9%
2013-14	218	-1%
2012-13	221	-12%
2011-12	252	+9%
2010-11	232	+30%
2009-10	178	+21%

Profile of Substitute Decisions made by PTG

In this reporting period, PTG further separated the decision-making statistics to specifically identify the number and type of decisions that related to the National Disability Insurance Scheme (NDIS). Overwhelmingly, decisions relating to NDIS service agreements were the largest impost on guardians' time, with these decisions constituting 18.65% of all decisions made. PTG finds this highly concerning as service agreements are an administrative process arising from remuneration practices within the NDIS.

PTG has significant concerns about service agreements, in particular, the frequently and overly legalistic nature and language of the documents, the often incorrect, inaccurate or unjust conditions imposed upon vulnerable people by these agreements and the vulnerability of people with disabilities navigating these documents alone.

PTG is often criticised for being unwilling to sign service agreements on behalf of vulnerable people until inaccurate or unjust conditions are rectified, with agencies often threatening to refuse services unless service agreements are signed 'as is'. It is concerning to PTG as to the treatment vulnerable isolated individuals might receive if they raise concerns about these documents alone.

Decisions about accommodation (14.4%), care and support (12.99%) and exchange of information (10.51%) were the next most common type of guardianship decision-making during 2017-18 (see the table below: Guardianship Decisions Made). This year, PTG identified a concern relating to the difference between the power to consent for mental health treatment and the power to consent to medical treatment. As a result, when consent is sought from PTG in relation to mental health treatment, PTG will always first seek a specific power and authority from the ACAT to provide consent for mental health treatment. In recognition of this change, during the reporting period, PTG also separated statistics for mental health consents for the first time, with 0.94% of decisions made by guardians in 2017-18 being related to mental health treatment, care or support.

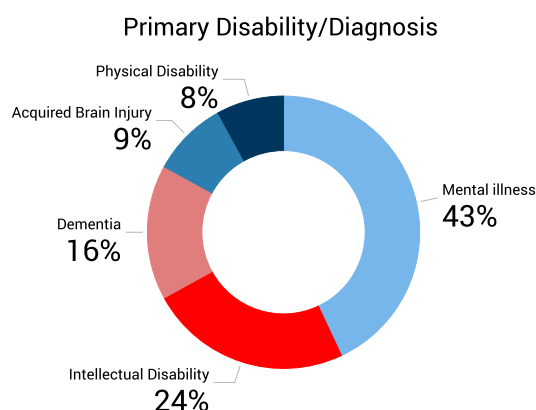
S. 67(1)(a) and (1)(b) of the **Guardianship and Management of Property Act 1991** enable PTG to be appointed as Emergency Guardian when an urgent decision is required. During 2017-18 the majority of emergency decisions (66.67%) related to medical decisions including surgical with the other form of emergency decision making being dental (including surgery) which was 33.33%.

Guardianship Decisions Made

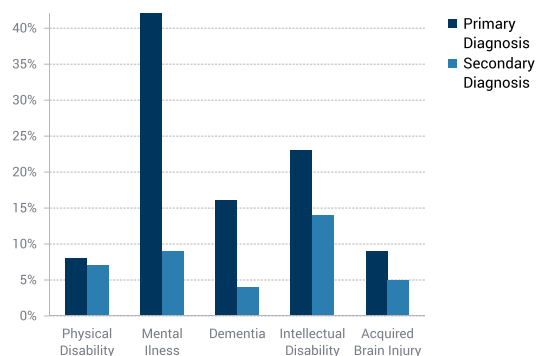
Decision Type	% of Total
Referral to Aged Care Assessment Team	0.94%
Medical and dental	8.03%
Care and support	12.99%
Exchange of information	10.51%
Accommodation	14.4%
Social	1.42%
Legal	6.73%
Training	0.24%
Employment	0%
Travel	0.59%
Mental Health	0.94%
NDIS – Access to scheme	0.83%
NDIS – Accommodation	2.95%
NDIS – Appointment of providers	9.33%
NDIS – Exchange of information	9.92%
NDIS – Review of plans	1.30%
NDIS – Service Agreements	18.65%
Training	1.0%
Employment	2.0%

Demographic profile of Guardianship clients

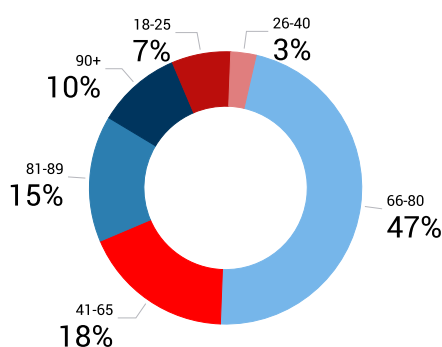
During the reported year, 63% of Guardianship clients were female, 48% were aged between 66 and 80 years (see graph, Age Profile of Guardianship Clients), and 38% had a co-morbidity, most frequently mental illness and intellectual disability (see graphs Primary and Secondary Diagnosis).



Primary and Secondary Diagnoses



Age Profile of Guardianship Clients



PTG as Attorney for personal and health care matters under Enduring Power of Attorney

Under S.13 and S.14 of the **Powers of Attorney Act 2006**, PTG can be appointed as attorney for personal care and health care matters, when requested by an individual. In relation to personal care and health care matters, an Enduring Power of Attorney only takes effect after the person has been proven to have lost capacity to make their own decisions. During the reported year, PTG acted as attorney for 7 individuals. PTG continues to contact those individuals for whom PTG is appointed Attorney to ensure there are no significant changes to their circumstances.

Reports to ACAT

S. 24A of the **Public Trustee and Guardian Act 1985** requires PTG to report to ACAT on a matter before ACAT when requested. The views and wishes of the person who is the subject of an application are of paramount importance and form the basis of the majority of reports requested by ACAT. PTG visits the person to discuss the nature and implications of the application and what is involved in having a Guardian/ Manager appointed.

Particularly complex applications before ACAT such as application for a Prescribed Medical Procedure (e.g. contraception, hysterectomy, sterilisation, or termination) and applications for Directions and Reviews may require PTG to provide a comprehensive report of the circumstances surrounding the application.

During the reporting period PTG submitted a total of 182 reports to ACAT.

Represent people appearing before ACAT

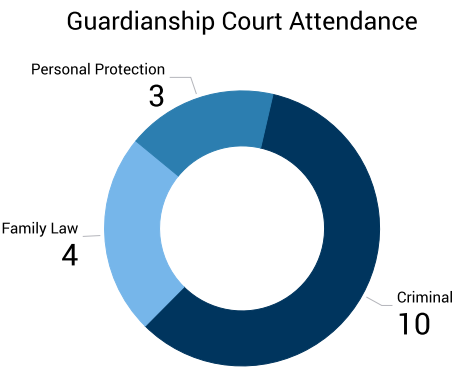
S. 19B(1)(a) of the **Public Trustee and Guardian Act 1985** requires PTG to represent people with a disability before ACAT Guardianship Hearings. In line with this, PTG attends all ACAT hearings for guardianship and management applications.

A key role of PTG is to ensure that the views and wishes of the individual who is subject to an application are considered. PTG may also assist in providing additional information to ACAT. In preparing for attendance at these hearings, PTG reviews all material submitted to ACAT in relation to applications. PTG’s attendance at these hearings is time intensive, requiring at least one Senior Guardian day per week. Increasingly, ACAT schedules additional hearing days to consider urgent or more complex matters.

In 2017–18, PTG’s Tribunal Delegate attended a total of 613 hearings in respect to new applications and reviews of existing orders.

Represent people appearing before Court

When appointed as guardian for legal matters, or as litigation guardian, PTG attends Court on behalf of a vulnerable person to facilitate the person’s access to justice. During 2017-18, PTG attended Court on 17 occasions for criminal matters, personal protection order matters and family law matters (see graph Guardianship Court Attendance).



Aboriginal and Torres Strait Islander Reporting

PTG aims to provide statistics on services provided to Aboriginal and Torres Strait Islander Persons where the person identifies in that capacity. Difficulties exist where the source of the data provided to PTG does not identify that status.

PTG does not charge fees for the preparation of Wills for Aboriginal and Torres Strait Islander Persons.

Services provided to Aboriginal and Torres Strait Islander Persons

Service Provided	No of Persons
Wills	4
Estates	None
Financial Management Services	9
Guardianship	2
Trusts	None
Enduring Powers of Attorney	None
External Manager (Account Examination)	2

B.3 Scrutiny



Ombudsman

During the reported year, ten approaches were made to the ACT Ombudsman about the Public Trustee and Guardian. The Ombudsman advised that three of these were investigated.

Five remedies were recorded including -

- 4 requiring better explanations
- 1 requiring a change to law, policy or practice.

The table below indicates the comparative number of approaches to the ACT Ombudsman between 2011 and 2018.

Comparative Table of Approaches to the ACT Ombudsman

2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
17	8	5	1	14	10	10

ACT Auditor-General

At 30 June 2017, on completion of the end of year audit, the Auditor-General reported the following -

Auditor-General Report – Audit Management Report for the Year Ended 30 June 2017

Recommendation and Summary	Action	Status
New Audit Finding Nil	N/A	N/A
Resolved Since 2011-12, the Audit Office has reported that the manual processes used to prepare the financial statements of the Trust Account and the Funds were prone to error and did not facilitate the efficient production of financial statements as transactions were not recorded progressively throughout the year in an accounting system.	This audit finding was resolved in 2016-17 by the Public Trustee and Guardian recording accounting transactions for the Funds progressively throughout the year in an accounting system.	Completed.
Partially Resolved The Audit Office reported in 2015-16 that explanatory information included in PTG's certified financial statements needed to be improved as some explanations for major variances were incorrect, inconsistent with other related explanations contained in the financial statements and did not concisely explain why a variance occurred. PTG partially resolved the audit finding as most variance explanations stated why the variance occurred and were consistent with other related explanations contained in the financial statements. However, further improvements could be made to provide variance explanations only for major variances.	PTG will only provide explanations for major variances in the financial statements in a clear concise and informative manner.	To be addressed as part of end of 2017-18 year financials.
Not Resolved The statement of performance includes explanations of variances between actual results and planned (targeted) performance. The variance explanations included in the certified statement of performance submitted to the Audit Office for review on 18 August 2017 were sometimes: not presented separately from information explaining each accountability indicator (i.e. definitions); and unclear or required a knowledge of PTG to be understood.	PTG improved the explanatory information during the review. The Public Trustee and Guardian should: (i) present information explaining its accountability indicators separately from the explanations of variances from targets; and (ii) provide clear and correct explanations for major variances in the statement of performance submitted to the Audit Office.	To be addressed as part of end of 2017-18 year financials.

Legislative Assembly Committees

Standing Committee on Justice and Community Safety – Inquiry into Annual and Financial Reports – 8 November 2017

Question taken on notice	Response
Asked by Giulia Jones MLA: In relation to: Based on KPMG controls report tabled in June 2017 - all recommendations will not be completed on this and other related report by the end of 2017-18 - what is still left to do?	The Public Trustee and Guardian responded to this question by providing to the Committee a copy of a report that identifies the status of implementation to recommendations made by KPMG.

Budget Estimates Committee

No Questions on Notice were asked.

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 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.

Approach to Identifying Areas of Significant Operational or Financial Risk

The Plan covers investment, financial, operational and administrative risk as well as workplace health and safety and addresses operational, tactical and strategic risk.

PTG's major risks have been identified through internal and external audits and through workshops facilitated by the JACS Directorate.

PTG 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 statistics reporting tool and a 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 Group comprises key Directors/Manager responsible for supporting the Public Trustee 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, the Group supports management through the mitigation of risks and through proactive identification and development of controls.

Fraud Control

PTG has a number of 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 to JACS.

The Process for Identifying and Responding to Emerging Risk

State/territory Public Trustees and Public Guardians meet every six months and exchange information about risk and risk mitigation.

PTG has published a number of policies dealing with risks to the organisation and resulting from risk investigation and assessment. These policies are open access and have been published to PTG's intranet.

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 business 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. The Plan is audited by JACS on an annual basis.

Working with Vulnerable People Registration

All staff employed at PTG are registered under the **Working with Vulnerable People (Background Checking) Act 2011**.

B.5 Internal Audit

Internal Audit Arrangements

PTG's Risk Management Strategy covers all investment, financial, operational and administrative responsibilities as well as Workplace Health and Safety matters. The strategy forms the basis of PTG's Internal Audit Committee agenda.

The Internal Audit Committee also 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 last revised on 1 November 2016 and accepted by the Committee.

Links with Risk Review Processes

The Committee addresses and audits issues identified in PTG's Risk Register.

Membership of Internal Audit Committee

Membership of the committee consists of staff representatives and is headed by an independent Chair, Mr Roger Broughton. Mr Broughton was formerly a member of the Public Trustee Investment Board. During that time he served as Executive Director, Investment and Economics at ACT Treasury.

The Board met on 3 occasions during 2017–18 with the following matters discussed -

- PTG Risk Register and Audit Program
- Workplace Health and Safety risks
- Response to Auditor-General Findings and engagement of Sarah Palic and Associates
- KPMG Report on Financial Controls
- Access to Service Provider Register
- Business Continuity
- PTG re-structure
- Investment Board appointments
- Response to credit card audit
- PTG Strategic Accountability Indicators
- Revised Gift Register Policy
- Business Transformation Strategy
- Financial Statements 2017-18 pre-audit review.

Risk Profile Models Address Client Investment Needs

PTG is bound by the "Prudent Person Investment Principle" in the **Trustee Act 1925**, which requires that a trustee must only invest funds entrusted to him as would a person of prudence i. e. with discretion, care and intelligence. 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.

These risk profiles were reviewed as part of a 2016-17 review of PTG's Investment Strategy by PwC and PTG's Investment Board. That review has also temporarily expanded PTG's Common Funds to - Cash, Australian Equities, Australian Fixed Interest, Australian Listed Property, International Equities, Conservative, Balanced and High Growth.

B.6 Fraud Prevention

Risk Assessments Conducted

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

PTG's 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
- A uniform staff classification system for all PTG staff
- A contemporary and robust investment strategy
- A Customer Relationship IT system
- Replacement Tax preparation software
- Further development of the Electronic Document and Record Management System
- A replacement Precedent Letter Database
- Statistics and Unclaimed Moneys ICT systems

PTG's Investment Board advises the Public Trustee and Guardian in respect to investment and funds management risk. This advice covers issues such as investment structure and strategy, asset consultant and fund manager supervision, investment review and financial governance matters.

During the reported year, a number of audits were conducted:

- End of Year Audit by ACT Auditor-General
- Strategic and Accountability Indicators Audit
- Business Continuity Plan Audit and test

PTG also conducted a review of client addresses held for mail-out of annual client statements.

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

PTG continually revises its Risk Register and continued to address the implementation of Controls recommended in KPMG's 2017 report as follows -

- Review of business process improvements implemented since the issuing of KPMG's 2014 forensic report in relation to fraud control issues
- The process for the reimbursement of expenses for services provided to protected persons by third parties who were not nominated service providers on the PTG's vendor master file. These concerns are associated with claims for reimbursements made against funds held in trust by PTG on behalf of persons who are unable to manage their own affairs. The specific aspect of this process requiring review is where a claimant advises that they have expended money in relation to the person under PTG's supervision and are seeking to be reimbursed
- PTG continued to mail-out client statements through an external service provider. This was a key recommendation in KPMG's 2014 report

Other Fraud Prevention Strategies Adopted

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

Each staff member is required to acknowledge the 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.

A summary of controls and policies implemented/amended during the reported year is as follows -

- Agents and auctioneers bidding at auctions
- Higher Duties policy
- Workplace Protection Orders
- Management of excess leave

- Cash Common Fund Investment
- Complaints
- File notes
- Client Payment Authorisation
- Responsibility of PTG in intestate or insolvent estates
- Police call-outs, funerals and S. 38 **Administration and Probate Act 1929** matters.

Conflict of Interest

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

PTG has prepared a policy dealing with conflict of interest, a Conflict of Interest Declaration Form and has established a register to record all declarations and any outcome.

During the year, two declarations were made by PTG staff as to possible Conflicts of Interest. These were investigated and found not to constitute a conflict. None of the declarations made during the reported year related to the responsibilities of any staff members in respect to a Board or Committee that would otherwise require notification to a Minister.

Fraud Awareness Training

Seven PTG staff were provided with fraud/risk training during the reported year. 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
- cross-checking of financial and client matters
- review of delegations to determine and establish awareness of all delegations applying to each affected position
- random audits by either the 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 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.

B.7 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 2017–18 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.

Programs Initiated/Implemented to Improve Return to Work Performance

PTG has no employees on long-term sick/injury leave.

