

2020-21 Annual Report

**Office of the Public Trustee,
Public and Official Guardian**

Note to Readers:

Copies of the annual report are available online.

Office of the Public Trustee, Public and Official Guardian
Department of Justice & Public Safety

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Office of the Public Trustee, Public and Official Guardian

Annual Report 2020-21

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Preface

This annual report provides a detailed look at the Office of the Public Trustee, Public and Official Guardian’s activities. It outlines actual performance results and develops performance standards for consideration in the upcoming fiscal year.

Following the end of the 2020-2021 year, the Office is moving its financial year end to December 31st. This will result in a change in reporting to calendar year. It will also create a shorter, nine-month fiscal year from April-December 2021. As a result, the Office intends to file its next annual report in December 2022, which will cover two year ends between April 2021-December 2022.

On June 3, 2022, the Office of the Auditor General completed its audit of the Office’s financial statements for the fiscal year ending March 31, 2021 and the period running from April 1 – December 31, 2021. Attached to this report are the Office’s audited financial statements for these two periods.*

*This report was previously amended on May 2, 2022 to remove references to attaching draft statements to the report as they were not available at the time of publication. This report was further amended on June 3, 2022 to reflect the final figures related to asset management and the Office’s caseload of clients as of March 31, 2021.

Director's Accountability Statement

The Office of the Public Guardian and Trustee's annual report for the year ended March 31, 2021, was prepared under my direction in accordance with the recommendations of the Auditor General in the 2017 Auditor report and with the government's accounting policies.

Clare Henderson
Director of Family Law and Court Services
Department of Justice and Public Safety

Message from the Director

I am pleased to present the Annual Report for the Office of the Public Trustee, Public and Official Guardian (PGPT) for the period of April 1, 2020 to March 31, 2021.

This year was partially focused on finishing our implementation of the recommendations of the Auditor General. I am please to report that the Department of Justice and Public Safety has reported completion on all recommendations. However, as we were able to report that we completed implementation, we have also been able to move forward with examining other priorities including how we operate. We focused on finding ways that we could change how we communicate to be sure our communication is more accessible to our clients and service providers. We implemented new processes for communication and identified priorities for next year in terms of communication goals both with clients and with the public.

The Office has seen similar trends with client demographics as with previous years. However, new protocols and procedures implemented within the Office has also seen an increased workload for Office staff. I continue to be impressed by the dedication of the staff of the Office who at every instance are committed to the well-being and respect of our clients.

I would be remiss not to also note that this year saw the retirement of Jessie Frost-Wicks, Public Trustee at the end of this year. Ms. Frost-Wicks guided the Public Trustee Office through the transformation work done to meet and exceed the recommendations of the Auditor General and we are grateful for the work she did, for her leadership and guidance and wish her the best in her new adventure.

Clare Henderson
Director of Family Law & Court Services

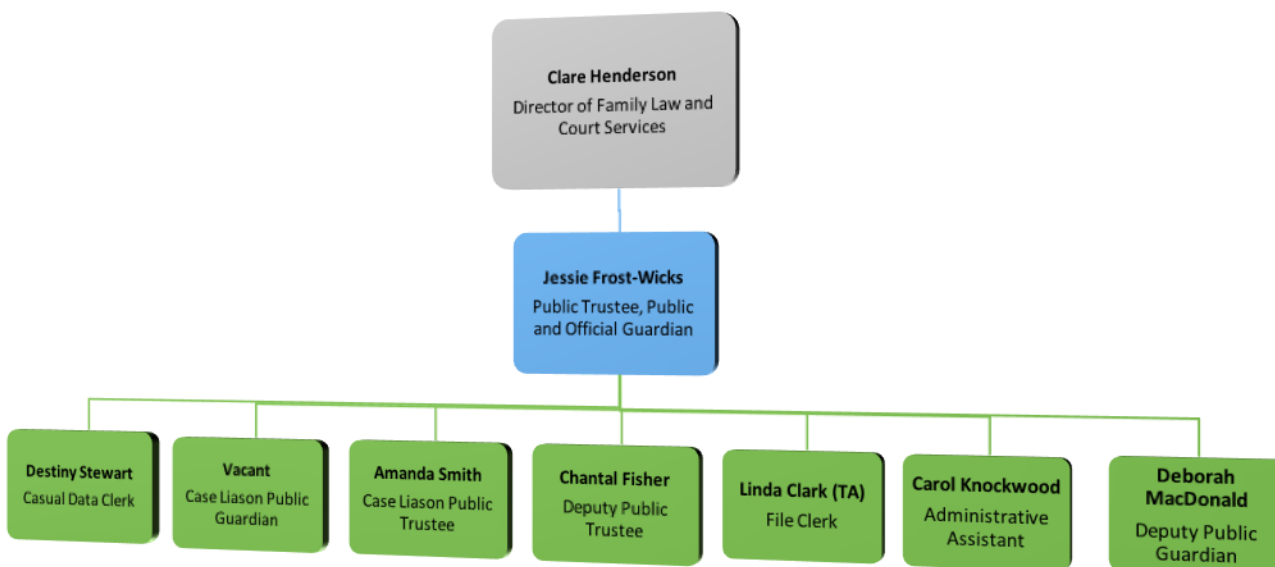
Results Analysis

Section Overview

Ministry

The PGPT is a section of the Family Law and Court Services Division within the Prince Edward Island Department of Justice and Public Safety (JPS).

