

2021 2022

ANNUAL REPORT







Rights, choices and security for all British Columbians



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Letter of Transmittal

September 23, 2022

The Honourable Murray Rankin, KC
Attorney General and Minister responsible for Housing
Ministry of Attorney General
PO Box 9044, STN PROV GOVT
Victoria, British Columbia V8W 9E2

Dear Attorney General and Minister responsible for Housing:

I have the honour of delivering to you the Annual Report of the Public Guardian and Trustee in accordance with the provisions of section 25 of the Public Guardian and Trustee Act.

This report covers the period April 1, 2021 to March 31, 2022.

Yours truly,



Dana Kingsbury
Public Guardian and Trustee

Message from the Public Guardian and Trustee

The 2021-2022 fiscal year will be remembered as the second full year of the COVID-19 pandemic. With much knowledge gained from the first year of the pandemic, staff and service partners continued to adjust and innovate to provide the best possible client service in a safe manner.

Part of reacting and adapting to the pandemic included the creation of a flexible work environment, one that offers the options of remote work and a four-day workweek. These changes proved beneficial as the PGT's attrition rate slowed and improved staff stability resulted in better continuity of service for clients. Remote work options also widened the applicant pool for recruiting new staff. Some positions are no longer restricted to the PGT's four operational locations and the PGT has been able to hire talent from across the province. This approach gives the PGT access to an expanded labour pool of skilled staff and helps support the economies of smaller cities and towns in British Columbia.

The PGT also continued its technology and service enhancement journey. The document management system was expanded to include more program areas resulting in reduced reliance on paper files and improved staff access to information. This year also marked the start of a collaboration with an agency specializing in web design, content strategy and digital services. Work began on revamping the

PGT's website and developing online services for some clients. Together, these projects are creating efficiencies, digital service delivery options and more accessible online information with the goal of providing better services to clients and citizens.

The pandemic also created space for us to pause, question and revisit some of our core activities to ensure they continue to meet client expectations. We are taking action to align and coordinate policy, procedure and training and to bolster transparency and administrative fairness all while focusing attention on diversity and reconciliation. We are also proactively assessing our services for opportunities to do better.

In this spirit, we started a comprehensive review of client investment services. Results identified service delays and procedural gaps such that a small percentage of PGT clients did not receive the investment returns their monies should have earned. Any client negatively affected has been paid the missed investment returns and the issues that created these delays are corrected so that this does not happen again. The PGT is continuing to examine the scope, resourcing and timelines associated with client investment services and will have an even more robust and defined investment program in the near future.

I am also pleased to share that we continue to advocate for law reform. Currently, we are participating in a review of the gaps in Part 3 of the Adult Guardianship Act which outlines the British Columbia adult protection framework. In accordance with our obligations set out in the Declaration on the Rights of Indigenous Persons Act, we are consulting with interested Indigenous Peoples and organizations to obtain a broader, more inclusive perspective.

In December 2021, the Province also made changes to the Wills, Estates and Succession Act allowing for the remote signing of wills, the creation of electronic wills and the digital signing of wills. In response, the PGT is adjusting policies and procedures to reflect these new options.

I would like to thank the Investment Advisory Committee and Audit Advisory Committee for their continued support of our clients and the organization. All of the volunteer members devote much time to this work and their insightful contributions and expertise are invaluable to me and to the organization.

My first year as the Public Guardian and Trustee has been challenging, rewarding and inspiring as I regularly witness the employees of this organization diligently protecting and serving the interests of

our clients. I offer them my sincere thanks; their tireless commitment to clients motivates me and the executive team to give our very best each day.

I look forward to 2022-2023 as we continue to build on the great work we have started together.

Dana Kingsbury
Public Guardian and Trustee



Performance Report



Accountability Statement

Under my direction, the 2021–2022 Performance Report has been properly prepared and fairly stated, in all material respects, based on the requirements of subsections 22 (2) (c), 25 (1), 25 (2), 25 (3) (c), 25 (3) (d) and 26 (1) (b) of the Public Guardian and Trustee Act and on the Performance Reporting Principles For the British Columbia Public Sector (collectively, the “Criteria”). I am accountable for the results achieved and how actual performance has been reported; complying with the requirements of the Criteria; designing, implementing and maintaining internal control relevant to the preparation and presentation of the Performance Report in accordance with the Criteria and free from material misstatement, whether due to fraud or error; the selection of the performance measures included in the Performance Report; making judgements and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the PGT’s Performance Report. The information presented in the Performance Report reflects the actual performance of the Public Guardian and Trustee for the 12 months ended March 31, 2022.

The information presented represents a comprehensive picture of our actual performance in relation to our service delivery plan. The report contains estimates and significant interpretive information that represents the best judgment of management. The measures presented are consistent with the organization’s mandate, goals and objectives and focus on aspects critical to understanding our performance. Any significant limitations in the reliability of specific data are identified in the report.

The report is intended for a general audience. Specific users may require more detailed information than is contained in this report.

Dana Kingsbury

Public Guardian and Trustee
September 23, 2022





Independent Practitioners' Reasonable Assurance Report on the 2021-2022 Performance Report of the Public Guardian and Trustee of British Columbia

To:

The Public Guardian and Trustee of British Columbia,
The Attorney General and Minister responsible for Housing of the Province of British Columbia,
and the Members of the Legislative Assembly of British Columbia

We have undertaken a reasonable assurance engagement on whether the Performance Report of the Public Guardian and Trustee of British Columbia contained within pages **6-35** and **44-63** of the 2021-2022 Annual Report (the Performance Report) has been prepared, in all material respects, in accordance with the Public Guardian and Trustee Act (PGT Act) subsections 22 (2) (c), 25 (1), 25 (2), 25 (3) (c), 25 (3) (d), 26 (1) (b) and the Performance Reporting Principles for the British Columbia Public Sector, endorsed by Government, the Select Standing Committee on Public Accounts and the Auditor General of British Columbia for the year ended March 31, 2022.

Management's responsibility

Management is responsible for the preparation of the Performance Report in accordance with the PGT Act subsections 22 (2) (c), 25 (1), 25 (2), 25 (3) (c), 25 (3) (d) and 26 (1) (b). Management is also responsible for the preparation of the Performance Report in accordance with the eight principles established in the Performance Reporting Principles for the British Columbia public sector (the Criteria), which was endorsed by the Legislative Assembly of British Columbia's Select Standing Committee on Public Accounts in 2003. Management is also responsible for such internal control as management determines necessary to enable the preparation of the Performance Report that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a reasonable assurance opinion on the Performance Report based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, **Attestation Engagements Other than Audits or Reviews of Historical Financial Information**. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the Performance Report is free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard 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 decisions of users of our report.



The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the preparation of the Performance Report in accordance with the applicable criteria.

Our engagement included, among others, the following procedures performed:

- Made enquiries of management and senior executives to obtain an understanding of management's process for initiating, recording and approving information contained within the Performance Report and associated performance measures;
- Evaluation of the design of controls and implementation of the performance measures;
- Recalculation of the performance measures as defined by management's internal criteria;
- Performed analytical procedures and trend analysis of reported data for the reported performance measures;
- Obtained evidence to support the underlying existence and accuracy of the data used to calculate the performance measures;
- Validated the completeness of the performance measures by inspecting the preparation of the performance measures and validating the consistent application of management's criteria;
- Corroborated consistency in reviewing narrative description throughout the Performance Report.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, **Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements**, and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other Matters

A separate audit, to determine if the Public Guardian and Trustee's combined financial statements for the year ended March 31, 2022 (the financial statements) has been prepared and reported in accordance with Canadian Public Sector Accounting Standards, was also conducted. This assurance report does not address the Public Guardian and Trustee's combined financial statements.



Opinion

In our opinion, the Public Guardian and Trustee of British Columbia's 2021-2022 Performance Report for the year ended March 31, 2022 is prepared, in all material respects, in accordance with the applicable criteria.

Purpose of statement and restriction on use of our report

The Performance Report has been prepared in accordance with the previously described criteria to report the performance of the Public Guardian and Trustee. As a result, the Performance Report may not be suitable for another purpose. Our report is intended solely for the Public Guardian and Trustee. We neither assume nor accept any responsibility or liability to any third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada

September 23, 2022



Appendix to Independent Practitioners' Reasonable Assurance Report on the 2021-2022 Performance Report of the Public Guardian and Trustee of British Columbia

This Appendix summarizes and explains selected key aspects of how the Performance Report has been properly prepared and fairly stated, in all material respects, based on the requirements of subsections 22 (2) (c), 25 (1), 25 (2), 25 (3) (c), 25 (3) (d) and 26 (1) (b) of the PGT Act and on the BC Performance Reporting Principles (collectively referred to herein as the Criteria).

BC Performance Reporting Principle 1 – Explain the Public Purpose Served

The Performance Report identifies and explains the PGT's mandate, enabling legislation, vision, values, and organizational structure. Core program areas, services, clients, and participants are described, as is the role of service partners. The PGT's role and relation to the courts and the Crown are explained.

BC Performance Reporting Principle 2 – Link Goals and Results

The Performance Report identifies and explains the PGT's mandate and vision, its service delivery plan including the goals it has identified in support of its mandate and vision, the related more detailed objectives and performance measures, and its actual results, providing linkages and a logical flow between them. The relevance and relation to long-term outcomes are identified and explained for key performance measures and results. Variances between planned and actual results are identified and explained. The impact of results on the PGT's future direction is also identified and explained where relevant.

BC Performance Reporting Principle 3 – Focus on the Few, Critical Aspects of Performance

The PGT's April 1, 2021 – March 31, 2024 Service Delivery Plan identifies the PGT's five strategic goals related to the three aspects of its mandate, one to three specific objectives related to each goal, and related specific performance measures. The Performance Report repeats this information from the Service Delivery Plan, and provides in a clear and concise format the PGT's actual results for each performance measure and the meaning and importance of each performance measure and result. The Performance Report also provides related contextual information regarding factors influencing the selection of goals, objectives, performance measures and factors influencing the actual results.

BC Performance Reporting Principle 4 – Relate Results to Risk and Capacity

The Performance Report summarizes management's approach to risk, including risk identification and assessment, consideration of potential impacts of risks on achievement of PGT goals, and consideration of risk tolerance, resource constraints, and mitigation strategies. It summarizes management's view of the significant risks faced by the PGT, related potential causes including capacity issues, and current and possible risk mitigation strategies for dealing with the risks. Current capacity is described in relation to current results and to the PGT's ability to deliver on its organizational goals and objectives.



BC Performance Reporting Principle 5 – Link Resources, Strategies and Results

The Performance Report identifies the major sources, nature, and amounts of the PGT’s funding, provides budgeted and actual revenues and expenses by program area and for the PGT as a whole, and explains key variances between budgeted and actual revenues and expenses for the PGT as a whole. Year over year comparative financial information is provided in the audited financial statements included in the PGT’s Annual Report. The Performance Report identifies, for each program area and for the PGT as a whole, the total staff, number of clients, and financial indicators including revenue, expenses, and assets under administration. The Performance Report identifies trends and issues impacting results, revenues, and expenses, and also describes how resources, strategies, and results are linked, including linking areas of expenditure with its goals that are most directly affected by the expenditures. The Performance Report links financial and performance information in a way that should help readers understand the efficiency and economy of the PGT’s operations

BC Performance Reporting Principle 6 – Provide Comparative Information

For each identified specific performance measure linked to the PGT’s goals, when applicable, the Performance Report provides clear comparisons between planned results, actual results, and previous years’ results, as well as targeted results for the following year. When relevant and material, explanations are provided of changes in the nature, source data, and/or calculation of the performance measures. Year over year comparative financial information is provided in the audited financial statements included in the PGT’s Annual Report. The Performance Report identifies trends and issues impacting results, revenues, and expenses. The Performance Report also explains the reasons for the lack of provision in the Performance Report of comparative information to similar organizations.

The PGT Act, and BC Performance Reporting Principle 7 – Present Credible Information, Fairly Interpreted

The Performance Report has been made by the PGT to the Attorney General, Province of British Columbia, by September 30, 2022 as required by the statutory reporting requirements and deadline specified in subsections 25 (1), 25 (2), 25 (3) (c), and 25 (3) (d) of the PGT Act. Our related Independent Practitioners’ Reasonable Assurance Report is provided as required by section 26 (1) (b) of the PGT Act. Subject to the limitations described in our report, our opinion relates to the credibility of the information in the Performance Report by providing an opinion, based on our reasonable assurance engagement, as to its proper preparation, in all material respects, based on the Criteria.

