

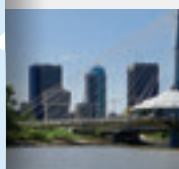


Public Guardian and Trustee of Manitoba

2022 - 2023

ANNUAL REPORT

2022-2023



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**

Room 343
Legislative Building
Winnipeg, Manitoba R3C 0V8
CANADA

August 31, 2023

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, 2023.

Respectfully submitted,

original signed by

Honourable James Teitsma
Minister of Consumer Protection and Government Services





**MINISTRE
DE LA PROTECTION DU CONSOMMATEUR ET DES SERVICES GOUVERNEMENTAUX**

Bureau 343
Palais législatif
Winnipeg (Manitoba) R3C 0V8
CANADA

31 août 2023

Son Honneur l'honorable Anita R. Neville, P.C., O.M.
Lieutenante-gouverneure du Manitoba
Bureau 235, Palais législatif
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 se terminant le 31 mars 2023.

Je vous prie d'agréer, Madame la Lieutenante-Gouverneure, l'expression de mon profond respect.

original signed by

Monsieur James Teitsma
Le ministre de la Protection du consommateur et des Services
gouvernementaux





Consumer Protection and Government Services

Deputy Minister

Room 349, Legislative Building, Winnipeg, Manitoba, Canada R3C 0V8

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August 31 , 2023

Honourable James Teitsma
Minister of Consumer Protection and Government Services
Room 343 Legislative Building
Winnipeg, MB R3C 0V8

Dear Minister:

I submit for your consideration the Annual Report of the Public Guardian and Trustee Special Operating Agency (SOA) for the fiscal year ending March 31, 2023.

The results of the 2022/23 fiscal year indicate that the SOA continues to be effective in meeting client needs and in its planning for the future as we move beyond the COVID-19 pandemic.

The Advisory Board is pleased with the success of the Public Guardian and Trustee and encouraged by the ongoing commitment of its employees.

original signed by

Joseph Dunford
Deputy Minister of Consumer Protection and Government Services





**Sous-ministre de la Protection du consommateur et des Services
gouvernementaux**

Palais législatif, bureau 349, Winnipeg (Manitoba) R3C 0V8, Canada
www.manitoba.ca

31 août 2023

Monsieur James Teitsma
Ministre de la Protection du consommateur et des Services gouvernementaux
Palais législatif, bureau 343
Winnipeg (Manitoba) R3C 0V8

Monsieur le Ministre,

Je suis heureux de vous présenter le rapport annuel du Bureau du tuteur et curateur public
du Manitoba pour l'exercice financier 2022-2023.

Je vous prie d'agréer, Monsieur le Ministre, l'expression de mon profond respect.

original signed by

Le sous-ministre de la Protection du consommateur et des Services
gouvernementaux
Joseph Dunford





Public Guardian and Trustee of Manitoba

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

August 31, 2023

Honourable James Teitsma
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, 2023.

Yours truly,

original signed by

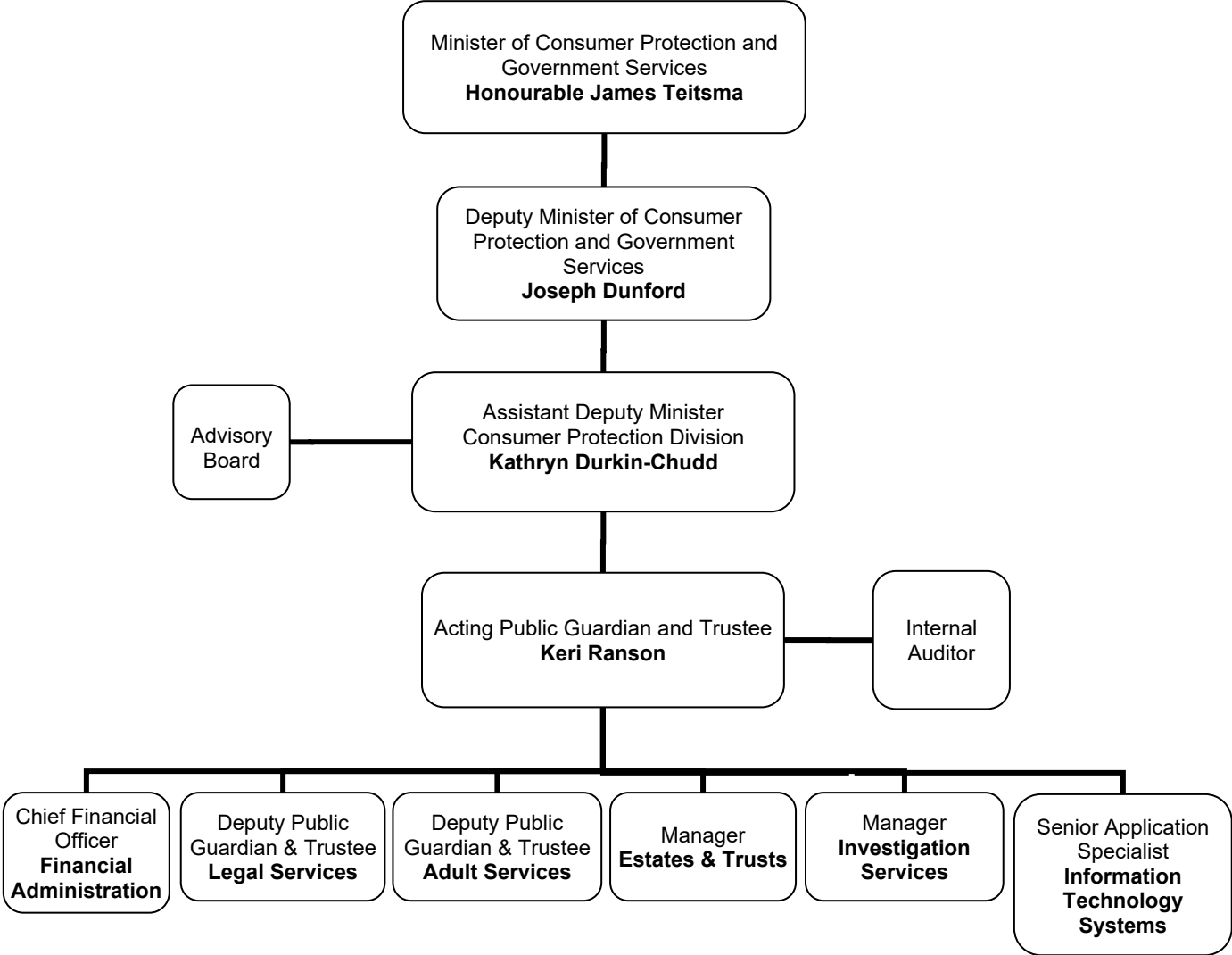
Keri Ranson
Acting Public Guardian and Trustee