The following initiatives were undertaken in 2017-18 in the interests of creating a safer workplace -

- Maintained appointment of an RED Contact Officer
- Highlighted to staff the ethos behind JACS White Ribbon Accreditation
- External audit of PTG's duress alarms
- Ergonomic seating provided to suit the individual needs of staff as required
- Hazardous Chemicals Substance Register
- Regular workplace inspections to cover all areas of identified risk
- Influenza vaccine made available to PTG staff
- All electrical appliances tested and tagged annually
- Regular blood donations by PTG staff
- First aid kits for office and vehicles inspected and replenished as required
- Anti-smoking publicity material displayed on office noticeboards
- Protective clothing kits provided in office vehicles for site visits
- Protective jackets and boots provided to Property Officers
- Fire safety audit & fire evacuations as required
- Smoke alarms and sprinklers tested annually
- Bullying and harassment training undertaken by staff
- Pest extermination for office premises and warehouse

PTG's Incident Summary for 2017–18

Statutory Office	S. 38 Notifiable Incidents	Incidents Without Injury	Minor Injuries	Lost Time Injuries	Total All Incidents
Public Trustee and Guardian	0	4	2	0	6

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.

In July 2017, PTG's annual Workers' Compensation Premium rate for 2017–18 was set at 1.71% (\$74,270) marginally up from 1.62% for the previous period. The increase resulted from rebalancing rather than from any enhanced risk on the part of PTG.

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 Workplace Health and Safety representatives situated on each floor of PTG's 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.

B.8 Human Resource Management

PTG's Business Plan 2017-18 identified the following aims in respect to Our People -

- Provide development opportunities for PTG and Management
- Review PTG's structure to address efficiency
- Review PTG's Trust Officer classifications
- Review individual position documentation, classification numbers to address work volume/complexity
- Revise all PTG Policy/Procedure/Practice Manuals
- Provide contemporary industry training to all staff/management
- Complete PTG's accommodation enhancement project
- PADP program implemented for all staff
- Promote a healthy workforce and maintain a safe work environment
- Address issues arising from 2017 JACS Staff Survey

Highlights during the reported year include -

- review of PTG's staff classification undertaken through Mercer's in consultation with JACS People and Workplace Strategy, CPSU and Chief Minister, Treasury and Economic Development Directorate
- Financial Management Services Unit Manual completed
- 30 policies developed and published
- Ongoing review of all staff position documentation completed for all staff other than Trust Officer classification, currently under review
- Third and final stage of PTG's Accommodation Strategy approved and commenced. This will achieve co-location of all operational staff on Level 9, 221 London Crct and refurbishment of PTG's ground floor accommodation
- Policy on Occupational Violence commenced

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 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 provided to and accessed by PTG staff in trustee industry disciplines. This study is linked to PTG's Personal Achievement and Development Plans.

During the year PTG's Directors were provided with Hermann Brain Dominance Testing.

Enhancing Skill and Capability

PTG extended the engagement of a Project Manager from ICT Shared Services to manage the implementation of several ICT initiatives during 2017-18 and 2018-19, including -

- Established Client Relationship Management (CRM) system
- Completed establishment of 'ICT cloud' environment
- Completed replacement Will drafting software module of CRM
- Completed replacement Enduring Power of Attorney software module of CRM
- Completed installation of MYOB/AE tax return preparation/lodgement software
- Completed back-capture of all Wills and EPAs into PTG's EDRMS

PTG also completed implementation of its electronic payments system as recommended by KPMG.

During 2018-19, PTG will progress the development of Guardianship, Private Manager and Precedent/Letter modules to its CRM.

PTG is also in the process of testing and installing the Windows 10 update.

Apprenticeships and Traineeships

Not applicable.

Training

PTG provided 234 individual training instances to its staff during the reported year (refer table Learning and Development Provided to PTG Staff).

Learning is substantially provided through 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, and cultural 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 is undertaking a comprehensive review of all PTG Practice/Policy/Procedure Manuals. The completed body of work will be titled "PTG Knowledge Base" and will be published on PTG's Intranet site.

Learning and Development Provided to PTG Staff

Course/Training	Participants
Aboriginal and Torres Strait Islander Cultural Awareness	6
Administer a complex estate	2
Administer a non-complex estate	1
Administer a non-complex trust	1
Apply principles of professional practice & develop & maintain knowledge of financial services	1
Authorised Person Training (Crimes Act)	4
Behavioural de-escalation	3
Business Writing for the Public Sector	1
Client Management System (CMS) training	41
Dealing with People in Difficult Situations	4
Delivery of decision making skills	1
Diploma of Personal Trusts	1
Enduring Powers of Attorney	1
EPA and understanding decision making capacity	1
Excellence in People Management	5
Fire control room training (fire wardens)	1
Wills and Estates Conference	3
Fraud & Ethics Awareness Training	7
Get Your Mind Around Dementia	1
Getting to where you want to be: an action plan for your career	1
High Capability Leadership	2
How public servants can thrive in a complex world	1
JACS Induction	6
JACS Library	7
JACS Security Training	42
Law for Non-Lawyers	1
Leading and managing teams	6
Manage People Performance	1
Mediation in estate disputes	3
Mental Health Awareness and Action	3

Opening up equality in the ACT: The new discrimination grounds and beyond	2
Outlook 2013 upgrade training	33
Prevent Occupational Violence Workshop	2
Project Management and Governance	1
Putting off procrastination, not sweating the small stuff and other judicial insights	1
Records Management & Territory Records ACT 2002	2
Recruitment and staff selection	8
RED (General)	6
Sharepoint Essentials	1
Sharepoint Advanced	1
Sharepoint (in house Training)	15
Supporting Successful Communication	1
Tax Schools	1
Writing for Government (Briefs)	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.

B.9 Ecologically Sustainable Development

PTG was re-accredited by ACTSMART in 2017. Regular audits are undertaken to ensure that appropriate levels of material are recycled and deposited to landfill.

Actsmart Office Scorecard

Justice & Community Safety - Public Trustee and Guardian for the ACT

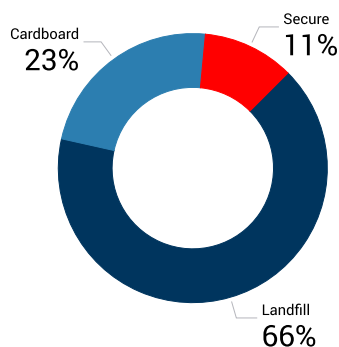
Audits Completed: 7

Joined Program: 05-Jul-2010

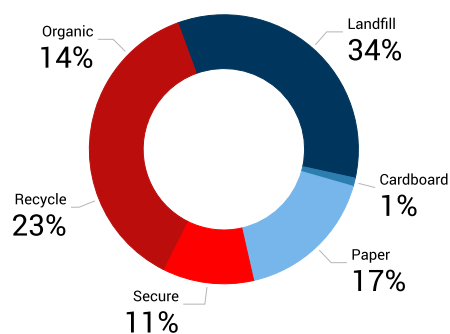
Accredited: 24-Oct-2017

First Audit: 21-Jul-2011					Latest Audit: 18-Oct-2017				
Waste Stream	Annual Waste in M ³	Weight in Tonnes	Annual CO2 Equiv Emissions in Tonnes	Annual CO2 Equiv Emissions Avoided in Tonnes	Waste Stream	Annual Waste in M ³	Weight in Tonnes	Annual CO2 Equiv Emissions in Tonnes	Annual CO2 Equiv Emissions Avoided in Tonnes
Landfill	36.4	5.5	5.3	0.0	Landfill	39.0	5.9	5.6	0.0
Paper	12.5	1.3	0.0	3.1	Paper	18.7	1.9	0.0	4.7
Cardboard	0.0	0.0	0.0	0.0	Cardboard	1.4	0.1	0.0	0.4
Secure	6.2	0.6	0.0	1.6	Secure	12.5	1.3	0.0	3.1
Recycle	0.0	0.0	0.0	0.0	Recycle	26.0	1.6	0.0	2.1
Organic	0.0	0.0	0.0	0.0	Organic	15.6	5.4	0.0	8.6

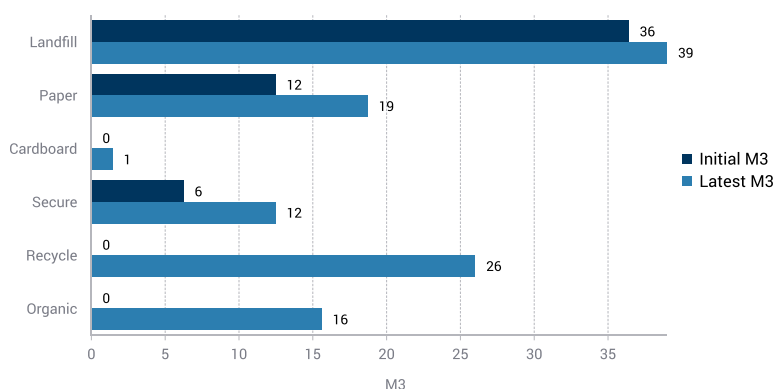
Initial Audit Composition



Latest Audit Composition



Cubic Metres of Waste by Stream



Stream	Initial M3	Latest M3	% Change
Landfill	36.4	39	7% Increase
Paper	12.48	18.72	50% Increase
Cardboard	0	1.44	N/A Increase
Secure	6.24	12.48	100% Increase
Recycle	0	26	N/A Increase
Organic	0	15.6	N/A Increase

C.1 Financial Management Analysis

GENERAL OVERVIEW

Objectives

The primary objective of the Public Trustee and Guardian for the ACT (PTG) 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

Financial Performance

The following financial information is based upon the actual audited figures for 2017-18 and 2016-17 and the budget estimates for 2017-18 contained in the 2017-18 Budget Papers.

Table 1: Total Net Cost of Services

	Actual 2016-17 \$m	Original Budget 2017-18 \$m	Actual 2017-18 \$m	Forward Estimate 2018-19 \$m	Forward Estimate 2019-20 \$m	Forward Estimate 2020-21 \$m
Total Expenditure	6.783	6.922	7.547	7.704	7.891	8.101
Total Own Source Revenue*	5.199	5.135	5.554	5.624	5.707	5.821
Net Cost of Services	1.584	1.787	1.993	2.080	2.184	2.280

* This table excludes Controlled Recurrent Payments (CRP).

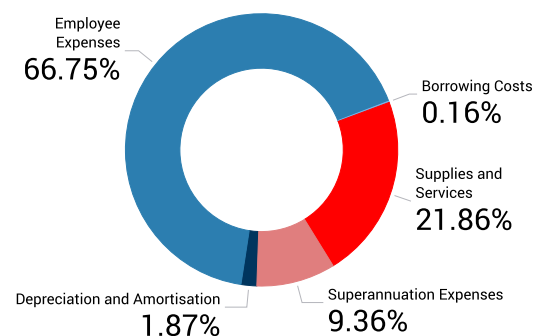
Table 1 reflects audited actual figures for 2016-17 and 2017-18 and estimated outcomes as shown in the 2017-18 Budget Papers.

Operating Result

The Operating Surplus for the year ended 30 June 2018 is \$63,845. The result is lower than the budget estimate of \$397,000. The overall result is a decrease of \$498,556 compared to the previous year.

Total Expenses

1. Components of Expenses



Total expenses for the period ended 30 June 2018 was \$7,547,092. This is \$625,092 higher than the 2017-18 budget estimate of \$6,922,000 and resulted from:

PTG's expenses for 2017-18 are largely related to employee and superannuation expenses which comprise 76% (or \$5,743,541) of total expenses. Supplies and services comprising 22% (or \$1,649,968) of total expenses relates largely to Rental, ICT (Computing), Office and Official Visitor expenses. Depreciation is 2% (or \$141,304) of total expenses.

2. Comparison to the original budget

Total expenses are \$625,093 higher than the 2017-18 budget estimate of \$6,922,000. This resulted from:

- higher employee and superannuation expenses (\$495,541) due to additional staff employed to accommodate:
 - higher client numbers and complexity of client portfolios;
 - a number of staff on various forms of extended leave; and
 - tasks associated with parts of the Business Transformation Project with the aim to change how the organisation operates
- higher depreciation costs (\$130,304) resulted from higher carrying value of assets from an unanticipated revaluation of assets at the end of the prior period.

3. Comparison to 2016-17 actual expenses

In comparison to the previous period, the increase of \$764,485 in expenses mainly resulted from:

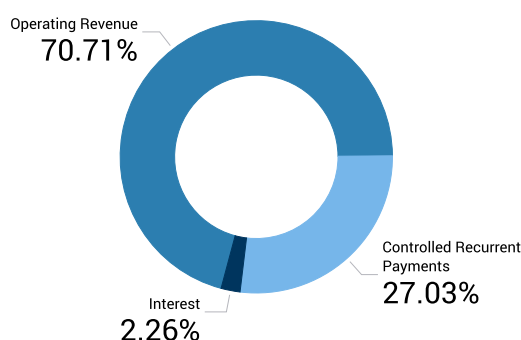
- increase in employee and superannuation expenses (\$607,165) due to additional staffing numbers to assist with workloads, pay increases and the employment of temporary staff to replace staff on leave
- increase in supplies and services (\$52,992) resulted from:
 - rental and property expenses associated with the new operating lease in respect to a full year; and
 - Official Visitor expenses resulting from an increase in the number of Official Visitors, whose aim is to 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. Their costs include remuneration and associated costs (e.g. training)

4. Future trends

Expenses are budgeted to increase in 2018-19 by \$156,907 primarily due to increases resulting from continuation of PTG's Business Transformation Project including accommodation, ICT, structure and staff reclassifications etc.

Total Revenue

1. Components of Revenue



PTG's income for 2017-18 largely relates to User Charges which comprises 71% (or \$5,382,079) of total income. 27% (or \$2,057,000) relates to Controlled Recurrent Payments received from Government and the remaining 2% (or \$171,858) relates to interest earned on invested funds.

2. Comparison to the original budget

Total revenue for the period ended 30 June 2018 was \$7,610,938. This is \$291,938 higher than the 2017-18 budget estimate of \$7,319,000 and resulted from:

- higher income from management fees (\$272,688) 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).

3. Comparison to 2016-17 actual income

- Total revenue for the period ended 30 June 2018 was \$265,928 higher than the 2016-17 result of \$7,345,009 primarily due to an increase in fees received from clients, resulting from the higher values of invested funds as described above.

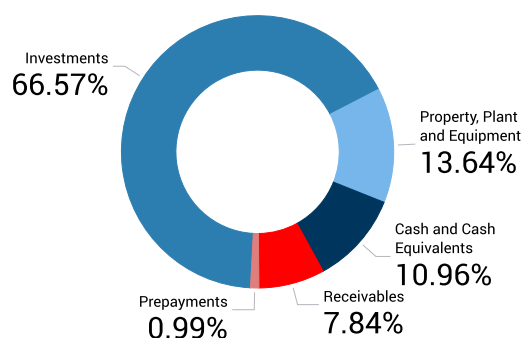
4. Future Trends

Revenue for 2018-19 is budgeted to increase by \$213,062. This largely reflects a continued increase in expected commission based revenue.

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 (\$8,942,117) at 30 June 2018 relate to Cash and Cash Equivalents of 11% (\$987,439), Investments of 67% (\$6,000,000), Plant and Equipment of 14% (\$1,228,911), Receivables of 8% (\$706,738) and Prepayments of 1% (\$19,029).

2. Comparison to budget

The total asset position at 30 June 2018 is \$8,942,117, which was \$867,117 higher than the 2017-18 budget estimate of \$8,075,000.

The variance mainly resulted from higher Plant and Equipment (\$1,176,911) due to purchase of the fit-out of level 9, 221 London Cct and the associated asset revaluation at the end of the prior period. Neither of these were anticipated in the budget.

This has been partially offset by lower –

- Cash and Cash Equivalents and Investments (\$210,561) due to a lower Cash Flows; and
- Prepayments (\$23,971) resulting from lower than anticipated number of invoices paid in advance at 30 June 2018.

3. Comparison to 2016-17 actual

Total assets were \$123,020 lower than the 2016-2017 result of \$9,065,137 due to:

- lower Cash and Cash Equivalents and Investments (\$214,961) resulting from a decrease in Cash Flows; and
- lower Plant and Equipment (\$139,029) due to increased depreciation.