BC Performance Reporting Principle 8 – Disclose the Basis for Key Reporting Judgements

The Performance Report explains the basis for selecting the aspects of performance on which it focuses and the rationale for the performance measures reported upon. The Performance Report also provides concise explanations of how most performance measures are derived including, where relevant, data sources and the period covered. The process for selecting goals, objectives, and targeted results for performance measures, and how it is evolving, is described. Any significant changes in the way performance is measured or presented are described. The PGT provides an accountability statement describing her accountability for the Performance Report, and representing (among other things) that the Performance Report has been properly prepared and fairly stated, in all material respects, based on the requirements of the Criteria, and that it reflects the actual performance of the PGT for the 12 months ended March 31, 2022.



Mandate

The mandate of the Public Guardian and Trustee (PGT) is to:



During 2021–2022, the PGT provided services through **281** full time equivalent employee positions to approximately **26,700** clients and administered over **\$1.3 billion** of trust assets. When managing the financial interests of an individual, estate or trust, the PGT is bound by both common law and statutory fiduciary principles associated with acting as a trustee.

The PGT exercises quasi-judicial authority in specific situations as a result of obligations created by statutory law. In addition, the PGT provides the court with reliable independent submissions when the property or financial interests of minors, vulnerable adults or estates are at risk.

The PGT self-funds a large percentage (**62%** in 2021–2022) of its operating expenses through fees charged on client income and assets with supplementary voted funding that supports public services such as regulatory and oversight activities. Any operating surplus at year end is retained in the Special Account and is not accessible to the PGT for spending in subsequent years without Treasury Board approval.

The PGT has a fiduciary duty to advance the private interests of its clients even if they are contrary to the interests of government. The PGT is independent of government in its case related decision making responsibilities.

Vision

**Rights, choices and security
for all British Columbians.**

Values

Innovation

We challenge ourselves to seek new and improved ways to deliver service and assist clients.

Integrity

We act in accordance with the highest ethical, legal and personal standards.

Respect

We treat clients, family and friends in a courteous, respectful manner.

Openness

We demonstrate responsibility and transparency to clients, government and the public through annual statutory public reporting on all aspects of our performance.

Client Centred Service

We constantly strive to provide quality service to our clients.

Teamwork

We work with one another and with service partners in striving for seamless service delivery.

Staff Support

We acknowledge staff as our greatest resource and recognize and appreciate their expertise, professionalism and commitment.

Child and Youth Services

15,508

clients¹

\$217

million assets²

45

staff³

Services to Adults

7,953

clients¹

\$735

million assets²

112

staff³

Estate and Personal Trust Services

3,568

clients¹

\$362

million assets²

46

staff³

¹ Client counts reflect the number of individual clients served throughout the year.

² Total value of assets under administration (at March 31, 2022).

³ Full time equivalent employee positions.

Statutes

Numerous acts set out the powers and duties of the PGT. Key provincial statutes include:

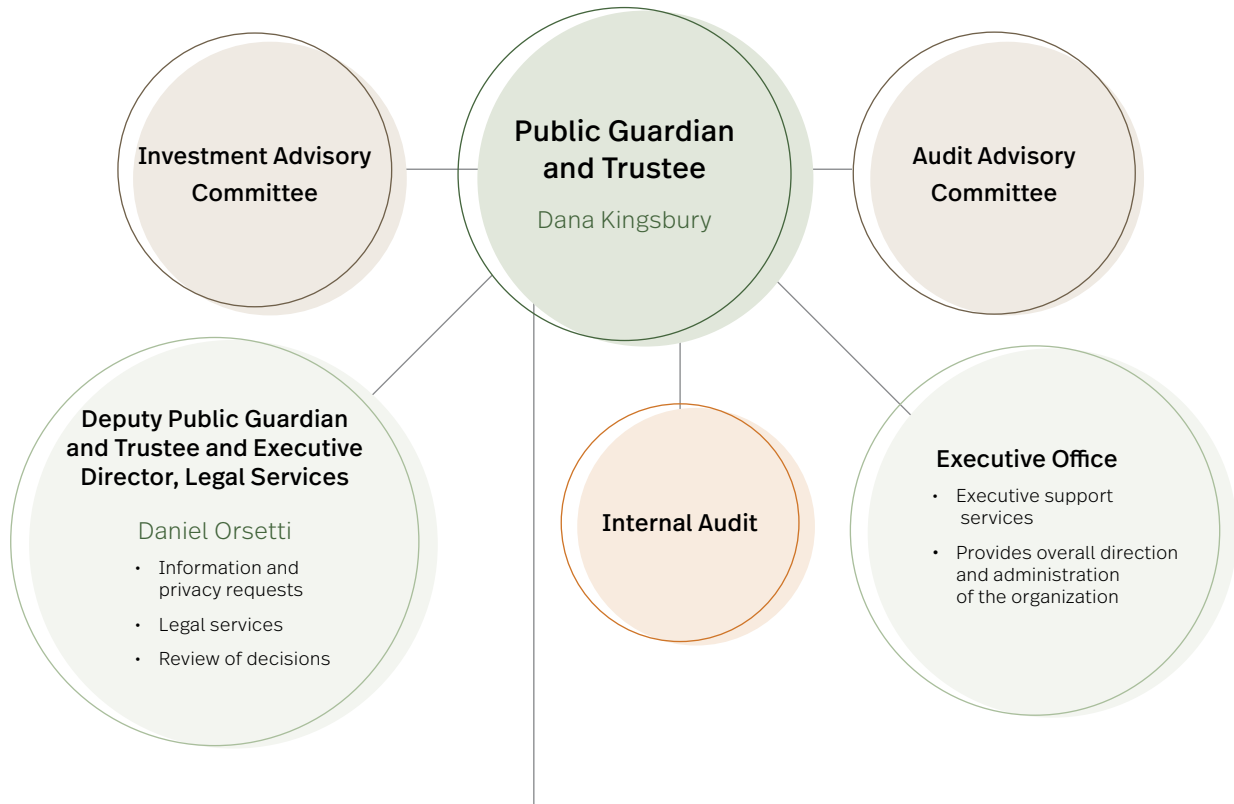
Adoption Act	Insurance (Vehicle) Act**
Adult Guardianship Act	Limitation Act
Child, Family and Community Service Act	Marriage Act
Community Care and Assisted Living Act	Patients Property Act
Cremation, Interment and Funeral Services Act	Power of Attorney Act
Employment Standards Act	Public Guardian and Trustee Act
Estate Administration Act*	Representation Agreement Act
Estates of Missing Persons Act	Trust and Settlement Variation Act
Family Law Act	Trustee Act
Health Care (Consent) and Care Facility (Admission) Act	Wills Act*
Hospital Act	Wills, Estates and Succession Act*
Infants Act	Wills Variation Act*
Insurance Act	

*The Wills, Estates and Succession Act came into force on March 31, 2014. The Estate Administration Act, Wills Act and Wills Variation Act have been repealed by the Wills, Estates and Succession Act, however, portions of those acts continue to apply if a deceased person died before March 31, 2014.

**The Insurance (Vehicle) Act has been amended by the Insurance (Vehicle) Amendment Act on May 1, 2021.

Organizational Chart

Public Guardian and Trustee Organizational Structure as of May 4, 2022.



Child and Youth Services	Services to Adults	Estate and Personal Trust Services	Client Finance and Administrative Services	Corporate Projects and Strategic Operations
Sunny Virk (Acting)	Trudie Manoloudis	Brynne Redford	Leah Reid (Acting)	Sara Maloney
<ul style="list-style-type: none"> Litigation guardian Property guardian Protective legal reviews Trust services 	<ul style="list-style-type: none"> Adult legal monitoring Adult legal services Assessment and investigation services Client services Estate liaison Personal decision services Private committee services Vulnerable adult community response 	<ul style="list-style-type: none"> Estates of deceased persons Estates of missing persons Executor appointments Field services Litigation representative Personal trusts PGT educational assistance fund 	<ul style="list-style-type: none"> Client financial services Corporate financial services Facilities and administrative services Investment services 	<ul style="list-style-type: none"> Communications Corporate project management Corporate training and human resources Information technology services Management information Organizational performance planning and reporting Research and evaluation Strategic planning and policy

Accountability Framework

The PGT is a corporation sole established under the Public Guardian and Trustee Act. A corporation sole is a legal structure in which all authority and responsibility is vested in a single office holder who operates without a board of directors. This structure is used primarily in situations requiring clear accountability and is a common model for public guardians and trustees in Canada.

Dana Kingsbury was appointed as the Public Guardian and Trustee for a 6 year term effective May 1, 2021. The PGT can serve a maximum of 2 terms.

The PGT is accountable to the provincial government, the legislature, the public and directly to PGT clients. Overall accountability is exercised through the government's review and approval of the PGT Service Delivery Plan (SDP) and through publicly reported annual independent performance and financial audits.

Accountability to PGT clients is exercised through internal review processes, the Ombudsperson and judicial oversight of PGT statutory and fiduciary obligations.

Two advisory committees assist the PGT. The **Investment Advisory Committee** is a statutory committee established under the Public Guardian and Trustee Act to advise on strategic investment policy. The **Audit Advisory Committee** is established by the PGT to advise on key aspects of internal and external audit, accountability and internal controls. Members of each advisory committee are external to the PGT and are broadly experienced professionals in the legal, financial and social services sectors, both public and private.

Performance Planning and Reporting

Part 3 of the Public Guardian and Trustee Act establishes an accountability framework that provides for performance planning and reporting.

Section 22 of the Public Guardian and Trustee Act requires the PGT to prepare an annual 3 year service delivery plan and deliver it to the Attorney General no later than December 31 for the upcoming 3 fiscal years. If approved by the Attorney General, the PGT must submit the SDP to the provincial Treasury Board for approval. The Public Guardian and Trustee Act specifies SDP content.

Section 25 of the Public Guardian and Trustee Act requires the PGT to report to the Attorney General in each fiscal year on operations of the organization for the preceding fiscal year. This annual report must be submitted to the Attorney General by September 30 and thereafter tabled in the Legislative Assembly.

The Public Guardian and Trustee Act stipulates that the annual report must include an audited performance report relating to the performance targets and other objectives established in the SDP, together with audited financial statements for both PGT operations and its stewardship of client trusts and estates under administration.

Clients, Participants and Service Partners

Primary Client Groups

Almost all PGT clients are vulnerable due to legal status or other incapacity arising from diseases of aging, mental health issues, brain injury, developmental disabilities or minority. Clients include:

- Children in continuing care of the Province
- Children with trust funds
- Former children in continuing care receiving post majority trustee services
- Children whose guardians wish to settle a claim for damages on behalf of the child
- Adults with cognitive impairments due to brain injury, developmental disability, diseases of aging and mental health issues who require assistance with decision making
- Adults requiring substitute decision making for health care decisions and/or consent to care facility admission
- Adults who may be experiencing abuse, neglect or self-neglect
- Intestate successors and beneficiaries of estates of deceased or missing persons
- Beneficiaries of personal trusts

Key Private Sector Relationships

The PGT works with a wide range of private sector service providers in meeting its responsibilities for protecting the personal, legal and financial interests of clients. These include:

- Private service providers such as care facilities, funeral service providers and personal attendants
- Personal service providers
- Financial institutions
- Medical and social services professionals
- Lawyers
- Accountants
- Insurance providers
- Real property managers
- Heir tracers
- Private investment managers

Key External Relationships

The PGT liaises with, and works in partnership with, a broad range of individuals and organizations in helping clients meet their needs. These include:

- Family and friends of clients
- Community groups and non-profit organizations
- Indigenous Peoples, nations and organizations
- Provincial government ministries
- Public service partners with statutory authority
- British Columbia Courts
- Law Society of British Columbia and other organizations of legal professionals
- Government of Canada departments and agencies
- BC Investment Management Corporation
- Insurance Corporation of BC
- BC Unclaimed Property Society
- Other public guardians and trustees across Canada

Program Areas

The PGT serves clients primarily through **3** broad program areas:



These are supported by:

- **Client Finance and Administrative Services**
- **Legal Services**
- **Corporate Projects and Strategic Operations**
- **Internal Audit**

The Executive Office provides overall direction and administration of the organization, including coordination and consultation with external service providers and government bodies.