TABLE OF CONTENTS

ORGANIZATIONAL CHART	2
A. INTRODUCTION AND OVERVIEW	3
• Message From The Public Guardian And Trustee	4
• Résumé Des Réalisations	6
• Overview	8
B. SERVICES PROVIDED BY THE PGT.....	11
• PGT as Committee	12
• PGT as Substitute Decision Maker (SDM)	13
• Patients in Psychiatric Facilities	15
• Power of Attorney (POA)	15
• PGT as Administrator of an Estate	16
• PGT as Trustee	17
• Public Education	20
C. SUPPORTING THE SERVICES WE PROVIDE	22
D. PERFORMANCE AND TRENDS.....	26
• Performance Reporting	27
• Continuous Improvement	29
• Technology	30
• Correcting Errors	31
• Summary of Financial Results	32
• Internal Audit Report	33
E. FINANCIAL STATEMENTS	34
• The Public Guardian and Trustee of Manitoba An Agency of the Province of Manitoba	35
• The Public Guardian and Trustee of Manitoba Estates and Trusts under Administration	53

**Public Guardian and Trustee
Organizational Chart
March 31, 2023**



A.

INTRODUCTION AND OVERVIEW



Message from the Public Guardian and Trustee

I am honoured to have the opportunity to report to you on the Public Guardian and Trustee's 2022/2023 fiscal year. This report outlines the operational highlights and financial results of the Public Guardian and Trustee (PGT), in a fiscal year where the PGT was focused on development and growth notwithstanding ongoing challenges that the office faced.

The PGT provides an essential service to Manitobans. It is appointed as a last resort to manage and protect the affairs of Manitobans who are unable to do so themselves and have no one else willing or able to act. This includes mentally incompetent and vulnerable adults, deceased estates and children.

During the past fiscal year the PGT continued to see growth in terms of the number of clients it was appointed to serve. This included an increase in the number of adult clients, deceased estates and children's trusts.

In an effort to address demands associated with the growth in client numbers, the PGT focused on filling new full time equivalent (FTE) positions created to help address service demands and unexpected vacancies stemming from staff resignations. While PGT leadership has worked diligently to fill positions, the PGT continues to be impacted by vacancies. While faced with this challenge, I would be remiss if I did not recognize the hard work of the dedicated staff who helped to ensure that services continued to be provided to clients notwithstanding the added demands associated with covering the work duties of vacant positions throughout the office.

The PGT was also focused on adding processes to its Document Management System (DMS), in an effort to improve office efficiencies. During the reporting period, the PGT's DMS Steering Committee met on a regular basis in an effort to identify the priority of work to be moved to the DMS. I am pleased to report that during the reporting period, the PGT made solid progress in this regard by creating a new digitized Investigation Work Order Process that has helped to streamline the assignment of tasks to the PGT's Investigations Section.

In addition to the above, the PGT also experienced the following noteworthy achievements during the last fiscal year:

- The PGT staff came together again in October to collect socks as part of the annual Socktober Campaign that takes place province-wide each year. With thanks to all staff who supported this worthy cause at the PGT, 760 pairs of socks were collected from our staff. Those socks, along with 520 pairs collected by other areas of the Consumer Protection Division of the Department of Consumer Protection and Government Services made for a total of 1280 pairs of socks which were delivered to Main Street Project.
- The PGT's Legal Section works diligently to ensure that clients who are eligible for compensation under Class Actions are represented and that claims are submitted

on their behalf. During the reporting period, the PGT finalized all of the claims submitted on behalf of clients under the Sixties Scoop Class Action Settlement, resulting in the amount of \$2.35 million in compensation to PGT clients. During the review period the PGT's Legal Department also worked diligently to submit 183 claims on behalf of clients for Day School compensation. To date, 45 of those claims have been resolved resulting in payment of \$1.315 million in compensation to PGT clients.

The role performed by the PGT is both challenging and rewarding. I am thankful for the hard work, dedication and perseverance demonstrated by PGT staff during the past fiscal year. I look forward to building upon the hard work and positive accomplishments of the PGT in the coming fiscal year and to our continued work to improve operations for the purpose of ensuring that the PGT is positioned to serve the best interests of vulnerable Manitobans in accordance with its legislated responsibilities.

Keri Ranson
Acting Public Guardian and Trustee

RÉSUMÉ DES RÉALISATIONS DE 2022-2023



1. Tout au long de l'année 2021-2022, le Bureau du tuteur et curateur public a poursuivi la mise en œuvre des changements organisationnels et procéduraux qui s'imposaient pour s'adapter aux nouvelles technologies, notamment en tirant parti des documents numériques grâce à son système de gestion des documents. Il se réjouit de continuer dans cette direction au cours de l'année à venir, l'objectif étant de passer à un environnement de travail sans papier.
2. Après une période au cours de laquelle sa capacité à faire de la sensibilisation a été considérablement réduite en raison de la pandémie de COVID-19, le Bureau du tuteur et curateur public a repris le flambeau, entre autres avec cinq activités de formation différentes (un article de journal, un balado, une émission de radio et deux présentations virtuelles).
3. La demande de services auprès du Bureau du tuteur et curateur public ne cesse de croître depuis un certain temps, et l'année 2021-2022 n'a pas fait exception. Le nombre de clients est passé de 6 593 à la fin de 2020-2021 à 6 967 au 31 mars 2022, soit une hausse globale de 374 dossiers. Cette augmentation de la clientèle, entre autres constituée d'adultes dont les dossiers sont gérés par les Services aux adultes et les équipes affectées aux fiducies et aux successions, se reflète dans les statistiques suivantes :

<u>Division</u>	<u>Accroissement depuis 2019</u>	<u>Accroissement depuis 2013</u>
Bureau dans son ensemble	11 %	29,5 %
Services aux adultes	15,6 %	23 %
Successions et fiducies	11,6 %	39,5 %

L'augmentation du nombre de clients du Bureau et les exigences accrues en matière de gestion des cas qui en résultent, à la fois pour les Services aux adultes et les équipes affectées aux fiducies et aux successions, se répercutent sur toutes les autres divisions, qui apportent un soutien et doivent aussi composer avec une hausse de la demande.

