

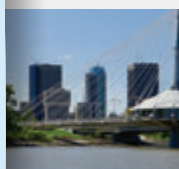


 Public Guardian and Trustee of Manitoba

2023 - 2024

ANNUAL REPORT

2023
2024



Indigenous Land Acknowledgement

We recognize that Manitoba is on the Treaty Territories and ancestral lands of the Anishinaabe, Anishinewuk, Dakota Oyate, Denesuline and Nehethowuk peoples.

We acknowledge Manitoba is located on the Homeland of the Red River Métis.

We acknowledge northern Manitoba includes lands that were and are the ancestral lands of the Inuit.

We respect the spirit and intent of Treaties and Treaty Making and remain committed to working in partnership with First Nations, Inuit and Métis people in the spirit of truth, reconciliation and collaboration.

Reconnaissance du territoire

Nous reconnaissons que le Manitoba se trouve sur les territoires visés par un traité et sur les terres ancestrales des peuples anishinaabe, anishinewuk, dakota oyate, denesuline et nehethowuk.

Nous reconnaissons que le Manitoba se situe sur le territoire des Métis de la Rivière-Rouge.

Nous reconnaissons que le nord du Manitoba comprend des terres qui étaient et sont toujours les terres ancestrales des Inuits.

Nous respectons l'esprit et l'objectif des traités et de la conclusion de ces derniers. Nous restons déterminés à travailler en partenariat avec les Premières Nations, les Inuits et les Métis dans un esprit de vérité, de réconciliation et de collaboration.

The Public Guardian and Trustee

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This publication is available in alternate formats, upon request.



Minister of Consumer Protection and Government Services

Legislative Building, Winnipeg, Manitoba R3C 0V8 CANADA

Her Honour the Honourable Anita R. Neville, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235 Legislative Building
Winnipeg, MB R3C 0V8

May it Please Your Honour:

I have the privilege of presenting, for the information of Your Honour, the Annual Report of the Public Guardian and Trustee Special Operating Agency, for the fiscal year ending March 31, 2024.

Respectfully submitted,

original signed by

Honourable Lisa Naylor
Minister of Consumer Protection and Government Services





**Ministre de la Protection du consommateur
et des Services gouvernementaux**

Palais législatif, Winnipeg (Manitoba) R3C 0V8 CANADA

Son Honneur l'honorable Anita R. Neville, P.C., O.M.
Lieutenante-gouverneure du Manitoba
Palais législatif, bureau 235
Winnipeg (Manitoba) R3C 0V8

Madame la Lieutenante-Gouverneure,

J'ai l'honneur de vous présenter, à titre d'information, le rapport annuel du Bureau du tuteur et curateur public, un organisme de service spécial, pour l'exercice qui s'est terminé le 31 mars 2024.

Le tout respectueusement soumis,

original signed by

Lisa Naylor
Ministre de la Protection du consommateur
Et des Services gouvernementaux





155 Carlton St, Suite 500
Winnipeg, MB R3C 5R9
CANADA

Honourable Lisa Naylor
Minister of Consumer Protection and Government Services
Room 349 Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

In accordance with the provisions of Section 36 of The Public Guardian and Trustee Act and the requirements of a Special Operating Agency, I submit the Annual Report of the Public Guardian and Trustee for the fiscal year ending March 31, 2024.

Yours truly,

original signed by

original signed by

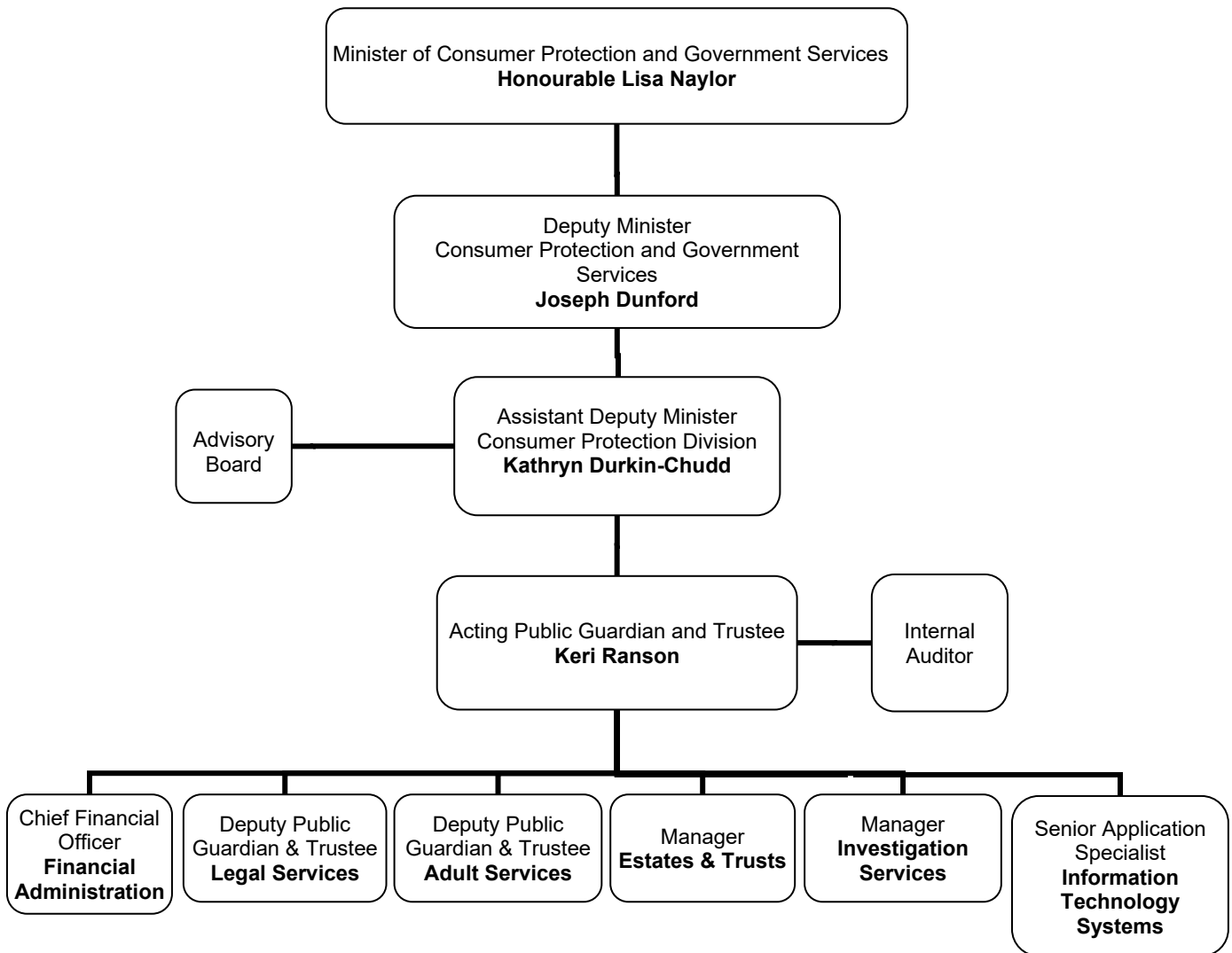
Keri Ranson
Acting Public Guardian and Trustee



TABLE OF CONTENTS

ORGANIZATIONAL CHART	2
A. INTRODUCTION AND OVERVIEW	3
• Message From The Public Guardian And Trustee	4
• Résumé Des Réalisations	5
• Overview	6
B. SERVICES PROVIDED BY THE PGT	9
• PGT as Committee	10
• PGT as Substitute Decision Maker (SDM)	11
• Patients in Psychiatric Facilities	13
• Power of Attorney (POA)	13
• PGT as Administrator of an Estate	14
• PGT as Trustee	15
• Public Education	18
C. SUPPORTING THE SERVICES WE PROVIDE.....	20
D. PERFORMANCE AND TRENDS	24
• Performance Reporting	25
• Continuous Improvement	28
• Technology	28
• Correcting Errors	29
• Summary of Financial Results	31
• Internal Audit Report	32
E. FINANCIAL STATEMENTS.....	33
• The Public Guardian and Trustee of Manitoba An Agency of the Province of Manitoba	34
• The Public Guardian and Trustee of Manitoba Estates and Trusts under Administration	544

Public Guardian and Trustee Organizational Chart March 31, 2024



A.

INTRODUCTION AND OVERVIEW



Message from the Public Guardian and Trustee

I am pleased to present the Annual Report for the Office of the Public Guardian and Trustee for the 2023/24 fiscal year.

The 2023/24 fiscal year marked the 50th year since the Public Guardian and Trustee's Office was established under The Public Trustee Act. Over the past fifty years the Public Guardian and Trustee (PGT) has worked diligently to protect the interests of some of the province's most vulnerable citizens by providing professional and cost-effective trustee services as a last resort.

This report details the breadth and scope of the services provided by the PGT over the last year. In addition to providing a summary of services, this report also provides an update on the state of the PGT as of March 31, 2024, and a historical overview of changes over time, such as the continued growth of the number of clients the PGT is appointed to serve.

During the 2023/24 fiscal year, the PGT remained focused on fulfilling its mandate through the provision of essential services where the PGT was appointed to act or required to act based on provincial legislation. Recognizing the significance of the PGT's role, there has been continued efforts during the fiscal year to improve operations in order to meet the increasing demands on services as a result of the growing number of clients the PGT is required to serve, and the increasing complexity of client circumstances the PGT is required to manage. To this end, the PGT has worked diligently to fill vacant staff positions, to build and foster relationships with stakeholders, to improve and replace outdated IT systems and to look for areas where the PGT can increase capacity or create efficiencies to improve the provision of services to clients.

The PGT's achievements are founded on the hard work and dedication of the PGT's staff who demonstrate compassion and resilience notwithstanding the different challenges and obstacles they face in carrying out the responsibilities of the PGT. I am grateful for the talented team of people who work at the PGT and their tireless efforts and determination to serve the best interests of some of the most vulnerable citizens of our province.

I would also like to thank past and present volunteer members of the External Investment Committee and the Advisory Board for their advice and expertise. Their contributions, in terms of knowledge, advice and time, are invaluable.

While we reflect on the past fiscal year, I look forward to the coming year and continuing to improve operations to position the PGT to continue to serve the interests of its clients.

Keri Ranson
Acting Public Guardian and Trustee

RÉSUMÉ DES RÉALISATIONS DE 2023-2024



1. Tout au long de 2023-2024, le tuteur et curateur public a continué de travailler à la transition des dossiers et des processus papier vers son système de gestion des documents dans le but de créer un environnement de travail sans papier.
2. Le tuteur et curateur public reconnaît l'importance de renseigner le public sur les activités de son bureau. Au cours de l'exercice 2023-2024, il a eu l'occasion de participer en tant que conférencier à neuf différentes séances d'information qui ont réuni quelque 245 participants.
3. Le nombre global de clients au 31 mars 2023 par rapport à celui enregistré au 31 mars 2024 affiche une légère baisse (de 7 155 à 7 141 clients). Malgré ce léger déclin, le tuteur et curateur public a continué d'observer une hausse du nombre de dossiers de clients adultes dans lesquels il a été nommé en qualité de curateur, de fondé de pouvoir ou de subrogé et du nombre de successions de personnes décédées qu'il a été chargé d'administrer au cours de l'exercice 2023-2024. La légère baisse découle d'une réduction du nombre de fiducies constituées au nom d'adultes et d'enfants dont il assumait la gestion, ce chiffre étant passé de 2 496 en 2022-2023 à 2 423 en 2023-2024. Cette diminution est imputable à la grève des travailleurs de la Société d'assurance publique du Manitoba qui a eu lieu au cours de l'exercice du fait que cet organisme lui transmet habituellement un certain nombre de fiducies destinées à des enfants.
4. Outre le nombre de clients, la complexité de leurs dossiers ne cesse de croître. Il arrive notamment que ces dossiers soient complexes en raison de la dynamique familiale, des finances, des dettes, des titres de propriété et de la situation du client ainsi que des services et ressources communautaires dont ce dernier peut se prévaloir (p. ex. logements abordables).
5. Le tuteur et curateur public est reconnaissant du travail acharné et du dévouement de son personnel. Malgré les difficultés rencontrées tout au long de l'exercice, c'est ce travail et ce dévouement qui lui ont permis de donner suite à son mandat et de servir certains des membres les plus vulnérables de la population manitobaine.