Child and Youth Services

The PGT protects the legal and financial interests of minors under the authority of a range of provincial statutes. The Child and Youth Services division (CYS) works on behalf of and directly with children and youth as well as with their parents or guardians.

Property Guardian

As property guardian, the PGT is co-guardian with the Ministry of Children and Family Development (MCFD) and Delegated Aboriginal Child and Family Service Agencies (DAAs), who are guardians of person for children in continuing care of the Province. The PGT is also property guardian for children who have no legal guardian or are undergoing adoption.

As property guardian, the PGT advances legal claims for damages arising from injuries suffered by the children as the result of the negligence or wrongful act of others. The PGT also pursues financial benefits to which property guardian clients may be entitled such as Canada Pension Plan Children's Benefits and establishes Registered Disability Savings Plans (RDSPs) for qualifying clients.

Trust Services

The PGT receives funds to hold in trust on behalf of children, including personal injury settlement proceeds, life insurance proceeds where a minor is a beneficiary and no trustee is named to administer the funds, shares of estates where no trustee is named and a portion of wages earned by child entertainers. Funds are typically held in trust until the child turns **19** (the age of majority in BC) unless disbursed earlier for the benefit of the child. PGT property guardian clients may enter into an agreement with the PGT to hold and manage their funds after reaching the age of majority up until the age of **27**. The PGT is required to act as trustee for certain types of funds payable to minors while the Family Law Act provides that other funds may be paid directly to parents or guardians.

Protective Legal Reviews

The PGT protects the legal interests of minors by reviewing proposed settlements of claims for unliquidated damages brought on their behalf. The settlements relate to a variety of claims such as the wrongful death of a parent or guardian, medical malpractice or motor vehicle accidents occurring prior to May 1, 2021. These reviews help ensure that the settlements are reasonable and in the best interests of the minors.

To protect the property interests of minors in trusts and estates, the PGT also reviews notices of applications to administer an estate of a deceased person or to vary a trust or a will when a minor is a beneficiary or may be entitled to a share in the estate or trust. Where the PGT has reason to believe that a minor's interest in a trust is at risk, the PGT may investigate on behalf of the minor.

Child and Youth Services is also responsible for reviewing grant applications (including grants of probate, any grant of administration or the resealing of a grant) for incapable adults within BC. Any person applying for a representation grant is required to send written notice to the PGT if any person to whom notice must be given is or may be mentally incapable.

Litigation Guardian

As litigation guardian, the PGT advances a legal claim on behalf of a minor when no other suitable person is willing or able to take on this role. The PGT may agree to act as litigation guardian for minors when the PGT receives a request to act in this role and the PGT has no other authority for the person. When reviewing whether to act as litigation guardian, the PGT will consider if there is anyone else willing and able to act in the role, if there is a viable claim and if pursuing the legal claim is in the minor's best interests.

Child and Youth Services

Total staff¹	45 positions
Total clients²	15,508
Property guardian	4,517
Trustee	8,924
Protective legal reviews	2,990
Litigation guardian (non-property guardian)	97
Total value of assets under administration (at March 31, 2022)	\$217 million
Investments and securities	\$211 million
Real property	\$1 million
Other	\$5 million
Business Indicators	
RDSPs (at March 31, 2022)	\$12 million
Other Indicators	
Property guardian clients with assets (at March 31, 2022)	1,546

¹ Staff refers to full time equivalent employee positions.

² Client counts reflect the number of individual clients served throughout the year. The divisional total is typically less than the sum of the business lines as clients may require service in more than one business line.

Services to Adults

The majority of adult clients rely on PGT financial and legal management or on the PGT's review of decisions made by others. The PGT acts as a substitute (or authorizes others to act as a substitute) to make health care decisions and to consent to care facility admission for adults deemed incapable of providing consent. The PGT also exercises health and personal care decision making as committee of person for a small number of adults.

The Services to Adults division (STA) serves adult clients when other appropriate substitute decision makers are not available. Most adult clients have diseases of aging which have impaired their mental capability, while others have mental health issues, developmental disabilities or brain injuries. In serving adult clients, the PGT strives to balance client independence and the right of self-determination with the need for protection.

Assessment and Investigation Services

Assessment and Investigation is the first contact point for most adult clients with the PGT. Staff respond to requests from concerned friends, relatives or professionals to assess whether PGT services are required to assist a vulnerable adult. The service includes investigating reports of financial abuse of adults who may be mentally incapable. The PGT may consult with community and family members on possible abuse, neglect and self-neglect issues during an investigation. As a last resort, the PGT might seek authority to be the decision maker where other options to assist the adult are not available.

Personal Decision Services

Under the Health Care (Consent) and Care Facility (Admission) Act, health care professionals must obtain informed consent before treating a patient and/or admitting them into a licensed care facility. A substitute decision maker is generally needed if patients are mentally incapable of making their own treatment or care facility admission decisions. In the absence of an existing substitute decision maker such as a committee of person or a representative under a representation agreement, the Health Care (Consent) and Care Facility (Admission) Act allows the closest qualified relative or close friend to make decisions regarding treatment and/or care facility admission. When these qualified individuals are not available or where there is dispute regarding who to select among equally ranked individuals, the PGT is called upon to appoint another substitute decision maker or to make substitute treatment and/or care facility admission decisions on behalf of the incapable adult.

Client Services

The PGT provides a wide range of direct financial management and personal decision making services for vulnerable adults who require assistance managing their affairs. The PGT acts in a number of different roles including committee of estate, committee of person, power of attorney, representative, litigation guardian and pension trustee.

When the PGT is appointed as committee of estate, staff work with the adult where possible, to establish an effective plan that includes securing the adult's assets and pursuing income, benefits and compensation, paying bills and managing investments and property on their behalf. When appointed as committee of person, the PGT makes health and personal care decisions on behalf of the adult.

Estate Liaison

Estate Liaison coordinates completion of STA direct involvement in a client's affairs and releases property under PGT administration when PGT services are no longer required. Client affairs are transferred from Client Services to Estate Liaison when the PGT no longer has authority or is transferring authority for an adult client because the client has become capable of managing their own affairs, someone else has been appointed as committee or the client has died.

Adult Legal Monitoring

The PGT provides a wide range of legal services to incapable adults in British Columbia, the largest of which is reviewing private committee applications. When individuals apply to be appointed as a committee, the PGT reviews the application and makes recommendations to the court with respect to the medical evidence, bonding requirements and any restrictions to be considered on a committee's authority. Other legal services include reviewing applications to vary trusts and wills where an incapable adult is named as a beneficiary.

Adult Legal Services

The PGT may agree to act as litigation guardian when there is no one else willing and able to act, there is a viable claim, external funding is available and pursuing the legal claim is in the adult's best interests. Typically these are claims to vary a will, where the PGT acts to ensure that the legal rights of vulnerable adults are protected.

Private Committee Services

A family member or friend of an adult may be appointed by the court to manage the legal and financial and/or personal interests of an incapable adult. When private committees are appointed, the PGT reviews the accounts of the private committees with respect to their management of the adult's affairs and investigates concerns that they may not be complying with their duties. The PGT also reviews and may provide approval on private committee requests to access restricted assets for the benefit of the incapable adult.

Vulnerable Adult Community Response

The Adult Guardianship Act provides authority for the PGT to designate by regulation external agencies that then have a duty to receive and respond to allegations of abuse, neglect and self-neglect of vulnerable adults. Designated agencies include the regional Health Authorities, Community Living BC (CLBC) and Providence Health Care Society for residents in its facilities.

The Adult Guardianship Act further provides authority for the PGT to organize community networks to provide support and assistance to abused and/or neglected adults. The PGT accomplishes this through coordinating a range of province wide standing committees and special events involving service partners and other participants with an interest in issues concerning the reduction of abuse and neglect of vulnerable adults.

Services to Adults

Total staff¹	112 positions
Total clients²	7,953
Assessment and investigation services	2,098
Personal decision services	1,412
Client services	3,326
Estate liaison	1,013
Adult legal monitoring	489
Adult legal services	70
Private committee services	1,997
Total value of assets under administration (at March 31, 2022)	\$735 million
Investments and securities	\$514 million
Real property	\$197 million
Other	\$25 million
Business Indicators	
Liabilities (at March 31, 2022)	\$34 million
RDSPs (at March 31, 2022)	\$28 million
Other Indicators	
Clients with PGT opened tax free savings account(s) (at March 31, 2022)	517
COVID-19 vaccination consents provided ³	173

¹ Staff refers to full time equivalent employee positions.

² Client counts reflect the number of individual clients served throughout the year. The divisional total is typically less than the sum of the business lines as clients may require service in more than one business line.

³ Figure reflects the count of particular activity throughout the year.

Estate and Personal Trust Services

The PGT provides estate administration and personal trust services through the Estate and Personal Trust Services division (EPTS). EPTS is also responsible for investigating, securing and maintaining physical assets for all PGT clients.

Estates of Deceased Persons

The PGT administers estates of deceased persons when the executor, intestate successor, beneficiary or other eligible person is not able or willing to do so. The PGT also administers estates of deceased persons when the intestate successor or beneficiary is a client under authority in another PGT division such as Services to Adults or Child and Youth Services. In addition, the PGT may agree to be appointed as the executor under a will.

If the estate is of minimal value and no next of kin can be found who are willing and able to make funeral arrangements, EPTS makes a referral to the Ministry of Social Development and Poverty Reduction (MSDPR) to make funeral arrangements.

Executor Appointments

The PGT may agree to be appointed executor of a will in appropriate circumstances. Once appointed executor, the PGT follows up periodically with each will maker to verify the will remains current.

Personal Trusts

The PGT acts as trustee of trusts created by will, court order or inter vivos settlement. If options to appoint a family member or trust company are not appropriate, the PGT may agree to act as trustee. These trusts, for which the PGT acts as trustee, are usually settled to provide benefits to a child or vulnerable adult or alternatively, to provide benefits going forward in perpetuity for a charitable purpose.

Litigation Representative

The PGT may agree to act as litigation representative for purposes of a specific legal action brought against an estate if there is no executor, administrator or other person to act. The PGT role is generally limited to accepting service of legal documents on behalf of estates without assets. If the estate has assets, the PGT will apply for letters of administration and will manage the litigation in the role of administrator.

PGT Educational Assistance Fund

The PGT Educational Assistance Fund was established by the Province of British Columbia in 1989. As trustee, the PGT distributes funds from the trust in the form of bursaries to qualifying adults who were formerly children in the continuing care of the Province.

Under the terms of the trust, applicants are assessed on their grades, financial needs, career goals, personal commitment and other sources of funding available to them to cover education costs. Annual funds available for distribution are dependent on rates of investment return. The trust had a capital value of **\$1,086,058** at December 31, 2021. In 2021–2022, there were **22** applicants and bursaries totaling **\$25,000** awarded to **11** individuals.

Estates of Missing Persons

The PGT acts as curator for missing persons as defined in the Estates of Missing Persons Act. As curator, the PGT manages the adult's property until the person is located or until the funds are paid into court for safekeeping.

Field Services

Field Services investigates, secures and maintains client physical assets, including real and personal property. Field Services is also responsible for the disposition of client personal property as instructed by other operational PGT staff.

Estate and Personal Trust Services

Total staff¹	46 positions
Total clients²	3,568
Deceased estates	2,971
Executor appointments	377
Personal trusts	223
Litigation representative	13
Estates of missing persons	2
PGT educational assistance fund	22 applicants
Total value of assets under administration (at March 31, 2022)	\$362 million
Investments and securities	\$276 million
Real property	\$67 million
Other	\$19 million
Business Indicators	
Liabilities (at March 31, 2022)	\$11 million
Other Indicators	
Estate administration referrals ³	1,490
Probate applications filed with Supreme Court ³	252

¹ Staff refers to full time equivalent employee positions.

² Client counts reflect the number of individual clients served throughout the year. The divisional total is typically less than the sum of the business lines as clients may require service in more than one business line.

³ Figure reflects the count of particular activity throughout the year.

Client Finance and Administrative Services

The PGT Client Finance and Administrative Services division (CFAS) provides a wide range of both client and corporate services. PGT corporate services include budget planning, corporate accounting, facilities and administrative services.

Client Financial Services

Client Financial Services is responsible for the daily management of client financial services for trusts and estates administered, including centralized processing of client receipts and disbursements. This department also provides tax services, oversees the processing of PGT fees, maintains the security and integrity of client assets and liabilities, contributes to an effective system of internal controls over trust accounting and develops annual audited financial statements for trusts and estates administered by the PGT.