4. Mais tout n'est pas que dur labeur au Bureau du tuteur et curateur public, comme en témoigne l'édition 2021-2022 du « Socktober », un événement fort plaisant qui se déroule partout dans la province en octobre de chaque année. Malgré l'occasion saisie de s'amuser un peu, force est de constater qu'il a fallu se mettre à l'ouvrage pour en assurer le succès! Au cours du mois d'octobre, 492 paires de chaussettes ont été recueillies auprès du personnel du Bureau du tuteur et curateur public. Ces chaussettes ont été données à Overdose Awareness Manitoba, qui a veillé à leur distribution entre divers organismes qui aident des personnes vulnérables au Manitoba.
5. Le Bureau du tuteur et curateur public a continué de subir les répercussions de la pandémie sur ses opérations tout au long de l'année 2021-2022. Son personnel a été forcé de suivre un horaire de travail décalé et en partie à distance pendant plus de cinq mois (du 1^{er} avril au 12 juillet 2021 et du 5 janvier au 1^{er} mars 2022). Malgré les

défis que cela pouvait poser, en plus de ceux entraînés par l'augmentation du nombre de clients, des demandes et de la complexité des dossiers, le personnel n'a pas perdu de vue les intérêts supérieurs de la clientèle et, tout au long de l'année, a continué à se dévouer pour lui fournir les services nécessaires et attendus.

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 at March 31, 2023, we supported the needs of approximately 4,168 individuals¹ and 2,987 estates and trusts, for a total of 7,155 clients, resulting in our management of approximately \$327 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 Vulnerable Persons Living with a Mental 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;

¹ This number includes 148 Secondary Accounts

- acting as executor or administrator of a deceased estate; and/or
- administering trusts.

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 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, 2023 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

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
	Assistant Deputy Minister Manitoba Finance, Treasury Division

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 are actively 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?

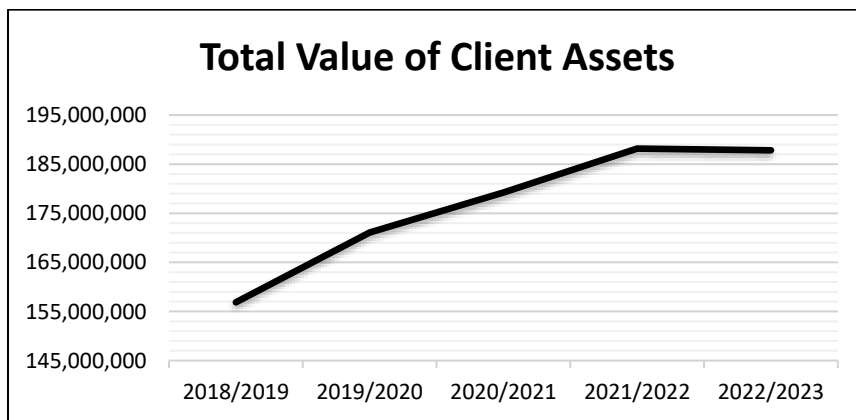
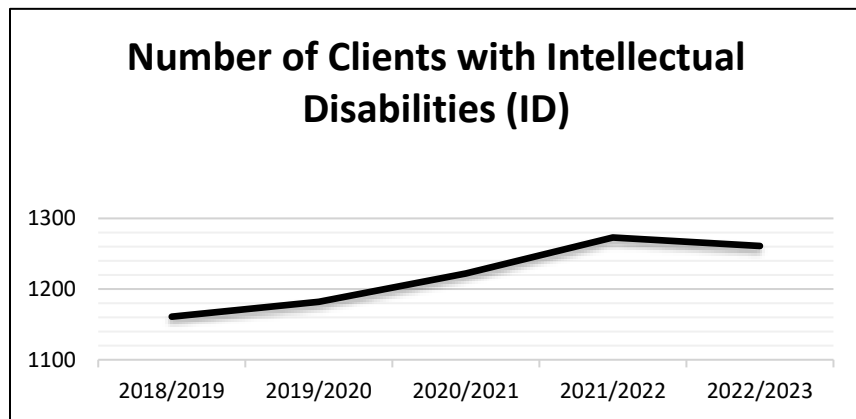
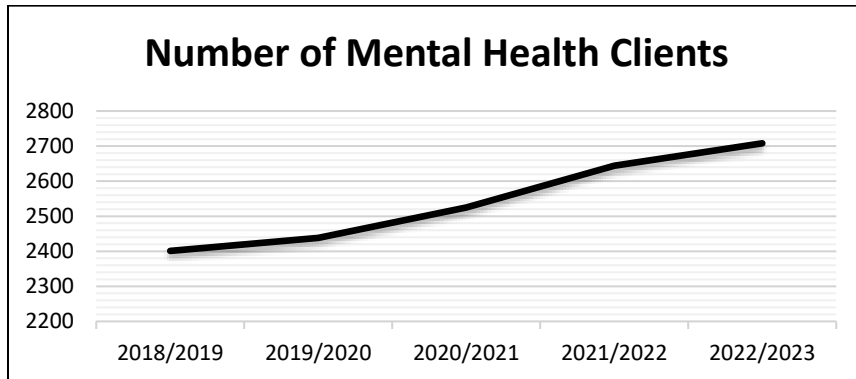
The Commissioner (who is independent from the PGT) receives applications requesting the appointment of a SDM from a variety of sources which can include family or care providers. The Commissioner reviews each application and decides whether a SDM appointment is appropriate, and the authorities to be 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, 2023**



Year	# of Mental Health Clients	# of ID Clients	Total Value of Client Assets
2018/2019	2401	1161	\$156,869,918
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

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?