Overview

The Public Guardian and Trustee (PGT), which has offices located in Winnipeg and Brandon, protects the interests of our clients by providing a variety of guardian and trustee services. As of March 31, 2024, we supported the needs of approximately 4,200 individuals¹ and 2,941 estates and trusts, for a total of 7,141 clients, resulting in our management of approximately \$369 million in assets.

The PGT is considered a last resort. The PGT is appointed to act by administrative bodies under various pieces of Manitoba legislation and by the courts when there is no one else able or willing to act. We do not have the power to appoint ourselves to act and must respond to each request for service quickly and in a timely manner.

What roles do we perform?

- Committee when appointed under The Mental Health Act (in which case the PGT is appointed to make personal care and property/financial decisions for a person who is unable to make those decisions for themselves).
- Substitute Decision Maker when appointed under The Adults Living with an Intellectual Disability Act (in which case the PGT is given specific authorities to make decisions where the person is unable to make the decisions alone or with the assistance of a support network). The PGT's appointed authorities can vary depending on the situation, ensuring that we are only involved to the extent required for the particular individual, thereby maintaining the independence of that person to manage other parts of his or her life.
- Guardian of an estate belonging to a person under 18 years of age when appointed under The Infants' Estates Act.
- Responding to requests for psychiatric treatment on behalf of mentally incompetent patients who cannot give consent under The Mental Health Act.
- Managing the property of mentally incompetent patients of a psychiatric facility during the period that they are patients of the psychiatric facility under The Mental Health Act.
- Litigation guardian when a child or mentally incompetent person has no one available to represent their interests in matters that are before the court.
- Administering trust funds for children and adults with mental disabilities.
- Reviewing proposals to settle a lawsuit or insurance claim on behalf of a child.
- Reviewing court applications made by a member of the public who wants to be appointed as a Committee for a person.
- Other reviews and services required under a variety of Manitoba laws.

What do we do once we are appointed?

The services we provide will depend on the type of appointment and may include:

- making personal and medical decisions;
- managing clients' financial resources;
- acting as executor or administrator of a deceased estate; and/or
- administering trusts.

¹ This number includes 177 Secondary Accounts

To provide these services we maintain a high level of professional expertise in matters involving accounting, legal and tax matters. We manage a common fund. We delegate the delivery of some services to Regional Health Authorities (RHAs) and other agencies.

We charge fees for our services. Our fees are set at amounts to ensure we are in a position to recover the cost of our operations, which includes the costs associated with providing services to clients with limited resources.

Accountability

The Public Trustee was first established as a corporation sole under The Public Trustee Act on February 1, 1973. With The Public Guardian and Trustee Act, which came into force on April 1, 2014, the name changed to the Public Guardian and Trustee. That Act is the current governing legislation of the PGT.

The PGT has a corporate seal and perpetual succession and functions separately from government. It is capable of suing or being sued. This structure allows the PGT to independently make decisions that are in the best interests of the clients (living clients, estates and trusts) that the PGT serves.

The PGT is accountable for its actions in the following ways:

- As part of the Consumer Protection Division of the Department of Consumer Protection and Government Services, the PGT is accountable for its operational performance.
- As a Special Operating Agency (SOA) under The Special Operating Agencies Act, the PGT is accountable to Treasury Board for its financial performance, business plan and quarterly reports.
- The Auditor General audits the books and accounts of the PGT and reports the results of these audits to the Legislature and to The Special Operating Agencies Financing Authority.
- The Ombudsman can receive and investigate complaints from the public about the quality of services provided by the PGT.

The PGT also consults with and obtains advice from the following:

1. Advisory Board

The PGT provides a business plan and quarterly reports to its Advisory Board. Members of the Board are appointed by the Minister responsible for the PGT upon the nomination of the Chair of the Advisory Board (the Assistant Deputy Minister).

The Board meets quarterly to provide advice to the PGT on its direction, its annual business plan and its financial reporting requirements.

As of March 31, 2024, the members of the Board were:

Chair	Kathryn Durkin-Chudd, Assistant Deputy Minister Consumer Protection Division	ex officio
Members	Keri Ranson, Acting Public Guardian and Trustee Public Guardian and Trustee Office	ex officio

Kevin Funk, Chief Financial Officer Public Guardian and Trustee Office	ex officio
Heidi Wurmman, Assistant Deputy Minister Department of Families	
Sangita Bhalla, Associate Director, Indigenous Wealth RBC Wealth Management, Royal Trust	
Stephane Labossiere, Sr. Application Specialist Public Guardian and Trustee Office	Employee Representative

The PGT has identified additional members to join the Advisory Board and hopes to have the positions of those individuals approved in the next fiscal year.

2. External Investment Committee

The PGT's Chief Financial Officer chairs the External Investment Committee which meets on a quarterly basis or as required to provide advice to the PGT on matters relating to the management of investments made in the common fund. The common fund pools financial assets of clients in a cost effective and secure manner.

Chair	Kevin Funk, Chief Financial Officer Public Guardian and Trustee Office
Members	Keri Ranson, Acting Public Guardian and Trustee Public Guardian and Trustee Office
	Jori Carroll, Investment Officer Public Guardian and Trustee Office
	Nicoleta Oprea, Assistant Deputy Minister Manitoba Finance, Treasury Division

The PGT is actively looking to enlist additional members to join the External Investment Committee to ensure the Committee has the advantage of receiving input from different perspectives.

3. National Association of Public Trustees and Guardians (NAPTG)

NAPTG is a non-profit membership organization consisting of PGT offices from each province and territory in Canada. NAPTG provides an opportunity for the sharing of information and promotion of best practices amongst participating organizations. We actively work with NAPTG on common issues and we are involved in supporting the activities and objectives of the association including having representatives sit on various committees established by the association.

B.

**SERVICES
PROVIDED BY
THE PGT**



PGT as Committee

What is a Committee?

A Committee is someone who is appointed to make personal care and property decisions on behalf of an individual who has been assessed as mentally incapable of managing their own affairs. Sometimes a Committee is described as someone who “steps into the shoes” of another person, making decisions and managing the day-to-day affairs of that person.

How does the PGT become a Committee?

Under The Mental Health Act, the Director of Psychiatric Services (Director) can issue an order appointing the PGT as a Committee for someone who has been found to be incapable of managing their affairs as a result of a mental illness. The process starts with a doctor preparing a Certificate of Incapacity. The Director (who is independent from the PGT) reviews the certificate and gathers necessary medical and personal information about the individual, to decide if a Committee should be appointed. Except in emergency cases, the Director provides notice to the individual who is the subject of the order.

A Committee can also be appointed by a Justice of the Court of King’s Bench. The court can decide to appoint the PGT, a family member or other suitable individual to be a Committee.

Once the PGT is appointed as a Committee for a client, the PGT must act and must continue to act unless removed as a Committee.

What services do we provide?

The PGT performs a variety of services in carrying out its role as Committee:

- preparing budgets and managing spending;
- making and maintaining living arrangements;
- managing property, including homes;
- managing financial investments;
- preparing and filing tax returns;
- making personal decisions (such as medical decisions);
- paying bills;
- managing debts; and
- accessing services and programs from government and outside agencies.

We work closely with our clients and other service providers when performing these services. Although we have the legal responsibility to make these decisions, we consult with the client, their family and close friends of our client whenever possible and suitable to do so.

PGT as Substitute Decision Maker (SDM)

What is a SDM?

The Adults Living with an Intellectual Disability Act recognizes and supports the independence of adults living with a mental disability who require assistance in order to meet their basic personal care and/or financial management needs. The role of the Commissioner of Adults Living with an Intellectual Disability (Commissioner) is to assess each adult to determine what supports are required to help that individual continue to live as independently as possible.

A SDM is someone appointed by the Commissioner to support the vulnerable adult by making certain types of decisions. The type of decisions will depend on the needs of the vulnerable adult.

How do we become involved as SDM?

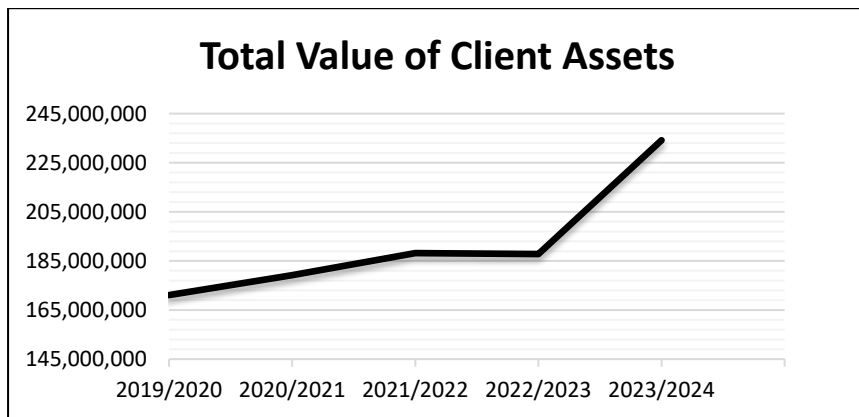
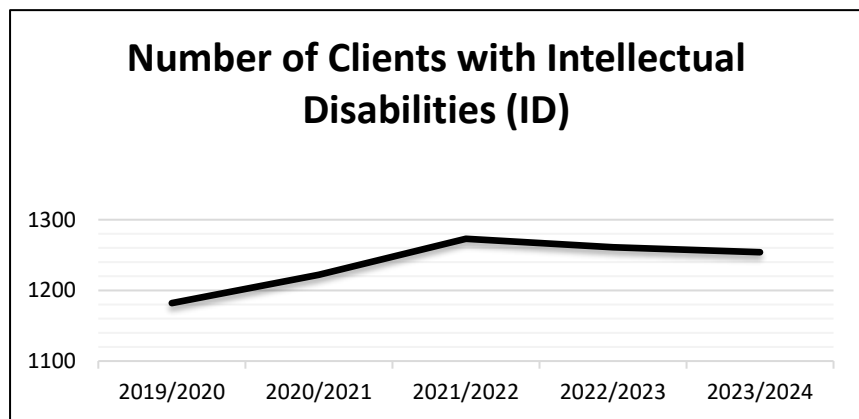
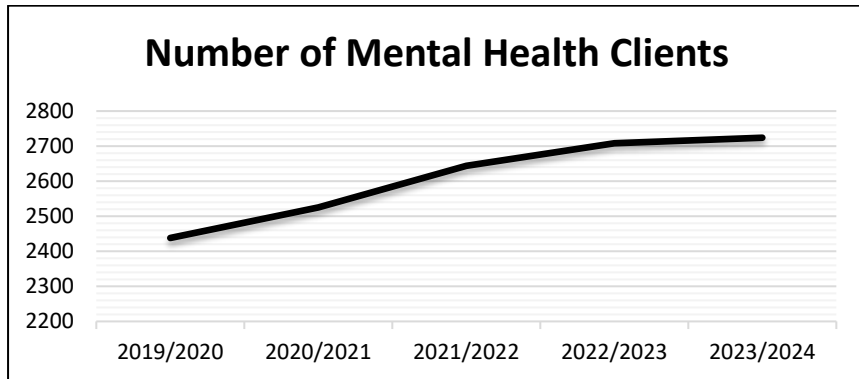
The Commissioner (who is independent from the PGT) receives applications requesting the appointment of a SDM from a variety of sources which can include family or care providers. The Commissioner reviews each application and decides whether a SDM appointment is appropriate, and the authorities to be given through the appointment. In that regard, the SDM appointment is limited to the type of assistance required by the vulnerable adult. A SDM appointment cannot be longer than five years but can be reviewed or renewed by the Commissioner.