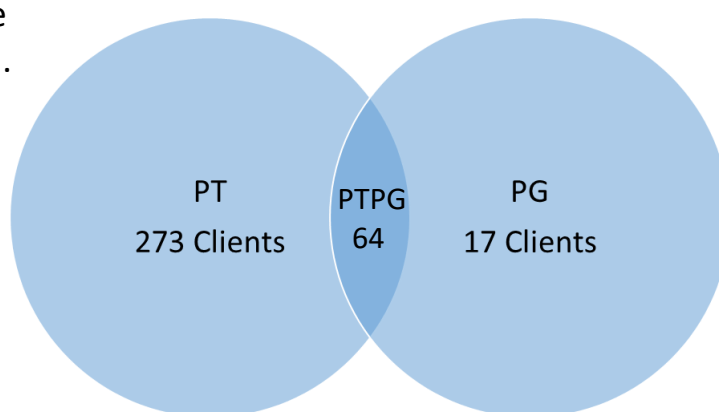
Organizational Structure



Responsibilities

❖ Guardianship and Trusteeship

As of March 31, 2021, a total of 354 Islanders were under Trusteeship or Guardianship by the Public Trustee and Public Guardian. The total caseload remained relatively static from the previous year due to similar numbers of new files and file closures. The Public Trustee office opened 40 new files in this fiscal year and closed 43 files. The Public Guardian office opened 17 new files and closed 1.

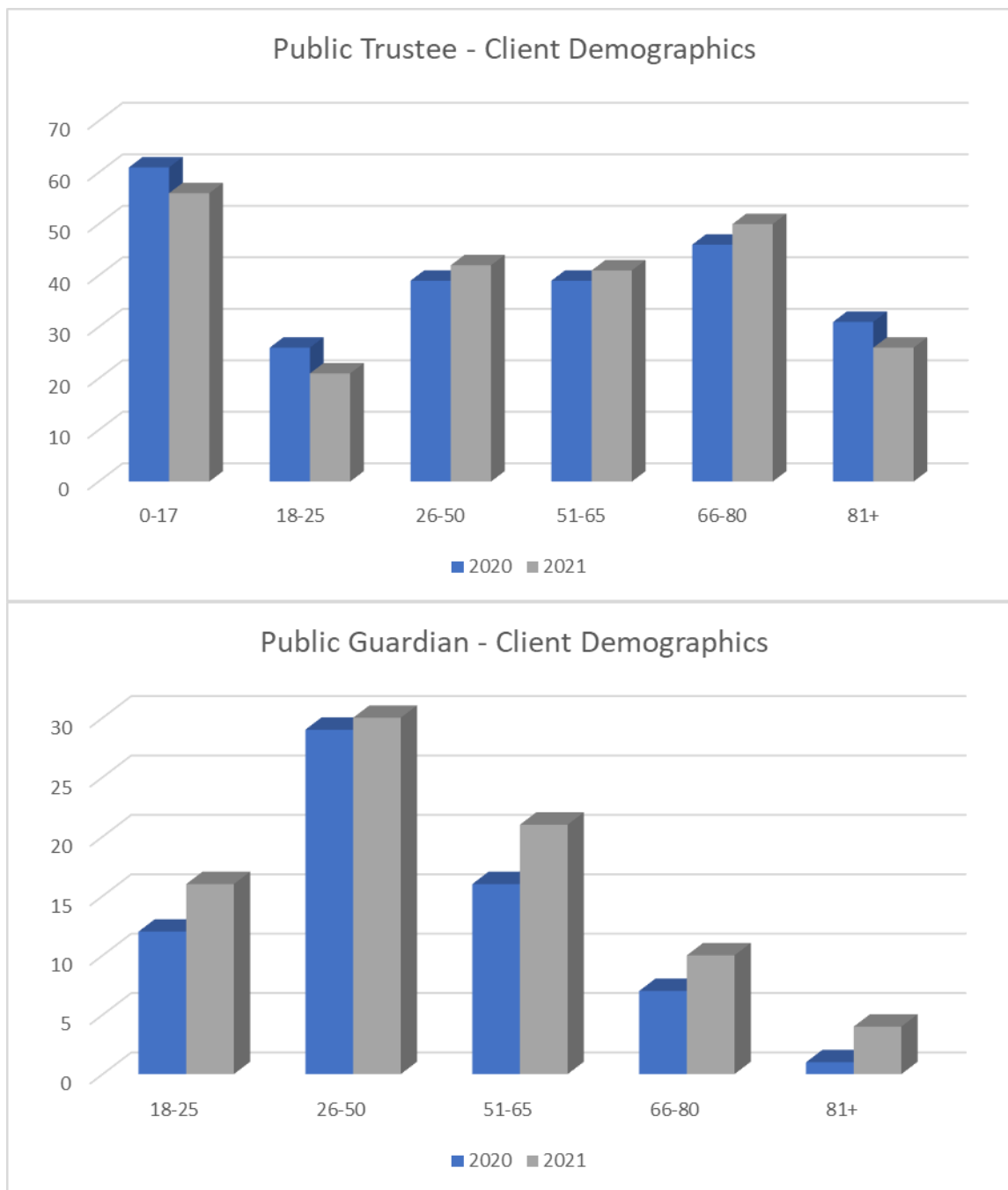


The PGPT is considered to be an office of last resort. When a friend or family member assumes this role, they are called a private guardian and/or trustee.

Of the 354 clients of the Office, 273 are exclusively clients of the Public Trustee, 17 are exclusively Public Guardian clients, and 64 are clients of both the Public Trustee and the Public Guardian.

When someone applies to become a private guardian and/or trustee, the PGPT reviews the formal application package before it goes to court, and there is authority for the PGPT to intervene in cases where the PGPT considers the application to be inappropriate.

If there is no one willing or able to act as guardian or trustee for an adult who needs one, the Public Guardian may apply to become the Guardian and the Public Trustee may receive the required Certificates of Incompetence to become the committee, or trustee, for the individual.



Most PGPT clients are under the age of 65 and have developmental disabilities, psychiatric disorders, brain injuries, fetal alcohol spectrum disorder, or another condition that has rendered them unable to make their own decisions. The PGPT acts as a substitute decision maker and makes decisions on their behalf. To the degree that clients are able, we involve them in the decisions that impact their lives. It is our core belief that people should have as much personal autonomy as possible.

Other Decision-Making Options

In addition to formal guardianship and trusteeship, the Office of the Public Trustee, Public and Official Guardian can also provide support in other circumstances. Examples include:



When someone goes to the hospital for treatment, before the hospital can treat them, the individual has to give their consent. If the person lacks the capacity to give consent (for example, they are unconscious and have no loved one or guardian), the Public Guardian may be asked to step in temporarily to provide consent and determine a treatment plan. In 2020-21, we acted as a **substitute decision-maker of last resort under the *Consent to Treatment and Health Care Directives Act***.