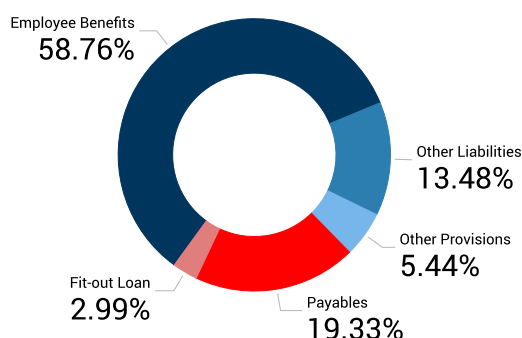
This has been partially offset by:

- higher Receivables (\$231,259) from User Charges owing to PTG at 30 June 2018.

4. Future trends

It is anticipated that assets will increase as a result of an increase in Cash and Cash Equivalents and Investments due to an anticipated increase Cash Flows.

Total Liabilities



1. Components of total liabilities

Liabilities (\$3,022,857) at 30 June 2018 largely relate to Employee Benefits, which include annual and long service leave accrued by staff, accounting for 59% (or \$1,776,049) of Liabilities. Other Provisions account for 5% (or \$164,585). This includes the dividend payable and the Provision for Make Good. Other liabilities comprise 13% (or \$407,535), and relates to lease related liabilities associated with a lease signed in 2017. Payables comprise 19% (or \$584,348) of liabilities and include accrued expenses.

2. Comparison to budget

Total liabilities (\$3,022,857) are (\$461,857) higher than the original 2017-18 budget of \$2,561,000 mainly due to higher:

- Employee Benefits (\$95,049) due to higher benefits accrued due to higher staff numbers and;
- Lease Incentive Liability (\$407,535) and Fit-out Loan (\$90,340) due to an accommodation fit-out of part of level 9. The lease incentive is recorded as a liability and is amortised over the term of the operating lease (10 years). Both liabilities were not anticipated in the budget.

This has been partially offset by lower Provisions (\$137,415) due to a lower dividend payable as a result of a lower Operating Result.

3. Comparison to 2016-17 actual

In comparison to the previous period, the decrease of \$194,444 in liabilities was due to decreases in:

- Lease Incentive Liability (\$46,936) due to the unwinding of part of the accommodation lease incentive liability; and
- Other Provisions (\$245,915) mainly for the dividend payable as a result of a decrease in the Operating Surplus in 2017-18.

These have been partially offset by higher:

- Payables (\$41,116) due to an increase in unpaid expenses accrued at year end; and
- Employee Benefits (\$101,807) due to an increase in staff not taking leave and accruing benefits.

4. Future Trends

It is anticipated that overall liabilities will decrease over time as Other Liabilities are offset against rental expenses over the term of the Operating Lease for the two floors of 221

London Circuit Canberra.

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 2017 \$'000	Current Year Actual 2018 \$'000	Current Year Budget 2018 \$'000	Forward Year Budget 2019 \$'000	Forward Year Budget 2020 \$'000	Forward Year Budget 2021 \$'000	Forward Year Budget 2022 \$'000
Total Current Assets	7.696	7.712	8.022	7.838	7.971	7.974	8.003
Total Current Liabilities	2.379	2.364	2.281	2.198	2.177	2.173	2.193
Net Current Assets	5.617	5.348	5.741	5.640	5.794	5.801	5.810
Current Ratio	3.23:1	3.26:1	3.52:1	3.57:1	3.66:1	3.67:1	3.65:1

PTG's current ratio at 30 June 2018 is 3.26 to 1, marginally lower than the budgeted current ratio at 30 June 2018 of 3.52 to 1. This is due to higher than expected liabilities exceeding higher than expected assets. PTG anticipates current assets to remain relatively stable and will maintain a strong level of liquidity and be able to pay its current liabilities when due.

C.2 Financial Statements

(Refer ANNEXURE - FINANCIAL STATEMENTS)

C.3 Capital Works

No capital works were undertaken during 2017-18.

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 2017-18.

Vehicle

The only government asset directly managed is:

- Volkswagen Golf valued at \$14,500 in 2016 by Ty Noble (FAPV CPV), Australian Valuation Solutions 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 June 2016 by Herron Todd White at \$300,000. Revaluation is conducted on a three-yearly basis. The warehouse contains no hazardous materials.

Office Accommodation and Equipment

PTG employs 54 FTE staff, centrally accommodated on the Ground Floor and Level 9, 221 London Circuit, Canberra City.

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 Common Funds other than the Cash Common Fund. Accessed under existing contract with ACT Treasury. Fees are charged as an income commission
- Ultradata for use under licence and technical support of the TACT trust accounting business system. Annual Licence fees are \$111,960.23
- DPL – licence for ongoing use of the Chameleon Wills. This was pre-paid in 2016-17 and the contract was terminated in January 2018
- Software Assistant (income tax software) licence on an annual basis \$2,071.50
- MYOB Premier 19 – for Business Financial System (annual subscription) \$1,452.00
- Filemaker Pro – Guardianship Unit Business System – Software adjustments \$794.94
- Nexon - Acquisition and modification of NSW Trustee and Guardian Microsoft Dynamic CRM - \$51,139.00

Social Procurement

Sam Agyemang is an extraordinary young man with a wide variety of interests, including Donkey Wash, a social enterprise laundry venture which is providing a strong social network in Canberra for Sam, who lives with autism. PTG is one of Sam's laundry clients and he visits 221 London Circuit each week to collect and drop off kitchen tea towels.

The social venture was set up by Sam's parents when he was still at high school. The small enterprise grew organically and Sam now has a great week, with a variety of people to meet and a few loads to do on most days which keeps him occupied at home and helps his state of mind.

Donkey Wash gives Sam a framework for building capacity for social engagement, learning to understand routines and instructions and building resilience when routines vary due to circumstances beyond Sam's control. It is also teaching him to make positive choices about how to spend his time and energy and provides Sam with the closest approximation to employment that Sam is likely to experience within a set network of supportive people, Sam's clients.



C.6 Statement of Performance

Refer C.2 FINANCIAL STATEMENTS above and
ANNEXURE – FINANCIAL STATEMENTS.

PART 4 – Agency Specific Annual Report Requirements

Report Relates to Legislation – *Confiscation of Criminal Assets Act 2003 S.102 and S.103*

S.102 Notice of Sale, Modification or Destruction of Restrained Property by Public Trustee and Guardian

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 process and are largely reactive following court orders. It is expected that an increased number of matters currently before the courts will come to PTG's care during 2018-19.

PTG deposited a total of \$868,758.00 into the CAT Fund, being the net proceeds of funds available for the financial period to 30 June 2018. This compared with \$718,467.76 in 2016-17.

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 in the event that assets are destroyed or disposed of.

In dealing with Confiscated Criminal Assets, PTG frequently authorises ACT Policing to take possession and dispose of certain assets that are deemed to be a serious threat to public health or safety. PTG has an arrangement with ACT Policing establishing an agreed means by which assets posing a serious threat to public health or safety may be seized and dealt with, without delivery to PTG.

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 a number of different means of disposal or remediation depending upon the nature of the asset. In certain cases, assets are immediately destroyed. In other cases, with some level of remediation, the assets may be able to be disposed of by sale.

PTG also deals with unsafe residential or commercial buildings (eg asbestos, illegal works). Where a residential or commercial property has been found to be identified on the Asbestos Register maintained by ACT Government, the property is routinely dealt with in accordance with established processes in consultation with the ACT Asbestos Response Taskforce.

N Community Engagement and Support

Community Engagement Activities

During the reported year, no formal community consultation was undertaken. PTG seeks to build strong, ongoing, permanent relationships with community and organisations in the pursuit of its objectives. These relationships are vital to PTG's success and sustainability.

During the reported year, PTG maintained strong and effective relationships with NGOs (community services), peer Public Trustee and Guardian organisations, ACT Government agencies, service providers and community groups.

PTG undertook the following community engagement activities during 2017-18 -

PTG's Community Engagement program seeks to increase -

- awareness of the functions of and services provided by PTG
- the number of people who are aware of the importance of having an up-to-date will and EPA and are willing to appoint the Public Trustee and Guardian 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 an Information Sheet directed to private Managers appointed by ACAT to manage the financial affairs of those with an impaired decision-making disability. PTG has also prepared a number of other Fact Sheets to educate and inform the community about the functions of ACAT.

Form of Community Engagement	Outcome
Calvary Hospital Auxiliary 4 September 2018	Auxiliary members informed about Estate Planning.
Centrelink Financial Information Service 12 October 2017	Members of the community educated and informed about Substitute Decision-Making, Enduring Powers of Attorney and Wills
The Canberra Hospital Periodically	Social workers at The Canberra Hospital informed about PTG's role and processes and timeframes to progress matters
Wills Week Forums 24 and 26 October 2017	Members of the community educated and informed about Substitute Decision-Making, Enduring Powers of Attorney and Wills

Carers 20 and 28 November 2017	Carers informed about the importance of having an up to date and Enduring Power of Attorney
Seniors Week Forums 13 and 14 March 2018	Members of the community educated and informed about Substitute Decision-Making, Enduring Powers of Attorney and Wills
Centrelink Financial Information Service 18 March 2018	Members of the community educated and informed about Substitute Decision-Making, Enduring Powers of Attorney and Wills
Law Society presentations (Continuing Professional Development (CPD) Program 2018) on "The Role of the Public Trustee and Guardian - everything you need to know" November 2017 and June 2018	Law Society members educated and informed about PTG, in particular about its services and how they can engage with PTG
Salvation Army Counsellors January 2018	Counsellors informed about PTG's Financial Management Services processes

Through GreaterGood (The Capital Region Community Foundation), PTG seeks to maximise philanthropy within our community. PTG appointed a full time member of staff as Executive Officer for GreaterGood.

During 2017-18 PTG continued to make significant progress towards these community activities through the following public awareness programs -

- PTG and GreaterGood websites
- Advertisements and editorials in the Canberra Times/ Canberra Chronicle "Start Living" lift-out as well as for special promotions including Seniors Week and Wills Week
- Advertisements in the ACT Seniors Card Directory and Yellow Pages

- Multilingual brochures/fact sheets in Canberra Connect shopfronts
- Publication of “The Power to Choose”, a guide to Enduring Powers of Attorney
- Publication of PTG’s bi-annual newsletter “Going Public” and GreaterGood e-News
- Free public forums on Wills and substitute decision-making.

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 shopfronts 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.

During the reported year, PTG commissioned a series of videos depicting stories about persons setting up charitable funds under GreaterGood. These will form the basis of a new page “Our Stories” on the GreaterGood website.

Representation on External Forums

PTG subscribes to a number of 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 and Public Guardians/Advocates through bi-annual meetings. Public Trustees and Public Guardians/Advocates cooperate in the development of best practice, products and services, ICT solutions, leveraging value and price from suppliers (incl superannuation) and also in benchmarking. Public Trustees and Public Guardians also cooperate in responding to issues of national importance e.g. National Disability Insurance Scheme, Ageing and Disability matters etc.
Australian Guardianship and	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 Public Trustees, Public Advocates, Public/ Adult Guardians, Protective Commissioners as well as Boards and Tribunals. AGAC meets bi-annually. Two meetings were held in the reported period. The Public Trustee and Guardian was recently appointed as Director and Treasurer of AGAC. PTG coordinated the review of the National Standards for Financial Management during 2017-18

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. A number of staff 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. A number of PTG staff are practising solicitors and members of the Society. PTG staff access continuing legal education through the Society.
CPA Australia	Several PTACT staff members are registered as Associate Members of the CPA.

0.1 Bushfire Risk Management

This section is not relevant to PTG's operations.

0.2 Freedom of Information

Statement Under S.7 Freedom of Information Act 1989

Functions and responsibilities:	<p>The Public Trustee and Guardian (PTG) is an independent ACT government statutory office established to provide the following services to the ACT community -</p> <ul style="list-style-type: none"> • Acting as Manager and/or Guardian under appointment by the ACT Civil and Administrative Tribunal • Making Wills (where the Public Trustee and Guardian is appointed as executor) • Administering deceased estates under will or intestacy • Acting as attorney under Enduring Power of Attorney • Acting as trustee for trusts created in Wills, Deeds and Court Orders for families, infants and people with disabilities • Providing an annual examination of the accounts maintained by external managers on behalf of people with impaired decision-making ability • Acting as administrator for the ACT Official Visitor Scheme and Chairing the Official Visitor Board <p>PTG also acts as agent for the Territory in the provision of the following services:</p> <ul style="list-style-type: none"> • Receiving, managing and disposing of assets forfeited under the Confiscation of Criminal Assets Act 2003 • Administering moneys declared unclaimed under the Unclaimed Money Act 1950, Legal Practitioners Act 2006 and Agents Act 2003, including receiving moneys, processing claims and investing funds • Investing moneys held in specified government trust funds
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Location:	221 London Circuit, Canberra City
Postal address:	PO Box 221 Civic Square ACT 2608
Business hours:	9am to 4.30pm, Monday - Friday
Enquiries:	(02) 6207 9800
Fax:	(02) 6207 9811
Website:	http://www.ptg.act.gov.au

Statement Under S.8 Freedom of Information Act 1989

Document/s	Link/s (if available online)
Public Trustee and Guardian Practices and Procedures	Not available online
Public Trustee and Guardian Policies	Available online
Fact Sheets on all Public Trustee and Guardian services	http://www.ptg.act.gov.au/publications
The Power to Choose (includes Enduring Power of Attorney Form and guidelines for completion)	https://www.ptg.act.gov.au/images/inf/power-to-choose.pdf
General Power of Attorney Form	https://www.ptg.act.gov.au/images/inf/publications/PA_Form_v1.pdf
Health Direction Form	Under review
Application for an Emergency Management Order Form	https://www.ptg.act.gov.au/images/inf/publications/App_EMO1.pdf

Notes:

Relevant Legislation:

- **Public Trustee and Guardian Act 1985**
- **Administration and Probate Act 1929**
- **Cemeteries and Crematoria Act 2003**
- **Confiscation of Criminal Assets Act 2003**
- **Financial Management Act 1996**
- **Guardianship and Management of Property Act 1991**
- **Official Visitor Act 2012**
- **Powers of Attorney Act 2006**
- **Trustee Act 1925**
- **Unclaimed Moneys Act 1950**
- **Wills Act 1968**

Other documents:

- Annual reports for PTG and Public Advocate of the ACT for each year since establishment
- Practice and Induction Manuals
- Cases and Opinions
- PTG Business Plans
- Fraud, Corruption and Risk Mitigation Plan
- Workplace Health and Safety Risk Plan
- PTG Policies
- Status Reports
- Statements of Intent
- Management Discussion and Analyses (MDA)

Statement Under S. 79 Freedom of Information Act 1989

During the reported year, four approaches were made to PTG for access to records under the **Freedom of Information Act 1989**. PTG cooperates with the JACS Directorate to respond to FOI requests.

A Freedom of Information Statement is contained in the JACS Annual Report for 2017–18.

0.3 Human Rights

Education and Training

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

Information

PTG embraces ACT Public Service values and signature behaviours of respect, integrity, collaboration and innovation. Our 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 by the Australian Guardianship and Administration Council (AGAC) of National Standards for Guardians and Managers. During the reported year, the Public Trustee and Guardian undertook, on behalf of AGAC to review the National Standards for Financial Managers. This important document establishes 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 is to be presented to AGAC's National Meeting in August 2018 and will be circulated through all members' websites and through Fact Sheets in member offices.

Liaison

AGAC fosters a close and trusted working relationship between its Public Advocate/Public Guardian/Public Trustee and Tribunal members. Through AGAC, PTG continued to make representations to government in respect to a number of issues affecting personal rights, elder abuse and, in particular, through NDIA in respect to Transport Hub Funding.

Reviews

The Public Trustee and Guardian is a member of AGAC's Elder Abuse National Projects Governance Group. In Its 2018-19 budget, Federal Government announced funding for its "More Choices for a Longer Life" package.

The federal government has also set aside funding to work with the States and Territories to establish a national online register for Enduring Powers of Attorney. The lack of consistency across states for the registration of Enduring Powers of Attorney means there is no simple way for organisations, such as banks, to check the validity of a power of attorney, leaving older people vulnerable to financial abuse.

An online register was a key recommendation of the Australian Law Reform Commission's inquiry into Elder Abuse. The Government will work with states and territories to reform Enduring Powers of Attorney and establish the national register.

The 2018-19 Federal Budget provides funding to develop a national online register of Enduring Powers of Attorney, subject to the in-principle agreement of state and territory governments to reform Enduring Powers of Attorneys.

The national online register of Enduring Powers of Attorney will be a national source to assist in safeguarding against the misuse of an enduring document. The Australian Government will work with state and territory governments to agree consistent laws, tests and practices through the Council of Attorneys General.

AGAC has been commissioned by Government to provide guidance in this important initiative.

0.4 Legal Services 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 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 ensures 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.