The Commissioner can choose to appoint the PGT as SDM. Once appointed, the PGT must act and continue to act until the appointment expires or a further appointment extending or ending the PGT's authority is issued by the Commissioner.

What services do we provide?

The services provided by the PGT as SDM depend on the appointment that is issued. The appointment can include financial matters as well as personal matters.

**Committee and Substitute Decision Making
Activities for the year ending March 31, 2024**



Year	# of Mental Health Clients	# of ID Clients	Total Value of Client Assets
2019/2020	2438	1182	\$171,084,518
2020/2021	2525	1222	\$179,220,791
2021/2022	2644	1273	\$188,170,174
2022/2023	2708	1261	\$187,817,507
2023/2024	2723	1254	\$234,149,113

Patients in Psychiatric Facilities

Once a patient is admitted to a psychiatric facility, a doctor conducts an examination to determine if the patient can manage their own financial affairs as well as whether the patient has the ability to make medical treatment decisions. Under The Mental Health Act, the doctor and facility can decide that the PGT should be appointed to manage the financial affairs of the person and/or make medical decisions for them while they remain a patient of the psychiatric facility.

Once appointed, the PGT is required to act. The appointment ends once the person regains capacity to make decisions or when they are discharged from the facility.

What services do we provide?

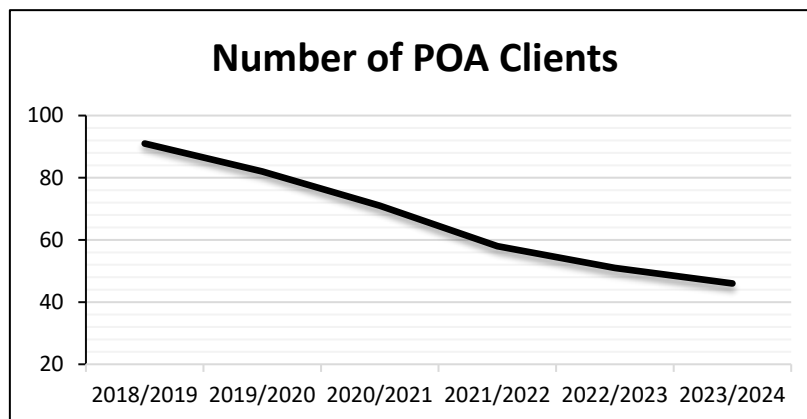
The role of the PGT will vary depending on the situation and the length of time the person impacted is subject to the order issued by the psychiatric facility. The order may limit the PGT's role to managing financial matters or may require the PGT to make medical treatment decisions.

During the 2023/24 fiscal year the PGT opened 57 Form 9 files where the PGT was appointed to make treatment decisions for patients admitted to psychiatric facilities in Manitoba. As of March 31, 2024, the PGT had 105 open Form 9 files and had been called upon to make approximately 137 treatment decisions based on the PGT's authority under a Form 9.

Power of Attorney (POA)

A POA is a legal document that allows someone else to manage your legal and financial affairs. Up until 2019, the PGT accepted appointments as attorney for competent adults when the adult had agreed to the PGT's terms of service. However, in order to better focus resources on core services that the PGT is required by law to provide, the PGT stopped accepting new POA appointments as of April 1, 2019. While new appointments are no longer accepted, existing POA clients continue to receive service from the PGT. As of March 31, 2024, the PGT managed 46 POA client files.

POA Activities for the year ending March 31, 2024



Deceased Adult Committee, SDM or POA Clients

When an existing Committee, SDM or POA client passes away leaving an estate, the PGT has all the powers of an executor or an administrator of the deceased person's estate until the PGT is given written notice that a person has been formally appointed as administrator or executor of the estate by the Court of King's Bench.

When a living adult client passes away, the file is transferred from the Case Manager to the Deceased Estates Clerk who manages the file until:

- an executor or administrator is appointed by the Court of King's Bench and assumes conduct of the estate;
- the estate is informally administered by the Deceased Estates Clerk because the Estate is below a set value; or
- the estate is insolvent and is applied to cover outstanding debts of the deceased.

As of March 31, 2024, the Deceased Estates Clerk was managing 362 estates for adult clients who passed away.

PGT as Administrator of an Estate

The PGT administers estates of people who die in Manitoba where there is no one else willing or able to take on the role. The PGT is an administrator of last resort and does not actively seek to administer estates.

The process to apply to court to be appointed as administrator of a deceased estate is the same for the PGT as for any other member of the public. Only the court can give someone legal authority to administer an estate. Once appointed the PGT is accountable to the court.

It is not always necessary to administer a deceased estate. If there are no assets, the value of the deceased's debts exceeds the value of assets, or the assets of the deceased were jointly owned (and transferred at the time of death), there may be no need to administer the estate.

How does the PGT become involved in the administration of an estate?

There are a number of ways that the PGT becomes involved in estate administration:

- The Court can order the PGT to administer the estate. This usually happens when there is no one else available to act, or there is a dispute about who should act.
- When the PGT is Committee or SDM for a client who dies, the PGT continues to have a limited authority to manage the client's assets until an executor or administrator is appointed.
- The PGT receives referrals for a variety of estates to be administered from: the Medical Examiner's office, police, community workers, hospitals, funeral homes and friends or family members who live outside the province.
- There are times when the PGT is named as executor in a Will; in those situations, the PGT will make a decision whether to agree to apply to court to administer the estate.

What services does the PGT provide as administrator or executor?

The PGT provides the same services that any administrator or executor of an estate is required to provide. This includes:

- gathering the deceased's assets;
- applications to court;
- identifying heirs and beneficiaries;
- advertising for creditors;
- filing income tax returns;
- arranging for the payment of debts; and
- distribution of estate assets to beneficiaries.

PGT as Trustee

The PGT will administer a trust for the benefit of a child or an adult who does not have capacity when required by the court or when required under Manitoba law. The PGT becomes involved when an independent person is needed to manage money that has been set aside for the benefit of a child or an incompetent adult.

How does the PGT become appointed as trustee?

The PGT is appointed as trustee through any of the following means:

- a court-ordered payment made to benefit a child as a result of an injury, death of a parent or family member, or where the child has been the victim of a crime;
- payment of money owing to a child under an insurance policy;
- where a child is named as beneficiary of a registered investment or pension;
- where a child is a beneficiary of an estate and no one is available to administer the money or asset for the child; and/or
- where the beneficiary of a payment is an adult who is not competent to manage their own affairs.

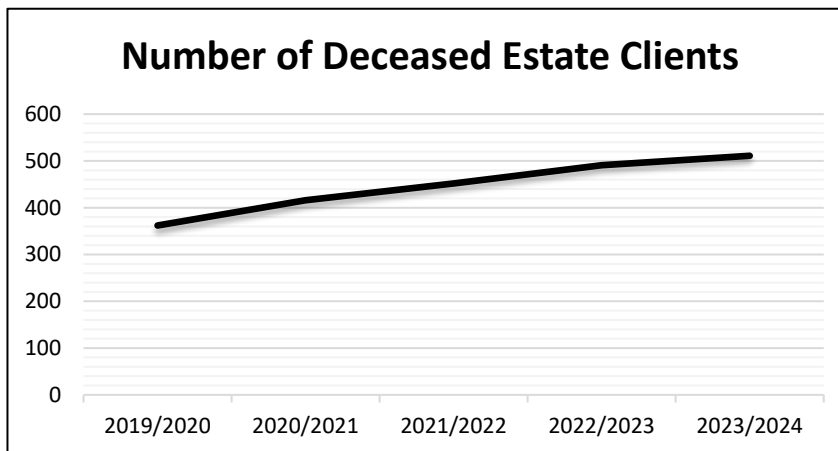
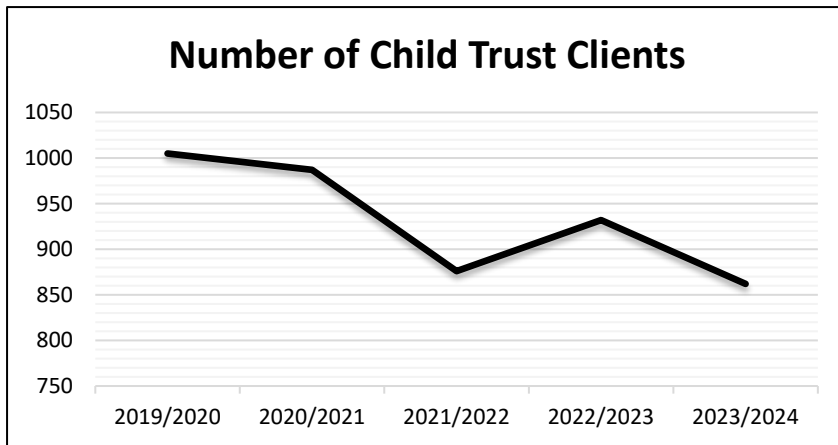
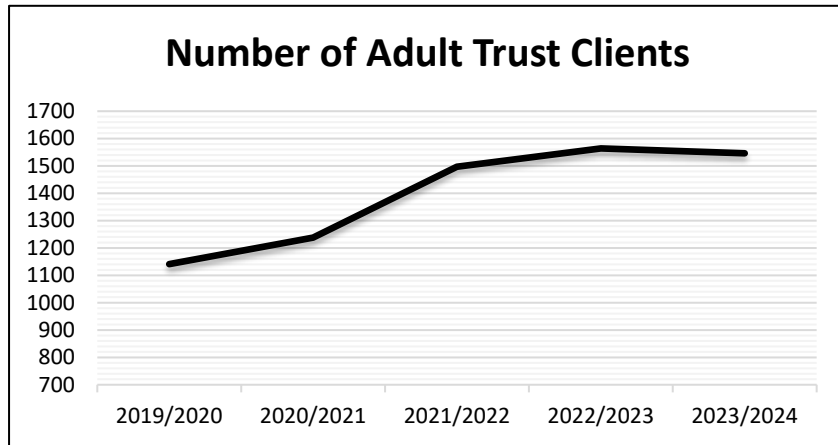
What services does the PGT provide?

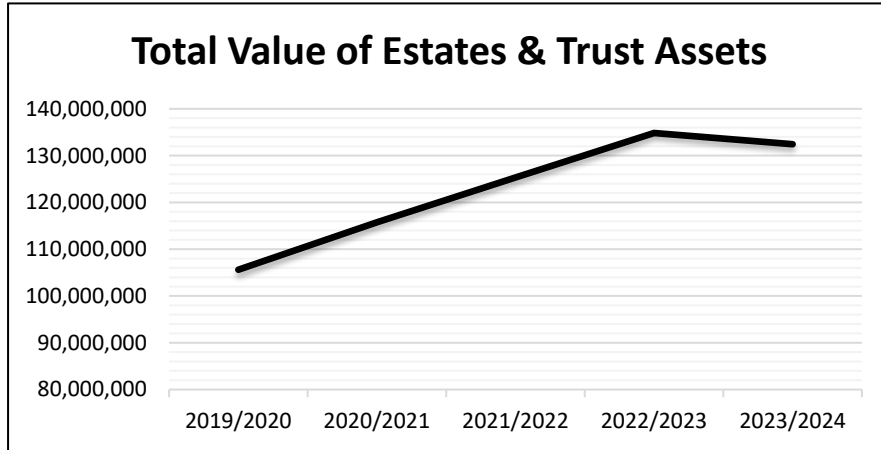
As is required of all trustees, the PGT must follow the instructions contained in the trust documents as well as in all applicable Manitoba laws, in order to do the following:

- protect the trust assets;
- invest money for the beneficiary of the trust;
- pay out money when appropriate for the beneficiary; and
- arrange for transfer of the trust to the child once the trust ends.