There may be situations where an individual is not incompetent to manage their financial affairs but is physically incapable of conducting their day to day affairs. In those situations, the Public Trustee may, if no one else is willing or able, accept a Power of Attorney from the individual to manage their financial affairs. In 2020-21, the Public Trustee acted on behalf of three clients under the authority of a Power of Attorney.

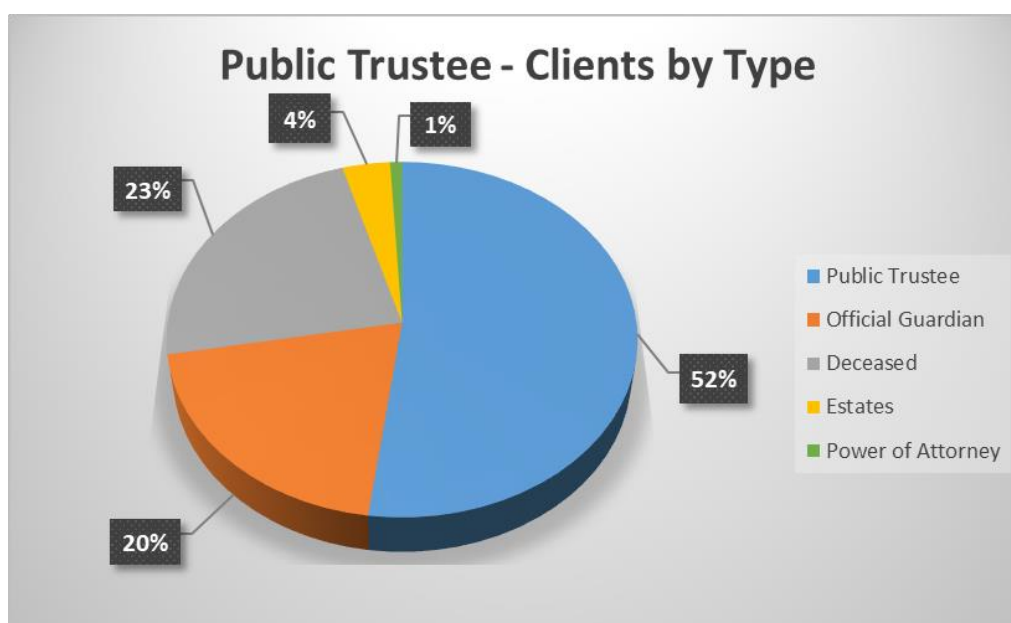
❖ Deceased Estates

The Office of the Public Trustee may, in certain circumstances, administer estates for Clients of the Public Trustee who pass away but do not have a will or executor who is able to administer the estate. Administering a client estate includes paying debts and funeral costs as well as distributing inheritance to known heirs or beneficiaries. In 2020-21, we had an active caseload of 13 deceased estates.

❖ Official Guardian

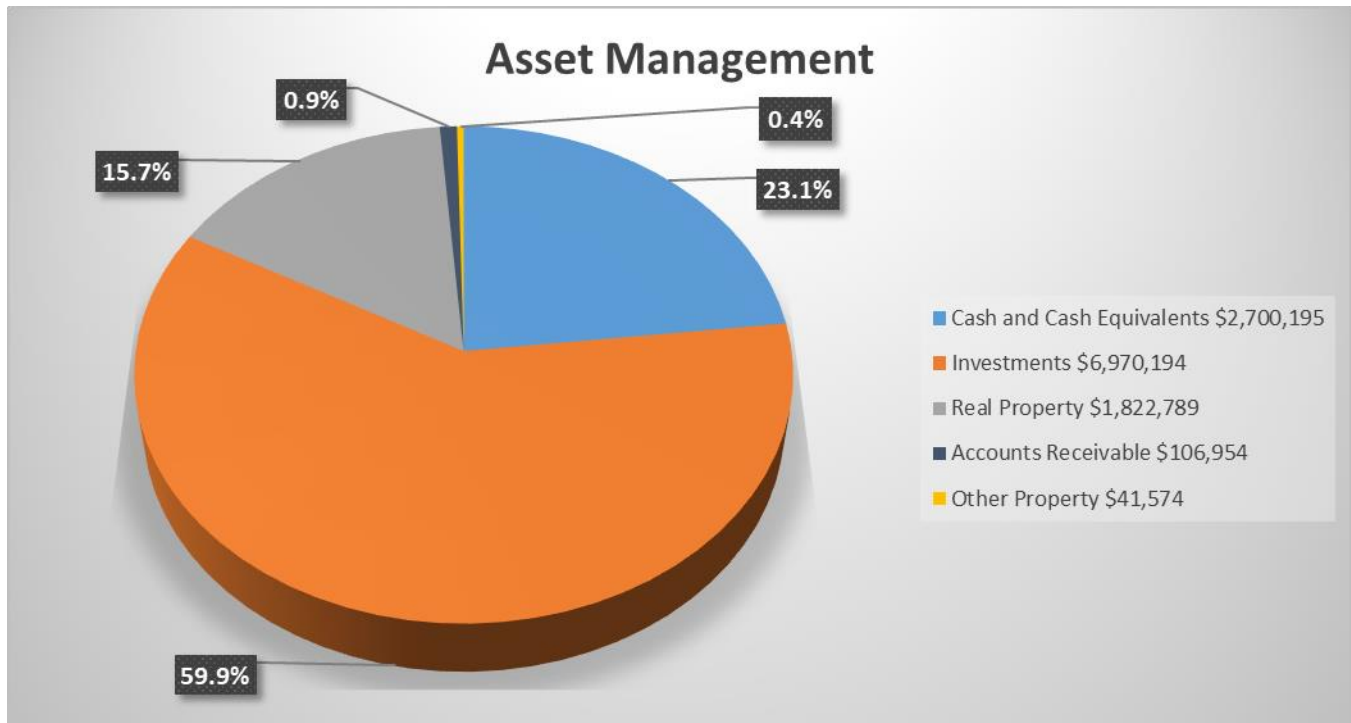
Parents and guardians can make personal decisions for minors about things like education, medical care and social activities. However, they do not automatically have the power to receive and manage money or property for their child.