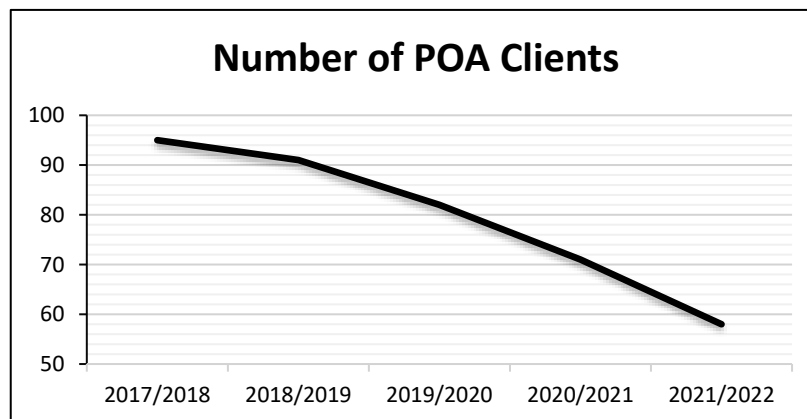
The role of the PGT will vary depending on the situation and the length of time the person impacted is subject to the order issued by the psychiatric facility. The order may limit the PGT's role to managing financial matters or may require the PGT to make medical treatment decisions.

During the 2022/23 fiscal year the PGT opened 55 Form 9 files where the PGT was appointed to make treatment decisions for patients admitted to psychiatric facilities in Manitoba. This was an increase of five files from the 2021/22 fiscal year.

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.

POA Activities for the year ending March 31, 2023



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.

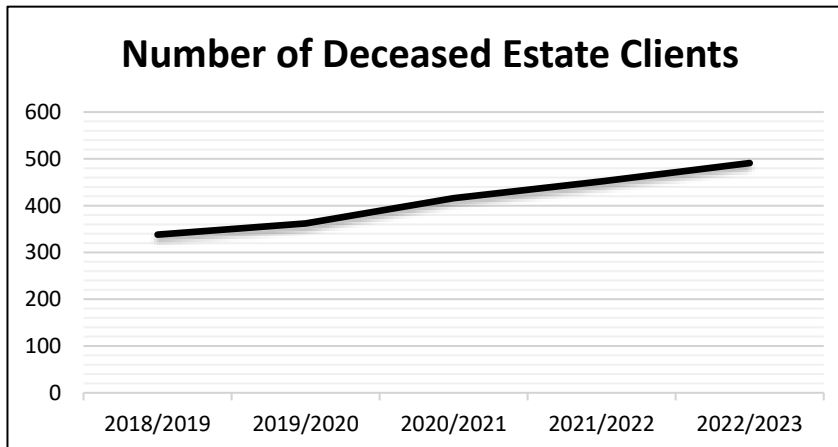
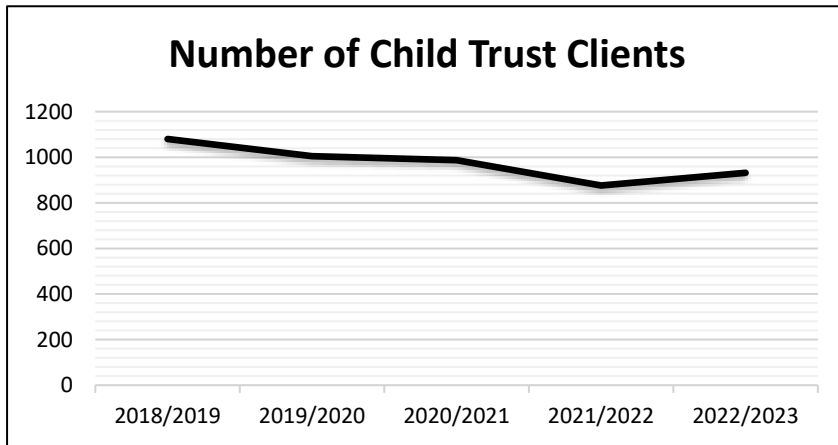
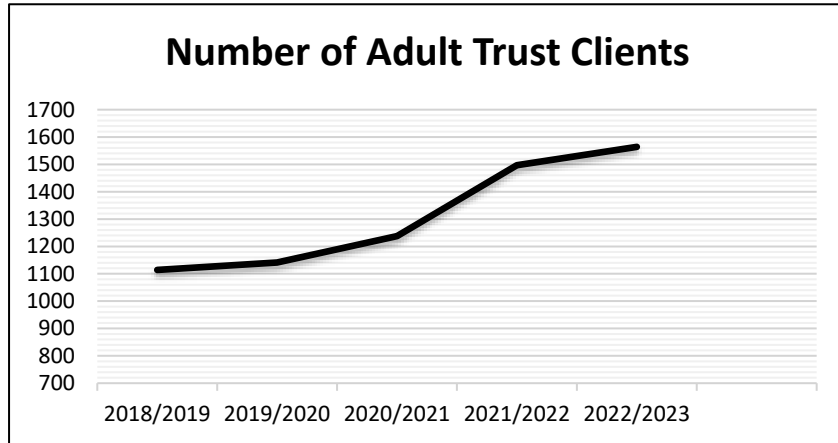
What services does the PGT provide?

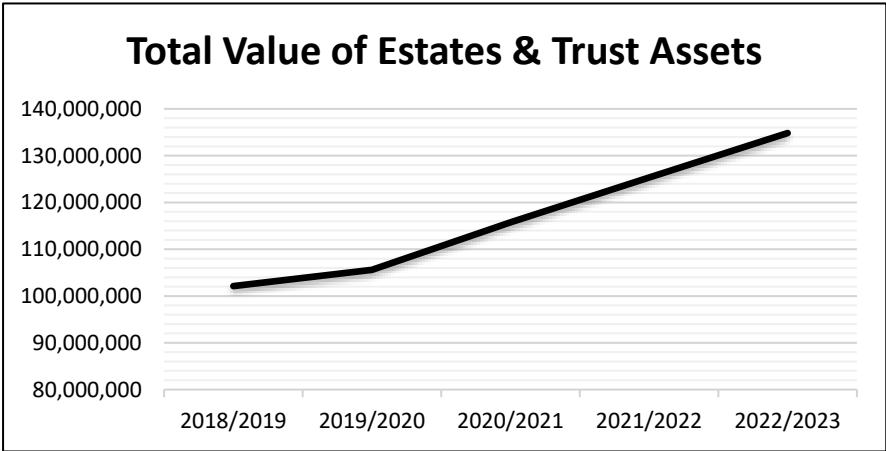
As is required of all trustees, the PGT must follow the instructions contained in the trust documents as well as in all applicable Manitoba laws, in order to do the following:

- 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, 2023**





Year	# of Adult Trust Clients	# of Child Trust Clients	# of Estate Clients	Total Value of Assets
2018/2019	1114	1080	338	\$102,118,994
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