Investment Services

Investment Services is responsible for establishing and managing effective investment plans on behalf of clients and for overseeing the overall investment management process related to client assets. Investing client assets is a core PGT responsibility and the PGT is required by statute to act as a prudent investor. The PGT assesses client needs to determine investment goals and objectives in developing personalized investment plans for adult clients and personal trusts with **\$50,000** or more in total financial assets and children and youth clients with **\$25,000** or more in total financial assets. This department includes an Assets and Liabilities Team responsible for the record keeping of investments, real property and other financial assets and liabilities.

Corporate Financial Services

Corporate Financial Services is responsible for operating and capital budgeting, forecasting, reporting, payment processing and corporate contract management for the PGT Operating Account. The PGT Operating Account was established as a Special Account in the General Fund of the Consolidated Revenue Fund of the Province of British Columbia, which represents the financial operations of the PGT as a corporate body. The department develops financial models, projects operating expenses and recoveries from fees, sets out multi-year budget plans, prepares Treasury Board submissions, produces financial management reports and develops annual audited financial statements for the PGT Operating Account.

Facilities and Administrative Services

Facilities and Administrative Services is responsible for the delivery of corporate administrative services including records management and archiving, mail and reception services, site security, staff safety, goods and services purchasing and facilities maintenance.

Legal Services

PGT Legal Services are delivered by a complement of **15.6** staff lawyer positions distributed among program and corporate services and supplemented by outside counsel as required. The Deputy Public Guardian and Trustee is the Executive Director of Legal Services.

Within their assigned areas of practice, the staff lawyers provide advice to the PGT when acting on behalf of clients in a representative capacity. In this role, they may appear at mediations or in civil proceedings on behalf of PGT clients or may instruct outside counsel acting on behalf of clients in a variety of civil matters.

Staff lawyers also carry out certain statutory obligations of the PGT, such as reviewing applications for appointment of private committees, settlements of claims for unliquidated damages on behalf of minors and reviewing proposed transactions affecting the property interests of minors and legal notices where the interests of minors or incapable adults may be affected. In some circumstances, staff lawyers prepare written comments for the court regarding issues concerning the interests of minors or incapable adults in civil proceedings.

At March 31, 2022, PGT staff lawyers were providing legal advice and services to clients that involved acting on approximately **3,600** legal issues.

Other in house counsel carry out a variety of duties to support PGT statutory obligations, including providing legal oversight of PGT involvement in advancing client interests in class proceedings, managing the overall provision of legal services to PGT clients by outside counsel and coordinating compliance with access to information and privacy legislation. In 2021–2022, the PGT responded to **64** formal requests for information and **4** court orders for production of records.

In 2021–2022, the PGT investigated clients' eligibility for settlement payments in **7** class actions and filed claims where appropriate. The PGT continues to monitor **31** class actions and/or potential class actions on behalf of clients.

The Deputy Public Guardian and Trustee and staff lawyers contribute regularly as speakers and writers for a variety of organizations with respect to the law that impacts PGT clients. They also participate in government law reform initiatives relevant to the PGT mandate.

Corporate Projects and Strategic Operations

The Corporate Projects and Strategic Operations division (CPSO) provides a range of organization wide services in support of PGT operations. These include statutory performance planning and reporting, corporate project management, internal and external communications, strategic and business planning, policy development, management information, research and evaluation, human resource coordination and corporate training.

The PGT maintains its own information technology services independently from the provincial government to ensure that client information is kept confidential. Information Technology Services implements enhancements to technology infrastructure to support client service.

Internal Audit

The PGT has established an Internal Audit function to support PGT management, employees, clients and other participants, by providing an independent, objective assurance and consulting service designed to add value and improve PGT operations.

Internal Audit employs a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes for the PGT. Internal Audit has direct and unimpaired access to the Public Guardian and Trustee and members of the Audit Advisory Committee to report findings and issues and to request advice and opinions.

PGT Summary Indicators

Total staff¹	281 positions
Total clients²	26,675
Total value of assets under administration (at March 31, 2022)	\$1.3 billion
Investments and securities	\$1 billion
Real property	\$265 million
Other	\$49 million
Business Indicators	
Client bills paid ³	\$227 million
Client receipts processed ³	\$298 million
Other Indicators	
Clients with trust accounts (at March 31, 2022)	15,302
Income tax filings ³	6,482
Real properties sold ³	127
Work Environment Survey Engagement Score ⁴	76

¹ Staff refers to full time equivalent employee positions.

² Client counts reflect the unique number of individual clients served by the PGT throughout the year. The PGT total is less than the sum of the divisional totals as clients may require service in more than one division.

³ Figure reflects the count or amount of particular activity across the year.

⁴ This survey is conducted every 2 years by BC Stats.

\$1.3 billion

Total value of assets under administration (at March 31, 2022)

Investments

The PGT has three pooled investment funds for clients: the **Premium Money Market Fund**, the **Balanced Income Fund** and the **Balanced Growth Fund**.

The following table provides comparisons of rates of return for PGT pooled funds and standard alternatives as of March 31, 2022.

0.98%

(1 year)

The **Premium Money Market Fund's** objective is to provide an optimal rate of return for short term investments while ensuring a high degree of liquidity and safety of capital for risk averse clients. (Fund size **\$576 million** at March 31, 2022).

5.25%

(5 years annualized)

The **Balanced Income Fund's** objective is to enhance returns for clients with a low to moderate level of risk by investing in a diversified portfolio. It is used most frequently by adult clients with medium term investment time horizons. (Fund size **\$33 million** at March 31, 2022).

6.87%

(5 years annualized)

The **Balanced Growth Fund's** objective is to enhance long term returns for clients with a moderate level of risk by investing in a diversified portfolio and is aimed towards long term capital growth. It is used most frequently by clients with longer investment time horizons. (Fund size **\$119 million** at March 31, 2022).

Blended FTSE Canada
91 Day Government Of
Canada Treasury Bill

0.77%

3 year Guaranteed
Investment Certificate

3.35%

Chequing account
interest

0.0%

Standard industry
portfolio benchmark
(5 years annualized)

5.16%

Standard industry
portfolio benchmark
(5 years annualized)

6.70%

Comparisons¹

The PGT invests client funds in the pooled funds and other investments and may also rely on the services of brokerages and external investment managers. Although the PGT invests most client funds in its three pooled funds, the choice of investment options is determined by client goals and objectives set out in investment plans which are monitored on a regular basis according to portfolio risk. The PGT also establishes and maintains various registered accounts, including Registered Retirement Savings Plans, Registered Disability Savings Plans and Tax Free Savings Accounts, as determined by individual client investment plans.

¹ Sources: Premium Money Market Fund, Balanced Income Fund and Balanced Growth Fund – BC Investment Management Corporation; GOC Treasury Bill – Bank of Canada; Guaranteed Investment Certificate and Chequing Account – CIBC.

Partnerships and Outreach

The PGT recognizes the importance of providing public information and education about the PGT and related services to facilitate cooperation with service partners and participants, to inform the public about related issues and to mitigate the growth in demand for PGT services.

The PGT mandate includes providing public education and applying PGT special expertise to advocate for PGT clients at a systemic level as well as that of individual clients. Under the strategic goal of contributing to a fair and just society, the PGT Service Delivery Plan has a specific performance objective related to this work: the PGT will contribute to public awareness, policy development and law reform initiatives to promote the interests of PGT clients.

In 2021–2022, the PGT contributed its expertise through extensive partnership and outreach activities.

Formal Committees

- Member, Children’s Forum, a provincial information sharing forum for senior government officials with an interest in child wellness and related services including membership on the Indigenous Jurisdiction and Oversight sub-committee, supporting the implementation of Indigenous child wellness regimes pursuant to Bill C-92. Bill C-92 is an act which affirms the rights and jurisdiction of Indigenous Peoples in relation to child and family services and sets out the applicable principles, on a national level, to the provision of child and family services in relation to Indigenous children;
- Member, National Association of Public Trustees and Guardians, an association of Canadian federal, provincial and territorial Public Trustees, Public Guardians and equivalents, committed to excellence in public trusteeship and guardianship and focused on advocacy, policy reform, awareness and shared best practices in the interests of clients;
- Member, National Guardianship Association, a USA organization dedicated to advancing the standard of excellence in guardianship;
- Member, Youth Futures Education Fund Advisory Committee, which guides the Youth Futures Education Fund that provides financial assistance to youth who were in government care and are pursuing a post secondary education on a tuition waiver;
- Host, BC Adult Abuse/Neglect Prevention Collaborative, a province wide community/government group working towards continuous improvement in the BC response to adult abuse, neglect and self-neglect;
- Host, Adult Guardianship Provincial Advisory Committee, including representatives of Health Authorities and CLBC to collaborate on adult protection efforts on a provincial level;
- Member, Council to Reduce Elder Abuse (CREA), established as an integral part of the provincial government plan “Together to Reduce Elder Abuse – B.C.’s Strategy” and co-chair of the Financial Abuse Prevention Action Group;
- Member, Justice Strategic Advisors Team, a cross sector advisory committee with representatives from the ministries of Attorney General and Public Safety and Solicitor General who meet to discuss sector wide IT strategies;
- Member, “Collective Impact – Transition in Resources, Relationships and Understanding Support Together (TRRUST)” an initiative sponsored by the McCreary Centre Society focused on achieving systemic improvements in outcomes for youth transitioning out of government care in Vancouver;
- Member, Trending Table Committee, a Vancouver based working group hosted by MCFD, including members from social work, law enforcement and other agencies, discussing a range of issues relevant to children and youth in care;
- Member, Registered Disability Savings Plan Action Group, a group bringing together leaders from the financial sector and disability organizations in BC who work together to provide advice to government and promote RDSPs; and
- Partner, BC Child and Youth in Care Week, a partnership between multiple government, Indigenous and other not for profit organizations highlighting the accomplishments and talents of children and youth in government care.

Consultations

- Engaged with Insurance Corporation of British Columbia (ICBC) representatives to discuss matters of mutual interest concerning the settlement of motor vehicle related claims for children and youth;
- Contributed to the Canadian Centre for Elder Law’s Engaging People Living with Dementia in Decision-Making Project on how health care decision making is approached so that people living with dementia have a voice and meaningfully engage in the everyday decisions that matter to them;

- Participated in the British Columbia Law Institute’s (BCLI) Undue Influence Recognition/Prevention Guide Update Project which aims to update one of BCLI’s most frequently cited publications, Recommended Practices for Wills Practitioners Relating to Potential Undue Influence: A Guide;
- Participated in the Ministry of Municipal Affairs’ research project on residential property owners vulnerable to property tax sales;
- Worked collaboratively with National Association of Public Trustees and Guardians and Service Canada to test and establish an exclusive, secure electronic platform for accessing client information held in the national social insurance register;
- Participated with other provincial ministries and agencies in Community Living BC’s (CLBC) collaborative discussions on future planning of intensive services for adults with developmental disabilities who also have unique and complex care needs;
- Continued to liaise with CLBC and the Advocate for Service Quality on a range of projects relating to incapable adults including information sharing and related data matching;
- Conducted ongoing meetings with the Representative for Children and Youth, MCFD and CLBC regarding the class action resulting from the misconduct of a MCFD employee hired as a social worker to ensure service deficiencies were addressed for each affected child and youth still in the care of MCFD; and
- Participated in MCFD’s Child Disability Benefit/RDSP Working Group and Bank Accounts/RESP Working Group with a focus on maximizing access to financial tools and benefits for children in care of the Province.
- Provided periodic training on the role and mandate of the PGT as property guardian to MCFD and DAA staff in addition to new social workers through the Indigenous Perspectives Society;
- Provided information to Indigenous Services Canada and an Indigenous community regarding the PGT’s role as property guardian in the context of Bill C-92, An Act respecting First Nations, Inuit and Métis children, youth and families;
- Made submissions to the Power Pages magazine issued by the Federation of BC Youth in Care Networks; and
- Facilitated a broad range of financial wellness workshops by partnering with numerous youth serving agencies, with a focus on young people leaving care and living independently. Workshops were facilitated for:
 - The Cedar Walk and Aries programs (facilitated by the Urban Native Youth Association and the Vancouver School Board);
 - Other Vancouver School Board alternative high school programs including Genesis programs and the Total Education Program;
 - The Vancouver Coastal Health Authority’s Transition Into Independence Program;
 - The YWCA Gear Up Program;
 - The YWCA’s Strive Program; and
 - A monthly financial wellness workshop with the Federation of BC Youth in Care Networks.