If a minor or a party with a disability receives cash or property through things like a personal injury settlement, a life insurance policy or even a will that is not drafted properly, the PGPT may be called upon to manage the assets on the child's behalf until they turn 18 as the Public Trustee also holds the role of Official Guardian for the Province. Alternatively, parents can apply to the court to take on this role. In 2020-2021, the PGPT Office administered 67 Official Guardian files.



Asset Management

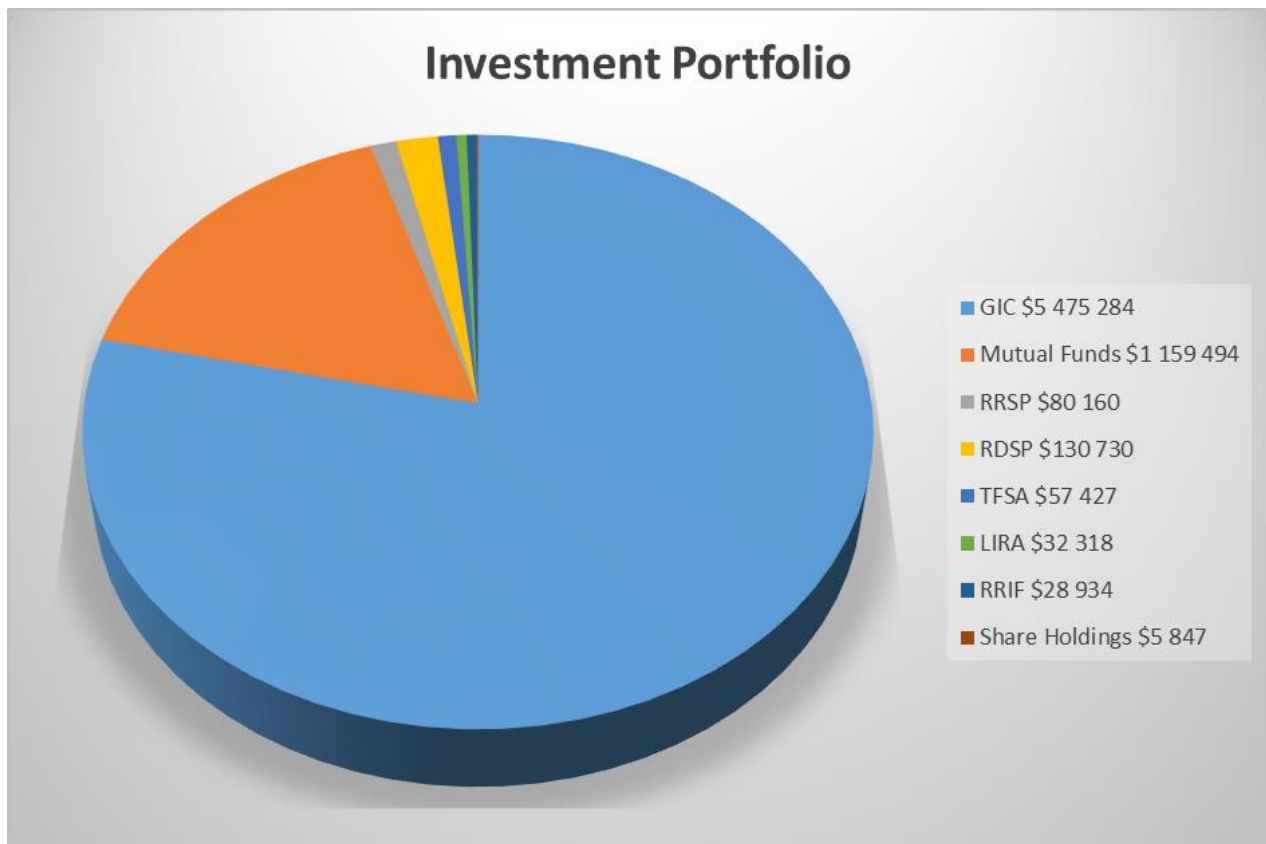
PGPT manages and protects approximately \$11 642 000 in trust for represented adults and Official Guardian files.



In 2020-21, we processed 9499 transactions on behalf of clients – everything from paying for the interim care of property for someone who is deceased to depositing monthly support payments for clients with a disability. We work with daily financial services for our clients ranging from banks, governments and private pension plans, employers, care facilities, utility companies, pharmacies, phone companies, etc. Hundreds of thousands of dollars flow through the Public Trustee Office each year in payments for the clients of the Office. That's why it is so important that the proper checks and balances are in place.

Clients' monies are held separate from PGPT operating funds and, depending on the amount of funds in each client's estate, they are invested to earn interest, much like they would at a bank.

The Public Trustee has adopted a risk adverse approach to investments, as it is believed to offer the greatest protection to our clients' assets while still offering a return on their investments.



PGPT strategic direction (2020-2025)

VISION

The PGPT will work with clients and community care providers to provide excellent, proactive, timely and respectful service to vulnerable adult Islanders and all Islanders.

MISSION

The PGPT acts as a substitute decision maker for vulnerable Islanders:

- By protecting and advocating for individuals who are under the care of our office and deemed unable to make personal and financial decisions for themselves.
- By providing legal guardianship to adults ordered under the Guardianship of the Public Guardian: making decisions regarding health care, where to live, with whom to associate, social activities, education, employment, and non-financial legal proceedings.
- By administering the property of represented adults, Official Guardian clients and deceased clients.
- By providing information, education and support to the public about the role of the PGPT.

VALUES

RESPECT

ACCOUNTABILITY

INTEGRITY

EXCELLENCE

GOAL

By 2025, PGPT is an innovative organization that meets or exceeds client, staff and stakeholder expectations and supports the dignity and welfare of clients under the care of the Office.