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 2022/23 staff of the PGT participated in delivering:

Date	Location/Region	Group/Topic	Attendance
16-Jun-22	Jewish Child and Family Services - Winnipeg	Role of the PGT - workers	10
26-Sep-22	Misericordia Hospital - Social Work - Winnipeg	Role of the PGT - workers	10
21-Oct-22	Victoria Hospital - Winnipeg	Role of the PGT - workers	20
9-Nov-22	Reh-Fit Centre-Winnipeg	Financial Abuse	25
22-Nov-23	VPCO Presentation - Winnipeg	SDM Appointments	25
25-Nov-23	EPIC Opportunities - Brandon	PGT as SDM - Agency workers	15
17-Jan-23	Seven Oaks Hospital - Winnipeg	Role of the PGT - social workers	20
10-Feb-23	Western Bar Association - Winnipeg	Committeeships - lawyers	25
13-Feb-23	CJOB radio - interview	PGT general	N/A
17-Mar-23	U of M Law School - Winnipeg	Wills & Estates - students	25
24-Mar-23	U of W Collegiate Grade 12 Law Class -Winnipeg	PGT General - law students	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 Leads
- 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

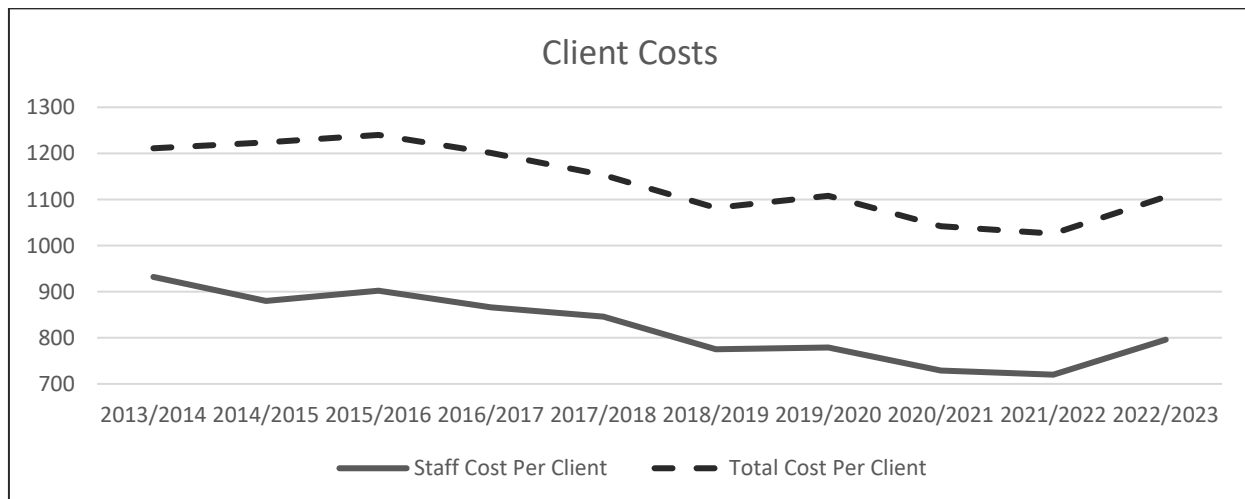
Each year the PGT prepares a business plan identifying both short and long-term goals. These goals are focused on identifying and implementing ways to improve the quality of service provided to the clients, estates and trusts that the PGT serves.

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 2022/23, 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
2013/14	5,457	\$6,611	\$1,211	\$5,084	\$932	75.38	72
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



Service Capacity

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 FTE's that were added in 2022 reduced the average number of clients managed by case managers 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 as demonstrated in the chart below. Please note that the numbers do not account for the adult trust files that are managed by case managers which add to the overall workload.

	2020	2021	2022	2023
Adult Services – Committee Files	190 files/case manager	194 files/case manager	197 files/case manager	172 files/case manager
Adult Services – SDM Files	296 files/case manager	302 files/case manager	332 files/case manager	327 files/case manager
Estates and Trusts – Estate Files	118 files/officer	132 files/officer	150 files/officer	140 files/officer

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 2022/23 fiscal year. Throughout the fiscal year there were several vacancies which resulted in case managers and estates officers managing more files than the average noted above. During the fiscal year, four case managers resigned to pursue other job opportunities. In addition to this, a total of five administrative assistants resigned in the Adult Services section. Combined, approximately 24% of staff in the PGT's Adult Services section resigned during the 2022/23 fiscal year. During the fiscal year there was turnover in approximately 22% of staff throughout the PGT's Office.

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. Each of the Investigation Services, Financial Administration, Legal Services, IT and Administration sections (which work to support the Adult Services and Estates and Trusts sections) experience increased demands as reflected in the numbers below:

Investigations Services received 423 more work orders in 2022/23 which was a 14.5% increase in work orders from the prior fiscal year.

	2021/22	2022/23	Variance
Work Orders	2925	3348	14.5%

Of those work orders Investigations conducted an increased 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	Variance
Search and Inventory	211	242	14.7%

Legal Services opened an increased number of legal files on behalf of clients in 2022/23.

	2021/22	2022/23	Variance
New files	356	552	55%

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%.

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

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 has continued to increase (\$ as millions):

Assets under PGT administration	2018/19	2019/20	2020/21	2021/22	2022/23
	\$270	\$277	\$301	\$318	\$327

The assets managed by the PGT include real property. During the 2021/22 fiscal year, the PGT was responsible for managing 236 and during the 2022/23 fiscal year the PGT was responsible for managing 248 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 2022/23 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 focuses on prioritizing areas of high impact or value for the office overall such as:

- Updating section specific taxonomies within the DMS to optimize how various areas effectively organize, manage and access their documents.
- Back scanning older documents to eliminate working with both paper and digital documents, as well as improve security measures.

- Replacing deprecated software and processes with equivalent or re-imagined processes within the DMS to take advantage of digital workflow.

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 2022/23 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. During the 2022/23 there was an increase in the number of vendors signing up for EFT payments but there was also an increase in the number of physical cheques being produced further demonstrating the increase in the demand for services.