Educational Outreach

- Contributed to professional development programs and education events in addition to updating professional practice materials with the Continuing Legal Education Society of British Columbia, Trial Lawyers Association of British Columbia, the People’s Law School and other partners;
- Participated in the Government Finance Officers Association of British Columbia seminar on municipal tax sales, providing information relevant to the PGT’s role in supporting vulnerable adults facing property tax sales;
- Presented on the role of the PGT to the various groups serving vulnerable adults including the Ombudsman for Banking Services and Investments and the Residential Tenancy Branch;

A young girl with long, wavy brown hair is sitting on a thick, mossy tree branch in a dense forest. She is wearing a light blue long-sleeved shirt and dark pants. She is looking upwards and to the left with a thoughtful expression. The background is filled with green foliage and tree trunks, creating a natural and serene atmosphere.

Societal Trends and Other Factors

A number of social trends, risk factors and internal issues affect the work of the PGT, and are outlined on the following pages.



Supporting Client Service Through Technology Improvements

The Issue

- Citizens expect modern organizations, providing programs and services using technologies that are readily provided by other private and public sector agencies.
- Maintaining and managing an expanding portfolio of applications and systems is increasingly complex as organizations are required to consider a range of heightened issues including security and privacy concerns.
- The COVID-19 pandemic has transformed traditional service models as the public is seeking to access services and information in safer and often remote ways.

The Impact on PGT Clients

- The PGT historically operated in a traditional paper based environment. Clients are often provided information verbally as web materials are complex and not well designed for the general public.
- Client data is facing increasing information technology risks.
- Significant gaps exist between client service expectations and the organization's ability to meet them. For example, clients expect to be able to carry out tasks such as:
 - Submitting information interactively through a secure portal
 - Completing payment transactions online

The PGT Response

- The PGT continues advancing the way it manages information, data, technology and security as updated and new systems and related processes support a more responsive and effective client service.
- The PGT continues to work closely with the BC Chief Information Officer and the Ministry of Attorney General to follow leading practice in implementing new technology and making corresponding process improvements.
- The PGT continues to enhance existing software applications, associated processes and improved usage of existing reporting technologies to improve operations and client service.
- Improving the PGT's website will provide a better service to clients and citizens by making digital services available, including the ability to pay for some PGT services online. Offering improved information and services online will help the PGT better meet service expectations.



Responding to Changing Demographics

The Issue

- The percentage of the population of people in British Columbia who are 65 years or older is increasing, giving rise to increasing demand for PGT services to adults.
- As the number of older adults in BC increases, the number of deaths also increases, giving rise to a growing demand for PGT estate administration services.
- The PGT's role as fiduciary is becoming more complex and carries an increasing degree of risk due to the changing nature and location of client assets, an increasing level of client debt and escalating value of trusts and estates being administered.
- British Columbians are ethnically and culturally diverse and require services that are tailored to meet their needs.

The Impact on PGT Clients

- PGT clients reasonably expect the PGT to professionally and effectively manage their financial affairs, a task which is increasingly complex as assets are located around the world often in jurisdictions that do not recognize the PGT's legal authority. Assets are in multiple formats, including digital. Clients and estates increasingly require debt management and resolution of tax issues.
- As demand for estate administration services increase, client service levels are fluctuating and may not be fully sustainable at current levels.
- Clients also reasonably expect that the PGT will deliver services in a culturally sensitive and competent manner.

The PGT Response

- The PGT will allocate resources to services in program areas with sustained increases in demand when required funding is secured.
- Due to the increasing demand for estate administration services, the PGT is continually taking active steps to improve and streamline service delivery and to increase staffing levels.
- The PGT will provide ongoing skills and knowledge training to staff to support management of complex caseloads including a focus on diversity and Indigenous cultural awareness.
- The PGT will continue to build its relationships with Indigenous communities and to enhance its capacity to provide effective and evolving services to Indigenous clients.
- The PGT will continue to implement its Seeking Truth and Pursuing Reconciliation strategy and implement the Diversity and Inclusion Framework, both of which are directed at ensuring PGT policies and practices are culturally aware and sensitive.



Adapting to Changing Service Expectations

The Issue

- The public expects government bodies to have robust and responsive complaint processes to demonstrate administrative fairness.
- The services provided by service partners continue to evolve, increasing the demand for PGT resources.
- The scope of duties associated within the PGT's statutory roles continues to expand. For example, the introduction of amendments to the Wills, Estates and Succession Act allowing for electronic wills demonstrates recently increased expectations as the PGT is now required to search for testamentary documents on electronic devices.
- The COVID-19 pandemic requires public service agencies to rethink how to provide existing services in a safe and effective manner.

The Impact on PGT Clients

- The PGT needs to improve how it describes its services, how PGT services may affect clients and their families and what people can expect with respect to service timelines.
- In response to increased demands for service, PGT staff must be well supported with the appropriate tools and training to support service delivery.
- PGT services must be continuously adapted to ensure the health and safety of clients and other participants are not at risk in response to the pandemic.

The PGT Response

- The PGT continues to focus on making operations more efficient and will continue to assess trends and service demand changes in order to manage and maximize use of resources in a manner that is flexible and responsive to changing service delivery needs.
- The PGT continually reviews and develops clear communications materials about services for clients and their support networks.
- The PGT continues to develop and update policies, procedures and provide holistic training for staff to support evolving services.
- The PGT continues to follow the orders and direction of the Provincial Health Officer and the BC Public Service Agency to ensure a safe work environment for staff and clients.



Focusing on Employee Engagement

The Issue

- PGT compensation rates, which are determined by government, have not kept pace with private and public sector equivalents in several key areas.
- In addition to the requirement to have the skills and knowledge required to fulfill PGT roles, staff are required to have the information technology skills to deliver services.
- Work environments need to be regularly assessed for the risk of COVID-19 transmission in the workplace, appropriate controls need to be implemented, monitored for their effectiveness and adjusted as required to ensure staff and client safety.

The Impact on PGT Clients

- Complex legal, financial and sensitive personal and health care client issues require management by competent, skilled and engaged PGT employees.
- Barriers to effective recruitment means more staff time is spent on ongoing recruitment and training which limits resourcing that can be applied to meeting client needs.
- Staff training is increasingly important as client affairs become more complex to manage.
- Specific PGT operations may take longer to complete as additional requirements to support health and safety needs are implemented.

The PGT Response

- The PGT continues to use bridging positions and temporary assignments to promote career growth and engage in succession planning for critical positions.
- The PGT continues to build its corporate training program, focusing on role based training including technical and communication skills development.
- The PGT continues to include staff in improving business processes.
- The PGT continues supporting a healthy work environment by promoting health and safety initiatives, respectful workplace policies, a meaningful recognition program and effective communication between staff and leadership teams.
- The PGT will investigate strategies to support staff recruitment and retention such as offering a range of flexible work options and working with government to review classification of key positions where appropriate.
- The PGT will aim to collaborate with the Ministry of Citizen Services to implement “Leading Workplace Strategies” which aims to support mobile and flexible workspaces in the BC Public Service.
- The PGT continues to support remote working for staff whose job requirements allow them to work from home. Procedures and training are updated to provide for staff working in the community. Workplace safety plans, including measures to support physical distancing at PGT worksites during the COVID-19 pandemic continue to be monitored to help ensure staff and client health and safety.



Advocating for and Responding to Legal Reform

The Issue

- There is a need for new or modernized legislation that reflects and supports the diverse and changing needs of PGT clients and to respond and adapt to legal reform that impacts the work of the PGT.

The Impact on PGT Clients

- The Province has expanded the scope of the Public Interest Disclosure Act (PIDA) to include the broader public sector including agencies, boards and commissions.
- The Wills, Estates and Succession Act (WESA) has been amended to allow for the recognition of electronic wills.
- An increasing number of children and youth are supported by extended families through provincial out of care arrangements, which do not include authority for provision of property guardianship protections.
- Long term changes to the PGT's Infant Settlement Review program continue to evolve as the Insurance (Vehicle) Amendment Act came into force May 1, 2021.
- Under Bill C-92: An Act respecting First Nations, Inuit and Métis children, youth and families, a federal Act affirming the rights and jurisdiction of Indigenous Peoples in relation to child and family services, several First Nations in BC have served notice to the federal and provincial government advising of their intent to reassert jurisdiction regarding services for Indigenous children.
- Part 3 of the Adult Guardianship Act was originally intended to primarily serve the interests of older adults. Increasingly the adults receiving assistance under this statutory scheme are younger persons living with acquired brain injuries, cognitive disabilities, mental health issues and/or substance use disorders.
 - This shift has exposed gaps in the legislative framework, provincial practice standards and program resources associated with the protection of vulnerable adults from abuse, neglect and self-neglect.

The PGT Response

- The PGT will integrate PIDA related amendments as part of the PGT standards of conduct and implement impacts from WESA amendments into updated policies and procedures.
- The PGT will continue to review and analyze the impacts to the PGT role resulting from the introduction of Enhanced Care Coverage by ICBC.
- The PGT will continue to advocate for other legal reforms that relate to its mandate such as ensuring the legal and financial interests of children and youth not under continuing custody orders are protected.
- The legal framework for supporting vulnerable, Indigenous youth in British Columbia is evolving and the PGT will collaborate and work with partner agencies to ensure that the role of the PGT is considered within any new framework. Bill C-92 will require the PGT to collaborate with an increasing number of partners, including Indigenous communities to provide services to children and youth.
- The PGT will continue to work with key partners to identify and make recommendations to address gaps in legislation and services for certain vulnerable adult population groups including those with complex care needs involving brain injury, cognitive disability, mental health issues and/or substance use disorders.

Risk Management

The PGT acts in a broad range of fiduciary, statutory and court ordered roles and maintains a strong internal control framework to address legal, financial, operational and other associated risks. Under its Enterprise Risk Management Framework, the PGT maintains a comprehensive risk register and regularly identifies, evaluates and manages risks to the achievement of the PGT's mandate, strategic goals and objectives.

Strategies are implemented to manage and mitigate the likelihood of risk events occurring, and their impact to the organization. These include maintaining a strong control environment, implementing further mitigating control activities to reduce risks to an acceptable level and monitoring the risk mitigating controls on an ongoing basis.

The PGT Executive Committee and other members of management reviewed, evaluated and updated the PGT risk register in September 2021. Risks are evaluated on a residual basis, which measures the amount of risk remaining after considering existing controls to reduce the risk's likelihood and/or impact.

The risk associated with training and non-compliance with PGT policies and procedures is now rated as the highest risk as feedback from staff and internal quality assurance reviews indicate a more integrated training and procedural approach is needed. The highest rated risk from last year, sufficiency of internal reporting, continues to increase in terms of risk level as the PGT continues to identify additional reporting needs.

Significant PGT risk factors fall into the following three broad risk categories:

- Legislative framework: reflecting the impact of changes in government policy, legislation and regulation which could significantly impact service delivery requirements, availability of resources and the PGT cost recovery model;
- Demand side factors: reflecting the impact of increasing demands and complexity without additional funding such as legislative reform and changes in client expectations, awareness of PGT services and demographics that will all significantly impact the demand for services from the PGT; and
- Supply side factors: reflecting the impact of significant financial, human and operational resource constraints to meet current and planned objectives.

The PGT Operational Risk Management Committee formally reviews the risk register and status of risk mitigation strategies on a quarterly basis and more frequently when necessary with a focus on the top risks facing the organization.

The following table summarizes the most significant specific risks facing the PGT as identified and assessed through the Enterprise Risk Management process in September 2021 and outlines some of the major mitigation strategies. This summary of specific key risks does not describe all potential risks facing the PGT nor all of the related controls and mitigation strategies.