In cases where a child is the beneficiary of a trust, the PGT's involvement generally ends when the child becomes an adult. Often this will be the first time the child will have responsibility for the management of what can be a large amount of money. The PGT offers information and education about money management to the child prior to paying money to them and closing the trust.

**Estates and Trusts
Activities for the year ending March 31, 2024**





Year	# of Adult Trust Clients	# of Child Trust Clients	# of Estate Clients	Total Value of Assets
2019/2020	1141	1005	362	\$105,607,680
2020/2021	1238	987	416	\$115,737,612
2021/2022	1497	876	452	\$125,323,113
2022/2023	1564	932	491	\$134,831,812
2023/2024	1532 ²	891	518	\$132,419,327

During the 2023/24 fiscal year, Manitoba Public Insurance Corporation workers were on strike from August 28, 2023 to November 2023. This resulted in a reduction of children’s trusts coming to the PGT during the fiscal year as a majority of children’s trusts come to the PGT from MPIC.

² This number denotes the number of Adult Trusts managed by the PGT. While this number is reported under Estates and Trusts it is important to note that 1,121 of the Adult Trusts are managed by Case Managers in the Adult Services Section because it has been determined the trust is more in line with the duties performed by a Case Manager or the trust relates to an existing Committee or SDM client.

Public Education

We recognize the importance of providing information to the public about the PGT. In past years, we have conducted a variety of educational sessions on various topics for audiences including agencies, service groups, government departments and the general public. These sessions are intended to provide information about the PGT's role as well as providing more general information on topics such as wills, estates and powers of attorney.

Speaking Engagements

During 2023/24 staff of the PGT participated in delivering:

Date	Location/Region	Group/Topic	Attendance
10-May-23	Northern Regional Health Authority (RHA)	Role of PGT as Committee-Mental Health Staff	15
12-May-23	Law Society	Minors and Parties Under Disability and Estate Planning	150
23-May-23	All Hospitals Social Workers	Role of PGT as Committee-focus on medical decision	15
26-May-23	Golden Links Lodge - Social Workers	Role of PGT as Committee	15
6-Jun-23	Southern Health Region - doctors, nurses & administrative staff	Role of PGT as Committee	20
8-Jun-23	Manitoba Bar Association	Dealing with Self-Represented Parties	10
14-Jun-23	Grand Rounds Winnipeg Regional Health Authority (WRHA)	Role of PGT as Committee	100
21-Nov-23	Grand Rounds WRHA	Homeless not Hopeless	200
29-Nov-23	U of M Social Workers/Masters	Role of the PGT	20

Publications

We have a number of publications available (in English and French) at the following link on the PGT website: <http://www.gov.mb.ca/publictrustee/pubs/index.html>.

The following publications offer information to the general public:

1. Committeeship: A Guidebook for Court Appointed Committees

This booklet provides general guidance to private committees on their duties and responsibilities. It also provides examples of the required accounting as well as opening and closing inventories.

2. Enduring Power of Attorney: A Guidebook for Donors and Attorneys

This is a detailed guidebook for anyone considering acting as an attorney under a power of attorney outlining the responsibilities and duties of an attorney together with a sample accounting.

3. A Legal Information Guide for Seniors

This booklet provides estate planning information for seniors. It was produced through the cooperative efforts of the PGT and the (former) Manitoba Seniors and Healthy Aging Branch.

4. Deceased Estate Handbook

This is a detailed guidebook for the public about what to do when someone dies and there is an estate to administer.

The following publications offer information relating to the services provided by the PGT:

1. A Client Guide to the Public Guardian and Trustee's Adult Services Department

This comprehensive guidebook was developed for clients of the PGT, their families and care providers. It provides information in a user-friendly format about the roles and services provided to adult clients of the PGT.

2. The Public Guardian and Trustee Fee Brochure

This brochure details the fees charged for the services provided by the PGT.

3. Deceased Estates

This is a detailed pamphlet in a question-and-answer format which outlines standard information regarding the PGT's services in administering deceased estates.

4. Children's Trusts

This is a detailed pamphlet in a question-and-answer format which outlines standard information regarding the PGT's services in administering children's trusts.

5. Children's Trusts Education Program

This program is used as an educational tool for young adults who are about to receive money from a trust.

C.

**SUPPORTING THE
SERVICES WE
PROVIDE**



Supporting the Services Provided by the PGT

The PGT provides a wide variety of services. In order to provide these services, we require a high level of professional expertise in matters involving accounting, legal and tax matters. We need to understand what benefits and services are available to our clients as well as how to access those services from other government departments, RHAs and community agencies.

Operational Sections of the PGT

The PGT is organized into the seven operational areas (sections). The manager of each area is a member of the PGT Leadership Team:

Operational Section	Section Lead/Manager (PGT Leadership Team)
Administration	Public Guardian and Trustee
Adult Services	Deputy Public Guardian and Trustee—Adult Services
Legal Services	Deputy Public Guardian and Trustee—Legal Services
Financial Administration	Chief Financial Officer
Estates and Trusts	Manager, Estates and Trusts
Investigation Services	Manager, Investigation Services
Information Technology Systems	Senior Application Specialist

While the PGT is organized into these operational sections, it is the combined efforts of each of these areas that allows the PGT to deliver service to the clients, estates and trusts under the PGT's care. A brief overview of each operational section follows.

Administration

In providing administrative support for all operations of the PGT as well as the internal audit function which monitors operations, the Administration section includes:

- Public Guardian and Trustee (who oversees the PGT's overall operations)
- Internal Auditors
- Administrative Assistant

Adult Services

Managing the personal and financial affairs of living clients where the PGT has been appointed as Committee, SDM or attorney under a POA, the Adult Services section is comprised of:

- Deputy Public Guardian and Trustee—Adult Services
- Team Lead
- Case Managers (including one in Brandon)
- Administrative Assistants (including one in Brandon)
- Estates Administration Clerk
- Benefits Clerk

Estates and Trusts

Managing the administration of deceased estates as well as adult and children's trusts, the Estates and Trusts section is comprised of:

- Manager, Estates and Trusts
- Estate Officers
- Administrative Assistants
- Estate/Trust Administrator

Financial Administration

Performing a role similar to a trust company by managing finances, investments and financial transactions for the clients, estates and trusts served by the PGT, the Financial Administration section is responsible for managing the PGT's operating revenues, expenditures and budget as well as for the common fund. It is comprised of:

- Chief Financial Officer
- Senior Accountant
- Accountant
- Investment Officer
- Tax Clerks
- Accounting Staff

Investigation Services

Investigators work in the community to provide and/or arrange services to/for the clients, estates and trusts that the PGT serves. Investigators inspect and prepare inventories, make purchases required by clients, secure assets and perform other services as required. The Investigation Services section is comprised of:

- Manager, Investigation Services
- Investigators
- Chattel Clerk

Legal Services

The Legal Services section provides a variety of legal services for the benefit of the PGT's clients, estates and trusts, including representation in court, arranging and carrying out real estate and other legal transactions. This section also provides legal advice to the PGT and acts for the PGT when the PGT is served with legal applications involving minors (in so doing, legal counsel review the applications to determine if the interest of the minor is being protected). This section is comprised of:

- Deputy Public Guardian and Trustee—Legal Services
- Legal Counsel
- Administrative Assistants

Information Technology Systems (IT)

The PGT's IT Section manages and maintains existing IT systems used by the PGT and operates the PGT's Document Processing Centre. It is also actively involved in the acquisition and development of new IT systems. The IT section includes:

- Senior Application Specialist
- Application Specialist
- Application Developer
- Information Systems Coordinator
- Document Processing Centre staff

Delegation of the PGT's Authority

The PGT is permitted by its legislation to delegate the delivery of services to other organizations. Delivery of specific types of services is delegated to organizations that have the expertise and are better positioned in the community to provide those services to the PGT's clients. This avoids duplication and allows for the more efficient use of resources.

Except for the monitoring of personal allowances, services delegated do not include financial, legal, psychiatric or medical treatment decisions. There is also no delegation for clients who are resident in personal care homes in Winnipeg and Brandon, or clients who are in psychiatric facilities.

In cases where the PGT has delegated the provision of services, we work with those organizations to secure the best outcomes for our clients. The organizations that the PGT works with in delegating the delivery of services include:

- Manitoba Department of Families—Delegation to the Executive Director of Disability and Specialized Services and the Executive Director of Regional Social Services.
- Manitoba Developmental Centre—Delegation to approve minor medical procedures as well as the authority to apply to court for an order for apprehension of a resident who has absconded from the Centre.
- RHAs—Delegation to the RHA where the client resides, to facilitate housing, day services and individual supports.

D.

PERFORMANCE AND TRENDS



Performance Reporting

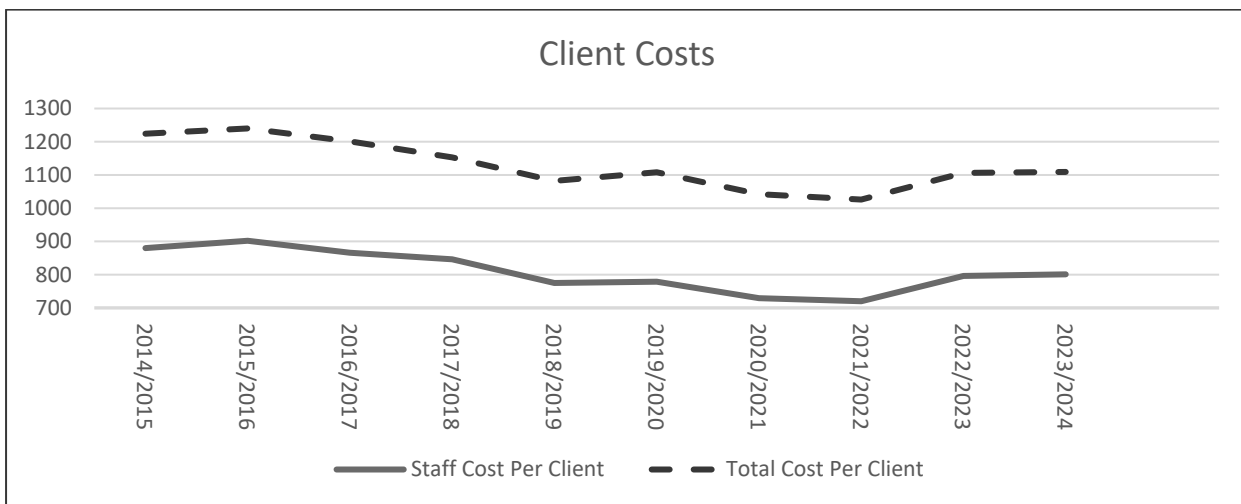
Each year the PGT prepares a business plan identifying both short and long-term goals. These goals are focused on identifying and implementing ways to improve the quality of service provided to the clients, estates and trusts that the PGT serves.

The PGT promotes a positive and supportive work environment, recognizing that while the work that the PGT does can be rewarding, it can also be both challenging and stressful. The PGT makes consistent efforts to engage all staff to focus on identifying opportunities for continuous improvements to our processes and systems.