Fiscal Year	Number of EFTs	Number of Cheques
2021/22	209	51,446
2022/23	942	52,967

- 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

- The scoping phases for the projects to replace the PGT's current legacy account and case management systems ended in the fourth quarter of 2022/23. Implementation of the proposed solutions is expected to commence in the fall of 2023.
- Two of the sizeable boardrooms in the Winnipeg office were outfitted with modern conferencing technology, including wall-mounted TVs and webcams. This will provide more options for meeting with staff including any staff working from home or from the office in Brandon. In addition, it will provide more options for meeting service providers and other professionals during the course of our case management.
- Orders were placed in the third quarter of 2022/23 to shift staff from desk top computers to laptops. This will better position the PGT in the event of a future business continuity event such as the COVID-19 pandemic.

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 471,525 financial transactions in 2022/23. 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 in this regard during the year ending March 31, 2023 (most of which we as a result of minor errors) were as follows:

Reason for Payment	Amount (\$)
Reimburse working capital for client insurance	549.98
Reimburse client for storage fees paid in error	31.50
Reimburse client for storage fees paid in error	173.25
Reimburse client for property management services not cancelled	325.50
Reimburse client for outstanding bus pass	25.00
Reimburse client for storage fees paid in error	259.91
Reimburse client for cost of filing tax adjustment	168.00
Reimburse client for late tax filing penalty	39.21
Reimburse client for late payment for T1 final	2,970.68
Reimbursement for insurance paid in error	289.19
Reimburse client for storage fees paid in error	756.00
Reimburse client for storage fees paid in error	5,442.00
Reimburse client for missed medical claim	4,383.57
Reimburse client for late tax filing penalty	412.09
Reimburse client for EFT payment to wrong vendor	109.70
Reimburse client for newspaper ad	40.00
Reimburse client for Bell MTS services not cancelled	2,492.05
Reimburse multiple clients for stale dated medical claims	<u>6,426.06</u>
Total Amount Paid during fiscal 2022/23	\$24,893.69

In comparison to 2021/22 this is an increase in the cost of mistakes to the PGT in the amount of \$18,625.94 (\$24,893.69 - \$6,267.75).

Summary of Financial Results

PUBLIC GUARDIAN AND TRUSTEE SOA

Summary of Financial Results for the Fiscal Year Ending March 31, 2023 (in thousands)

	Budget 2022/23	Budget March 2022/23	Prior Year March 2021/22	Actual March 2022/23	Budget Variance
Total Revenue	\$7,795	\$7,795	\$8,484	\$9,619	23.40%
Salaries and Benefits	5,500	5,500	5,013	5,693	3.51%
Employee Pension Costs	393	393	353	401	2.04%
Accommodations	460	460	464	464	0.87%
Other Administrative Costs	1,265	1,265	1,242	1,286	1.70%
Amortization	75	75	74	73	-2.67%
Total Expenses	7,693	7,693	7,146	7,917	2.92%
Net Income (Loss)	103	103	1,338	1,702	

Internal Audit Report

1. File Reviews

Client files are typically reviewed within six months of file opening. During the year, 374 client files were opened, 144 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 2021/22, certain workflows and processes of the PGT's Financial Administration Section were specifically reviewed by the Internal Auditor and reported on to the PGT.

3. Audit Program Changes

As the office continues to work toward reducing paper and switching to digital data formats, the PGT looks forward to implementing the audit forensics software purchased in 2020/21. The PGT anticipates further review of, and enhancements to, its audit program in order to best leverage the software going forward. The additional audits on electronic data that will be conducted utilizing the software will be essential for adhering 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, 2023**

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 July 14, 2023. 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

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, 2023, 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, 2023, 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.



Office of the Auditor General
Winnipeg, Manitoba
July 14, 2023

PUBLIC GUARDIAN AND TRUSTEE OF MANITOBA
An Agency of the Province of Manitoba
Statement of Financial Position
As at March 31, 2023
(In Thousands)

	<u>March 31,</u> <u>2023</u>	<u>March 31,</u> <u>2022</u>
Financial assets		
Cash and cash equivalents (Note 5)	\$12,238	\$10,539
Portfolio investments (Note 10)	516	516
Accounts receivable (Note 6)	<u>1,581</u>	<u>1,380</u>
	<u>14,335</u>	<u>12,435</u>
Liabilities		
Accounts payable and accrued liabilities (Note 7)	756	678
Employee future benefits (Note 8)	<u>680</u>	<u>600</u>
	<u>1,436</u>	<u>1,278</u>
Net financial assets	<u>12,899</u>	<u>11,157</u>
Non-financial assets		
Prepaid expenses	12	17
Tangible capital assets (Note 9)	<u>123</u>	<u>158</u>
	<u>135</u>	<u>175</u>
Accumulated surplus	<u>\$13,034</u>	<u>\$11,332</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, 2023
(In Thousands)

	2023 <u>Budget</u> (Note 19)	2023 <u>Actual</u>	2022 <u>Actual</u>
Revenue			
Fees and other revenue (Note 12)	\$ 7,745	\$ 9,334	\$ 8,441
Investment income	<u>50</u>	<u>284</u>	<u>43</u>
Total revenue	<u>7,795</u>	<u>9,618</u>	<u>8,484</u>
Expenses			
Amortization of tangible capital assets (Note 9)	75	73	74
Accommodation costs (Note 11)	460	464	464
Other administration expenses (Note 13)	1,265	1,285	1,242
Salaries and benefits	5,500	5,693	5,013
Pension benefits (Note 14)	<u>393</u>	<u>401</u>	<u>353</u>
Total expenses	<u>7,693</u>	<u>7,916</u>	<u>7,146</u>
Annual surplus	102	1,702	1,338
Accumulated surplus, beginning of year	11,332	11,332	9,994
Accumulated surplus, end of year	<u>\$ 11,434</u>	<u>\$ 13,034</u>	<u>\$ 11,332</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, 2023
(In Thousands)

	<u>2023</u> <u>Budget</u> (Note 19)	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Annual Surplus	\$ 102	\$ 1,702	\$ 1,338
Tangible capital assets			
Acquisition of tangible capital assets	(50)	(38)	(20)
Amortization of tangible capital assets	<u>75</u>	<u>73</u>	<u>74</u>
Net change in tangible capital assets	<u>25</u>	<u>35</u>	<u>54</u>
Other non-financial assets			
Decrease (increase) in prepaid expenses	<u>5</u>	<u>5</u>	<u>(1)</u>
Net change in other non-financial assets	<u>5</u>	<u>5</u>	<u>(1)</u>
Net increase in net financial assets	132	1,742	1,391
Net financial assets, beginning of year	<u>11,157</u>	<u>11,157</u>	<u>9,766</u>
Net financial assets, end of year	<u>\$ 11,289</u>	<u>\$ 12,899</u>	<u>\$ 11,157</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, 2023
(In Thousands)