Risk	Nature of risk	Major mitigation strategies
Training and non-compliance with PGT policies and procedures	Risk that PGT's employees are not sufficiently trained to adequately perform their duties.	Further integrate training, policy and procedure development to reflect a more holistic approach for supporting staff in providing services. The PGT will continue to support role based training and the use of more flexible training and procedural resources moving forward to meet operational needs.
Workload impacting employee engagement	Risk that PGT employees are not effectively engaged due to a very high workload which can impact client service.	Create ongoing recruitment processes to maximize staffing resources, provide additional resources in specific service areas facing increased demands, improve work tools, promote health and wellness activities and resources to promote staff resiliency and continually pursue efficiency improvements.
Sufficiency of human resources	Risk that the PGT cannot recruit or retain adequate numbers of appropriately qualified employees due to constraints such as non-competitive compensation levels for key positions.	Enhance recruitment and retention initiatives, improve training programs, develop succession plans and work with the Public Service Agency to develop new strategies for achieving more competitive compensation rates and provide flexible work arrangements.
Sufficiency of internal reporting	Risk of current reporting capacity being insufficient to fully meet current and future operational demands.	Continue to build and expand PGT information management infrastructure, pursue business intelligence capabilities and develop additional internal reporting tools while maximizing benefit from existing reporting infrastructure.
Priority setting and capacity planning	Risk that the PGT will not meet the needs of the changing demographics of the overall population (including age, ethnicity, geographical location, gender and other factors).	Continue with rigorous business planning processes that prioritize current and new initiatives within organizational capacity and the overall strategic direction of the organization.
Business interruption	Risk of significant business interruptions due to labour, facilities or other resources due to some major event impacting reputation, stakeholder engagement and/or the ability to execute on strategic directions.	Engage in ongoing business continuity planning, improve physical and cyber security infrastructure, monitor and respond to COVID-19 related impacts and adapt operational procedures to follow advice from the Provincial Health Officer and BC Public Service Agency.

Context for 2021–2022 Performance Results

Development of PGT Goals, Objectives and Performance Measures

This document reports on PGT performance in year one of the 2021–2024 Service Delivery Plan (SDP) which was approved by the Attorney General and Minister responsible for Housing. The 2021–2022 budget was funded as set out in the plan. Goals, objectives and performance measures were implemented during 2021–2022 as presented in the SDP and are reported upon in this report.

Accountability requirements under section 22 (2) (c) of the Public Guardian and Trustee Act require that the PGT describe major program areas and specify "the performance targets and other measures by which the performance of the program area may be assessed."

The PGT makes it a priority to meet its performance targets and monitors performance during the year. When targets are at risk, available resources are allocated in year to the program area.

Goals

The PGT approach to developing its goals focuses on outcomes required to fulfill its mandate. These are the well-being of PGT clients, prudent and transparent management of client affairs, operational efficiency and staff effectiveness. Each of the 5 goals is related to one or more of these outcomes. The PGT's strategic goals are to:

- 1 **Optimize Client Service Delivery**
- 2 **Contribute to a Fair and Just Society**
- 3 **Achieve Success Through Relationships**
- 4 **Demonstrate Accountability and Transparency**
- 5 **Engage and Empower Staff**

A significant portion of PGT activity involves carrying out fiduciary duty to clients through management of client property and financial assets. The 2021–2022 PGT Performance Measurement Framework linking the goals, objectives and measures (pages **48-63**) demonstrates that Goal **1** has the greatest number of associated measures and touches almost every area of the organization and its activities.

Objectives

Objectives identified in the SDP serve several functions. They interpret and make visible the meaning of the goals as they relate to specific aspects of PGT work, identify key areas of performance and point to certain desired results in achieving the goals.

The performance measures reflect PGT best efforts to identify aspects of its performance that are most directly related to achieving stated goals and are capable of being measured and validated to an audit standard. Selecting objectives and performance measures is particularly challenging because in most instances the PGT contribution to client outcomes is difficult to isolate.

Goals **3** and **4** do not have specific measures attached to them. The PGT reports on these goals more broadly throughout this Performance Report.

Performance Measures

The PGT selects goals, objectives, performance measures and targets in accordance with underlying assumptions from its corporate values. PGT clients are often particularly vulnerable and the PGT contributes to their wellbeing through activities that are significant to clients, their family, friends, caregivers or intestate successors. Factors such as accessibility, timeliness, accuracy and empowerment are important to client wellbeing. Other factors include the need for client, service partner, participant and public confidence in PGT expertise.

Many targets are driven by external considerations such as meeting legal requirements (fiduciary obligations), benchmarking against private sector standards (investment returns), responding to safety issues (investigations of high risk situations) or may reflect a balance between determining the acceptable level of performance in a specific period with consideration for resources and constraints. In addition, the PGT must be able to substantiate its reported performance results to an audit standard.

Due to the planning and reporting cycle, targets for the first year of the plan reflect the PGT assessment of appropriate and attainable service levels based on its best judgment at the time the targets were established. Results are continually assessed to determine if measures should be continued, targets should be adjusted or if resources could be reassigned to other service areas. Performance measures and related current and future year targets appear in this report as they were approved in the 2021–2024 PGT Service Delivery Plan.

The PGT has a statutory obligation to report on all program areas. This 2021–2022 Performance Report includes **18** performance measures covering all program areas.

2021–2022 Performance Results

In 2021–2022, the PGT met or exceeded its targets for 17 of 18 (94%) of the performance measures on which it is reporting. Specific performance details related to each measure are provided in the following performance details section. The Performance Measurement Framework appears on pages 48-63.

Source Data

Data for this performance report has been drawn primarily from internal information management systems. The primary systems are AXIOM (trust accounting system), CASE (case management application) and FSS (field services system). Financial data is derived largely from the audited financial statements and is rounded.

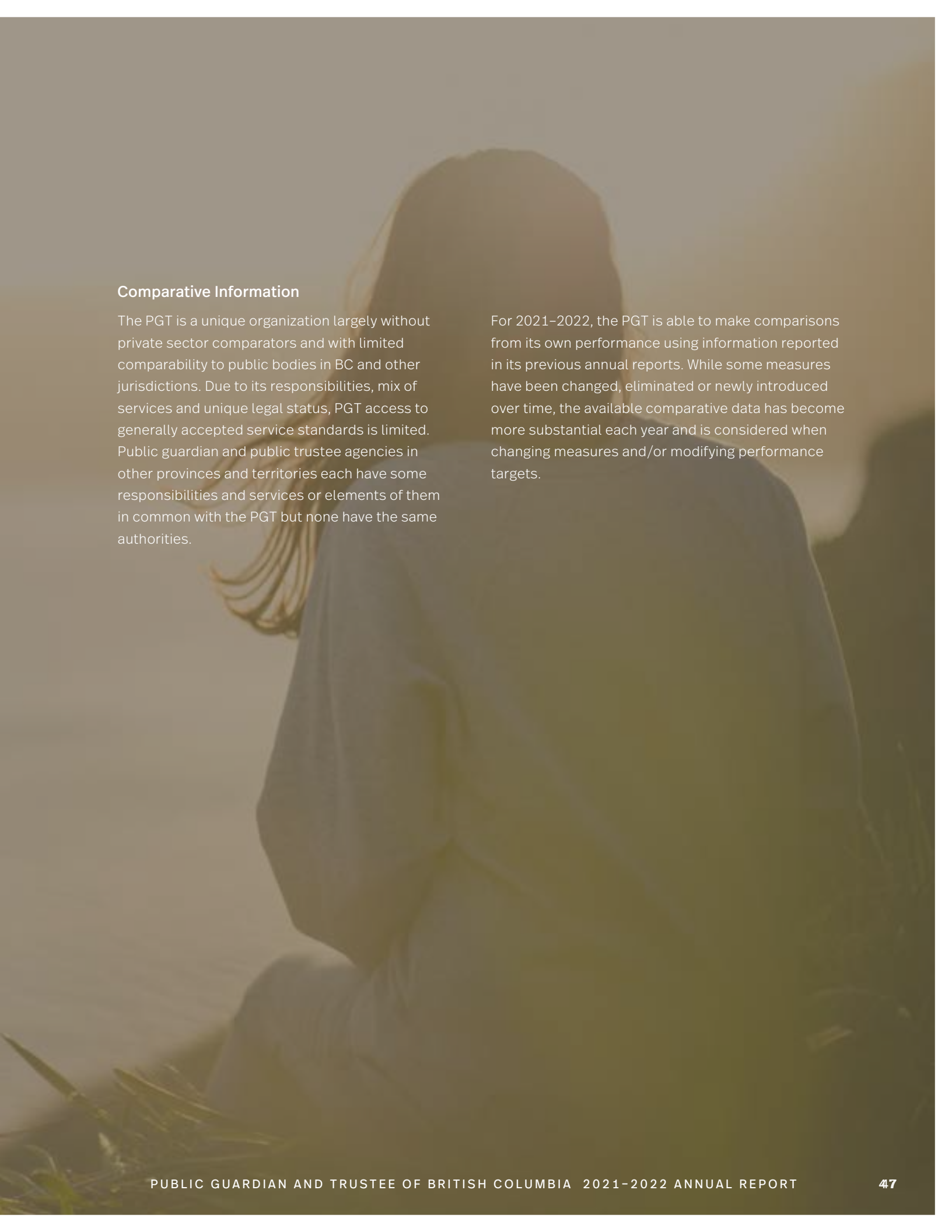
The PGT maintains clear documentation of the process for collecting and reporting on data supporting its performance results to help ensure consistency and reliability in reported results. Unless otherwise stated, results for specific performance measures are comparable with previous years. The PGT applies a broad range of quality assurance processes and reviews its performance on a quarterly basis. In reporting on performance results, the PGT usually rounds to the nearest whole number.

Unless otherwise specified, client counts reflect varying program workloads as measured by the number of individual clients served throughout the fiscal year. In some instances, the counts will reflect the number of individual clients served and in others, the counts will reflect the number of specific legal authorities under which clients were served with consideration for the fact that one client may be served under multiple authorities.

The PGT continues to invest in enhancing its capacity to draw performance reporting results from its information technology systems. All measures reporting on client specific information are drawn directly from PGT systems.

The PGT will invest time to consider BC Reporting Principles requirements, its alignment with Public Guardian and Trustee Act and will continue to review measures for appropriateness and value.

In accordance with the Public Guardian and Trustee Act, this PGT annual performance report is subject to an independent audit to provide third party assurance on the reported results. Financial statements for the PGT Operating Account and Trusts and Estates Administered are also subject to an annual independent audit to provide third party assurance.



Comparative Information

The PGT is a unique organization largely without private sector comparators and with limited comparability to public bodies in BC and other jurisdictions. Due to its responsibilities, mix of services and unique legal status, PGT access to generally accepted service standards is limited. Public guardian and public trustee agencies in other provinces and territories each have some responsibilities and services or elements of them in common with the PGT but none have the same authorities.

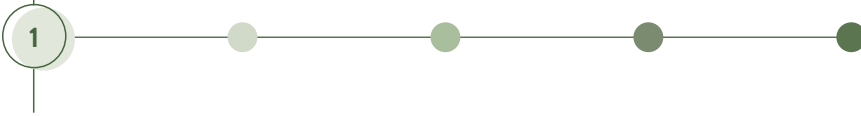
For 2021-2022, the PGT is able to make comparisons from its own performance using information reported in its previous annual reports. While some measures have been changed, eliminated or newly introduced over time, the available comparative data has become more substantial each year and is considered when changing measures and/or modifying performance targets.

An aerial photograph of a dirt road winding through a dense forest. A small white car is driving on the road. The text "Reports on Individual Performance Measures" is overlaid in white serif font in the upper left quadrant.

Reports on Individual Performance Measures

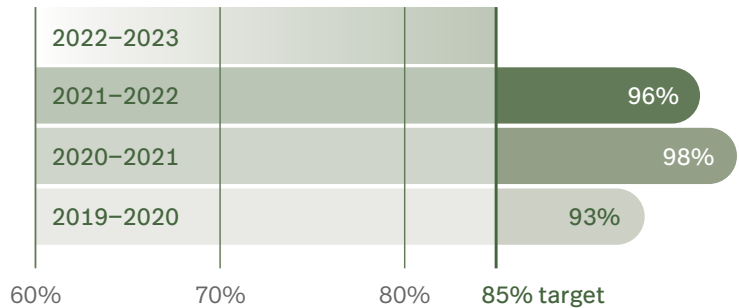
GOAL 1

Optimize Client Service Delivery



OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.1 Percentage of deceased estate funds that are distributed to intestate successors and beneficiaries rather than transferred to the BC Unclaimed Property Society



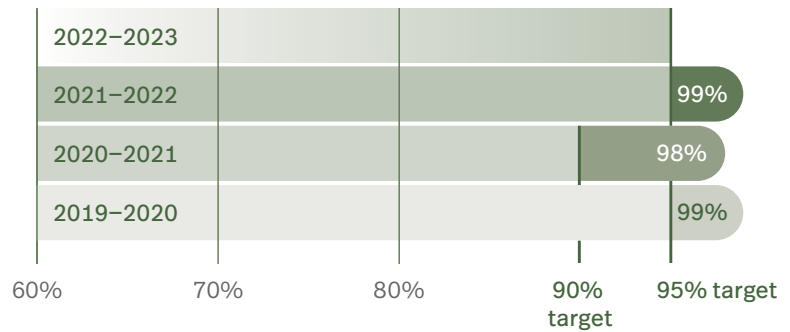
The PGT administers estates for which the executor, intestate successor, beneficiary or other eligible person is not able or willing to do so. If the PGT is unable to determine the lawful intestate successors of an estate after conducting a search, the balance of the estate after payment of creditors, administrator fees and expenses, is transferred to the BC Unclaimed Property Society.