Client Costs Compared to FTEs

As the chart below demonstrates, the PGT has experienced consistent increases in client numbers over the past ten years. In 2023/24, the number of FTEs increased resulting in an increase to staffing costs, based on a full complement of staff. While there has been an increase in staffing costs, it is nominal and below the cost to client ratio the PGT has historically experienced during periods when the number of clients per FTE was significantly lower.

Year	Clients	Expenses	Cost/Client	Staffing Costs	Staffing Cost/Client	# FTEs	# Clients / FTE
2014/15	5,609	\$6,865	\$1,224	\$4,938	\$880	76.38	73
2015/16	5,688	\$7,054	\$1,240	\$5,133	\$902	76.38	75
2016/17	5,626	\$6,755	\$1,201	\$4,871	\$866	77.38	76
2017/18	6,033	\$6,958	\$1,153	\$5,105	\$846	77.38	78
2018/19	6,276	\$6,789	\$1,082	\$4,861	\$775	75	84
2019/20	6,301	\$6,980	\$1,108	\$4,906	\$779	73	86
2020/21	6,593	\$6,867	\$1,042	\$4,807	\$729	73	90
2021/22	6,967	\$7,146	\$1,026	\$5,013	\$720	73	95
2022/23	7,155	\$7,916	\$1,106	\$5,693	\$796	79	91
2023/24	7,141	\$7,919	\$1,109	\$5,723	\$801	79	90



Service Capacity

a) Human Resources

Attracting and retaining qualified staff is integral to the PGT's ability to meet its mandate and provide the requisite level of services that are paid for directly by clients served by the PGT. If the PGT cannot maintain a stable and qualified workforce, it cannot address clients' complex financial, legal, personal and health care matters.

The PGT's average vacancy rate during the 2023/24 fiscal year was 9.1%³. This means that staff continuously face workload pressures and leaders are spending more time on recruitment and training versus ongoing mentorship, support and strategic planning.

b) Case Management

The increased number of clients being served by the PGT, and the complexity of client assets and personal situations associated with the clients continues to place significant demands on PGT staff. In theory, the FTEs that were added in 2022 reduced the average number of clients managed by Case Managers (CM) in the Adult Services section and the reclassification of a position in the Estates and Trusts section reduced the average number of estate files managed by Estates Officers (EO) as demonstrated in the chart below.

	2020	2021	2022	2023	2024
Adult Services – Committee Files	190 files/CM	194 files/CM	197 files/CM	172 files/CM	180 files/CM ⁴
Adult Services – SDM Files	296 files/CM	302 files/CM	332 files/CM	327 files/CM	328 files/CM
Estates and Trusts – Estate Files	118 files/EO	132 files/EO	150 files/EO	140 files/EO	148 files/EO

The average caseloads outlined above are based on having a full complement of staff filling the CM and EO positions. In reality, the reduction in case numbers has not been realized as the PGT did not operate with a full complement of staff at any point during the 2023/24 fiscal year. Throughout the fiscal year there were several prolonged vacancies which resulted in CMs and EOs managing more files than the average noted above.

To illustrate, during the fiscal year, six CMs resigned to pursue other job opportunities (one was a move to a new position within the PGT). In addition to this, a total of nine administrative assistants resigned in the Adult Services section. This turnover has a significant impact on the PGT's capacity to serve its living clients to the standard expected of a paid trustee. In addition to adding to workloads managed by CM, the turnover diverts resources from supporting existing staff and operations to focus on recruitment and training of new staff.

³ This average is based on the months of April 2023 to November 2023. The data for the months of December 2023 to March 2024 were not available on the Public Service Commission Talent Analytics Dashboard.

⁴ The Mental Health and the SDM files/CM numbers do not include the 1121 Adult Trusts managed by Case Managers in the Adult Services Section.

c) Demands on Investigations, Legal and Financial Administration

The demands associated with the increasing number of clients and the increasing complexity of client files, permeate beyond the Case Managers and Estate Officers to all sections of the office.

Investigations Services received 198 fewer work orders in 2023/24 which was a -5.9% decrease in work orders from the prior fiscal year.

	2021/22	2022/23	2023/24	Variance
Work Orders	2925	3348	3150	-5.9%

Of those work orders, Investigations conducted a reduced number of search and inventories which is a time intensive process that requires the involvement of two people—generally two Investigators.

	2021/22	2022/23	2023/24	Variance
Search and Inventory	211	242	203	-16.1%

This variance was unexpected given the increase in client numbers and may be explained by the number of vacant positions in Adult Services and the increased workloads that have an impact on the rate that staff are able to submit work orders. This may also be explained by the complexity of some of the client situations that the PGT is appointed to manage. For example, search and inventories are not conducted where a family member is living in a residence and refuses to cooperate, where a person is living in a personal care home or where a person is transient and has no known residence.

Legal Services opened fewer legal files on behalf of clients in 2023/24.

	2021/22	2022/23	2023/2024	Variance
New files	356	552	389	-29.5%

While there has been a decrease in the number of legal files opened this fiscal year in comparison to 2022/23, it is important to note that there has been an increase from the files opened in 2021/22. The marked increase in 2022/23 was due to two different class actions (Federal Day School and Day Scholar Class Action) where the PGT was involved in ensuring that claims were submitted on behalf of all clients who qualified for compensation from the Class Actions.

Financial Administration has processed an increased number of transactions on behalf of clients over the past five years. Since 2018/19 the number of transactions has increased by 14.3%.

Fiscal Year	Number of Transactions
2018/19	413,730
2019/20	448,530
2020/21	426,261
2021/22	428,781
2022/23	471,525
2023/24	473,019

In addition to transactions, Financial Administration is responsible for preparing tax returns for the PGT's living clients and deceased estates. An increase in client numbers has a corresponding increase on the number of tax returns completed by the PGT.

Assets Managed

The assets under the PGT's management have continued to increase (\$ as millions):

Assets under PGT administration	2019/20	2020/21	2021/22	2022/23	2023/24
	\$277	\$301	\$318	\$327	\$369

The assets managed by the PGT include real property. During the 2022/23 fiscal year, the PGT was responsible for managing 248 properties and during the 2023/24 fiscal year the PGT was responsible for managing 249 properties.

Continuous Improvement

Notwithstanding the increased client demands, the PGT's dedicated staff continue to diligently serve the PGT's clients to the best of their abilities while striving to continually improve the office and its overall performance. The following highlights some of the activities and improvements made/experienced during the 2023/24 year:

- The Document Management System (DMS) Steering Committee continues to meet quarterly in order to provide planning and direction in relation to the PGT's DMS. The Steering Committee is focused on ensuring that the processes added to the DMS are working appropriately and modifying existing processes.
- The PGT is reviewing its Record and Information Management policies and procedures to adapt them to the increased inventory of digital records. Physical record management is also under review to improve handling and storage efficiencies in addition to security.

Technology

The PGT continues to try to leverage technology to create efficiencies. The following are some advances the PGT made in 2023/24 in relation to technology:

- The ability to pay vendors by Electronic Funds Transfers (EFT) was introduced in 2021, and the PGT continued in 2022/23 to shift more vendors to this format. In 2023/24, there was a significant increase in the number of vendors signing up for EFT payments and a corresponding reduction in the number of physical cheques being produced.

Fiscal Year	Number of EFTs	Number of Cheques
2021/22	209	51,446
2022/23	942	52,967
2023/24	2147	49,940

- The PGT continues to seek opportunities to scan documents received by its Document Processing Centre into the DMS versus handling paper manually. The volume of mail received (physically and electronically) continues to rise alongside the increase in number of clients. Increasing the use of automation to process these documents within the DMS will benefit all staff.

Fiscal Year	Documents Scanned
2020/21	67,332
2021/22	98,728
2022/23	147,202
2023/24	148,097

The PGT continues to push for the replacement of its current legacy accounting and case management systems. The PGT is reliant on the services of Digital and Technology Solutions (DTS) which is in control of the planning and implementation of the projects. Unfortunately, the expected progress on the two projects (PMO 275 PGT's SOA Accounting System and PMO 276 PGT's Trust Accounting and Case Management System) to replace the PGT's existing system was not realized during the fiscal year.

Physical Space

The PGT embarked on a project to reorganize the files that it stores onsite. This project has yet to be finalized but is expected to improve efficiencies in terms of being able to easily identify files that should be pulled and transferred to archives each year based on current retention schedules. Once complete, the project will help the PGT to determine if retention schedules need to be adjusted to accommodate the files that need to be stored on site.

Correcting Errors

The PGT staff are responsible for managing significant caseloads where client circumstances are constantly in flux. As part of its role, the PGT processed 473,019 financial transactions in 2023/24. Although the vast majority of the client changes and transactions are managed accurately, the PGT ensures that the clients, estates and trusts that it administers are not impacted by any errors made by the PGT. Amounts paid to clients, estates and trusts as a result of errors on the part of the PGT during the 2023/24 fiscal year were as follows:

Reason for Payment	Amount (\$)
Reimburse client for error to heirship	1,661.22
Reimburse client for Bell MTS services not cancelled	198.47
Reimburse client for missed medical claim	1,600.00
Reimburse client for late tax filing penalty	535.66
Reimburse client for late tax filing penalty	24.00
Reimburse client for late tax filing penalty	22.91
Reimburse client for invoice missed due to error	435.12
Reimburse client's trust account due to error	11,020.10
Reimburse client for grave marker	280.00
Reimburse client for PGT fee	125.09
Reimburse client for storage fees paid in error	2,017.50
Reimburse client for storage fees paid in error	3,679.20
Reimburse client for insurance not cancelled	9,158.70
Reimburse client for lost Peggo card	53.90
Reimburse client for storage fees paid in error	118.13
Reimburse client for storage fees paid in error	748.20
Reimburse client for storage fees paid in error	31.50

Reimburse client for storage fees paid in error	115.50
Payment for furniture after PGT Authority ended	1,802.80
Payment of Outstanding Blue Cross premiums	63.06
Payment of Outstanding Blue Cross premiums	<u>1,001.00</u>
Total amount paid during fiscal 2023/24	\$34,692.06

In comparison to 2022/23, this is an increase in the cost of mistakes to the PGT in the amount of \$9,708.37 (2023 total was \$24,983.69).

Summary of Financial Results

PUBLIC GUARDIAN AND TRUSTEE SOA

Summary of Financial Results for the Fourth Quarter ending March 31, 2024

	Budget 23/24	Budget March 23/24	Prior Year March 22/23	Actual March 23/24	Budget Variance
Total Revenue	7,985	7,985	9,618	10,475	31.18%
Salaries and Benefits	5,737	5,737	5,693	5,723	-0.24%
Employee Pension Costs	410	410	401	377	-8.05%
Accommodations	461	465	464	464	-0.22%
Other Administrative Costs	1,281	1,277	1,285	1,293	1.25%
Amortization	70	70	73	62	-11.43%
Total Expenses	7,959	7,959	7,916	7,919	-0.50%
Net Income (Loss)	26	26	1,702	2,556	

Internal Audit Report

1. File Reviews

Client files are typically reviewed within six months of file opening. During the year, 514 client files were opened, 334 files were reviewed. The reviews have the following functions:

- to assess compliance with procedures and statutory responsibilities;
- to identify and mitigate financial risks;
- to assess adequacy of internal controls;
- to identify need for policy and procedure development or training enhancement.

In addition to file reviews, Internal Audit reviews quarterly reports for clients on Employment and Income Assistance (EIA) to ensure adherence to legislation and EIA policies.