	2023 <u>Actual</u>	2022 <u>Actual</u>
Cash provided by (applied to)		
Operating		
Annual surplus	\$ 1,702	\$ 1,338
Amortization of tangible capital assets	<u>73</u>	<u>74</u>
	1,775	1,412
Changes in non-cash working capital balances:		
Accounts receivable	(201)	(55)
Accounts payable and accrued liabilities	78	73
Employee future benefits	80	13
Prepaid expenses	<u>5</u>	<u>(1)</u>
Cash provided by operating activities	<u>1,737</u>	<u>1,442</u>
Capital		
Acquisition of tangible capital assets	<u>(38)</u>	<u>(20)</u>
Cash applied to capital activities	<u>(38)</u>	<u>(20)</u>
Net increase in cash	1,699	1,422
Cash and cash equivalents		
Beginning of year	<u>10,539</u>	<u>9,117</u>
End of year	<u>\$12,238</u>	<u>\$10,539</u>
Supplemental cash flow information		
Interest received	\$ <u>284</u>	\$ <u>43</u>

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

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 un-administered 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.

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.

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 Document management	20%, straight-line basis, 10% in the year of 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.

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. 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, 2023, 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, 2023 (2022 - \$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>2023</u>	<u>2022</u>
Cash and cash equivalents	\$12,238	\$10,539
Portfolio investments	516	516
Accounts receivable	<u>1,581</u>	<u>1,380</u>
	<u>\$14,335</u>	<u>\$12,435</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.

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, 2023 was as follows:

	Gross	Allowance
Current (note 6)	\$1,487	\$ 65
30-60 days past the billing date	-	-
61-90 days past the billing date	-	-
More than 90 days past the billing date	-	-
	<u>\$1,487</u>	<u>\$ 65</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.

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.



5. Cash and cash equivalents

	<u>2023</u>	<u>2022</u>
Cash	\$ 4,688	\$ 5,039
Demand deposits	<u>7,550</u>	<u>5,500</u>
	<u>\$12,238</u>	<u>\$10,539</u>

6. Accounts receivable

	<u>2023</u>	<u>2022</u>
Fees receivable	\$ 1,487	\$ 1,394
Allowance for doubtful accounts	<u>(65)</u>	<u>(60)</u>
	1,422	1,334
Interest receivable	94	9
Advances to clients	59	31
Cost recoveries	<u>6</u>	<u>6</u>
	<u>\$ 1,581</u>	<u>\$ 1,380</u>

7. Accounts payable and accrued liabilities

	<u>2023</u>	<u>2022</u>
Operating expenses payable	\$ 336	\$ 269
Vacation entitlements earned	377	368
GST payable to Canada Revenue Agency	<u>43</u>	<u>41</u>
	<u>\$ 756</u>	<u>\$ 678</u>

8. Employee future benefits

	<u>2023</u>	<u>2022</u>
Severance benefits	\$ 559	\$ 505
Sick pay benefits	<u>121</u>	<u>95</u>
	<u>\$ 680</u>	<u>\$ 600</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, 2023 was \$630 (2022 - \$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 \$21 (2022 - \$57).

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

	<u>2023</u>	<u>2022</u>
Balance beginning of year	\$ 630	\$ 630
Increase due to change in discount rate	-	-
Benefits accrued	20	20
Interest on accrued benefits	41	37
Severance paid	<u>(21)</u>	<u>(57)</u>
Accrued benefit liability	670	630
Less: unamortized actuarial losses	<u>(111)</u>	<u>(125)</u>
Severance benefit liability	<u>\$ 559</u>	<u>\$ 505</u>

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

	<u>2023</u>	<u>2022</u>
Interest on obligation	\$ 20	\$ 20
Employer service cost	41	37
Amortization of actuarial loss over EARSL	<u>0</u>	<u>0</u>
Total expense related to severance benefits	<u>\$ 61</u>	<u>\$ 57</u>

Severance benefits

Significant long-term actuarial assumptions used in the March 31, 2020 valuation, and in the determination of the March 31, 2023 present value of the accrued severance benefit obligation were:

	<u>2023</u>	<u>2022</u>
Discount rate	3.20%	3.20%
Assumed salary increase rates		
Annual productivity increase	1.00%	1.00%
Annual general salary increase	<u>2.75%</u>	<u>2.75%</u>
	<u>3.75%</u>	<u>3.75%</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 2023 value \$121 (2022 - \$95).



9. Tangible capital assets

	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	<u>\$ 948</u>	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 986</u>
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	<u>\$ 790</u>	<u>\$ 73</u>	<u>\$ -</u>	<u>\$ 863</u>
Net book value	<u>\$ 158</u>	<u>\$ 35</u>	<u>\$ -</u>	<u>\$ 123</u>

	2022			
	Opening Balance	Additions	Disposals	Closing Balance
Cost				
Furnishings and equipment	\$ 345	\$ -	\$ -	\$ 345
Computer hardware and software	133	-	-	133
Document management	326	20	-	346
Leasehold improvements	124	-	-	124
Total cost	<u>\$ 928</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 948</u>
Accumulated amortization				
Furnishings and equipment	\$ 333	\$ 3	\$ -	\$ 336
Computer hardware and software	127	2	-	129
Document management	137	65	-	202
Leasehold improvements	119	4	-	123
Total accumulated amortization	<u>\$ 716</u>	<u>\$ 74</u>	<u>\$ -</u>	<u>\$ 790</u>
Net book value	<u>\$ 212</u>	<u>\$ 54</u>	<u>\$ -</u>	<u>\$ 158</u>

10. Designated portfolio investments

Portfolio investments consist of designated assets and non-redeemable investments and guaranteed investment certificates. The Agency has allocated \$516 (2022 - \$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 \$11 (2022 - \$1).



11. 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, 2023. The lease is held by Department of Consumer Protection and Government Services and there is no fixed term.