This activity helps ensure that succession laws and wishes of persons making wills are respected and that efforts are made to locate and distribute their entitlements to intestate successors and beneficiaries.

In 2021-2022, PGT Estate and Personal Trust Services distributed **\$40,894,464** of which **\$39,373,163 (96%)** was transferred to intestate successors and beneficiaries.

OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.2 Percentage of critical incident reports in respect of children in continuing care that are reviewed and have action initiated by the PGT within 30 calendar days of receipt

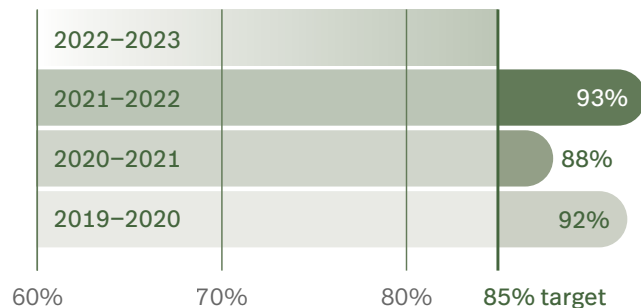


The PGT is co-guardian with MCFD and DAAs for children in continuing care of the Province. Designated officials of MCFD and the DAAs are personal guardians for children in continuing care and the PGT is property guardian. As property guardian, the PGT identifies financial entitlements or legal claims and brings forward appropriate legal action on behalf of the children and youth. This includes legal claims for damages such as personal injury arising from abuse, assault or negligence as well as for statutory benefits such as from the death of a parent.

The PGT receives automated reporting from MCFD and the DAAs of incidents involving children in continuing care and must review these reports to determine whether to commence civil legal proceedings and/or pursue financial benefits on behalf of the child. This activity satisfies PGT legal obligations as fiduciary and improves the wellbeing of children and youth in continuing care of the Province by protecting their legal rights and financial interests. This year, the PGT moved the tracking of critical incident reports from complex spreadsheets to our case management system to streamline data entry and reporting activities.

In 2021-2022, of **1,933** critical incident reports received directly from MCFD and DAAs, **1,924 (99%)** were reviewed and action was initiated by the PGT within 30 calendar days of receipt of the report. In 2020-2021, the target for this measure was reduced for one year to **90%** as the standard to complete reviews was moved from **45** calendar days to **30** calendar days. In 2021-2022, the target for this measure is increased back to **95%** and the timeframe to complete reviews is maintained at **30** days.

1.1.3 Percentage of personalized case plans (covering property, effects, legal issues and living arrangements) that are developed and implemented for new adult clients within six months of PGT appointment as committee of estate



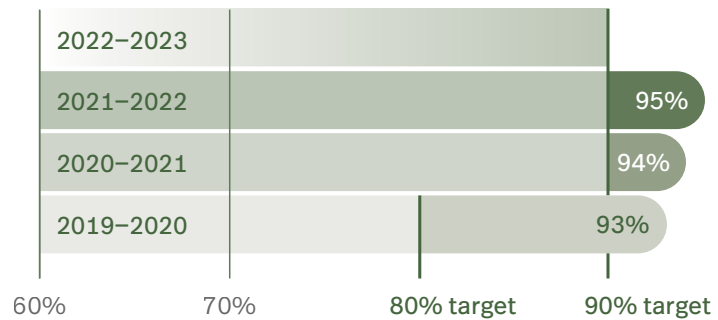
The PGT may become committee of estate under the Patients Property Act for adults who are unable to manage their financial and legal affairs. Completion of a personalized case plan for a new committee of estate client demonstrates that the PGT has taken the steps necessary to identify and secure the client’s property and financial interests and provides for their ongoing protection. Time taken to develop and implement the plan will vary according to the complexity of the client’s property and financial interests.

This activity improves quality of life for incapable adults by making arrangements that respect client wishes to the extent possible and by developing plans to maximize resources available for their care. For most new committee of estate clients, **6** months is a reasonable expectation in which to complete the plan as normally several months are required to collect all relevant information about the client.

During 2021-2022, **219** new clients required these plans and the PGT developed and implemented personalized case plans for **203 (93%)** of them within the **6** month time frame.

OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.4 Percentage of investment plans and reviews completed prior to specified due date



Developing and implementing client investment plans supports investment decisions that are tailored to individual client circumstances. Individual client circumstances, such as increased or decreased needs for cash funds, are considered when developing and reviewing investment plans. Reviewing existing client investment plans is important because client needs and risk tolerance change over time. Frequency of reviews is also related to the asset mix in the client investment plan. The PGT reviews client investment plans on a rotating basis according to the assessed level of risk associated with the client investment portfolio.

Completing investment plans and reviews contributes to improved quality of life for clients by helping ensure that financial planning remains current to maximize resources available for client specific needs. In 2021-2022, **1,452 of 1,529 (95%)** client investment plans and reviews scheduled, were completed prior to the specified due date.

As initially reported in the 2020-2021 Annual Report, the PGT has completed an initial review of investment actions after detecting that the implementation of some plans had been delayed. Where delays resulted in a potential missed investment return, the impacted client was paid any missed returns plus interest. The PGT continues to examine the scope, resourcing and timelines associated with client investment services and will have an even more robust and defined investment program in the near future.

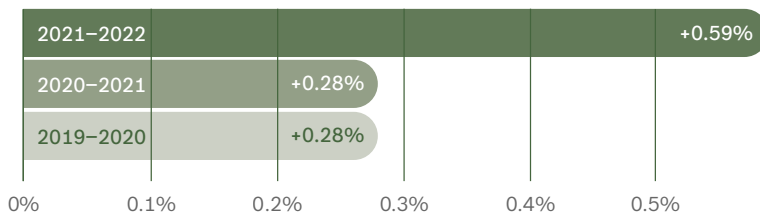
Note that the target for this measure was originally planned to increase to **95%** in 2022-2023, however, as the overall review of investment related systems, processes and approaches continues into 2022-2023, the PGT has maintained the target for this measure at **90%** for next year.

OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

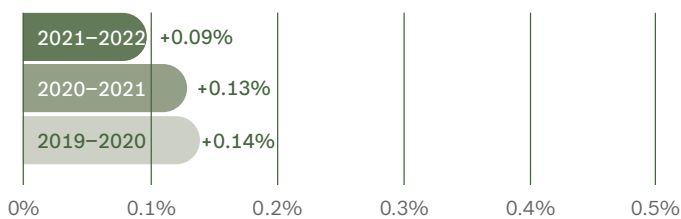
1.1.5 Investment returns for all three pooled funds match or exceed established benchmarks

Target: Match or exceed benchmarks

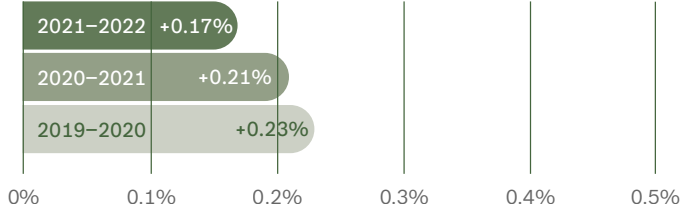
PREMIUM MONEY MARKET FUND



BALANCED INCOME FUND



BALANCED GROWTH FUND



PGT client funds are invested to maximize returns in a manner appropriate to individual client circumstances. This measure is a means of comparing performance by investment managers retained by the PGT against established industry benchmarks. The PGT has **3** pooled common funds: the Premium Money Market Fund (PMMF), the Balanced Income Fund (BIF) and the Balanced Growth Fund (BGF). The majority of client funds are held in the Premium Money Market Fund.

The PGT calculates investment returns using the investment industry standard of **5** year rolling averages with information on returns calculated by third party professional measurement services. BC Investment Management Corporation reports on the performance of all three pooled funds. The PGT verifies performance with reference to custodianship reports for actual returns and other third party data for industry benchmark returns.

Professional investment management improves quality of life for clients by prudently managing their financial resources to help ensure their resources are maximized to meet their needs. In 2021-2022, investment returns for all **3** pooled funds exceeded the established benchmarks. The Premium Money Market Fund is comprised of **2** separate components, a money market pool component and a segregated bond portfolio. Historically, the measure assesses only the performance of the money market pool. In 2021-2022, the PGT reviewed the benchmark for this fund and determined it is more reasonable to assess the performance against the **2** separate components. Details are recorded in the accompanying charts.

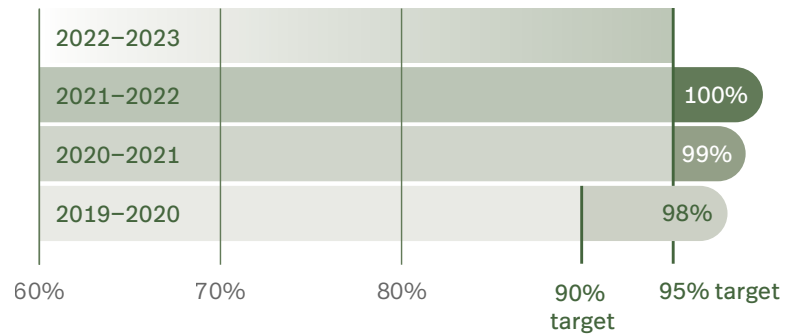
1.1.6 Physical assets of new deceased estates secured within 15 calendar days of notification of death

Securing the physical assets of a deceased person’s estate is a critical step in reducing risk of damage and preventing loss to the value of the estate. The result for creditors and beneficiaries of the estate improves according to the speed with which physical assets are secured. This activity secures assets and maximizes funds available to estates of deceased persons.

Note that this measure is discontinued in the 2021-2024 Service Delivery Plan. This measure could only be applied to a subset of clients with physical assets to be secured. The number included in the subset was too small to provide a meaningful measure of work undertaken on behalf of clients in this area.

OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.7 Assets will be entered into the trust accounting system within five business days of receipt of the work order

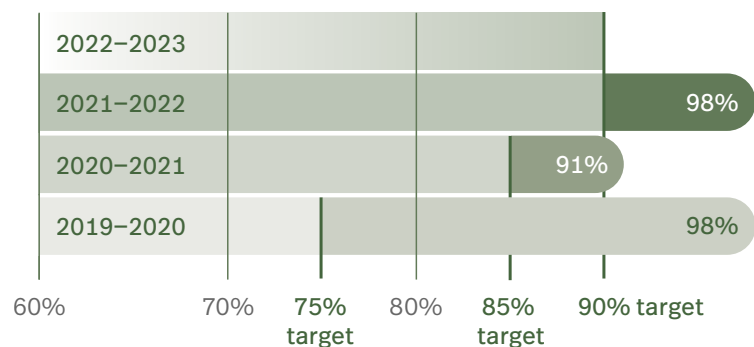


PGT Field Services secures client physical assets, taking custody of them and providing for their security. Timely recording of the assets in the PGT field services and trust accounting systems are key elements in securing them.

Some physical assets such as jewelry, stamps and coin collections are excluded from this measure as they need to be appraised prior to being entered into the trust accounting system. Assets such as bank accounts, safety deposit box listings, real property, vehicles and securities are also excluded from this measure as they are supported by other processes to provide access or to determine the value of the asset.

In 2021-2022, of **537** client inventory reports, **537 (100%)** were recorded within **5** business days.