Internal Audit findings are reported to the Deputy Public Guardian and Trustee - Adult Services, who works with her section (Adult Services) to monitor implementation of any recommendations that were made and accepted and/or to rectify any deficiencies noted. Where necessary, the Internal Audit findings may also identify other sections of the PGT who need to be involved in the rectification of deficiencies or to receive recommendations arising from the specific file reviews conducted.

2. Ongoing Review of Policies and Procedures

In conjunction with conducting file reviews, Internal Audit conducts audits of other workflows and processes at the PGT and makes recommendations for policy, procedure and process enhancements with the purpose of reflecting current practices, reducing risks and improving efficiency. In 2023/24, certain workflows and processes of the PGT's Financial Administration Section, and other sections were specifically reviewed by the Internal Auditor and reported on to the PGT. Internal Audit also developed audit programs and conducted audits on the administration of clients' real estates and chattels.

3. Audit Program Changes

As PGT switches towards digital data format by reducing paper usage, the office implemented audit forensic software - arbutus analyzer, to enhance electronic audit review and monitor system usage. Internal Audit was able to develop an additional audit program to regularly monitor system usage, analyze electronic data and conduct audit testing for adherence to audit requirements in The Freedom of Information and Protection of Privacy Act (FIPPA) and The Personal Health Information Act (PHIA).

E.

**FINANCIAL
STATEMENTS**





**The Public Guardian and Trustee of Manitoba
An Agency of the Province of Manitoba**

**Financial Statements
March 31, 2024**

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with Canadian Public Sector Accounting Standards. In Management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgment regarding all necessary estimates and all other data available up to June 19, 2024. The financial information presented elsewhere in the Annual Report is consistent with that in the financial statements.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate and that the assets of The Public Guardian and Trustee of Manitoba—An Agency of the Province of Manitoba are properly safeguarded.

The responsibility of the Auditor General is to express an independent, professional opinion on whether the financial statements are fairly stated in accordance with Canadian Public Sector Accounting Standards. The Auditors' Report outlines the scope of the audit examination and provides the audit opinion.

The Public Guardian and Trustee have reviewed and approved these financial statements and the Annual Report in advance of its release and have approved its content and authorized its release.



Keri Ranson
Acting Public Guardian and Trustee



Auditor General
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba
To the Public Guardian and Trustee of Manitoba

Opinion

We have audited the financial statements of the Public Guardian and Trustee of Manitoba, Special Operating Agency (the "Public Guardian and Trustee of Manitoba"), which comprise the statement of financial position as at March 31, 2024, and the statement of operations and accumulated surplus, the statement of changes in net financial assets and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Public Guardian and Trustee of Manitoba as at March 31, 2024, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as 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 Guardian and Trustee of Manitoba'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 the



Public Guardian and Trustee of Manitoba or to cease operations, or there is no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our 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 our 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 the 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Guardian and Trustee of Manitoba'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 Guardian and Trustee of Manitoba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Public Guardian and Trustee of Manitoba 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.

We 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 we identify during our audit.

A handwritten signature in cursive script that reads "Office of the Auditor General".

Office of the Auditor General
Winnipeg, Manitoba
June 19, 2024

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Statement of Financial
Position As at March 31, 2024
(In Thousands)

	<u>March 31,</u> <u>2024</u>	<u>March 31,</u> <u>2023</u>
Financial assets		
Cash and cash equivalents (Note 6)	\$14,953	\$12,238
Portfolio investments (Note 11)	516	516
Accounts receivable (Note 7)	<u>1,657</u>	<u>1,581</u>
	<u>17,126</u>	<u>14,335</u>
Liabilities		
Accounts payable and accrued liabilities (Note 8)	930	756
Employee future benefits (Note 9)	<u>689</u>	<u>680</u>
	<u>1,619</u>	<u>1,436</u>
Net financial assets	<u>15,507</u>	<u>12,899</u>
Non-financial assets		
Prepaid expenses	12	12
Tangible capital assets (Note 10)	<u>71</u>	<u>123</u>
	<u>83</u>	<u>135</u>
Accumulated surplus	<u>\$15,590</u>	<u>\$13,034</u>

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

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Statement of Operations and Accumulated
Surplus For the Year Ended March 31, 2024
(In Thousands)

	2024 <u>Budget</u> (Note 20)	2024 <u>Actual</u>	2023 <u>Actual</u>
Revenue			
Fees and other revenue (Note 13)	\$ 7,885	\$ 9,900	\$ 9,334
Investment income	<u>100</u>	<u>575</u>	<u>284</u>
Total revenue	<u>7,985</u>	<u>10,475</u>	<u>9,618</u>
Expenses			
Amortization of tangible capital assets (Note 10)	70	62	73
Accommodation costs (Note 12)	465	464	464
Other administration expenses (Note 14)	1,277	1,293	1,285
Salaries and benefits	5,737	5,723	5,693
Pension benefits (Note 15)	<u>410</u>	<u>377</u>	<u>401</u>
Total expenses	<u>7,959</u>	<u>7,919</u>	<u>7,916</u>
Annual surplus	26	2,556	1,702
Accumulated surplus, beginning of year	13,034	13,034	11,332
Accumulated surplus, end of year	<u>\$ 13,060</u>	<u>\$ 15,590</u>	<u>\$ 13,034</u>

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

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Statement of Changes in Net Financial
Assets For the Year Ended March 31, 2024
(In Thousands)

	2024 <u>Budget</u> (Note 20)	2024 <u>Actual</u>	2023 <u>Actual</u>
Annual Surplus	\$ 26	\$ 2,556	\$ 1,702
Tangible capital assets			
Acquisition of tangible capital assets	(50)	(10)	(38)
Amortization of tangible capital assets	<u>70</u>	<u>62</u>	<u>73</u>
Net change in tangible capital assets	<u>20</u>	<u>52</u>	<u>35</u>
Other non-financial assets			
Decrease (increase) in prepaid expenses	<u>5</u>	<u>0</u>	<u>5</u>
Net change in other non-financial assets	<u>5</u>	<u>0</u>	<u>5</u>
Net increase in net financial assets	51	2,608	1,742
Net financial assets, beginning of year	<u>12,899</u>	<u>12,899</u>	<u>11,157</u>
Net financial assets, end of year	<u>\$ 12,950</u>	<u>\$ 15,507</u>	<u>\$ 12,899</u>

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

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Statement of Cash Flows
For the Year Ended March 31, 2024
(In Thousands)

	<u>2024</u> <u>Actual</u>	<u>2023</u> <u>Actual</u>
Cash provided by (applied to)		
Operating		
Annual surplus	\$ 2,556	\$ 1,702
Amortization of tangible capital assets	<u>62</u>	<u>73</u>
	2,618	1,775
Changes in non-cash working capital balances:		
Accounts receivable	(76)	(201)
Accounts payable and accrued liabilities	174	78
Employee future benefits	9	80
Prepaid expenses	<u>0</u>	<u>5</u>
Cash provided by operating activities	<u>2,725</u>	<u>1,737</u>
Capital		
Acquisition of tangible capital assets	<u>(10)</u>	<u>(38)</u>
Cash applied to capital activities	<u>(10)</u>	<u>(38)</u>
Net increase in cash	2,715	1,699
Cash and cash equivalents		
Beginning of year	<u>12,238</u>	<u>10,539</u>
End of year	<u>\$14,953</u>	<u>\$12,238</u>
Supplemental cash flow information Interest received	\$ <u>575</u>	\$ <u>284</u>

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

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

1. Nature of organization

The Public Guardian and Trustee of Manitoba—An Agency of the Special Operating Agencies Act—Province of Manitoba (the “Agency”) protects the interests of Manitobans by providing trust, legal, financial and personal services on a last resort basis to people who are mentally incompetent, under the age of majority, or whose estates would otherwise be unadministered upon their death.

Effective April 1, 1996, the Agency was designated as a Special Operating Agency pursuant to The Special Operating Agencies Act, Cap. s185, C.C.S.M. and operates under a charter approved by the Lieutenant Governor in Council. Effective April 1, 2014 The Public Guardian and Trustee’s name was changed from The Public Trustee upon the enactment of legislation which updated and clarified the statutory roles of the office.

The Agency is financed through the Special Operating Agencies Act. The Special Operating Agencies Act has the mandate to hold and acquire assets required for and resulting from the Agency’s operations. It finances the Agency through repayable loans and working capital advances. The financial framework provides increased management authority which, coupled with more rigorous planning and reporting requirements afforded by Special Operating Agency status, assists the Agency to sustain the provision of high quality service to its clients.

A Management Agreement between the Special Operating Agencies Act and the Minister of Finance assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of the Special Operating Agencies Act.

The Agency is a part of the Department of Consumer Protection and Government Services. The Agency is a corporation sole with perpetual succession. As a corporate entity, the Agency functions separately from government and is capable of suing or being sued on behalf of the clients, trusts and estates which are administered by the Agency.

The Agency remains bound by relevant legislation and regulations. The Agency is also bound by administrative policy except where specific exemptions have been provided for in The Agency charter in order to meet business objectives.

2. Basis of accounting

The financial statements are prepared in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

3. Significant accounting policies

a) Revenue recognition

- i. Administration fees are charged quarterly as earned to client accounts based on the anniversary date of the account in accordance with the provisions of *The Public Guardian and Trustee Act*. Fees revenue recognized during the year consists of all fees charged.
- ii. Other fees are recognized and charged to an account as services are provided.
- iii. Statutory legal fees as prescribed in *The Public Guardian and Trustee Act* are recognized as revenue when received.
- iv. The Public Guardian and Trustee Special Operating Agency adopted PS3400 Revenue effective April 1, 2023.

b) Tangible capital assets

Tangible capital assets are recorded at cost and are amortized annually at the following rates and methods:

Furnishings and equipment	20%, declining balance basis
Computer hardware and software management	20%, straight-line basis, 10% in the year of Document acquisition, software purchases less than \$1 are expensed in year of acquisition
Leasehold improvements	20%, straight-line basis

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Agency's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The write-downs are accounted for as expenses in the statement of operations and accumulated surplus.

c) Measurement uncertainty

In preparing the Agency's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Significant estimates used in the financial statements include allowance for doubtful accounts, amortization of tangible capital assets, sick benefits and accrued severance benefits costs.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

d) Capital disclosures

The Agency's capital consists of the accumulated surplus from operations.

The Agency's capital management policy is to maintain sufficient capital to meet its objectives through its accumulated surplus. The Agency has developed risk management strategies, as described in Note 4, to preserve the accumulated surplus. There were no changes in the Agency's approach to capital management during the period.

The Agency is not subject to externally imposed capital requirements.

e) Cash and cash equivalents

Cash and cash equivalents include cash on hand; demand deposits and short-term highly liquid investments that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value. These short-term investments generally have a maturity of three to six months or less at the date of acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

f) Prepaid expenses

Prepaid expenses include insurance and deposits and are charged over the periods expected to benefit from it.

g) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

4. Adoption of New Accounting Standard

Effective April 1, 2023, the Public Guardian and Trustee—Special Operating Agency adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 *Revenue*. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statements presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior period have not been restated. There was no material impact on the financial statements from the prospective application of the new accounting standard.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
 March 31, 2024
 (In Thousands)

5. Financial instruments and financial risk management

Measurement

Financial instruments are classified into one of the two measurement categories: (a) fair value; or (b) cost or amortized cost.

Financial instruments including cash and cash equivalents, portfolio investments, accounts receivable and accounts payable and accrued liabilities, are initially recorded at their fair value and are subsequently measured at amortized cost. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations and accumulated surplus in the period the gain or loss occurs. As at March 31, 2024, the Agency does not have any financial instruments measured at fair value. In the event financial instruments are measured at fair value gains and losses would be recorded in accumulated surplus as re-measurement gains and losses until realized. Upon disposition of the financial instruments, the cumulative re-measurement gains and losses are reclassified to the statement of operations and accumulated surplus.