Litigation

The PTG is appointed as Financial Manager and Guardian by ACAT for persons with impaired decision-making ability. These appointments regularly require PTG to act as litigation guardian or as guardian for legal matters under appointment by ACAT.

P.1 Culture and behaviour

Respect, Equity and Diversity (RED) training is mandatory for staff of the PTG. The PTG has maintained a Contact Officer since the commencement of the RED framework.

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

P.2 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 provide assistance to 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 2017–18.

P.3 Workforce Profile

Our Staffing Profile

FTE and Headcount

Branch/Division	FTE	Headcount
Public Trustee & Guard	54.0	56
Total	54.0	56

FTE and Headcount by Gender

	Female	Male	Total
FTE by Gender	41.1	12.9	54.0
Headcount by Gender	43	13	56
% of Workforce	76.8%	23.2%	100.0%

Headcount by Classification

Classification Group	Female	Male	Total
Administrative Officers	34	9	43
Executive Officers	0	1	1
Legal Officers	0	1	1
Senior Officers	9	2	11
TOTAL	43	13	56

Employment Category by Gender

Employment Category	Female	Male	Total
Casual	1	0	1
Permanent Full-time	31	7	38
Permanent Part-time	5	1	6
Temporary Full-time	6	5	11
Temporary Part-time	0	0	0
TOTAL	43	13	56

Average Length of Service by Gender

	Female	Male	Total
Average years of service	8.1	9.3	8.3

Headcount by Age and Gender

Age Group	Female	Male	Total
Under 25	0	1	1
25-34	3	2	5
35-44	11	5	16
45-54	17	2	19
55 and over	12	3	15

Headcount by Workplace Diversity

	Headcount	% of Total Staff
Aboriginal and/or Torres Strait Islander	0	0.0%
Culturally & Linguistically Diverse	13	23.2%
People with a disability	1	1.8%

Recruitment and Separation Rates by Classification Group

Classification Group	Recruitment Rate	Separation Rate
Administrative Officers	15.8%	6.3%
Legal Officers	0.0%	0.0%
Senior Officers	0.0%	0.0%
Total	11.4%	4.6%

Recruitment and Separation Rates – Executive

Classification Group	Recruitment Rate	Separation Rate
Executive Officers	0.0%	0.0%

Q. 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).

The following table sets out details of PTG's Records Disposal Schedule

Records Disposal Schedule Name	Effective	Year and Notifiable Instrument No.
PTG Records Disposal Schedule	February 2006	NI 2006-30

Annexure – Financial Statements



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY



REPORT OF FACTUAL FINDINGS PUBLIC TRUSTEE AND GUARDIAN

To the Members of the ACT Legislative Assembly

Review opinion

I am providing an **unqualified review opinion** on the statement of performance of the Public Trustee and Guardian for the year ended 30 June 2018.

During the review, no matters were identified which indicate that the results of the accountability indicators reported in the statement of performance are not fairly presented in accordance with the *Financial Management Act 1996*.

Basis for the review opinion

The review was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the review to provide a basis for the review opinion.

Responsibility for preparing and fairly presenting 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 2017*; 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.

Responsibility for the review of the statement of performance

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*, the Auditor-General is responsible for issuing a report of factual findings on the statement of performance of the Public Trustee and Guardian.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud* and implemented procedures to address these risks so that sufficient evidence was obtained to form a review opinion; and
- reported the scope and timing of the review and any significant deficiencies in reporting practices identified during the review to the Public Trustee and Guardian.

(*The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls.)

Limitations on the scope of the review

The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide limited assurance that the results of the accountability indicators reported in the statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Public Trustee and Guardian, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

This review 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;
- adequacy of controls implemented by the Public Trustee and Guardian; or
- integrity of the reviewed statement of performance presented electronically or information hyperlinked to or from the statement of performance. Assurance can only be provided for the printed copy of the reviewed statement of performance.



Tim Larnach
Acting Director, Financial Audits
19 September 2018

**Public Trustee and Guardian
Statement of Performance
For the Year Ended 30 June 2018**

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 2018 and also fairly reflects the judgements exercised in preparing it.



Andrew Taylor
Public Trustee and Guardian

19 September 2018

**PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2018**

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 Target 2017-18	Actual Outcome 2017-18	Variance %	Notes
Number of current guardianship orders made under the <i>Guardianship and Management of Property Act 1991</i> (GMPA) by ACAT	160	191	19	1
Number of current financial management orders made under the GMPA by ACAT	495	499	1	
Number of active financial management accounts under EPA	40	38	(5)	2
Number of responses to community call outs following death	14	8	(43)	3
Number of welfare funerals arranged	14	4	(71)	4
Number of examinations of accounts provided from external managers under the GMPA	500	506	1	
Number of deceased estate administrations completed < \$100,000	33	29	(12)	5
Number of deceased estate administrations completed > \$100,000	43	66	53	6
Number of trusts held under legal disability < \$100,000	344	365	6	7
Number of trusts held under legal disability > \$100,000	59	60	2	
Wills	520	423	(19)	8
Enduring Power of Attorney	230	121	(47)	9
Percentage of expenditure over total income	88%	99%	12	10

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*.

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

1. The higher than expected number of current guardianship orders relates to less ongoing existing orders under which PTG was appointed as Guardian being revoked as well as a higher than expected number of new appointments where a willing, capable and proximate Guardian was unable to be found.

**PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2018**

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

2. The number of active Enduring Powers of Attorney (EPA) was lower than expected. Due to a lower than expected number of persons where the EPA was not activated by loss of capacity.
3. The number of callouts was lower than expected because ACT Policing were not required to contact PTG on as many occasions as was estimated.
4. The number of welfare funerals was lower than expected because funeral directors were not required to contact PTG on as many occasions as was estimated.
5. The number of estates in this category was lower than expected due to the number of estates with a value of less than \$100,000 being administered by PTG.
6. The number of estates in this category was higher than expected due to the number of estates having a value of more than \$100,000 being administered by PTG. This is mainly due to the value of client assets, in particular property, increasing in value.
7. The number of trusts under \$100,000 was higher than expected due to a higher number of orders made by the Magistrates Court and Supreme Court appointing PTG as trustee.
8. The lower than expected number of Wills prepared results from a deliberate policy introduced in the last budget year of preparing a Will only where the person appoints PTG as primary executor or as substitute executor to a spouse or partner. Over the last several years, PTG is consciously seeking to reduce the number of Wills made where the Public Trustee and Guardian is not appointed as a primary or secondary executor.
9. The lower number of EPAs prepared is partly due to PTG publishing a revised "The Power to Choose" booklet. The booklet contains an EPA form to complete with instructions, allowing individuals to complete their own document. There has also been an increase in the number of guardianship appointments, suggesting that more people are losing capacity before making an EPA.
10. The higher percentage of expenditure over income is a result of the higher than anticipated expenditure.



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY



INDEPENDENT AUDIT REPORT

PUBLIC TRUSTEE AND GUARDIAN

To the Members of the ACT Legislative Assembly

Audit opinion

I am providing an **unqualified audit opinion** on the financial statements of the Public Trustee and Guardian for the year ended 30 June 2018. The financial statements comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation and accompanying notes.

In my opinion, the financial statements:

- (i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Public Trustee and Guardian and results of its operations and cash flows.

Basis for the audit opinion

The audit was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

Responsibility for preparing and fairly presenting 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.

Responsibility for the audit of the financial statements

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

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the Public Trustee and Guardian; and
- assessed the going concern* basis of accounting used in the preparation of the financial statements.

(*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.)

Limitations on the scope of the audit

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- reasonableness of budget information included in the financial statements;
- prudence of decisions made by the Public Trustee and Guardian;
- adequacy of controls implemented by the Public Trustee and Guardian; or
- integrity of the audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.



Tim Larnach
Acting Director, Financial Audits
18 September 2018

**Public Trustee and Guardian
Financial Statements
For the Year Ended 30 June 2018**

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 2018 and the financial position of the Public Trustee and Guardian on that date.



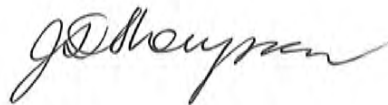
Andrew Taylor
Public Trustee and Guardian

18 September 2018

Public Trustee and Guardian
Financial Statements
For the Year Ended 30 June 2018

Statement by the Chief Finance Officer

In my opinion, the financial statements have been prepared in accordance with generally accepted accounting principles, 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 2018 and the financial position of the Public Trustee and Guardian on that date.



Joanne Thompson
Director Finance
Public Trustee and Guardian

18 September 2018

PUBLIC TRUSTEE AND GUARDIAN
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note No.	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$
Income				
Controlled Recurrent Payments	4	2,057,000	2,184,000	2,146,250
User Charges	5	5,382,079	4,950,000	5,011,503
Interest		171,859	185,000	187,256
Total Income		7,610,938	7,319,000	7,345,009
Expenses				
Employee Expenses	6	5,037,230	4,538,000	4,489,832
Superannuation Expenses	7	706,311	710,000	646,544
Supplies and Services	8	1,649,968	1,663,000	1,596,976
Borrowing Costs	9	12,280	-	-
Depreciation and Amortisation	15	141,304	11,000	49,256
Total Expenses		7,547,093	6,922,000	6,782,608
Operating Surplus		63,845	397,000	562,401
Other Comprehensive Income				
<i>Items not reclassified subsequently to profit or loss</i>				
Increase in Asset Revaluation Surplus	21	39,501	-	479,335
Total Other Comprehensive Income		39,501	-	479,335
Total Comprehensive Income		103,346	397,000	1,041,736

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

PUBLIC TRUSTEE AND GUARDIAN

BALANCE SHEET
AT 30 JUNE 2018

	Note No.	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$
Current Assets				
Cash and Cash Equivalents	12	987,439	7,198,000	7,202,400
Receivables	13	706,738	782,000	475,479
Investments	14	6,000,000	-	-
Prepayments		17,974	42,000	17,776
Total Current Assets		7,712,151	8,022,000	7,695,655
Non-Current Assets				
Plant and Equipment	15	1,228,911	52,000	1,367,940
Prepayments		1,055	1,000	1,542
Total Non-Current Assets		1,229,966	53,000	1,369,482
Total Assets		8,942,117	8,075,000	9,065,137
Current Liabilities				
Payables	16	584,348	578,000	543,232
Interest Bearing Liabilities	17	90,340	-	13,933
Employee Benefits	18	1,627,300	1,505,000	1,493,867
Lease Incentive Liability	19	46,936	-	46,936
Other Provisions	20	31,923	198,000	281,200
Total Current Liabilities		2,380,847	2,281,000	2,379,168
Non-Current Liabilities				
Interest Bearing Liabilities	17	-	-	120,923
Employee Benefits	18	148,749	176,000	180,375
Lease Incentive Liability	19	360,599	-	407,535
Other Provisions	20	132,662	104,000	129,300
Total Non-Current Liabilities		642,010	280,000	838,133
Total Liabilities		3,022,857	2,561,000	3,217,301
Net Assets		5,919,260	5,514,000	5,847,836
Equity				
Accumulated Funds		4,918,635	5,032,000	4,886,712
Asset Revaluation Surplus	21	1,000,625	482,000	961,124
Total Equity		5,919,260	5,514,000	5,847,836

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

PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated Funds Actual 2018 \$	Asset Revaluation Surplus Actual 2018 \$	Total Equity Actual 2018 \$	Original Budget 2018 \$
Balance at 1 July 2017	4,886,712	961,124	5,847,836	5,315,000
Comprehensive Income				
Operating Surplus	63,845	-	63,845	397,000
Increase in the Asset Revaluation Surplus	-	39,501	39,501	-
Total Comprehensive Income	63,845	39,501	103,346	397,000
Transactions Involving Owners Affecting Accumulated Funds				
Dividend Approved	(31,923)	-	(31,923)	(198,000)
Total Transactions Involving Owners Affecting Accumulated Funds	(31,923)	-	(31,923)	(198,000)
Balance at 30 June 2018	4,918,635	1,000,625	5,919,260	5,514,000

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

PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated Funds Actual 2017 \$	Asset Revaluation Surplus Actual 2017 \$	Total Equity Actual 2017 \$
Balance at 1 July 2016	4,605,511	481,789	5,087,300
Comprehensive Income			
Operating Surplus	562,401	-	562,401
Increase in the Asset Revaluation Surplus	-	479,335	479,335
Total Comprehensive Income	562,401	479,335	1,041,736
Transactions Involving Owners Affecting Accumulated Funds			
Dividend Approved	(281,200)	-	(281,200)
Total Transactions Involving Owners Affecting Accumulated Funds	(281,200)	-	(281,200)
Balance at 30 June 2017	4,886,712	961,124	5,847,836

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

PUBLIC TRUSTEE AND GUARDIAN
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note No.	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$
Cash Flows from Operating Activities				
Receipts				
Controlled Recurrent Payments		2,057,000	1,674,000	2,146,250
User Charges		5,193,544	4,953,000	5,189,330
Interest Received		143,600	180,000	200,429
Goods and Services Tax Collected from Customers		512,918	495,000	497,533
Other		7,804	-	111,973
Total Receipts from Operating Activities		7,914,866	7,302,000	8,145,515
Payments				
Employee		4,938,795	4,538,000	4,555,463
Superannuation		700,038	699,000	653,359
Supplies and Services		1,643,766	1,652,000	1,600,545
Goods and Services Tax Remitted to the Australian Taxation Office		408,491	352,000	323,951
Goods and Services Tax Paid to Suppliers		137,919	140,000	162,164
Other		10,015	-	6,328
Total Payments from Operating Activities		7,839,024	7,381,000	7,301,810
Net Cash Inflows from Operating Activities	24(b)	75,842	(79,000)	843,705

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

PUBLIC TRUSTEE AND GUARDIAN
CASH FLOW STATEMENT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	Note No.	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$
Cash Flows from Investing Activities				
Receipts				
Sale of Investments		3,900,000	-	-
Total Receipts from Investing Activities		3,900,000	-	-
Payments				
Payments for Plant and Equipment		2,275	-	220,512
Purchase of Investments		9,900,000	-	-
Total Payments from Investing Activities		9,902,275	-	220,512
Net Cash (Outflows) from Investing Activities		(6,002,275)	-	(220,512)
Cash Flows from Financing Activities				
Payments				
Payment of Dividends		281,200	224,000	178,610
Repayment of Borrowings		7,328	-	4,476
Total Payments from Financing Activities		288,528	224,000	183,086
Net Cash (Outflows) from Financing Activities		(288,528)	(224,000)	(183,086)
Net Increase in Cash and Cash Equivalents Held		(6,214,961)	(303,000)	440,107
Cash and Cash Equivalents at the Beginning of the Reporting Period		7,202,400	6,991,000	6,762,293
Cash and Cash Equivalents at the End of the Reporting Period	24(a)	987,439	6,688,000	7,202,400

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

PUBLIC TRUSTEE AND GUARDIAN
STATEMENT OF APPROPRIATION
FOR THE YEAR ENDED 30 JUNE 2018

	Original Budget 2018 \$	Total Appropriated 2018 \$	Appropriation Drawn 2018 \$	Appropriation Drawn 2017 \$
Controlled Recurrent Payments	2,184,000	2,184,000	2,057,000	2,146,250
Total Appropriation	2,184,000	2,184,000	2,057,000	2,146,250

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 sum of Controlled Recurrent Payments and Community Service Obligation shown in the Cash Flow Statement.

Variances between 'Total Appropriated' and 'Appropriation Drawn'

The Appropriation drawn was \$127,000 less than the total appropriated. The full appropriation to administer the Official Visitors Scheme was not required.

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

PUBLIC TRUSTEE AND GUARDIAN

INDEX TO THE NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. OBJECTIVES OF THE PUBLIC TRUSTEE AND GUARDIAN

The Public Trustee and Guardian was established on 1 April 2016, merging the former Public Trustee for the ACT with the Public Guardian function of the Public Advocate of the ACT.

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 agent 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

There were no changes in accounting estimates.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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.

	2018 \$	2017 \$
Controlled Recurrent Payments	1,547,000	1,643,250
Community Service Obligations	510,000	503,000
Total Controlled Recurrent Payments	2,057,000	2,146,250

Controlled Recurrent Payments were lower in 2017-18 due to the one-off amounts received in 2016-17 for the merge of the Public Guardian function of the former Public Advocate of the ACT with the former Public Trustee for the ACT.

5. USER CHARGES

User charges revenue is derived by providing services to other ACT Government agencies and to the public. User charges revenue is legally retained by the Public Trustee and Guardian and driven by consumer demand.