PRIORITIES

Efficient Service
Delivery



Operational Excellence



Continued Implementation
of AG Recommendations



CLIENT

PGPT

CULTURE

Outcomes

In 2020-2021, the PGPT continue to strive to achieve three outcomes:



Outcome one – Efficient Service Delivery: Islanders under the care of the Office receive quality service designed to meet their individual needs.



Outcome two – Operational Excellence: PGPT's operating systems and processes support excellence and foster public trust.



Outcome three – Finalizing Implementation of the Recommendations of the Auditor General: The PGPT Office considers that we have completed the implementation of the 2017 & 2018 recommendations of the Auditor General relating to the PGPT Offices.

Discussion of Risks

As a part of the 2020-2021 operational review in the preparation of this Annual Report, the PGPT identified two key risks to achieving identified outcomes:

1. **Workload:** PGPT's caseload is growing as the population of PEI ages. In addition, the Office continues to see increases in the number of younger adults coming under the care of the Office due to mental health issues and drug related mental health issues.

Update: The Office of the Public Guardian and Public Trustee continues to see increases in the number of clients in the 26-50 and 51-65 age bands. This creates an increase in workload but also creates a circumstance where workload can be uncertain. As circumstances which bring individuals under the care of the office are beyond the control or knowledge of the PGPT, it is difficult to forecast operational demands.

2. Global Pandemic: Like many areas of government, operations within the PGPT Office were impacted by the global COVID-19 Pandemic. The Office had to be vigilant about changing public health requirements throughout the ongoing waves during the year. While the Office was able to continue and has continued services through the pandemic, it reinforced that unknown circumstances can impact daily operations.

Update: The PGPT Office continued to consider public health requirements and health and safety concerns during the continued waves of the COVID-19 pandemic. The Office, which had greatly expanded the use of electronic funds transfer and other electronic methods of providing services to facilitate social distancing during the 2019-2020 year, expanded and improved protocols. The provision of services to PGPT clients is an essential service. The needs of clients do not stop because a global pandemic intervenes. The Office was able to provide laptops to all staff as a result of requisitions in March of the prior year which greatly improved office efficiency and potential resiliency. PEI continued to be fortunate in that it did not experience as significant disruptions from the COVID 19 pandemic as other provinces. However, there were both direct challenges from the pandemic and from the effects it had on our partner organizations, some of which operate outside the province.

3. Performance Measures: The Office was able to establish performance measures for this fiscal, however we continue to review appropriate performance measures for the Office. The risk is that some of the data currently being tracked may be influenced by factors beyond PGPT's control. If so, a different measure may be required.

Update: In 2020-21, the PGPT the Office implemented the CompuTrust update. This has provided potential access to a wider set of data points to monitor performance. However, the office had to undertake significant data entry requirements following roll out. This took the majority of the 2020-2021 year to work toward completion. Following completion, the Office will be able to identify more detailed reporting capabilities and even future broader reporting requests.

Key Factors Influencing Performance

Demands on PGPT are increasing.

As identified in previous years, client and community needs are evolving as well. This has not changed. For example, many of the represented adults PGPT serves have complex needs. Physical and mental health issues, substance abuse, complex family structures and involvement with the justice system are increasingly common. In addition, the PGPT is not a care service provider. While we act as a substitute decision maker for clients, we do not provide care homes or therapeutic services for clients. Availability of resources for clients is subject to the availability of services provided by our community partners. The availability of supportive housing, secure mental health resources and locations for clients with complex case needs remains a challenge.

Despite these challenges, PGPT staff have always been and will remain committed to meeting the needs of clients and to helping them live their best lives possible. They see firsthand the impact that quality programming can have on individuals and communities, and often take a leadership role in creating positive change.

Performance Measures

Discussion of Measures and Approach

Establishing Performance Measures

The PGPT Office has been engaged in a comprehensive review of the Office procedures and protocols in responses to opportunities presented by the Office of the Auditor General in 2017 (PT) and 2018 (PG). Significant work has been undertaken to implement the recommendations of the AG. The Office moved to tracking statistics in order to examine the office function and to monitor movement toward our newly established strategic direction.

Key Performance Measures

- 1. Satisfaction Survey: evaluate the current intake and community partner communication strategy for each client group (i.e. Public Trustee Clients, Public Guardian Clients, Official Guardian minors and deceased client estates).**

In 2020-2021, we conducted a satisfaction survey with service providers that resulted in an overall satisfaction rate of 82% and a dissatisfaction rate of 4%. Areas of strength included the good relationships between our staff and partner agencies and the responsiveness of our staff. The one area that was identified as a potential area of improvement was in the accessibility of information regarding the services we offer.

We have already begun to address the communication issue by placing an emphasis on creating plain language documents. These documents are being provided to new clients during their initial meetings with staff members.

In 2021-2022 we will:

- Develop more accessible information to help inform partner organizations and the community at large about the services we provide including prioritizing making our website more informative;
- Recognize staff for their efforts in building and maintaining relationships with our partner organizations;
- Review all policies and procedures relating to clearly communicating what services we do and do not provide; and
- Continue to develop more plain language documents to assist clients and their family members in understanding our processes and procedures.