12. Fees and other revenue

	<u>2023</u>	<u>2022</u>
Administration Fees	\$ 8,073	\$ 7,389
Legal Fees	371	379
Income Tax Preparation Fees	601	371
Inspection Fees	<u>289</u>	<u>302</u>
	<u>\$ 9,334</u>	<u>\$ 8,441</u>

13. Other administration expenses

	<u>2023</u>	<u>2022</u>
Computer expenses	\$ 796	\$ 785
Courier charges	8	8
Insurance, loss, damage	9	95
Office supplies	95	70
Personnel expenses	35	19
Photocopies	1	1
Postage	65	69
Professional fees	56	49
Publications	1	-
Public communications	6	5
Records Centre charges	32	31
Rentals, equipment	1	1
Repairs and maintenance	72	27
Telephone	50	50
Travel	<u>58</u>	<u>32</u>
	<u>\$ 1,285</u>	<u>\$ 1,242</u>

14. 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 \$401 (2022 - \$353). Under this agreement, the Agency has no further pension liability.



15. 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.

16. 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 \$83 (2022 - \$142). These amounts are not reflected in these financial statements.

17. Estates and trusts under administration

The client assets under administration at March 31, 2023 totaled approximately \$327,000 (2022 - \$318,000). The trust activities of the Agency are reported in a separate Estates and Trusts under Administration financial statements.

18. 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.

19. Budgeted figures

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



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

**Financial Statements
March 31, 2023**



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 July 14, 2023. 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, 2023, 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, 2023, 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
July 14, 2023

GOVERNMENT OF THE PROVINCE OF MANITOBA

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

Balance Sheet
as at March 31, 2023

ASSETS	2023	2022
Cash on hand and in bank	\$ 20,122,181	\$ 18,747,147
Investments - Common Fund (Notes 2(a) and 3)	229,589,292	228,161,007
- Specific Estates and Trusts (Notes 2(b) and 4)	43,357,705	42,667,266
Accrued interest receivable on common fund investments (Note 2(a))	1,539,681	1,357,421
Real estate (Note 2(c))	31,965,064	26,715,009
Other assets at nominal value (Note 2(d))	<u>1</u>	<u>1</u>
	<u>\$326,573,924</u>	<u>\$317,647,851</u>
 LIABILITIES		
Other liabilities at nominal value (Note 2(f))	\$ 1	\$ 1
Mortgages Payable (Note 2(e))	3,623,960	3,460,382
Public Guardian and Trustee- Fees payable (Note 1)	242,744	197,272
- Expenditures payable (Note 5)	<u>57,901</u>	<u>29,265</u>
	<u>3,924,606</u>	<u>3,686,920</u>
Estates and trusts under administration:		
Excess of recorded value of assets over liabilities		
<i>The Mental Health Act</i>	187,817,507	188,170,174
<i>The Public Guardian and Trustee Act</i>	<u>134,831,812</u>	<u>125,790,757</u>
	<u>\$326,573,924</u>	<u>\$317,647,851</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, 2023

RECEIPTS	2023	2022
Funds held by estates and trusts brought under administration	\$23,081,163	\$ 20,155,741
Realization of equities in other estates	4,029,377	2,907,798
Pensions, compensation and assistance	48,215,567	43,779,233
Sickness, disability and other insurance benefits	11,314,167	7,265,507
Investment income	6,696,829	5,451,965
Sale of estate property	8,131,069	9,795,716
Collections on accounts receivable	<u>6,319,925</u>	<u>4,126,696</u>
Total receipts, before sale or redemption of securities	107,788,097	93,482,656
Sale and redemption of securities - Common Fund	18,000,000	24,500,000
Sale and redemption of securities - Specific Estates and Trusts	<u>3,539,081</u>	<u>3,735,911</u>
Total Receipts	<u>129,327,178</u>	<u>121,718,567</u>
 DISBURSEMENTS		
Room, board and other maintenance expense	36,290,694	35,156,430
Preservation of estates	28,268,430	7,868,072
Other estate expense	2,652,981	2,108,713
Administration and passing of accounts (Note 1)	8,695,969	7,859,102
Estates and trusts released from administration	<u>32,020,949</u>	<u>30,681,497</u>
Total disbursements, before purchase of securities	<u>107,929,023</u>	<u>83,673,814</u>
Purchase of securities - Common Fund	20,000,000	54,130,300
Purchase of securities - Specific Estates and Trusts	<u>23,121</u>	<u>361,632</u>
Total Disbursements	<u>127,992,144</u>	<u>138,165,746</u>
Excess cash receipts (disbursements)	1,375,034	(16,447,179)
Cash position at start of year	<u>18,747,147</u>	<u>35,194,326</u>
Cash position at end of year	<u>\$ 20,122,181</u>	<u>\$ 18,747,147</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, 2023

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

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 Plan's (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.

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, 2022 and 2023 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

	2023 <u>Market Value</u>	2023 <u>Par Value</u>	2023 <u>Book Value</u>	2022
Term deposits & investment certificates	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000	\$ 20,000,000
Alberta Capital Finance	24,941,327	25,600,000	25,707,614	27,782,205
Province of B.C.	10,038,824	10,200,000	10,270,639	10,310,794
Province of Manitoba	36,078,639	36,500,000	36,710,200	42,909,141
Province of Quebec	12,641,429	13,000,000	13,060,819	20,103,450
Province of Ontario	13,859,837	14,000,000	14,078,927	14,227,950
Province of New Brunswick	7,898,249	8,000,000	7,964,127	1,955,326
Province of Newfoundland	2,924,546	3,000,000	2,970,412	2,956,794
Province of Saskatchewan	2,933,039	3,000,000	3,017,948	3,022,250
Municipals	1,811,756	1,900,000	1,900,000	1,900,000
National Bank of Canada	12,407,500	12,500,000	12,500,000	22,500,000
Canada Housing Trust	<u>59,113,507</u>	<u>61,250,000</u>	<u>61,408,605</u>	<u>60,493,097</u>
	<u>\$ 224,648,653</u>	<u>\$ 228,950,000</u>	<u>\$ 229,589,292</u>	<u>\$ 228,161,007</u>



4. Investments - Specific Estates and Trusts

	<u>2023</u>	<u>2022</u>
Term deposits, investment certificates and treasury bills	\$ 20,662,851	\$ 19,317,984
Government of Canada and other bonds	1,373,521	1,378,822
Shares of capital stock and mutual funds	13,301,203	14,509,580
Registered Disability Savings Plan Funds	<u>8,020,130</u>	<u>7,460,880</u>
	<u>\$ 43,357,705</u>	<u>\$ 42,667,266</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.