User Charges – ACT Government		
Other Fees	1,200	1,200
Total User Charges - ACT Government	1,200	1,200
 User Charges – Non-ACT Government		
Commission (a)	2,191,922	2,050,145
Management Fees (b)	2,271,688	1,972,694
Other Fees	917,269	987,464
Total User Charges – Non-ACT Government	5,380,879	5,010,303
Total User Charges	5,382,079	5,011,503

(b) 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. This has increased due to higher interest rates received on cash invested in term deposits as well as the value of funds invested in the Trust Account. User Charges - Commission from ACT Government of \$242,279 reported in 2017 has been reclassified to User Charges-Non ACT Government Commission. All commissions are earned from funds held on behalf of the general public and not from those funds owned by ACT Government agencies.

(c) 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 2017-2018 year.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

6. EMPLOYEE EXPENSES

	2018 \$	2017 \$
Wages and Salaries (a)	4,895,390	4,324,199
Annual Leave Expense	12,391	34,785
Long Service Leave Expense	9,892	(29,090)
Termination Payments	48,711	70,598
Fringe Benefits Tax	(1,145)	14,089
Workers' Compensation Insurance Premiums	69,271	71,688
Other Employee Expenses and On-Costs	2,720	3,563
Total Employee Expenses	5,037,230	4,489,832

(a) The Public Trustee and Guardian had an average of 55.18 staff employed during the 2017-18 year (49.29 during 2016-17). The increase in Wages and Salaries relates to an increase in staffing numbers during the year to assist with some components of the Business Transformation Project. The project aimed at changing how the organisation operates. The increase is staff also provided for staff on leave and increased workloads.

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	318,071	309,601
Productivity Benefit	44,346	43,911
Superannuation to External Providers	343,894	293,032
Total Superannuation Expenses	706,311	646,544

The increase in the superannuation expenses is due to the increased staff employed during the year. Refer Note 6 *Employee Expenses*.

PUBLIC TRUSTEE AND GUARDIAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
8. SUPPLIES AND SERVICES		
Audit Fee	85,431	85,239
Computer Expenses (a)	295,653	277,622
Consultants Costs	53,735	61,529
Office Expenses	145,791	226,451
Postage, Printing and Stationery	52,212	65,195
Rental and Property Expenses (b)	430,642	388,041
Repairs and Maintenance	127,980	116,364
Travel Expenses	13,101	14,712
Staff Training	28,958	26,690
Marketing Expenses	26,311	30,331
Official Visitors Expenses (c)	317,007	268,528
Business Transformation Project (d)	28,467	-
Other Expenses	44,680	36,274
Total Supplies and Services	1,649,968	1,596,976

(a) Computer Expenses consist of computer leasing, infrastructure, software and storage costs. An increase in the requirement for these services occurred with an increase in staffing numbers and electronic storage required for client data.

(b) Rental and Property Expenses increased due to the Public Trustee and Guardian entering a new lease in 2016-17 that provided for an increase in lettable area. The leasing and associated costs were expensed for a full 12 months in 2017-18, compared to 4 months in 2016-17.

(c) Official Visitors Expenses increased as a result of more Official Visitors being employed due to a higher demand for their services. 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.

(d) 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. The expenses for this project include an evaluation of Trust Officer positions and providing training for Managers.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
9. BORROWING COSTS		
Interest Expense on Borrowings	8,918	-
Finance Cost on Make Good	3,362	-
Total Borrowing Costs	12,280	-

Borrowing costs relate to the interest on the Fitout Loan for part of level 9 of 221 London Circuit, Canberra and the cost associated with the increase in the Provision for Make Good to adjust for expected future outlays. The Fit-out Loan was assessed as interest free in 2016-17 and therefore no Borrowing Costs were expensed.

10. WAIVERS AND WRITE-OFFS

There were no waivers in 2017-18. Similarly there were no waivers in 2016-17. The Public Trustee and Guardian approves the write-off of debts owed by third parties.

Ordinary Activities	No.	No.
Write-offs		
Irrecoverable Debts	6	6
	13,858	5,795
Total Write-offs	6	5,795

Write-offs were made by the Public Trustee and Guardian under delegated authority. Write-offs were due to amounts that were unable to be recovered from clients.

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	85,431	85,239
Audit fees paid for by the Public Trustee and Guardian were:		
Financial Statements of the Public Trustee and Guardian (Office Account)	40,355	40,355
Financial Statements of the Public Trustee and Guardian (Trust Account) and Capital Region Gift and Open Funds	39,886	39,694
Compliance with Public Ancillary Guidelines	5,190	5,190
	85,431	85,239

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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 2.35% in 2017-18 (2.62% in 2016-17).

The Public Trustee and Guardian held deposits with various other financial institutions at call throughout the year. The weighted average interest rate returned on these investments was 2.61% in 2017-18 (2.79% in 2016-17).

	2018 \$	2017 \$
Cash at Bank (a)	986,739	801,700
Cash on Hand	700	700
Short Term Investments (b)	-	6,400,000
Total Cash and Cash Equivalents	987,439	7,202,400

(a) The increase in Cash at Bank is due to cash received in June 2018 pending investment.

(b) There was no Short Term Investments as at 30 June 2018 as a result of the change in investment strategy for Term Deposits. Where these term deposits are now held for a term of between 3 to 12 months. Refer to Note 14 *Investments*.

13. RECEIVABLES

Current Receivables		
Trade Receivables (a)	635,283	432,283
Less: Allowance for Impairment Losses	-	-
	635,283	432,283
Accrued Revenue	71,455	43,196
Total Receivables	706,738	475,479

(a) The increase in Trade Receivables relates to an increase in the value and number of unpaid invoices issued to Trust clients for services provided before the year-end.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

13. RECEIVABLES (CONTINUED)

Ageing of Receivables	Not Overdue	Overdue			Total
		Less than 30 Days	30 to 60 Days	Greater than 60 Days	
	\$	\$	\$	\$	\$
2018					
Not Impaired					
Receivables	705,995	-	-	743	706,738
Impaired					
Receivables	-	-	-	-	-
2017					
Not Impaired					
Receivables	471,612	-	-	3,867	475,479
Impaired					
Receivables	-	-	-	-	-

Receivables overdue for more than 60 days in 2017-18 mainly relate to User Charges - Other Fees. These invoices are expected to be received in the first quarter of the 2018-19 financial year.

Classification of ACT Government//Non-ACT Government Receivables

	2018 \$	2017 \$
Receivables with ACT Government Entities		
Trade Receivables	3,109	6,443
Total Receivables with ACT Government Entities	3,109	6,443
Receivables with Non-ACT Government Entities		
Net Trade Receivables	632,174	425,840
Accrued Revenue	71,455	43,196
Total Receivables with Non-ACT Government Entities	703,629	469,036
Total Receivables	706,738	475,479

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

14. INVESTMENTS

Short-term investments were held with a range of banks throughout the year for a term of between 3 to 12 months.

Current Investments		
Term Deposits	6,000,000	-
Total Current Investments	6,000,000	-
Total Investments	6,000,000	-

The investment strategy for Term Deposits was reviewed in 2017-18 which resulted in the deposits being invested for a longer term to achieve a higher rate of return. In 2016-17 the Term Deposits were reported as Cash and Cash Equivalents as they were held for less than 3 months.

15. PLANT AND EQUIPMENT

Plant and equipment includes a motor vehicle, computer equipment, furniture and fittings, office fit-out and a security system.

Motor Vehicle (at Fair Value)	14,500	14,500
Less: Accumulated Depreciation	(1,201)	-
	<u>13,299</u>	<u>14,500</u>
Furniture and Fittings (at Fair Value)	27,650	27,650
Less: Accumulated Depreciation	(2,652)	-
	<u>24,998</u>	<u>27,650</u>
Computer Equipment (at Fair Value)	4,400	4,400
Less: Accumulated Depreciation	(1,200)	-
	<u>3,200</u>	<u>4,400</u>
Office Fit-out (at Fair Value)	1,321,140	1,321,140
Less: Accumulated Depreciation	(135,877)	-
	<u>1,185,263</u>	<u>1,321,140</u>
Security System (at Fair Value)	2,525	250
Less: Accumulated Depreciation	(374)	-
	<u>2,151</u>	<u>250</u>
Total Plant and Equipment	<u>1,228,911</u>	<u>1,367,940</u>

PUBLIC TRUSTEE AND GUARDIAN**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018****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 2017.

As disclosed in Appendix B Note 21 *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 and security system 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 2020.

PUBLIC TRUSTEE AND GUARDIAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

15. PLANT AND EQUIPMENT (CONTINUED)

Reconciliations of the Carrying Amounts of Plant and Equipment.

The following table shows the movements of Plant and Equipment during 2017-18.

	Motor Vehicle	Furniture and Fittings	Computer Equipment	Office Fit-out	Security System	Total
	\$	\$	\$	\$	\$	\$
Carrying Amount at the Beginning of the Reporting Period	14,500	27,650	4,400	1,321,140	250	1,367,940
Additions	-	-	-	-	2,275	2,275
Adjustment to Carrying Value	-	-	-	(39,501)	-	(39,501)
Revaluation Increment	-	-	-	39,501	-	39,501
Depreciation	(1,201)	(2,652)	(1,200)	(135,877)	(374)	(141,304)
Carrying Amount at the End of the Reporting Period	13,299	24,998	3,200	1,185,263	2,151	1,228,911

The following table shows the movements of Plant and Equipment during 2016-17.

	Motor Vehicle	Furniture and Fittings	Computer Equipment	Office Fit-out	Security System	Total
	\$	\$	\$	\$	\$	\$
Carrying Amount at the Beginning of the Reporting Period	16,003	31,141	6,200	30,295	144	83,783
Additions	-	2,291	-	826,912	-	829,203
Revaluation Increment / (Decrement)	1,122	(2,609)	541	504,906	250	504,210
Depreciation	(2,625)	(3,173)	(2,341)	(40,973)	(144)	(49,256)
Carrying Amount at the End of the Reporting Period	14,500	27,650	4,400	1,321,140	250	1,367,940

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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 2018

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Plant and Equipment at Fair Value				
Motor Vehicle	-	13,299	-	13,299
Furniture and Fittings	-	24,998	-	24,998
Computer Equipment	-	3,200	-	3,200
Office Fit-out	-	-	1,185,263	1,185,263
Security System	-	-	2,151	2,151
	-	41,497	1,187,414	1,228,911

Classification According to the Fair Value Hierarchy 2017

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Plant and Equipment at Fair Value				
Motor Vehicle	-	14,500	-	14,500
Furniture and Fittings	-	27,650	-	27,650
Computer Equipment	-	4,400	-	4,400
Office Fit-out	-	-	1,321,140	1,321,140
Security System	-	-	250	250
	-	46,550	1,321,390	1,367,940

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

15. PLANT AND EQUIPMENT (CONTINUED)

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

30 June 2018	Office Fit-out	Security System
	\$	\$
Fair Value at the Beginning of the Reporting Period	1,321,140	250
Additions	-	2,275
Depreciation	(135,877)	(374)
Fair Value at the End of the Reporting Period	1,185,263	2,151

30 June 2017	Office Fit-out	Security System
	\$	\$
Fair Value at the Beginning of the Reporting Period	11,680	144
Additions	826,912	-
Revaluation Increments Recognised in Other Comprehensive Income	504,906	250
Transfers from Level 2	18,615	-
Depreciation	(40,973)	(144)
Fair Value at the End of the Reporting Period	1,321,140	250

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
16. PAYABLES		
Current Payables		
Trade Payables	41,828	34,128
Accrued Expenses (a)	415,793	366,373
	457,621	400,501
Net Goods and Services Tax Payable	126,727	142,731
Total Current Payables	584,348	543,232
Payables are aged as follows:		
Not Overdue	584,046	543,165
Overdue for Less than 30 Days	-	-
Overdue for 30 to 60 Days	-	52
Overdue for More than 60 Days	302	15
Total Current Payables	584,348	543,232
Classification of ACT Government/Non-ACT Government Payables		
Payables with ACT Government Entities		
Trade Payables	939	900
Accrued Expenses	391,316	341,148
Total Payables with ACT Government Entities	392,255	342,048
Payables with Non-ACT Government Entities		
Trade Payables	40,889	33,228
Accrued Expenses	24,477	25,225
Net Goods and Services Tax Payable	126,727	142,731
Total Payables with Non-ACT Government Entities	192,093	201,184
Total Current Payables	584,348	543,232

(a) Accrued Expenses relate primarily to Computer related expenses, Telephone and Payroll Services payable to the Justice and Community Safety Directorate. These figures have been accrued at 30 June 2018 on the basis that estimates for the expenses have been provided and the invoices will be received in 2018-19. The increase is due to a higher need for software and electronic storage for more client information as well as higher usage of computers and associated software by staff.

PUBLIC TRUSTEE AND GUARDIAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
17. INTEREST-BEARING LIABILITIES		
Current Interest-Bearing Liabilities		
Other Borrowings	90,340	13,933
Total Current Interest-Bearing Liabilities	90,340	13,933
Non-Current Interest-Bearing Liabilities		
Other Borrowings	-	120,923
Total Non-Current Interest-Bearing Liabilities	-	120,923
Total Interest-Bearing Liabilities	90,340	134,856

Public Trustee and Guardian received a loan of \$100,000 provided by Namazzi Pty Limited and Eudora (ACT) Pty Limited in March 2017 when they signed their new lease. The loan assisted with the cost of the fit-out at 221 London Circuit (part of the ninth floor) and was reported in 2016-17 as a Non-Interest Bearing Liability (refer Note 17 *Non-Interest-Bearing Liabilities*). During the 2017-18 year, repayments of the loan were made in monthly instalments of the principal amount and interest over the 10 year term of the loan. The Public Trustee and Guardian has agreed to repay the loan in full on 31 July 2018.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
18. EMPLOYEE BENEFITS		
Current Employee Benefits		
Annual Leave	475,061	462,670
Long Service Leave (a)	976,739	935,222
Accrued Salaries (c)	130,301	51,808
Other Employee Benefits	45,199	44,167
Total Current Employee Benefits	1,627,300	1,493,867
Non-Current Employee Benefits		
Long Service Leave	148,749	180,375
Total Non-Current Employee Benefits	148,749	180,375
Total Employee Benefits	1,776,049	1,674,242

Estimated Amount Payable within 12 months		
Annual Leave	475,061	462,670
Long Service Leave	123,655	39,537
Accrued Salaries	130,301	51,808
Other Employee Benefits	45,199	44,167
Total Employee Benefits Payable within 12 months	774,216	598,182
Estimated Amount Payable after 12 Months		
Long Service Leave	1,001,833	1,076,060
Total Employee Benefits Payable after 12 months	1,001,833	1,076,060
Total Employee Benefits	1,776,049	1,674,242

The Public Trustee and Guardian had an average of 54.04 full time equivalent staff employed during at 30 June 2018 (52.13 at 30 June 2017).

(b) Long Service leave accrues from the commencement of employment by a staff member. As the period of service increases, so do the benefits. A number of long term staff have chosen to take minimal long service leave over the period of their employment and their benefits have increased accordingly.

(c) Accrued Salaries include and adjustment for the Enterprise Bargaining agreement backpay for staff.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
19. LEASE INCENTIVE LIABILITY		
Current Lease Incentive Liability		
Lease Incentive Liability	46,936	46,936
Total Current Lease Incentive Liability	46,936	46,936
Non-Current Lease Incentive Liability		
Lease Incentive Liability	360,599	407,535
Total Non-Current Lease Incentive Liability	360,599	407,535
Total Lease Incentive Liability	407,535	454,471

The Public Trustee and Guardian entered into a new lease on 6 March 2017 for part of the ground floor and part of 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 2018, the remaining term of the lease agreement is 9 years.

20. OTHER PROVISIONS

Current Other Provisions		
Provision for Dividends	31,923	281,200
Total Current Other Provisions	31,923	281,200
Non-Current Other Provisions		
Provision for Make Good	132,662	129,300
Total Non-Current Other Provisions	132,662	129,300
Total Other Provisions	164,585	410,500

Provision for Dividends

The Public Trustee and Guardian proposed a final dividend of \$31,923 and this amount was authorised to be paid before the end of the reporting period. The dividend reflects 50% of the operating surplus for 2017-18. This amount will be paid to the ACT Government in the 2018-19 financial year.

Reconciliation of the Provision for Dividends

Balance at the Beginning of the Reporting Period	281,200	178,610
Increase in Provision during the Reporting Period	31,923	281,200
Amount Paid during the Reporting Period	(281,200)	(178,610)
Provision for Dividends at the end of the Reporting Period	31,923	281,200

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

20. OTHER PROVISIONS (CONTINUED)

Provision for Make Good

On 6 March 2017, the Public Trustee and Guardian entered into a new lease 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 calculated 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 \$132,662.