2. The PGPT will establish a benchmark minimum interest rate for annual rate of return on client investments

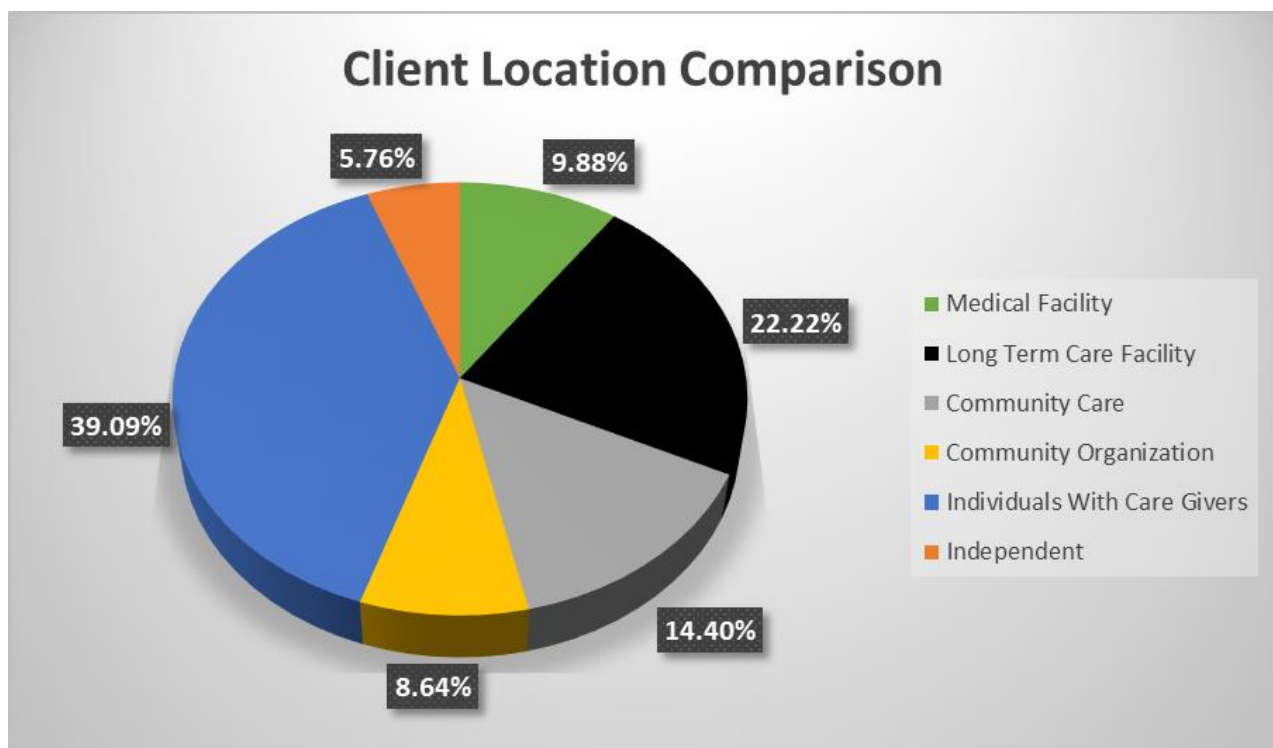
Due to the ongoing pandemic and its destabilizing effects on markets as well as the necessity to take a risk adverse approach to handling trust funds, we were unable to establish a benchmark interest rate for annual returns on client investments over the last year.

In 2021-2022 we will:

- Watch market interest rates and if the market moves into a more normal phase, establish a minimum interest benchmark for annual rate of return on client investment; and
- Once we are able to establish a minimum, begin reporting annually on client interest status against benchmark comparators.

3. The PGPT will develop broader statistical and risk tracking through the new CompuTrust upgrade and report annually on developing trends

In 2020-2021, we continued to gain access to more statistics through our CompuTrust system. Some of the new statistics include sources of income/subsidies and type of care facility clients reside in.





In 2021-2022 we will:

- Develop broader data sets for tracking statistical client information and trends through the implementation of the software upgrade of CompuTrust;
- Develop and identify process trends and compliance reports to track and identify risks and opportunities; and
- Report annual on trends.

PUBLIC TRUSTEE

Financial Statements
March 31, 2021 and December 31, 2021

Management's Report

Management's Responsibility for the Financial Statements

These financial statements have been prepared in accordance with the accounting policies disclosed in Note 2 to the financial statements and the integrity and objectivity of these statements are management's responsibility. Management is responsible for the notes to the financial statements and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is responsible for implementing and maintaining a system of internal control to provide reasonable assurance that reliable financial information is produced.

The Public Trustee is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Public Trustee reviews internal financial reports on a regular basis and externally audited financial statements annually.

The Office of the Auditor General conducts an independent examination, in accordance with Canadian generally accepted auditing standards, and expresses their opinion on the financial statements. The Office of the Auditor General has full and free access to financial information and management of the Public Trustee.

On behalf of the Public Trustee



Michael Fleischmann
Public Trustee



Chantal Fisher
Deputy Public Trustee

June 3, 2022

INDEPENDENT AUDITOR'S REPORT

**Honourable Bloyce Thompson
Attorney General
Province of Prince Edward Island**

Qualified Opinion

I have audited the financial statements of the **Public Trustee**, which comprise the statements of financial position as at March 31, 2021 and December 31, 2021 and the statements of operations and accumulated surplus, change in net debt, and continuity of assets and liabilities for the periods then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Public Trustee as at March 31, 2021 and December 31, 2021, and the results of its operations, changes in net debt, and continuity of assets and liabilities for the periods then ended in accordance with Note 2 to the financial statements.

Basis for Qualified Opinion

It is not possible to verify by audit procedure that all client assets and liabilities, or the related receipts and disbursements, came under the administration of, or were recorded by, the Public Trustee. Accordingly, my verification of trust assets and liabilities was limited to those recorded in the accounts.

I conducted the audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Public Trustee in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the 2020-21 Annual Report by the Office of the Public Trustee, Public and Official Guardian, as amended on June 3, 2022, but does not include the financial statements of the Public Trustee and our auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work that I performed, I conclude that there is a material misstatement of this other information, I am required to report that fact in this auditor's report. I have nothing to report in this regard.

Emphasis of Matter - Basis of Accounting

I draw attention to Note 2 to the financial statements, which describes the basis of accounting. Financial statements are prepared to assist the Public Trustee with financial reporting in accordance with the *Public Trustee Act*. As a result the statements may not be suitable for another purpose. My opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies disclosed in Note 2 to the financial statements and for such internal control that management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Public Trustee's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless an intention exists to liquidate or cease the operations of the Public Trustee, or there is no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Public Trustee's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Public Trustee's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's

report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Public Trustee to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

A handwritten signature in black ink, appearing to read 'Darren Noonan', with a long horizontal stroke extending to the right.

Darren Noonan, CPA, CA
Auditor General

A handwritten signature in blue ink, appearing to read 'Elvis Alisic', with a stylized, cursive script.