The Agency did not incur any re-measurement gains and losses during the year ended March 31, 2024 (2023 - \$nil).

The Agency has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk which includes interest risk, and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Agency to credit risk consist principally of cash and cash equivalents, portfolio investments and accounts receivable.

The maximum exposure of the Agency to credit risk is as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$14,953	\$12,238
Portfolio investments	516	516
Accounts receivable	<u>1,657</u>	<u>1,581</u>
	<u>\$17,126</u>	<u>\$14,335</u>

Cash and cash equivalents and portfolio investments: The Agency is not exposed to significant credit risk as the cash and cash equivalents and portfolio investments are primarily held by the Minister of Finance.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

Accounts receivable: The Agency is not exposed to significant credit risk as the receivable is composed of fees due from a diverse client base. The Agency establishes an allowance for doubtful accounts that represents its estimate of potential credit losses.

The aging of fees receivable and allowance for doubtful accounts on the accrued administration fees as at March 31, 2024 was as follows:

	Gross	Allowance
Current (note 6)	\$1,507	\$ 63
30-60 days past the billing date	-	-
61-90 days past the billing date	-	-
More than 90 days past the billing date	-	-
	<u>\$1,507</u>	<u>\$ 63</u>

Liquidity risk

Liquidity risk is the risk that the Agency will not be able to meet its financial obligations as they come due.

The Agency manages liquidity risk by maintaining adequate cash balances. The Agency prepares and monitors detailed forecasts of cash flows from operations and anticipated investing and financing activities. The Agency continuously monitors and reviews both actual and forecasted cash flows through periodic financial reporting. The Agency's accounts payable and accrued liabilities mature within 12 months.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Agency's income or the fair values of its financial instruments. The significant market risk that the Agency is exposed to is interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash and cash equivalents and portfolio investments.

The interest rate risk on cash and cash equivalents and portfolio investments is considered to be low because of their short-term nature and because amounts are re-invested annually.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Agency is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currencies.

6. Cash and cash equivalents

	<u>2024</u>	<u>2023</u>
Cash	\$ 4,703	\$ 4,688
Demand deposits	<u>10,250</u>	<u>7,550</u>
	<u>\$14,953</u>	<u>\$12,238</u>

7. Accounts receivable

	<u>2024</u>	<u>2023</u>
Fees receivable	\$ 1,507	\$ 1,487
Allowance for doubtful accounts	<u>(63)</u>	<u>(65)</u>
	1,444	1,422
Interest receivable	134	94
Advances to clients	73	59
Cost recoveries	<u>6</u>	<u>6</u>
	<u>\$ 1,657</u>	<u>\$ 1,581</u>

8. Accounts payable and accrued liabilities

	<u>2024</u>	<u>2023</u>
Operating expenses payable	\$ 493	\$ 336
Vacation entitlements earned	394	377
GST payable to Canada Revenue Agency	<u>43</u>	<u>43</u>
	<u>\$ 930</u>	<u>\$ 756</u>

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

9. Employee future benefits

	<u>2024</u>	<u>2023</u>
Severance benefits	\$ 552	\$ 559
Sick pay benefits	<u>137</u>	<u>121</u>
	<u>\$ 689</u>	<u>\$ 680</u>

Severance benefits

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The amount of severance pay obligations is based on actuarial calculations. The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from that expected and/or because of changes in actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

An actuarial report was completed for the severance pay liability as of March 31, 2020. The report provides a formula to update the liability on an annual basis.

The Agency's actuarially determined net liability for accounting purposes as at March 31, 2024 was \$521 (2023 - \$630). The actuarial loss of \$228 based on actuarial reports is being amortized over the 15 year expected average remaining service life ("EARSL") of the employee group. Benefits paid during the year were \$36 (2023-\$21).

The severance benefit liability at March 31 includes the following components:

	<u>2024</u>	<u>2023</u>
Balance beginning of year	\$ 521	\$ 630
Increase due to change in discount rate	-	-
Benefits accrued	22	20
Interest on accrued benefits	42	41
Severance paid	<u>(36)</u>	<u>(21)</u>
Accrued benefit liability	549	670
Less: unamortized actuarial losses	<u>3</u>	<u>(111)</u>
Severance benefit liability	<u>\$ 552</u>	<u>\$ 559</u>

The total expense related to severance benefits at March 31 includes the following components:

	<u>2024</u>	<u>2023</u>
Interest on obligation	\$ 22	\$ 20
Employer service cost	42	41
Amortization of actuarial loss over EARSL	<u>0</u>	<u>0</u>
Total expense related to severance benefits	<u>\$ 64</u>	<u>\$ 61</u>

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

Significant long-term actuarial assumptions used in the December 31, 2022 valuation, and in the determination of the March 31, 2024 present value of the accrued severance benefit obligation were:

	<u>2024</u>	<u>2023</u>
Discount rate	4.25%	3.20%
Assumed salary increase rates Annual productivity increase	1.00%	1.00%
Annual general salary increase	<u>2.50%</u>	<u>2.50%</u>
	<u>3.50%</u>	<u>3.50%</u>

Sick pay benefits

The Agency provides its employees with sick leave benefits that accumulate but do not vest. The liability for accumulating, non-vesting sick pay benefits is based upon a review of past experience to extrapolate a liability based upon expected future utilization of currently accumulated benefit. The Agency is presenting the sick pay benefit liability at the 2024 value of \$137 (2023 - \$121).

10. Tangible capital assets

	2024			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Furnishings and equipment	\$ 345	\$ -	\$ -	\$ 345
Computer hardware and software	154	-	-	154
Document management	363	10	-	373
Leasehold improvements	124	-	-	124
Total cost	\$ 986	\$ 10	\$ -	\$ 996
Accumulated amortization Furnishings and equipment	\$ 337	\$ 1	\$ -	\$ 338
Computer hardware and software	133	6	-	139
Document management	269	55	-	324
Leasehold improvements	124	-	-	124
Total accumulated amortization	\$ 863	\$ 62	\$ -	\$ 925
Net book value	\$ 123	\$ 52	\$ -	\$ 71

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

	2023			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Furnishings and equipment	\$ 345	\$ -	\$ -	\$ 345
Computer hardware and software	133	21	-	154
Document management	346	17	-	363
Leasehold improvements	124	-	-	124
Total cost	\$ 948	\$ 38	\$ -	\$ 986
Accumulated amortization				
Furnishings and equipment	\$ 336	\$ 1	\$ -	\$ 337
Computer hardware and software	129	4	-	133
Document management	202	67	-	269
Leasehold improvements	123	1	-	124
Total accumulated amortization	\$ 790	\$ 73	\$ -	\$ 863
Net book value	\$ 158	\$ 35	\$ -	\$ 123

11. Designated portfolio investments

Portfolio investments consist of designated assets and non-redeemable investments and guaranteed investment certificates. The Agency has allocated \$516 (2023 - \$516) of its portfolio investments as designated assets for cash received from the Province of Manitoba as settlement for the severance pay benefits accumulated to March 31, 1998 for certain of its employees. This amount is held in an interest bearing account. Any unused balance is re-invested annually. Funds are to be used for payments to employees for their outstanding severance pay amounts. Interest during the year amounted to \$24 (2023 - \$11).

12. Commitments

The Agency has an arrangement with the Province of Manitoba, through the Department of Consumer Protection and Government Services, for rental of its facilities at 155 Carlton Street in Winnipeg and its facility in the Provincial Building in Brandon. Accommodation costs are estimated to be \$464 for the year ended March 31, 2024. The lease is held by Department of Consumer Protection and Government Services and there is no fixed term.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Notes to Financial Statements
March 31, 2024
(In Thousands)

13. Fees and other revenue

	<u>2024</u>	<u>2023</u>
Administration Fees	\$ 8,716	\$ 8,073
Legal Fees	438	371
Income Tax Preparation Fees	495	601
Inspection Fees	<u>251</u>	<u>289</u>
	<u>\$ 9,900</u>	<u>\$ 9,334</u>

14. Other administration expenses

	<u>2024</u>	<u>2023</u>
Computer expenses	\$ 817	\$ 796
Courier charges	8	8
Insurance, loss, damage	49	9
Office supplies	84	95
Personnel expenses	27	35
Photocopies	1	1
Postage	65	65
Professional fees	52	56
Publications	-	1
Public communications	3	6
Records Centre charges	35	32
Rentals, equipment	-	1
Repairs and maintenance	57	72
Telephone	52	50
Travel	<u>43</u>	<u>58</u>
	<u>\$ 1,293</u>	<u>\$ 1,285</u>

15. Pension benefits

Employees of the Agency are eligible for pension benefits in accordance with the provisions of the Civil Service Superannuation Act ("CSSA"), administered by the Civil Service Superannuation Board. The CSSA established a defined benefit plan to provide benefits to employees of the Manitoba Civil Service and to participating agencies of the Government, including the Agency, through the Civil Service Superannuation Fund.

Effective March 31, 2001, pursuant to an agreement with the Province of Manitoba, the Agency transferred to the Province the pension liability for its employees. Commencing April 1, 2001, the Agency was required to pay to the Province an amount equal to its employees' current pension contributions. The amount paid at March 31 was \$377 (2023 - \$401). Under this agreement, the Agency has no further pension liability.

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA

An Agency of the Province of Manitoba

Notes to Financial Statements

March 31, 2024

(In Thousands)

16. Related party transactions

The Agency is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. The Agency enters into transactions with these entities in the normal course of business. The transactions are recorded at the exchange amount.

17. Escheats to the Crown

Escheats to the Crown relate to estates of deceased persons with no heirs. These estates are sent by the Public Guardian and Trustee to the Department of Finance annually. Escheats to the Crown, received by the Agency during the year and remitted to the Minister of Finance, amounted to \$179 (2023 - \$83). These amounts are not reflected in these financial statements.

18. Estates and trusts under administration

The client assets under administration at March 31, 2024 totaled approximately \$369,000 (2023 - \$327,000). The trust activities of the Agency are reported in a separate Estates and Trusts under Administration financial statements.

19. Contingencies

Various claims and litigations arise in the normal course of operations. It is management's opinion based on advice and information provided by legal counsel that adequate provision has been made for any potential settlements relating to such matters. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance and actual results could differ and as adjustments become necessary they are reported in the periods in which they become known.

20. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Agency.



Public Guardian and
Trustee of Manitoba

**The Public Guardian and Trustee of Manitoba
Estates and Trusts under Administration**

**Financial Statements
March 31, 2024**

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with the accounting policies stated in the financial statements. In Management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgment regarding all necessary estimates and all other data available up to June 19, 2024. The financial information presented elsewhere in the Annual Report is consistent with that in the financial statements.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate and that the assets of the Public Guardian and Trustee are properly safeguarded.

The responsibility of the Auditor General is to express an independent, professional opinion on whether the financial statements are fairly stated in accordance with the accounting policies stated in the financial statements. The Auditors' Report outlines the scope of the audit examination and provides the audit opinion.

The Public Guardian and Trustee has reviewed and approved these financial statements and the Annual Report in advance of its release and has approved its content and authorized its release.



Keri Ranson
Acting Public Guardian and Trustee

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba
To the Public Guardian and Trustee of Manitoba

Opinion

We have audited the financial statements of the Public Guardian and Trustee of Manitoba, Estates and Trusts under Administration (the "Trust"), which comprise the Balance Sheet as at March 31, 2024, and the statement of cash receipts and disbursements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at March 31, 2024, and the statement of cash receipts and disbursements for the year then ended in accordance with the basis of accounting described in Note 2 of the financial statements.