Reconciliation of Provision for Make Good

Balance at the Beginning of the Reporting Period	129,300	104,425
Increase in Provision due to Unwinding of Discount	3,362	-
Increase in Provision as per Valuation	-	24,875
Balance at the End of the Reporting Period	132,662	129,300

21. EQUITY

Asset Revaluation Surplus

The Asset Revaluation Surplus is used to record the increments and decrements in the value of plant and equipment.

Balance at the Beginning of the Reporting Period	961,124	481,789
Increment in Plant and Equipment due to Revaluation to Fair Value	39,501	504,210
Decrease as a result of an increase in the Provision for Make Good	-	(24,875)
Total Increase in Asset Revaluation Surplus	39,501	479,335
Balance at the End of the Reporting Period	1,000,625	961,124

In 2016-17 the total of the fit-out loan amount was initially recorded for \$139,332. This has been subsequently corrected in the 2017-18 year to a total loan amount of \$100,000. Refer *Note 17 Non-Interest-Bearing Liabilities* and *Note 18 Interest Bearing Liabilities*. The effect of this was a lower increment recorded in the Asset Revaluation Reserve in 2016-17. The adjustment to this Reserve is corrected at 30 June 2018.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**22. 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 changes in credit risk exposure since the last reporting period.

(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(e) *Maturity Analysis and Exposure to Interest Rates*.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONTINUED)

(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	Fair Value	Carrying Amount	Fair Value
		2018	2018	2017	2017
		\$	\$	\$	\$
Financial Assets					
Cash and Cash Equivalents	12	987,439	987,439	7,202,400	7,202,400
Receivables	13	706,738	706,738	475,479	475,479
Investments	14	6,000,000	6,000,000	-	-
Total Financial Assets		7,694,177	7,694,177	7,677,879	7,677,879
Financial Liabilities					
Payables	16	457,621	457,621	400,501	400,501
Interest Bearing Liabilities	17	90,340	90,340	120,923	120,923
Total Financial Liabilities		547,961	547,961	521,424	521,424

22. 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 2018. 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 2018		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										
	12	2.61%	986,739	-	-	-	700	-	987,439	
	13		-	-	-	-	706,738	-	706,738	
	14	2.61%	-	6,000,000	-	-	-	-	6,000,000	
			986,739	6,000,000	-	-	707,438	-	7,694,177	
Financial Liabilities										
	16		-	-	-	-	457,621	-	457,621	
	17	7.00%	-	-	-	-	-	90,340	90,340	
			-	-	-	-	457,621	90,340	547,961	
			986,739	6,000,000	-	-	249,817	(90,340)	7,146,216	
Net Financial Assets / Liabilities										

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

22. 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 2017. 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 2017	Note No.	Weighted Average Interest Rate	Fixed Interest Maturing In:				Non-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	2.79%	801,700	6,400,000	-	-	700	7,202,400
Receivables	13		-	-	-	-	432,283	432,283
Total Financial Assets			801,700	6,400,000	-	-	432,983	7,634,683
Financial Liabilities								
Payables	16		-	-	-	-	400,501	400,501
Interest Bearing Borrowings	17		-	-	-	-	134,856	134,856
Total Financial Liabilities			-	-	-	-	535,357	535,357
Net Financial Assets / Liabilities			801,700	6,400,000	-	-	(102,374)	7,099,326

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

22. 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.

23. COMMITMENTS

The operating lease, with Namazzi Pty Limited and Eudora (ACT) Pty Limited, for part of the ground floor and part of 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 9 years remaining on the lease.

	2018	2017
	\$	\$
Non-Cancellable Operating Lease Commitments are Payable as follows:		
Not later than one year	490,270	474,477
Later than one year but not later than five years	2,151,955	2,082,634
Later than five years but not later than ten years	2,279,096	2,859,116
Total Operating Lease Commitments	4,921,321	5,416,227

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

24. CASH FLOW RECONCILIATION

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

	2018	2017
	\$	\$
Total Cash and Cash Equivalents Recorded in the Balance Sheet	987,439	7,202,400
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement	987,439	7,202,400

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

Operating Surplus	63,845	562,401
Add / (Less) Non-Cash Items		
Depreciation	141,304	49,256
Borrowing costs	3,362	-
Adjustment to Interest on Office Fitout 2016-17	2,314	-
Amortisation of lease incentive	(46,936)	(14,888)
Cash Before Changes in Operating Assets and Liabilities	163,889	596,769
Changes in Operating Assets and Liabilities		
(Increase) / Decrease in Receivables	(231,259)	301,064
Decrease in Prepayments	289	22,998
Increase / (Decrease) in Payables	41,116	(7,121)
Increase / (Decrease) in Employee Benefits	101,807	(70,005)
Net Changes in Operating Assets and Liabilities	(88,047)	246,936
Net Cash Inflows from Operating Activities	75,842	843,705

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

25. 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 2018.

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 2018.

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.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

25. 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 who are paid by the Public Trustee and Guardian are set out below.

	2018	2017
	\$	\$
Short-term employee benefits	500,583	510,949
Post employment benefits	75,562	79,668
Other long-term benefits	11,909	12,133
Termination benefits	-	-
Board member fees	-	-
Total Compensation by Public Trustee and Guardian to KMP	588,054	602,750

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.

PUBLIC TRUSTEE AND GUARDIAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

26. BUDGETARY REPORTING

Operating Statement Line Items	Actual 2017-18	Original Budget* 2017-18	Variance	Variance	Variance Explanation
	\$	\$	\$	%	
Employee Expenses	5,037,230	4,538,000	499,230	11%	The higher than anticipated value of Employee Expenses is due to a higher number of staff employed during the year to backfill staff on leave and to complete part of the Business Transformation Project, which aims to change how the organisation operates, which was not anticipated in the budget.
Asset Revaluation Surplus	39,501	-	39,501	100%	The higher than anticipated movement in the Asset Revaluation Surplus is attributed to a correction of the Asset Revaluation Surplus amount from 2016-17. This is due to the reduction of the principle amount of the fit-out loan that commenced in 2016-17 (refer Note 18 <i>Interest-Bearing Liabilities</i>) and was not anticipated in the budget.
Balance Sheet Line Items					
Cash and Cash Equivalents	987,439	7,198,000	(6,210,561)	-86%	The lower than anticipated value of Cash and Cash Equivalents is due to the change in investment strategy for Term Deposits which are now held for longer terms and reclassified as Investments in 2017-18. This was not anticipated in the budget.
Investments	6,000,000	-	6,000,000	100%	The value of Investments as at 30 June 2018 is due to the reclassification from cash and cash equivalents of funds invested. Previously funds were invested for a shorter term. This reclassification was not considered when the budget was prepared.

* Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2017-18 Budget Papers). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

PUBLIC TRUSTEE AND GUARDIAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

26. BUDGETARY REPORTING (CONTINUED)

Balance Sheet Line Items (Continued)	Actual 2017-18	Original Budget* 2017-18	Variance	Variance	Variance Explanation
	\$	\$	\$	%	
Plant and Equipment	1,228,911	52,000	1,176,911	2263%	The higher than anticipated value of Plant and Equipment is due to the fit-out of the new premises on level 9, 221 London Cct, Canberra and the revaluation of the Office Fitout of the ground floor and part of level 9 which was not anticipated in the budget.
Non-Current Employee Benefits	148,749	176,000	(27,251)	-15%	The lower than anticipated value of Non-Current Employee Benefits is due to Long Service Leave being reclassified as Current Employee Benefits when staff have been employed for more than seven years.
Non-Current Lease Incentive Liability	360,599	-	360,599	100%	The Non-current Lease Incentive Liability relates to the lease incentive received from Namazzi Pty Limited and Eudora (ACT) Pty Limited for the lease for part of level 9 of 221 London Circuit, Canberra and was to cover part of the fitout costs. It is recognised as a liability and will be amortised over the term of the lease. This was not anticipated in the budget.
Non-Current Other Provisions	132,662	104,000	28,662	28%	The higher than anticipated value of Non-Current Other Provisions is due to the Provision for Make Good being adjusted for future outlays after a revaluation of the Office Fitout was completed at 30 June 2017. This was not anticipated in the budget.

Statement of Changes in Equity Line Items

These line items are disclosed in other financial statements.

* Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2017-18 Budget Papers). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

PUBLIC TRUSTEE AND GUARDIAN
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

26. BUDGETARY REPORTING (CONTINUED)

Cash Flow Statement Line Items	Actual 2017-18	Original Budget* 2017-18	Variance	Variance	Variance Explanation
	\$	\$	\$	%	
Proceeds from Maturity of Investments	3,900,000	-	3,900,000	100%	Proceeds from Maturity of Investments in 2017-18 is attributable to the change in investment strategy for Term Deposits to be held for longer term. These proceeds were not anticipated in the budget
Purchase of Investments	9,900,000	-	9,900,000	100%	As investments are no longer classified as Cash and Cash Equivalents, all movements in Investments are to be reported as cash flows from Investing activities in the Cash Flow Statement. This reclassification was not factored in when the budget was prepared.
Payment of Dividends	281,200	224,000	57,200	26%	The higher Dividend payment is due to a higher than anticipated Operating Surplus in 2016-17.

* Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2017-18 Budget Papers). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

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 2018

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:

- (i) an Operating Statement for the reporting period;
- (ii) a Balance Sheet at the end of the reporting period;
- (iii) a Statement of Changes in Equity for the reporting period;
- (iv) a Cash Flow Statement for the reporting period;
- (v) a Statement of Appropriation for the reporting period;
- (vi) the significant accounting policies adopted for the reporting period; and
- (vii) 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 REPORTING ENTITY

The Public Trustee and Guardian is an individual 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 2018 and the financial position of the Public Trustee and Guardian as at 30 June 2018.

COMPARATIVE FIGURES

BUDGET FIGURES

To facilitate a comparison with the Budget Papers, as required by the FMA, budget numbers for 2017-18 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 2018****COMPARATIVE FIGURES (CONTINUED)****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 2017-18 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 2018-19 Budget Papers.

PUBLIC TRUSTEE AND GUARDIAN

APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES

SIGNIFICANT ACCOUNTING POLICIES - INCOME

REVENUE RECOGNITION

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. In addition, the following specific recognition criteria must also be met before revenue is recognised:

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 5 – USER CHARGES

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

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 19 *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 19 *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.

PUBLIC TRUSTEE AND GUARDIAN

APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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.

OPERATING LEASES

Operating lease payments are recorded as Rental and Property Expenses in the Operating Statement on a straight-line basis over the term of the lease. The operating lease relates to the lease with Namazzi Pty Limited and Eudora (ACT) Pty Limited for part of the ground floor and level 9 of 221 London Circuit, Canberra. The lease had commenced in March 2017 for a period of 10 years with a 5 year option to extend.

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

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 expenses during the year in which debt is written off due to when expenses are unable to be recovered from clients. Further details of waivers are disclosed at Note 10 *Waivers and Write-offs*.

PUBLIC TRUSTEE AND GUARDIAN**APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES
FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018****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. The valuations were performed on the basis that the assets would be replaced with assets similar, if not the same, in nature. 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 initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

IMPAIRMENT LOSS - RECEIVABLES

The allowance for impairment 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 considers the following is objective evidence of impairment:

- a) becoming aware of financial difficulties of debtors;
- b) default payments; or
- c) debts more than 180 days overdue.

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.

Any investments held for a period of less than three months are considered short term and reported under Note 12 *Cash and Cash Equivalents*.

PUBLIC TRUSTEE AND GUARDIAN

APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

SIGNIFICANT ACCOUNTING POLICIES – ASSETS (CONTINUED)

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 – *Depreciation of Non-current Assets*.

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.

PUBLIC TRUSTEE AND GUARDIAN

APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES (CONTINUED)

NOTE 17 – INTEREST-BEARING LIABILITIES

Interest bearing liabilities are a financial liability and are measured at the fair value of the consideration received when initially recognised and at amortised cost subsequent to initial recognition, with any adjustments to the carrying amount being recorded in the Operating Statement. The associated interest expense is recognised in the reporting period in which it occurs.

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 2017-18 the rate used to estimate the present value of future:

- Annual leave payments is 99.7% at 30 June 2018 (99.8% in 2016-17).
- Long service leave is 100.9% at 30 June 2018 (103.4% in 2016-2017).

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 2018

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 May 2014. The assessment by an actuary is performed every 5 years. However it may be performed more frequently if there is a significant contextual change in the parameters underlying the 2014 report. The next actuarial review is expected to be undertaken by May 2019.

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 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.

PUBLIC TRUSTEE AND GUARDIAN**APPENDIX B – SIGNIFICANT ACCOUNTING POLICIES
FORMS PART OF NOTE 2 OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018****NOTE 20 – OTHER PROVISIONS (CONTINUED)****SIGNIFICANT ACCOUNTING POLICIES – OTHER NOTES****NOTE 26 – BUDGETARY REPORTING**

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

- 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 totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

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 2018

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 15 Revenue from Contracts with Customers (application date 1 January 2018 for for-profit entities, 1 January 2019 for not-for-profit entities);

AASB 15 is the new standard for revenue recognition. It establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces AASB 111 Construction Contracts and AASB 118 Revenue. The Public Trustee and Guardian is currently assessing the impact of this standard and has identified there could be a potential impact on the timing of the recognition of revenue. Some revenue may need to be deferred to a future reporting period if the Public Trustee and Guardian has received cash and has not met its associated performance obligations (this would create a liability until the performance obligations are met). At this stage Public Trustee and Guardian is not able to estimate the impact of this new standard on its financial statements and will make a more detailed assessment of the impact over the next 12 months.

AASB 2016-7 Amendments to Australian Accounting Standards – Deferral if AASB for Not-for-Profit Entities defers the effective date of AASB 15 for not-for-profit entities to 1 January 2019.

Public Trustee and Guardian will make a detailed assessment of the impact over the next 12 months.

- AASB 16 Leases (application date 1 January 2019)

AASB 16 is the new standard for leases. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset value is low. This will result in Public Trustee and Guardian recognising a number of its operating leases as assets alongside the associated liability, rather than accounting for these as operating lease expenditure. The right-of-use asset will initially be recognised at cost and will give rise to a depreciation expense. The lease liability will initially be recognised as the present value of the lease payments during the term of the lease. Lease payments made will reduce this liability over time and also result in an interest expense.

Public Trustee and Guardian has estimated that the impact of the new standard will be a \$4,921,321 liability in future years.

- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 [AASB 1, 3, 4, 9 (December 2009) (December 2010), 101, 102, 112, 116, 132, 134, 134, 137, 138, 139, 140, 1023, 1038, 1039, 1049, 1053, 1056, Interpretation 12, 127, 132, 1031, 1038 & 1052] (application date 1 January 2018);

This standard makes consequential amendments to a number of standards and interpretations as a result of the issuing of AASB 15. The Public Trustee and Guardian is assessing the potential impact of AASB 15.



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY



INDEPENDENT AUDIT REPORT

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

To the Public Trustee and Guardian

Audit opinion

I am providing an **unqualified audit opinion** on the special purpose financial statements of the Public Trustee and Guardian Trust Account (the Trust Account) for the year ended 30 June 2018. The financial statements comprise operating statements for the Common Fund Interest Account and Guarantee and Reserve Account, balance sheet, statement of changes in equity, cash flow statement and accompanying notes.

In my opinion, the financial statements present fairly the financial position of the Trust Account and results of its operations and cash flows in accordance with the basis of preparation described in Note 2 - Appendix A of the financial statements.

Basis for the audit opinion – basis of accounting

The audit was conducted in accordance with Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

Emphasis of matter

Without modifying the audit opinion, I draw attention to Note 2 – Appendix A of the financial statements which describes the basis of preparation. 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.

Responsibility for preparing and fairly presenting 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 the 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.

Responsibility for the audit of the financial statements

The Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the Trust Account.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the Public Trustee and Guardian; and
- assessed the going concern* basis of accounting used in the preparation of the financial statements.

(*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.)

Limitations on the scope of the audit

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- prudence of decisions made by the Public Trustee and Guardian;
- adequacy of controls implemented by the Public Trustee and Guardian; or
- integrity of the audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.

**PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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 2018 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 this 19TH September 2018

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
OPERATING STATEMENT - COMMON FUND INTEREST ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2018

	Note No.	2018 \$	2017 \$
Income			
Dividends		5,130,829	5,815,716
Interest		2,793,065	2,350,210
Management Fee Rebate		131,034	124,317
Net gains on Investments	3	748,839	1,577,979
Total Income		<u>8,803,767</u>	<u>9,868,222</u>
Expenses			
Interest Distributed to Estates and Trusts		1,674,907	1,489,592
Dividend Distributed to Estates and Trusts		4,319,590	5,018,947
Net increase in Investments attributable to unitholders	3	748,839	1,577,979
Bank Fees		(26)	25
Management Fees		2,082,079	1,826,204
Total Expenses		<u>8,825,389</u>	<u>9,912,747</u>
Operating (Deficit)		<u>(21,622)</u>	<u>(44,525)</u>
Total Comprehensive (Deficit)		<u>(21,622)</u>	<u>(44,525)</u>

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

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT
OPERATING STATEMENT - GUARANTEE AND RESERVE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2018

	Note No.	2018 \$	2017 \$
Income			
Interest		50,573	59,343
Total Income		<u>50,573</u>	<u>59,343</u>
Expenses			
Consultancy Fees		5,228	20,500
Depreciation		15,000	15,000
Commission		2,083	2,951
Management Fees		21,364	22,450
Legal Costs		-	10,450
Information Technology Costs	4	228,804	35,398
Other Expenses		60	235
Total Expenses		<u>272,539</u>	<u>106,984</u>
Operating (Deficit)		<u>(221,966)</u>	<u>(47,641)</u>
Total Comprehensive (Deficit)		<u>(221,966)</u>	<u>(47,641)</u>

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 2018

	Note No.	2018 \$	2017 \$
Assets			
Current Assets			
Cash and Cash Equivalents	5	618,300	104,769,583
Receivables	6	3,754,534	3,574,686
Investments	7	97,010,000	-
Unrealised Assets	8	155,345,887	123,835,444
Prepayments		2,038	15,718
Total Current Assets		256,730,759	232,195,431
Non-Current Assets			
Investments	7	97,753,835	88,550,695
Property	9	270,000	285,000
Total Non-Current Assets		98,023,835	88,835,695
Total Assets		354,754,594	321,031,126
Liabilities			
Current Liabilities			
Trust Liabilities	10	6,740,541	9,415,861
Other Liabilities	11	26,602	32,263
Total Current Liabilities		6,767,143	9,448,124
Non-Current Liabilities			
Estates and Trusts Under Administration	12	345,749,564	309,101,527
Total Non-Current Liabilities		345,749,564	309,101,527
Total Liabilities		352,516,707	318,549,651
Net Assets		2,237,887	2,481,475
Equity			
Common Fund Interest Account		(12,358)	9,264
Guarantee and Reserve Account		1,879,217	2,101,183
Asset Revaluation Surplus		371,028	371,028
Total Equity		2,237,887	2,481,475

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 2018

	Asset Revaluation Surplus 2018 \$	Common Fund Interest Account 2018 \$	Guarantee and Reserve Account 2018 \$	Total 2018 \$
YEAR ENDED 30 JUNE 2018				
Balance at the Beginning of the Reporting Period	371,028	9,264	2,101,183	2,481,475
Comprehensive Income				
Common Fund Interest Account - Operating (Deficit)	-	(21,622)	-	(21,622)
Guarantee and Reserve Account - Operating (Deficit)	-	-	(221,966)	(221,966)
Total Comprehensive (Deficit)	-	(21,622)	(221,966)	(243,588)
Balance at the End of the Reporting Period	371,028	(12,358)	1,879,217	2,237,887

	Asset Revaluation Surplus 2017 \$	Common Fund Interest Account 2017 \$	Guarantee and Reserve Account 2017 \$	Total 2017 \$
YEAR ENDED 30 JUNE 2017				
Balance at the Beginning of the Reporting Period	371,028	53,789	2,148,824	2,573,641
Comprehensive Income				
Common Fund Interest Account - Operating (Deficit)	-	(44,525)	-	(44,525)
Guarantee and Reserve Account - Operating (Deficit)	-	-	(47,641)	(47,641)
Total Comprehensive (Deficit)	-	(44,525)	(47,641)	(92,166)
Balance at the End of the Reporting Period	371,028	9,264	2,101,183	2,481,475

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

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

	Note No.	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts			
Interest		2,063,543	2,319,989
Dividends		5,749,675	5,440,763
Total Receipts from Operating Activities		7,813,218	7,760,752
Payments			
Management and Other Fees		2,303,650	1,919,524
Total Payments from Operating Activities		2,303,650	1,919,524
Net Cash Inflows from Operating Activities	14(b)	5,509,568	5,841,228
Cash Flows from Investing Activities			
Receipts			
Proceeds from the Sale / Maturity of Investments		155,810,000	6,465,000
Return of Capital		-	40,246
Total Receipts from Investing Activities		155,810,000	6,505,246
Payments			
Purchase of Investments		261,126,088	-
Total Payments from Investing Activities		261,126,088	-
Net Cash (Outflows) / Inflows from Investing Activities		(105,316,088)	6,505,246
Cash Flows from Financing Activities			
Receipts			
Receipts from Trusts and Estates		93,626,535	77,169,277
Total Receipts from Financing Activities		93,626,535	77,169,277
Payments			
Payments to Trusts and Estates		97,971,298	64,682,184
Total Payments from Financing Activities		97,971,298	64,682,184
Net Cash (Outflows) / Inflows from Financing Activities		(4,344,763)	12,487,093
Net (Decrease) / Increase in Cash and Cash Equivalents		(104,151,283)	24,833,567
Cash and Cash Equivalents at Beginning of the Reporting Period		104,769,583	79,936,016
Cash and Cash Equivalents at End of the Reporting Period	14(a)	618,300	104,769,583

The above Cash Flow Statement 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 2018****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 2018 and the results of these operations for the year ended 30 June 2018.

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

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
3. NET GAIN ON INVESTMENTS		
Unrealised gains on Investments	144,509	1,374,148
Realised gains on Investments	604,330	203,831
Net Gain on Investments	748,839	1,577,979
Increase on Investments attributable to unitholders	748,839	1,577,979
Net Gain attributable to Estates and Trusts	748,839	1,577,979

Realised gains increased during the year due to market fluctuations and the unit holdings being redeemed and reinvested in new funds. This change occurred in June 2018 due to a review of the Public Trustee and Guardian's investment strategy as referred to in Note 7 *Investments*. Subsequently, unrealised gains decreased due to the short time funds were invested in the new Common Funds.

4. INFORMATION TECHNOLOGY COSTS

Information Technology Costs	228,804	35,398
Total Information Technology Costs	228,804	35,398

The Public Trustee and Guardian is currently undergoing a 'Business Transformation Project' to change how the organisation operates, the infrastructure, organisational culture and services delivered. The expenses for this project include upgrades of a number of software applications and contractor costs of a full-time Project Manager to oversee this transition. This has resulted in a significant increase in the IT costs for the Trust for the 2017-18 financial year.

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	95,297	108,373
Cash at Bank - Guarantee and Reserve	151,843	54,210
Investments - Common Fund	371,160	102,487,000
Investments - Guarantee and Reserve	-	2,120,000
Total Cash and Cash Equivalents	618,300	104,769,583

The decrease in Common Fund Investments and Guarantee and Reserve Investments is a result of a change in the investment strategy (referred to in Note 3 *Gain on Investments*). Refer to Note 7(a) *Current Investments* for further details.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
6. RECEIVABLES		
Current		
Interest Receivable (a)	1,400,746	620,651
Dividend Receivable (b)	2,255,492	2,874,338
Management Fee Rebates Receivable	37,255	30,594
Gifts Receivable	12,700	9,100
Reduced Input Tax Credits	48,341	40,003
Total Receivables	3,754,534	3,574,686

(a) Interest Receivable represents interest on invested funds not yet received. Due to a change in the investment strategy, investments are now held for longer periods to achieve a higher return, resulting in an increase in interest receivable at 30 June 2018.

(b) Dividend Receivable has decreased due to a lower rate of return at 30 June 2018.

7. INVESTMENTS

Current Investments		
Investments - Common Fund	95,200,000	-
Investments - Guarantee and Reserve	1,810,000	-
Total Current Investments (a)	97,010,000	-
Non-Current Investments		
Australian Equities Common Fund	5,466,759	34,408,904
Australian Fixed Interest Common Fund	5,129,480	31,163,761
Australian Listed Property Common Fund	523,392	7,654,422
Balanced Common Fund	25,012,875	-
Conservative Common Fund	10,778,836	-
Growth Common Fund	48,018,190	-
International Equities Common Fund	2,824,303	15,323,608
Total Non-Current Investments (b)	97,753,835	88,550,695
Total Investments	194,763,835	88,550,695

(a) The investment strategy for term deposits was reviewed in 2017-18 which resulted in a majority of cash and cash equivalents being invested as current investments to achieve a higher rate of return.

(b) A review of the Public Trustee and Guardian investment strategy was conducted by PwC Australia in May 2017. As a result of this review, the Public Trustee and Guardian restructured its investment strategy for Non-Current Investments. The new strategy resulted in the creation of three new Common Funds: Balanced, Growth and Conservative Common Fund. The balance of funds remaining as part of the previous investment strategy will be transferred to the new Common Funds by 30 June 2019. The increase in the overall value of Non-Current Investments is due to an increase in funds available for investment.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

7 INVESTMENTS (Continued)

Section 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.

	2018 \$	2017 \$
8. UNREALISED ASSETS		
Properties at Cost:		
Real Estate	64,452,299	52,853,506
Total Properties at Cost	64,452,299	52,853,506
Unit Based Assets - at Fair Value:		
Shares	9,019,342	9,187,936
Superannuation Policies	400,990	388,574
Managed Funds	-	9,277
Property and Unit Trusts	448,812	86,616
Total Unit Based Assets - at Fair Value	9,869,144	9,672,403
Other Assets - at Cost:		
Nursing Home/Retirement Village Bonds	11,992,121	10,174,712
Superannuation Policies	62,568,260	42,789,792
Prepaid Funerals	138,714	144,780
Managed Funds	1,493,618	1,171,841
Investments	4,424,897	5,194,753
Personal Effects	406,834	1,833,657
Total Other Assets - at Cost	81,024,444	61,309,535
Total Unrealised Assets	155,345,887	123,835,444

The increase in unrealised assets is a result of an increase mainly in the number of clients owning Real Estate and Superannuation assets as at 30 June 2018.

9. PROPERTY

Leasehold Building at Market Value	300,000	300,000
Less: Accumulated Depreciation	(30,000)	(15,000)
	270,000	285,000
Total Property	270,000	285,000

An independent valuation of the Public Trustee and Guardian's warehouse at Mitchell was performed by David James (AAPI Certified Practising Valuer) of Herron Todd White as at 30 June 2016. The next valuation is due to be performed on 30 June 2019.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
10. TRUST LIABILITIES		
Mortgages	3,527,150	5,040,911
Funeral Expenses	34,611	69,554
Bank Loans and Credit Cards	62,078	653,527
Medical/Dental Costs	30,106	30,620
Property/Utility Costs	48,638	87,679
Personal Expenses	151,513	124,673
Accommodation/Rent	379,377	95,510
Taxation Debts	6,122	7,320
Sundry Debts	72,717	254,577
Dividends to be Distributed	2,049,293	2,674,876
Accrued Income Commission	100,875	131,319
Accrued Management Fees	278,061	245,295
Total Trust Liabilities	6,740,541	9,415,861

Trust Liabilities decreased primarily as result of a decrease in the holding of client mortgages, bank loans and credit cards. The lower Dividend Receivable (refer to Note 6(b) *Dividend Receivable*) has resulted in lower dividends to be distributed at 30 June 2018.

11. OTHER LIABILITIES		
GST Payable	10,088	13,132
Payables	16,514	-
Accrued Expenses	-	19,131
Total Other Current Liabilities	26,602	32,263

Creditor invoices in relation to IT costs were received prior to year end and recognised as Payables at 30 June 2018. At 30 June 2017 these costs were received after year end and reported as Accrued Expenses.

12. ESTATES AND TRUSTS UNDER ADMINISTRATION		
Unclaimed Monies	36,315,362	33,723,250
Capital Region Community Foundation - Gift Fund	12,810,049	12,787,325
Capital Region Community Foundation - Open Fund	6,349,237	6,171,206
Estates and Trusts	290,274,916	256,419,746
Total Estates and Trusts Under Administration	345,749,564	309,101,527

Estates and Trusts Under Administration have increased due to an overall increase in the number and value of net assets held for all clients.

PUBLIC TRUSTEE AND GUARDIAN TRUST ACCOUNT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

13. CONTINGENT LIABILITIES

Legal Claims

The Public Trustee and Guardian Trust is subject to 1 legal claim as at 30 June 2018 (2017: None). The Public Trustee and Guardian Trust is potentially liable for \$60,000 (2017: Nil) which represents the full amount payable on these actions. Although The Public Trustee and Guardian Trust is covered by the ACT Insurance Authority (ACTIA) this amount is not claimable as it is client related rather than agency related.

14. CASH FLOW RECONCILIATION

(a) Reconciliation of Cash and Cash Equivalents at the end of the Financial Year in the Cash Flow Statement to the Equivalent Items in the Balance Sheet

	2018 \$	2017 \$
Cash at Bank	618,300	104,769,583
Total Cash and Cash Equivalents	618,300	104,769,583

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

Operating (Deficit) - Common Fund	(21,622)	(44,525)
Operating (Deficit) - Guarantee and Reserve Account	(221,966)	(47,641)

Add / (Less) Non-Cash Items

Gain on Investments	(748,839)	(1,577,979)
Depreciation	15,000	15,000
Management Fee Rebates	(131,033)	(124,317)
Interest Distributed to Estates and Trusts	1,674,907	1,489,592
Dividends Distributed to Estates and Trusts	4,319,590	5,018,947
Gains attributable to Estates and Trusts	748,839	1,577,979
Net Cash Inflow Before Changes in Operating Assets and Liabilities	5,634,875	6,307,056

Changes in Operating Assets and Liabilities:

(Increase) in Receivables	(169,136)	(449,688)
Decrease / (Increase) in Prepayments	13,680	(15,718)
Increase / (Decrease) in Trust Liabilities	32,764	(22,686)
(Decrease) / Increase in Other Liabilities	(2,617)	22,264

Net Change in Operating Assets and Liabilities	(125,309)	(465,828)
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Net Cash Inflows from Operating Activities	5,509,566	5,841,228
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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 2018****APPENDIX A - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS****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.

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.

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 2018

APPENDIX B - SIGNIFICANT ACCOUNTING POLICIES

SIGNIFICANT ACCOUNTING POLICIES - INCOME

REVENUE RECOGNITION

Revenue is measured at the value of the consideration received or receivable in the Operating Statement.

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.

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 the Cash Common Fund.

DIVIDEND DISTRIBUTIONS

Dividend distributions are made to Estates and Trusts quarterly on a cash basis. The distribution is determined by the amount of dividend received less expenses directly related to the investment.

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. Movements in fair value of investments are recognised through the Operating Statement - Common Fund Interest Account and are attributable to the unitholders.

The distributions received on the Australian Equities, Fixed Interest, International Equities, Listed Property, 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.

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 2018****SIGNIFICANT ACCOUNTING POLICIES - ASSETS (CONTINUED)****NOTE 8 - UNREALISED ASSETS**

Estates and Trusts under administration represents 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.

**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 fair value. The fair 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.

Annexures – Inserted Reports

OFFICIAL VISITOR SCHEME

OFFICIAL VISITORS BOARD ANNUAL REPORT 2017-18

I am pleased to report on the activities of the Official Visitors Board (the Board) for 2017-18.

THE BOARD

The Board was established under S. 23A of the *Official Visitor Act 2012* [the Act].

The Official Visitors (OV) Board has the following functions under the Act:

- arrange training for OVs
- facilitate interaction between OVs
- arrange for the provision of administrative assistance to OVs
- exercise any other function given to the Board under the Act, an Operational Act or another Territory law

The Board has no involvement in the day-to-day activities of Official Visitors (OVs), ensuring OV's are fully independent in the conduct of their responsibilities.

For the purposes of the Act, each of the following is an Operational Act:

- *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 is required to meet at least twice each year. During the reported year, the Board met on three occasions:

- 26 July 2017
- 6 September 2017
- 19 April 2018

MEMBERSHIP

In accordance with S. 23B of the Act, the Board comprises the following:

- Public Trustee for the ACT (Chair)*
- Public Advocate of the ACT (Member)
- A Commissioner from the Human Rights Commission, as determined by the Commission
- Two OVs, chosen by the OVs as their representatives

* S. 23B(2) of the Act establishes the Public Trustee as *ex officio* Chair of the Board

The Human Rights Commission nominated the Public Advocate/Commissioner for Children and Young People, Jodie Griffiths-Cook, as its representative on the Board.