Elvis Alisic, CPA, CA
Audit Director

Charlottetown, Prince Edward Island
June 3, 2022

PUBLIC TRUSTEE

Statement of Financial Position

March 31, 2021 and December 31, 2021

	December 31, 2021	March 31, 2021
	\$	\$
Financial Assets		
Cash and cash equivalents	3,975,687	2,700,195
Accounts receivable	-	106,954
Investments	<u>5,662,243</u>	<u>6,970,194</u>
	<u>9,637,930</u>	<u>9,777,343</u>
Liabilities		
Trust accounts	10,024,567	10,827,413
Due to the Province of Prince Edward Island	546,101	467,369
Accounts payable	-	1,035
Loans payable	<u>307,700</u>	<u>345,889</u>
	<u>10,878,368</u>	<u>11,641,706</u>
Net Debt	<u>1,240,438</u>	<u>1,864,363</u>
Non-Financial Assets		
Real property	1,178,889	1,822,789
Other property	<u>61,549</u>	<u>41,574</u>
	<u>1,240,438</u>	<u>1,864,363</u>
Accumulated Surplus	<u>-</u>	<u>-</u>

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

Approved on behalf of the Public Trustee



Attorney General

PUBLIC TRUSTEE

Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021 and 9 month period ended December 31, 2021

	Budget (Note 5)	December 31, 2021	Budget	March 31, 2021
	\$	\$	\$	\$
Revenues				
Fees	75,000	24,400	100,000	33,712
Interest	<u>-</u>	<u>11,354</u>	<u>-</u>	<u>15,859</u>
	<u>75,000</u>	<u>35,754</u>	<u>100,000</u>	<u>49,571</u>
Expenses				
Bank charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>244</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>244</u>
Annual Surplus	75,000	35,754	100,000	49,327
Accumulated Surplus, beginning of year	-	-	-	-
Distribution to the Province of Prince Edward Island	<u>75,000</u>	<u>35,754</u>	<u>100,000</u>	<u>49,327</u>
Accumulated Surplus, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

PUBLIC TRUSTEE

Statement of Change in Net Debt

For the year ended March 31, 2021 and 9 month period ended December 31, 2021

	Budget (Note 5)	December 31, 2021	Budget	March 31, 2021
	\$	\$	\$	\$
Net Debt, beginning of Year	1,864,363	1,864,363	1,283,893	1,283,893
Changes in year:				
Annual surplus	(75,000)	(35,754)	(100,000)	(49,327)
Distribution to the Province of Prince Edward Island	75,000	35,754	100,000	49,327
Real property (net)	-	(643,900)	-	584,500
Other property (net)	-	19,975	-	(4,030)
Net Change	-	(623,925)	-	580,470
Net Debt, end of year	<u>1,864,363</u>	<u>1,240,438</u>	<u>1,283,893</u>	<u>1,864,363</u>

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

PUBLIC TRUSTEE

Statement of Continuity of Assets and Liabilities
For the 9 month period ended December 31, 2021

	ASSETS					LIABILITIES					
	Cash	Investments	Real Property	Other Property	Accounts Receivable	Total Assets	Accounts Payable	Due to Province	Loans Payable	Trust Accounts	Total Liabilities
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of year	2,700,195	6,970,194	1,822,789	41,574	106,954	11,641,706	1,035	467,369	345,889	10,827,413	11,641,706
Add:											
Receipts/acquisitions	5,123,844	198,911	213,388	67,480	-	5,603,623	-	-	322,949	5,280,674	5,603,623
HST on administration fees	-	-	-	-	-	-	-	3,660	-	(3,660)	-
Administration fees	-	-	-	-	-	-	-	24,400	-	(24,400)	-
Unclaimed trust balances	-	-	-	-	-	-	-	95,307	-	(95,307)	-
Interest and other investment income	11,366	3,225	-	-	-	14,591	-	11,354	19,478	(16,241)	14,591
	<u>5,135,210</u>	<u>202,136</u>	<u>213,388</u>	<u>67,480</u>	<u>-</u>	<u>5,618,214</u>	<u>-</u>	<u>134,721</u>	<u>342,427</u>	<u>5,141,066</u>	<u>5,618,214</u>
Less:											
Disbursements/disposals	<u>3,859,718</u>	<u>1,510,087</u>	<u>857,288</u>	<u>47,505</u>	<u>106,954</u>	<u>6,381,552</u>	<u>1,035</u>	<u>55,989</u>	<u>380,616</u>	<u>5,943,912</u>	<u>6,381,552</u>
Balance, end of year	<u>3,975,687</u>	<u>5,662,243</u>	<u>1,178,889</u>	<u>61,549</u>	<u>-</u>	<u>10,878,368</u>	<u>-</u>	<u>546,101</u>	<u>307,700</u>	<u>10,024,567</u>	<u>10,878,368</u>

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

PUBLIC TRUSTEE

Statement of Continuity of Assets and Liabilities
For the year ended March 31, 2021

	ASSETS					LIABILITIES					
	Cash \$	Investments \$	Real Property \$	Other Property \$	Accounts Receivable \$	Total Assets \$	Accounts Payable \$	Due to Province \$	Loans Payable \$	Trust Accounts \$	Total Liabilities \$
Balance, beginning of year	2,995,485	6,572,814	1,238,289	45,604	-	10,852,192	3,077	464,267	241,946	10,142,902	10,852,192
Add:											
Receipts/acquisitions	5,114,618	1,911,281	960,100	24,388	106,954	8,117,341	-	-	407,741	7,709,600	8,117,341
HST on administration fees	-	-	-	-	-	-	-	5,057	-	(5,057)	-
Administration fees	-	-	-	-	-	-	-	33,712	-	(33,712)	-
Unclaimed trust balances	-	-	-	-	-	-	-	123,897	-	(123,897)	-
Interest and other investment income	15,865	13,107	-	-	-	-	-	15,859	4,690	8,423	28,972
	<u>5,130,483</u>	<u>1,924,388</u>	<u>960,100</u>	<u>24,388</u>	<u>106,954</u>	<u>8,146,313</u>	<u>-</u>	<u>178,525</u>	<u>412,431</u>	<u>7,555,357</u>	<u>8,146,313</u>
Less:											
Disbursements/disposals	5,425,529	1,527,008	375,600	28,418	-	7,356,555	2,042	175,179	308,488	6,870,846	7,356,555
Bank charges	<u>244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>244</u>	<u>-</u>	<u>244</u>	<u>-</u>	<u>-</u>	<u>244</u>
	<u>5,425,773</u>	<u>1,527,008</u>	<u>375,600</u>	<u>28,418</u>	<u>-</u>	<u>7,356,799</u>	<u>2,042</u>	<u>175,423</u>	<u>308,488</u>	<u>6,870,846</u>	<u>7,356,799</u>
Balance, end of year	<u>2,700,195</u>	<u>6,970,194</u>	<u>1,822,789</u>	<u>41,574</u>	<u>106,954</u>	<u>11,641,706</u>	<u>1,035</u>	<u>467,369</u>	<u>345,889</u>	<u>10,827,413</u>	<u>11,641,706</u>