Basis for opinion

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

Emphasis of Matter: Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Public Guardian and Trustee to meet the requirements of Section 36(2) of *The Public Guardian and Trustee Act*. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Public Guardian and Trustee and Members of the Legislative Assembly and should not be used by other parties.



Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the basis of accounting described in Note 2 of the financial statements, and for such internal control as 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 Trust'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 the Trust or to cease operations, or there is no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our 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 our 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 the 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Trust'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 Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust 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.

We 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 we identify during our audit.



Office of the Auditor General
Winnipeg, Manitoba
June 19, 2024

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Guardian and Trustee of Manitoba
Estates and Trusts under Administration

Balance Sheet
as at March 31, 2024

ASSETS	2024	2023
Cash on hand and in bank	\$ 18,533,900	\$ 20,122,181
Investments - Common Fund (Notes 2(a) and 3)	245,346,298	229,589,292
- Specific Estates and Trusts (Notes 2(b) and 4)	67,075,693	43,357,705
Accrued interest receivable on common fund investments. (Note 2(a))	1,961,779	1,539,681
Real estate	36,557,756	31,965,064
Client Assets (Note 2(c))	<u>1</u>	<u>1</u>
	<u>\$369,475,427</u>	<u>\$326,573,924</u>
 LIABILITIES		
Client Liabilities	\$ 1	\$ 1
Mortgages Payable	2,649,097	3,623,960
Public Guardian and Trustee- Fees payable	186,636	242,744
- Expenditures payable (Note 5)	<u>71,253</u>	<u>57,901</u>
	<u>2,906,987</u>	<u>3,924,606</u>
Estates and trusts under administration:		
Excess of recorded value of assets over liabilities		
<i>The Mental Health Act</i>	234,149,113	187,817,507
<i>The Public Guardian and Trustee Act</i>	<u>132,419,327</u>	<u>134,831,812</u>
	<u>\$369,475,427</u>	<u>\$326,573,924</u>

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Guardian and Trustee of Manitoba
Estates and Trusts under Administration

Statement of Cash Receipts and Disbursements
for the year ended March 31, 2024

RECEIPTS	2024	2023
Funds held by estates and trusts brought under administration	\$15,957,244	\$ 23,081,163
Realization of equities in other estates	5,423,276	4,029,377
Pensions, compensation and assistance	54,972,567	48,215,567
Sickness, disability and other insurance benefits	8,546,539	11,314,167
Investment income	8,439,033	6,696,829
Sale of estate property	8,810,137	8,131,069
Collections on accounts receivable	<u>6,377,355</u>	<u>6,319,925</u>
Total receipts, before sale or redemption of securities	\$108,526,151	\$107,788,097
Sale and redemption of securities - Common Fund	76,500,000	18,000,000
Sale and redemption of securities - Specific Estates and Trusts	<u>1,648,433</u>	<u>3,539,081</u>
Total Receipts	<u>\$186,674,584</u>	<u>\$129,327,178</u>
 DISBURSEMENTS		
Room, board and other maintenance expense	\$39,552,752	\$36,290,694
Preservation of estates	5,150,699	28,268,430
Other estate expense	2,520,218	2,652,981
Administration and passing of accounts (Note 1)	9,188,486	8,695,969
Estates and trusts released from administration	<u>39,083,938</u>	<u>32,020,949</u>
Total disbursements, before purchase of securities	<u>95,496,093</u>	<u>107,929,023</u>
Purchase of securities - Common Fund	92,458,765	20,000,000
Purchase of securities - Specific Estates and Trusts	<u>308,007</u>	<u>23,121</u>
Total Disbursements	<u>188,262,865</u>	<u>127,952,144</u>
Excess cash receipts (disbursements)	(1,588,281)	1,375,034
Cash position at start of year	<u>20,122,181</u>	<u>18,747,147</u>
Cash position at end of year	<u>\$ 18,533,900</u>	<u>\$ 20,122,181</u>

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Guardian and Trustee of Manitoba Estates and Trusts under Administration

Notes to Financial Statements

March 31, 2024

1. Role and Objective

On April 1, 2014 *The Public Guardian and Trustee Act* was enacted. The legislation updated and clarified the statutory roles of the office. The Public Guardian and Trustee administer estates of mentally disabled persons, estates of deceased persons, and infant trusts. The Public Guardian and Trustee is considered to be an appointment of last resort. The Public Guardian and Trustee provides a public service, generally where there is no other competent or acceptable person available to provide the required service.

Under Section 28 of *The Public Guardian and Trustee Act*, the Public Guardian and Trustee may charge fees for the services provided to the estates and trusts under her administration. Fees are charged quarterly to each estate and trust based on its anniversary date. Those estates and trusts which do not have sufficient funds may have the fees reduced or waived.

Effective April 1, 1996, the Public Guardian and Trustee became a Special Operating Agency. The operations of the Public Guardian and Trustee are reflected in a separate Special Operating Agency financial statement.

2. Significant Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with the significant accounting policies set out below in detail, to comply with the accounting requirements prescribed by Section 36 (2) of *The Public Guardian and Trustee Act*. The basis of accounting used in these financial statements is determined and approved by the Public Guardian and Trustee and differs materially from Canadian generally accepted accounting principles because they are prepared essentially on a cash basis to reflect only the custodial activities of the Public Guardian and Trustee, with the exception of the following items as recorded on the balance sheet:

- i. interest is accrued on Common Fund investments;
- ii. investments are recorded at cost, adjusted for the amortization of premiums or discounts on purchase on a straight-line basis over the remaining term to maturity of the security;
- iii. bonds, term deposits, guaranteed investment certificates and treasury bills assumed under administration are recorded at cost (note 2(a)) or at par value (note 2(b));
- iv. certain shares (note 2(b)) are recorded at market value;
- v. fees and expenditures payable to the Public Guardian and Trustee are accrued; and
- vi. real estate holdings are recorded at the assessment value as stated on the last available property tax assessment from the relevant municipality. If property tax assessments are not available or assessment of beneficial ownership remains in progress with trust officers, the client real estate assets are recorded at a nominal value of \$1.
- vii. mortgages payable are recorded at the balance owing by the client estate as stated on the third party mortgage statement at the respective period end or using most recent mortgage statement with supporting payments or advances to the reporting period end date
- viii. other assets and liabilities are recorded at nominal value

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Guardian and Trustee of Manitoba Estates and Trusts under Administration

Notes to Financial Statements March 31, 2024

Statement of Cash Receipts and Disbursements

The Statement of Cash Receipts and Disbursements reflects cash transactions which have occurred during the year for estates and trusts under administration.

Balance Sheet

The Balance Sheet reflects the financial position of estates and trusts under administration in accordance with the following significant accounting policies:

a) Investments - Common Fund

Investments of the Common Fund, established pursuant to Section 22 of *The Public Guardian and Trustee Act*, are restricted to investments authorized under *The Trustee Act*. Common fund investments are recorded at cost, adjusted for the amortization of premiums or discounts on purchase on a straight-line basis over the remaining term to maturity of the security. Interest is accrued on these investments. Earnings are distributed monthly to the individual estates and trusts on a pro rata basis on the daily closing balance in the client's account.

b) Investments - Specific Estates and Trusts

Investments held for specific estates and trusts are recorded at the following values: Investments purchased by the Public Guardian and Trustee are recorded at cost.

Bonds, term deposits, investment certificates and treasury bills assumed under administration are recorded at par value.

Shares of capital stock and mutual funds assumed under administration are recorded at the market value. If market value is not available, shares of capital stock and mutual funds are recorded at a nominal value of \$1.

Registered Disability Savings Plans (RDSPs) include both client and government contributions. Contributions made by or on behalf of clients whose assets are under administration are recorded at an amount that represents the cash contributions made and are included under Investments – Specific Estates and Trusts on the balance sheet. Government contributions to individual RDSPs are subject to potential repayment terms over a 10 year period and until such time as all conditions are met and full entitlement to the contributions vest with the client, which is anticipated to be the end of the 10 year period from the date the contribution is made, the amounts contributed by the government and related interest are recorded with Other Assets at an aggregate nominal amount of \$1.

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Guardian and Trustee of Manitoba Estates and Trusts under Administration

Notes to Financial Statements March 31, 2024

At such time as all government conditions are met, the government portion contributed to individual RDSPs will be recorded under Investments—Specific Estates and Trusts at an amount representing cash contributions made plus accrued interest. As at March 31, 2023 and 2024 all government contributions have been recorded at a nominal amount of \$1 as vesting conditions have not been met.

c) Real estate

Real estate holdings for clients of the Public Guardian and Trustee are initially recorded at \$1. The real estate holding is adjusted to the assessment value as stated on the most recently received property tax assessment by the Public Guardian and Trustee.

d) Other Assets

Other assets which include bank accounts, accounts receivable, mortgages, notes receivable, real estate, RDSP (representing government contributions to individual estates under administration still subject to repayment terms) and other tangible assets are recorded in these financial statements at an aggregate nominal value of \$1 as valuation of these assets is not readily determinable or remain in progress with trust officers to assess beneficial ownership. These assets are recorded on the client accounts at estimated market value for administrative purposes.

e) Mortgages Payable

Mortgages payable are recorded at the balance owing by the client estate as stated on the third party mortgage statement at the respective period end or using most recent mortgage statement with supporting payments or advances to the reporting period end date.

f) Other Liabilities

Other liabilities which include accounts payable and notes payable are recorded for these financial statements at an aggregate nominal value of \$1 as valuation of these liabilities is not readily determinable. These liabilities are recorded on the client accounts at estimated market value for administrative purposes.

3. Investments - Common Fund

	<u>2024</u> <u>Market Value</u>	<u>2024</u> <u>Par Value</u>	<u>2024</u> <u>Book Value</u>	<u>2023</u>
Term deposits & investment certificates	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 40,000,000
Alberta Capital Finance	24,963,944	25,600,000	25,632,442	25,707,614
Province of B.C.	23,205,664	24,700,000	23,730,192	10,270,639
Province of Manitoba	22,009,771	22,500,000	22,585,509	36,710,200
Province of Quebec	12,502,355	13,000,000	13,045,549	13,060,819
Province of Ontario	13,004,971	13,000,000	13,012,712	14,078,927
Province of New Brunswick	1,903,497	2,000,000	1,971,979	7,964,127
Province of Newfoundland	2,942,228	3,000,000	2,984,068	2,970,412
Province of Saskatchewan	8,320,529	8,000,000	8,380,988	3,017,948
Municipals	1,802,180	1,900,000	1,900,000	1,900,000
National Bank of Canada	-	-	-	12,500,000
Canada Housing Trust	<u>80,464,846</u>	<u>83,750,000</u>	<u>82,102,859</u>	<u>61,408,605</u>
	<u>\$ 241,119,986</u>	<u>\$ 247,450,000</u>	<u>\$ 245,346,298</u>	<u>\$ 229,589,292</u>

4. Investments - Specific Estates and Trusts

	<u>2023</u>	<u>2023</u>
Term deposits, investment certificates and treasury bills	\$41,180,429	\$20,662,851
Government of Canada and other bonds	1,403,521	1,373,521
Shares of capital stock and mutual funds	15,700,863	13,301,203
Registered Disability Savings Plan Funds	<u>8,790,880</u>	<u>8,020,130</u>
	<u>\$67,075,693</u>	<u>\$43,357,705</u>

5. Expenditures Payable to the Public Guardian and Trustee

Expenditures payable to the Public Guardian and Trustee represent disbursements made on behalf of estates or trusts for which funds were not immediately available. These expenditures will be recovered from the estates or trusts concerned by the Public Guardian and Trustee in due course when funds become available. If funds do not become available, these expenditures are recovered from operating funds of the Public Guardian and Trustee.