Shannon Pickles and Narelle Hargreaves OAM are the OV's representatives on the Board.

Membership of the Board and meeting attendances during the reported year was as follows:

MEMBER	NATURE OF APPOINTMENT	MEETING 26.07.17	MEETING 06.09.18	MEETING 19.04.18
Mr Andrew Taylor	Public Trustee (Chair)	✓	✓	✓
Jodie Griffiths-Cook	Public Advocate of the ACT/Children and Young People Commissioner	✓	✓	✓
Ms Narelle Hargreaves OAM	OV for the purposes of the <i>Disability Services Act 1991</i> and the <i>Children and Young People Act 2008</i>	✓	✓	✓
Mr Shannon Pickles	OV for the purposes of the <i>Mental Health (Treatment and Care) 1994 Act</i> and the <i>Corrections Management Act 2007</i> .	✓	✓	✓

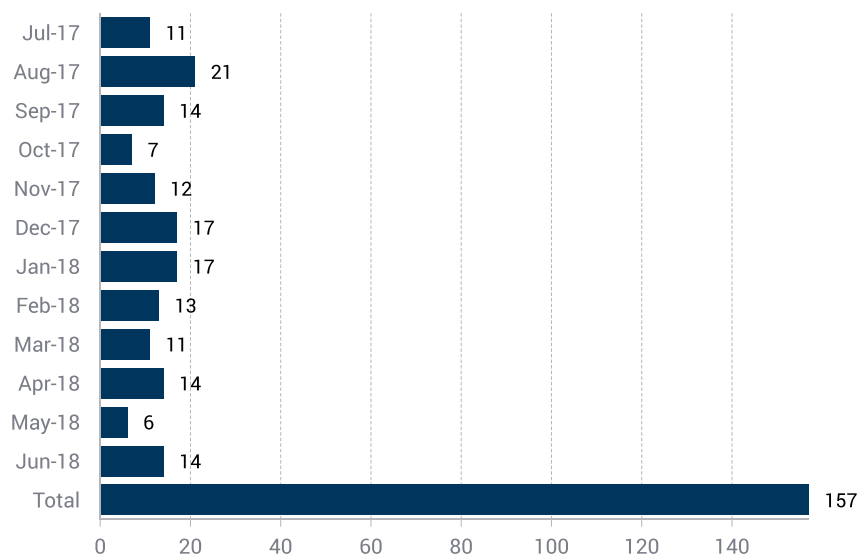
PTG staff member Stefan Dzwonnik attended meetings as Secretary/Finance Officer.

THE YEAR IN REVIEW

CALLS TO THE OFFICIAL VISITORS HOTLINE

During the reported year, calls were made to the Official Visitors Hotline 1800 150036 as follows:

Calls to the Official Visitors Hotline



Prior to each meeting of the Board, members are required to disclose any material interest in an issue to be considered at the meeting. No disclosures were made by any Board member at any of the Board meetings.

MEETING – 26 JULY 2017

This meeting was attended by Pam Jenkins, consultant in respect to the Review of the Official Visitor Scheme.

The following matters were discussed by the Board:

- Review of the Official Visitor Scheme
- Possible statement of functions of OVs in legislation
- Consistency of OV roles under different OV disciplines
- Process for Board appointments and possibility of a pool of OVs
- Training – how to improve the Training Day and inclusion of Directorates
- Funding for the scheme
- Board Administration
- Authority and Powers of OVs
- Raising profile within Directorates
- Use of the term 'Official Visitor'
- Information privacy and storage of documents
- Consistency in reporting
- Reporting tool
- Jurisdiction of NDIS
- Diversity
- Dual visit requirements
- Human Rights

MEETING – 6 SEPTEMBER 2017

The following matters were discussed by the Board:

- Review of the Official Visitor Scheme
- OV Budget
- Appointments – ACT Government Guidelines on successive terms
- Distribution of Board Minutes
- OV Manual
- NSW Mental Health Symposium – Attendance by Mental Health OVs
- Comparative Table of Australian OV/Community Visitor Schemes
- NDIS Quality and Safeguarding Framework
- Training Day briefing – November 2017
- Board Functions
- Possible OV software as used in South Australia

MEETING – 19 APRIL 2019

The following matters were discussed by the Board:

- Review of the Official Visitor Scheme
- Successive terms by OVs
- Appointments schedule and new appointments
- OV Insurance cover
- OV Training Day – Planning
- Budget

REVIEW OF THE OFFICIAL VISITOR SCHEME

At the time of this report, Government had not issued a response to the recommendations contained in the consultant's report on the Review of the Official Visitor Scheme.

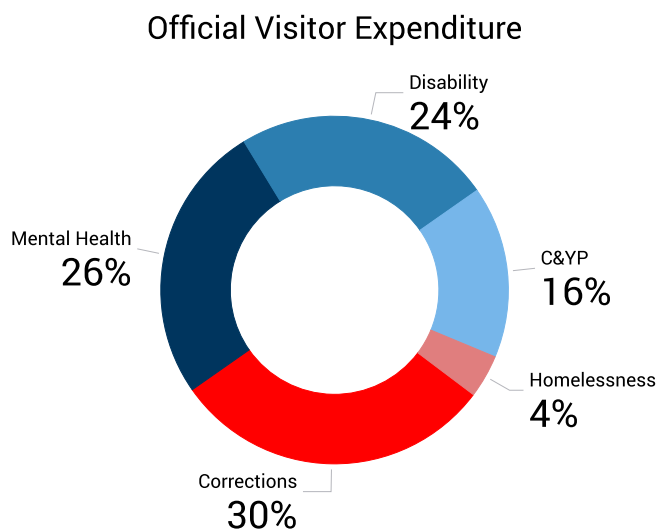
FINANCIAL MATTERS

The allocated budget for Official Visitor remuneration for the 2017-18 financial year was \$460,000 with actual expenditure being \$292,000. Surplus for the period was \$168,000. In comparison, the allocated budget for 2016-17 was \$440,000 with actual expenditure being \$268,000 resulting in a surplus of \$172,000. Expenditure from 2016-2017 to 2017-2018 has increased by approximately \$24,000.

Increased expenditure is due to:

- Increased visits by Official Visitors
- Changes to Official Visitor appointments
- Allowance given for accumulating time in taking phone calls per month
- Increased remuneration rates applicable following Remuneration Tribunal Determination - November 2017

Final discipline expenditure breakdown for 2017-18 is as follows:



REMUNERATION

The ACT Remuneration Tribunal recently sought feedback on remuneration, allowances and other entitlements with a focus on the level of responsibility of the role, impact on the ACT community and comparative data between jurisdictions/industries to support any changes. Submissions closed on 7 September 2018.

The ACT Remuneration Tribunal is expected to make a determination regarding remuneration of Part-Time Public Office Holders in December for the period beginning 1 November 2018. In the event that the rates are increased, Official Visitors will receive an updated timesheet template as well as back-pay according to the determined remuneration rate.

APPOINTMENTS SCHEDULE

Current appointments and terms are as follows:

NAME	TERM					
	AREA	2016	2017	2018	2019	2020
K Barralet	M Health			25.06.18	28.06.19	
S Connor	M Health	29.05.16			03.06.19	
P Burton	M Health			23.07.2018	22.07.19	
S Pickles	M Health			25.06.2018	28.06.19	
N Hargreaves	Disability		01.09.17	07.10.18	31.08.19	
M Durkin	Disability		01.09.17		31.08.19	
N Hargreaves	C&YP		07.10.2017	07.10.2018	06.04.19	
T Whetnall	C&YP		08.10.2017	07.10.2018	30.06.19	
T Whetnall	Corrections		17.01.17			16.01.20
D Brasser	Corrections		23.12.17			22.12.20
S Pickles	Corrections		17.12.17			16.12.20
D Lucas	Housing		01.09.17			31.08.20

TRAINING

The OV Training Day was held on 17 November 2017. A number of Mental Health OV's also attended the 2017 NSW Mental Health Symposium held in Sydney.

Guest speakers at the Training Day included –

- Mr Shane Rattenbury MLA (Minister for Justice, Consumer Affairs and Road Safety and Minister responsible for the Official Visitor Act),
- Nat Brown, Policy Officer & Gabrielle McKinnon, Legal and Policy Advisor; ACT Human Rights Commission
- Colleen Pearce, Public Advocate for Victoria
- Dannielle Nagle, Operations Director, Justice Health Services and Jacqui Raby, Data and Administration Manager, Dhulwa, ACT Health Directorate
- Michelle Waterford, Senior Manager and Justin States, Legislative Draftsman; Quality Compliance and Regulation, ACT Community Services Directorate.

LOOKING FORWARD

The Board will hold its Annual OV Training Day on 16 November 2017.

The Board will continue to play an active role in the review of the OV Scheme.

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
CHAIR - OFFICIAL VISITORS BOARD
PUBLIC TRUSTEE AND GUARDIAN



PUBLIC TRUSTEE AND GUARDIAN

PUBLIC TRUSTEE AND GUARDIAN INVESTMENT BOARD

ANNUAL REPORT 2017-18

I am pleased to report on the activities of the Public Trustee and Guardian (PTG) Investment Board (the Board) for 2017-18.

THE BOARD

The Board was established under S. 46 of the *Public Trustee and Guardian Act 1985* (the Act) to provide expertise 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* 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 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 | - <i>ex officio</i> Senior Member |
| → Mr Patrick McAuliffe | - expires 2 March 2019 |
| → Dr Jill Charker | - expires 2 March 2019 |
| → Ms Caroline Spencer | - resigned 23 March 2018 |
| → Mr Michael Davison | - expires 2 March 2021 |

During the reported year, Ms Caroline Spencer resigned her appointment to take up a position as Auditor-General for Western Australia.

Mr Patrick McAuliffe is Director, Asset Liability Management, Economic and Financial Group, ACT Treasury, CMTEDD. He is responsible for leading the development and implementation of key investment policies and strategies for the ACT Government's financial investment portfolios.

Dr Jill Charker is currently appointed as Chief Operating Officer, Deputy Secretary – Corporate, Department of Jobs and Small Business. Prior to that Dr Charker held appointments as Deputy Secretary, Corporate, C'wlth Dept. of Employment and Chief Operating Officer/Deputy Secretary Corporate Group at the (C'lth) Department of Immigration and Border Protection. Dr Charker held a prior appointment as CEO ComSuper. Dr Charker holds a PhD from Griffith University, a Class 1 Honours degree in psychology, an Executive Master's degree in Public Administration, is a graduate of the Australian Institute of Company Directors and a level-two qualified executive coach through the Institute of Executive Coaching and Leadership. Dr Charker resigned her appointment effective 10 July 2018.

Ms Caroline Spencer is a Chartered Accountant and is the Managing Partner of a Canberra-based specialist public sector audit and governance practice firm, Vista Advisory. Ms Spencer has extensive corporate and public sector governance experience. Ms Spencer was appointed to lead the statutory review of the Auditor General for Western Australia and his office. She was awarded (ANU) Chancellor's Letters of Commendation in both 2002 and 2003 (while completing a Science degree) and holds a Bachelor of Business (University of Technology Sydney). Ms Spencer is a graduate of the Australian Institute of Company Directors, and is a Chartered Accountant, CPA, AGIA (Governance). Ms Spencer resigned her appointment effective 10 July 2018 upon her appointment as Auditor-General for Western Australia.

Mr Michael Davison is Senior Policy Adviser, superannuation and financial planning at CPA Australia. He has 14 years' extensive policy and advocacy experience and 25 years' experience in the superannuation and financial services industry. Mr Davison has a Bachelor of Science (ANU) with a mathematics major and a Postgraduate Diploma in Marketing Management at Macquarie Graduate School of Management. Mr Davison's experience and qualifications in the superannuation sector have strong alignment with the interests of PTG's superannuation investment clients.

ASSET CONSULTANT

PTG appointed PricewaterhouseCoopers (PwC) in February 2011 to provide asset/markets consultancy services to the Board including quarterly reports. On the transition of management of PTG's Australian Equities Common Fund from active to passive fund management, the Board advised that a quarterly report was no longer necessary and that PwC should in future report on an annual basis with a 5-yearly strategy review. In that capacity, PwC reviewed PTG's Investment Strategy (including review of PTG's Cash Common Fund) in August 2016. The recommendations contained in that review are now largely implemented.

THE YEAR IN REVIEW

The year in review focussed largely upon implementing the recommendations contained in the 2016-17 review of PTG's Investment Strategy by PwC.

Scope of the review

- Review of the investment arrangements of the Cash Common Fund

- Review of the performance of Vanguard as an investment manager
- Assessment of the suitability of the return objectives and risk profile of PTG's Risk Models (Income Stable, Balanced and Growth) in light of market conditions, as well as reviewing the investment portfolio structures of PTG's Risk Models.

PwC made the following recommendations/observations:

Investment Strategy

- Adjust the Income Stable Asset Allocation to include international equities (hedged and unhedged) and international fixed interest
- Adjust the Balanced Asset Allocation to include international equities (unhedged) and international fixed interest
- Adjust the Growth Asset Allocation to increase the proportion of growth assets to 75%
- Adjust the Asset Allocation to include international equities (unhedged) and international fixed interest
- Increase exposure to Australian listed property

Cash Common Fund

- PTG's internally managed Cash Common Fund (before PTG fee adjustments) outperformed the Bloomberg AusBond Bank Bill Index over the 1, 3, 5 and 7 years to 30 June 2016. Over the longer 3, 5 and 7 year periods the fund is outperforming in excess of 1.0% pa
- Continue to structure term deposit maturity dates to ensure there are regular cash flows
- Increase the maximum duration of the portfolio to 365 days. Allocation of up to 40% to any individual Approved Deposit-Taking Institution (ADI) rated 'AA' or above, whilst maintaining a 25% maximum weighting to any individual ADI rated less than 'AA' and maintaining a minimum rating of 'BBB'.

Vanguard Performance

- Vanguard performed close to the index in all sectors
- Vanguard has done this after allowance for investment fees paid by PTG.
- Given the difficulties experienced by active management over the past 5-7 years, Vanguard's performance was sufficient for it to rank just inside the top quartile of survey participants for the balanced options.
- This is a commendable result and Vanguard has achieved all of its objectives.

ATTENDANCE TABLE

Member	13 Sep 2017	6 Dec 2017	21 Feb 2018	16 May 2018
Mr Andrew Taylor	√	√	√	√
Mr Patrick McAuliffe	√	√	√	√
Dr Jill Charker	√	√	-	-
Ms Caroline Spencer	√	√	-	Resigned 23.03.18
Mr Michael Davison*	N/A	N/A	Guest	√

*Appointed 3 March 2018

OUTCOMES

The Board considered a range of issues during the year including:

- Updating the Cash Investment Policy
- Review and publish Investment Board Charter
- Modifying the Debit Balances Report deleting client names
- Modifying the new graph in the PT Report by adding gross return, net return, distribution rate and the RBA cash rate for 5 years, to provide a better understanding of how the returns have changed over time
- Recommended that PTG charge a commercial debit interest rate in lieu of the Cash Common Fund rate
- Consideration of a paper by PTG on Investing into Superannuation, including whether legislation might be amended to address perceived risks
- Consideration of a paper by PTG on progress in addressing recommendations contained in KPMG's Fraud Control Framework
- Prepared a comparison of other trustees' management fees
- Add column to Debit Balances Report including age of debt
- Report on other jurisdictions' procedures on client debit balances
- Presentation of a report outlining what fraud controls are currently in place
- Settlement and publication of a statement for PTG's website about PTG's Business Transformation Project
- Significant progress towards transfer of funds to the new diversified common funds on an account by account basis
- All new funds are now invested into the new common funds.

LOOKING FORWARD

The focus for 2018-19 will be on:

- Finalising the implementation of the five-yearly review of PTG's Investment Strategy and PTG's management of its Cash Common Fund
- Maximising return on investment
- Management of risk associated with all forms of investment
- Reviewing the adequacy or appropriateness of PTG's 1.1% Capital Commission.

I record my thanks to Board members Patrick McAuliffe, Jill Charker, Caroline Spencer and Michael Davison together with Deputy Public Trustee and Guardian/Finance Director Joanne Thompson and staff Callum Hughes, David Stenhouse and Stefan Dzwonnik. We acknowledge the valuable advice and contribution by PwC to the Board during 2017/18.



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 Practising 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 Confiscation of Criminal Assets Act 2003 .
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 where 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 Guardianship and Management of Property Act 1991 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 i.e. 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 Public Trustee and Guardian Act 1985 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 Financial Management Act 1996 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.

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**PUBLIC TRUSTEE
AND GUARDIAN**