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

PUBLIC TRUSTEE

Notes to Financial Statements

March 31, 2021 and December 31, 2021

1. Nature of Operations

The Public Trustee administers assets and liabilities received in the following situations:

- Individuals who are declared incompetent, pursuant to the *Public Trustee Act*;
- Estates of deceased individuals who died intestate, or where no one else is responsible or qualified to administer the estate, pursuant to the *Provincial Administrator of Estates Act*;
- Compensation awards under the *Victims of Crime Act* to minor persons or to individuals requiring assistance in managing their affairs, at the discretion of the Attorney General;
- Court ordered settlements involving minor persons, according to the *Judicature Act*; or
- Individuals who have given voluntary power of attorney to the Public Trustee, pursuant to the *Power of Attorneys Act*.

An advisory committee shall be appointed pursuant to the *Public Trustee Act*, having the power to make recommendations respecting the management and conduct of the Office of the Public Trustee as it considers advisable. The advisory committee is also available for the Public Trustee to consult with respecting administrative matters.

As at December 31, 2021, there were 336 client accounts of the Public Trustee with net balances ranging up to \$1,266,472. As at March 31, 2021, there were approximately 337 client accounts with net balances ranging up to \$1,183,392.

On April 20, 2021, Executive Council approved the Public Trustee to change the year-end to December 31. These financial statements include results for the full fiscal year ending March 31, 2021 and the results for the transitional 9 month period from April 1 to December 31, 2021.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on a disclosed basis, with the underlying framework being Canadian Public Sector Accounting Standards.

A Statement of Cash Flow is not presented as the required cash flow information is disclosed in the Statement of Continuity of Assets and Liabilities.

The following accounting policies are considered significant.

a) Revenues and expenses

Revenues and expenses are recorded on an accrual basis in the period in which the transaction or event that gave rise to the revenue or expense occurred.

b) Trust accounts

Client assets and liabilities are recorded and documented when they are received. The accounts record all known assets, including those owned by clients whose affairs are

PUBLIC TRUSTEE

Notes to Financial Statements

March 31, 2021 and December 31, 2021

2. Summary of Significant Accounting Policies (continued....)

administered pursuant to a power of attorney and in respect of which the Public Trustee does not have exclusive control. The value of unknown assets and liabilities is not determinable and therefore no amounts have been recognized in these financial statements. The balance of the trust accounts includes changes in fair market values of investments traded in active markets.

c) Investments

Investments consist of shares, bonds and other interest bearing assets held in trust. These investments are recorded at fair market value plus accrued interest. Gains and losses earned on investments traded in active markets are realized as increases or decreases in the trust accounts. A statement of unrealized gains and losses has not been prepared.

d) Real property

Real property, which is transferred to the Public Trustee's control, is recorded at its tax assessment value at the time of appointment to the Public Trustee and adjusted annually to reflect the tax assessment value at year-end. Real estate purchased by the Public Trustee on behalf of clients is recorded at cost. Where there is joint ownership, the value is allocated based on the relevant legislation. The assets are not amortized.

e) Other property

Other property is held in trust and recorded at cost and consists of any asset of significant value, other than real property. The assets are not amortized.

f) Loans payable

Client loans payable consist of those mortgages and personal loans held in trust in respect of which the Public Trustee is administering repayment on behalf of clients. The Public Trustee is not responsible to repay loans in excess of assets held so excess loans are not recorded.

g) Due to the Province of Prince Edward Island

The excess of revenues over expenses is payable to the Province of Prince Edward Island. In addition, HST collected on administrative fees is payable to the Province and remitted to the Federal government.

The *Public Trustee Act* requires all property held by the Public Trustee of the estate of a deceased person that is not claimed within five years of the date of death, by any person entitled to that property, to become property of the Province and converted into cash by the Public Trustee and paid to the Minister of Finance.

h) Cash and cash equivalents

Cash and cash equivalents consist of deposits on hand with banking and legal institutions which can be drawn upon by the Public Trustee in administering client accounts.

PUBLIC TRUSTEE

Notes to Financial Statements

March 31, 2021 and December 31, 2021

2. Summary of Significant Accounting Policies (continued....)

i) Accounts receivable

Accounts receivable consist of amounts due to the Public Trustee on behalf of clients that have not been received at year end.

3. Related party

There are resources provided by the Province of Prince Edward Island such as office facilities, support services, banking services, insurance coverage, salaries and employee future benefits, the cost of which is assumed by the Province and not reflected in these financial statements.

4. Impact of COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic due to Coronavirus (COVID-19). Due to the global market fluctuations arising as a result of the COVID-19 pandemic, non-guaranteed investments have experienced volatile fluctuation and interest rate remains low. This has a limited impact on the investments in the trust as most of the investments are guaranteed and interest earnings on guaranteed investments were not material. The impact of the pandemic on future operations cannot be reasonably estimated at this time.

5. Budget

Budgeted amounts reported for the period ending December 31, 2021 are based on the approved 12 month budget prorated for the 9 month period.