1.1.8 Percentage of disbursements on behalf of children and youth processed within 30 calendar days of request



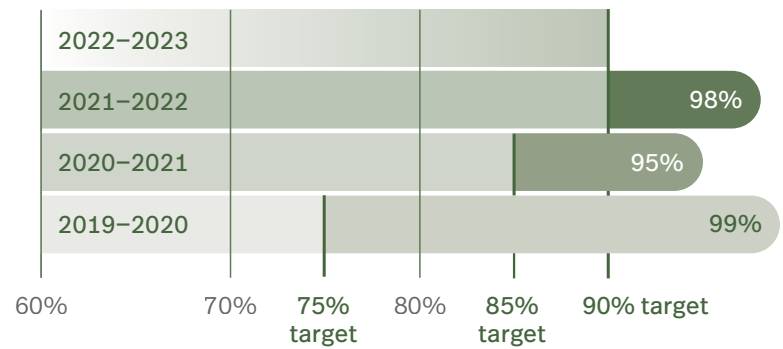
Administering trusts for which a child or youth is the beneficiary is a major responsibility of PGT Child and Youth Services. Funds held in trust by the PGT for a child are subject to a number of statutory and policy terms and conditions designed to protect the child's interests. Guardianship and Trust Officers consider client and client guardian requests to spend from the individual's trust fund and must determine whether the request falls within or outside of the trust restrictions while still providing a timely response. This activity benefits children and youth by allowing appropriate disbursements in a timely manner while applying necessary constraints to satisfy fiduciary responsibilities to be prudent.

Other disbursements for children and youth that are also processed in an efficient and timely manner, such as payments for PGT fees, payments made for a fixed amount to a third party or payments to the client over a period of time at specified intervals, are not included in this measure.

In 2021-2022, **1,730** of **1,760 (98%)** decisions to issue funds were completed and a payment issued within **30** calendar days of the request by the client or client guardian.

OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.9 Percentage of disbursements on behalf of adult clients to vendors processed within 30 calendar days



The measure includes individual client disbursements that are not set up for payment on a fixed schedule. Individual disbursements issued on a fixed schedule are excluded from this measure and the PGT has established distinct processes for these disbursements to ensure they are processed efficiently and timely.

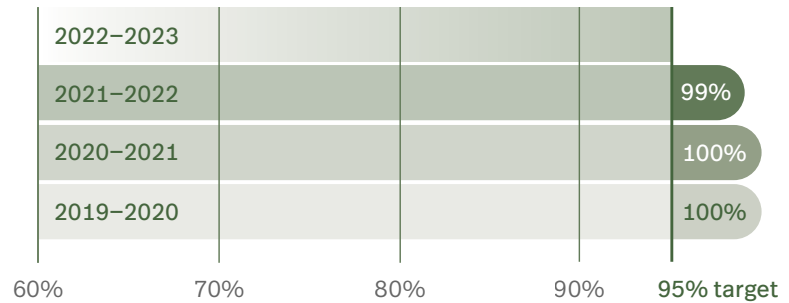
Ensuring that amounts owed by PGT clients are paid in a timely manner is an important aspect of managing the affairs of adult clients. Where the client is able to manage some day to day expenses, funds may be issued directly to the client's bank account. If the client is in a care facility, the PGT pays the maintenance charges and then provides the client with funds to use for small purchases.

Where there are debts or other liabilities and the adult has sufficient funds, the PGT will arrange for payment or to settle the claims on the adult's behalf. This activity improves the quality of life for incapable adults by ensuring invoices and other liabilities are paid on a timely basis and in accordance with their terms of payment, avoiding potential penalty charges, interest charges and disruption of critical services.

In 2021-2022, **37,157** of **37,760 (98%)** adult client disbursements were processed within **30** calendar days.

OBJECTIVE 1.2 THE PGT WILL DELIVER HIGH QUALITY CLIENT CENTRED SERVICES

1.2.1 Percentage of committee of person adult clients who are annually visited by PGT staff

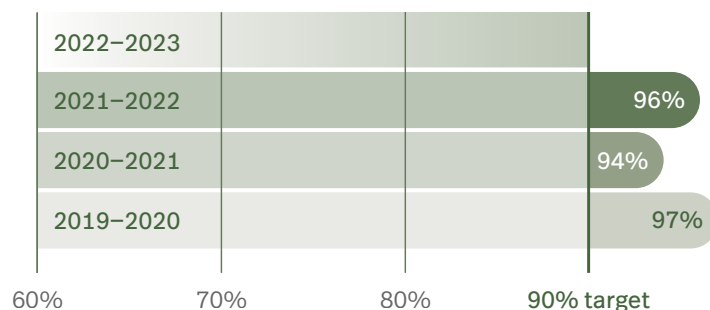


There are a small number of adult clients for whom the PGT acts as a court appointed committee of person and is responsible for their personal care interests. The PGT attempts to visit these clients at least once every year. For the PGT, the visit is an opportunity to review the client's personal situation and assess whether changes are required to help ensure protection of their ongoing personal and health care interests. For the adult, the visit is an opportunity to convey information directly to the PGT without an intermediary such as a caregiver or care facility administrator. Many of the clients are in long-term care and are no longer capable of making decisions about their own personal affairs or health care decisions.

This performance measure focuses on clients for whom the PGT has the greatest responsibility. Client visits improve quality of life for clients through direct contact with PGT staff and provide for their maximum empowerment. As the COVID-19 pandemic continues, the PGT maintains an expanded definition of client visits to include virtual visitations facilitated by technology to ensure contact with clients.

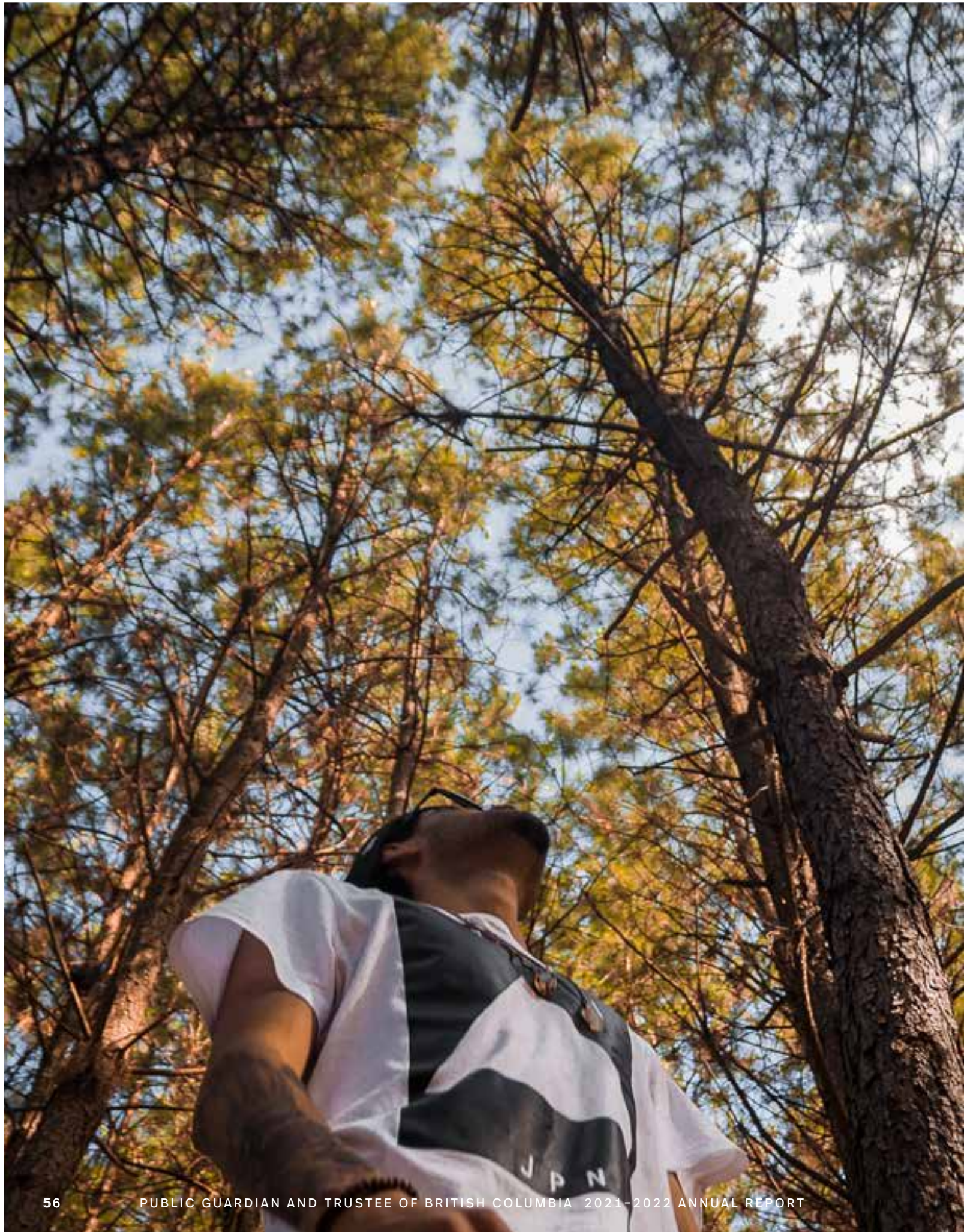
In 2021-2022, visits were made to **117** of **118 (99%)** adult clients for whom the PGT acts as committee of person. **105** visits were virtual and **12** clients were visited in person.

1.2.2 Percentage of intestate successors and beneficiaries responding to survey who rated administration services for deceased estates as good or very good



The PGT administers estates of deceased persons. The EPTS division conducts a client satisfaction survey with intestate successors and beneficiaries who receive funds when administration of an estate is completed. This activity measures client satisfaction and gives intestate successors and beneficiaries the opportunity to comment on what is important to them regarding services. This activity also improves service delivery by highlighting areas needing improvement.

In 2021-2022, **206** of the **214 (96%)** beneficiaries who responded to the survey question rating estate administration services rated them as good or very good.



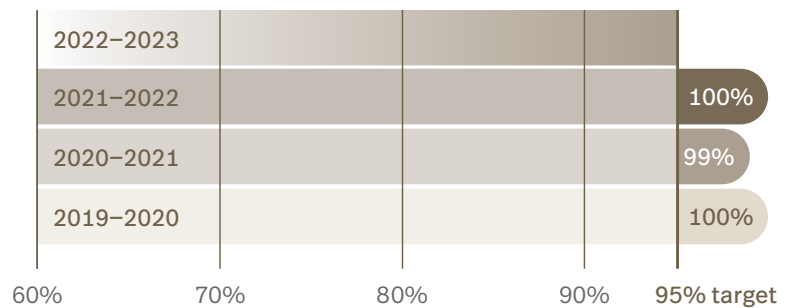
GOAL 2

Contribute to a Fair and Just Society



OBJECTIVE 2.1 PERSONAL INTERESTS OF PGT CLIENTS WILL BE PROTECTED

2.1.1 Percentage of major health care substitute decisions for adults made within three business days of all relevant information being received

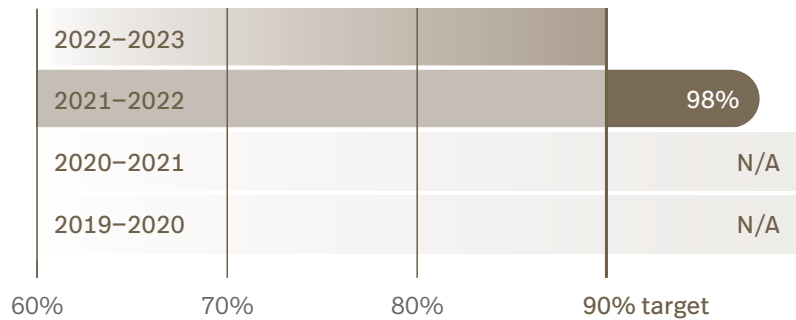


The PGT protects the personal interests of adults incapable of giving health care consent by making these decisions on their behalf as temporary substitute decision maker (TSDM) under the Health Care (Consent) and Care Facility (Admission) Act. The timeliness of PGT substitute health care decisions as TSDM is important to the wellbeing and rights protection of the individual for whom treatment has been proposed by a health care provider.

This performance measure focuses on the most serious decisions which are classified as “major” under the Health Care (Consent) and Care Facility (Admission) Act. Timeliness of decision making is important because it facilitates clients receiving health care in a timely manner if that treatment is consented to by the TSDM. In 2021-2022, **100%** of the **122** major health care decisions were made within the **3** business day time frame.

OBJECTIVE 2.2 STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER

2.2.1 Percentage of proposed minors' settlements \$5,000 and over that are reviewed and the parties advised of the PGT position within 60 calendar days once all relevant information has been received

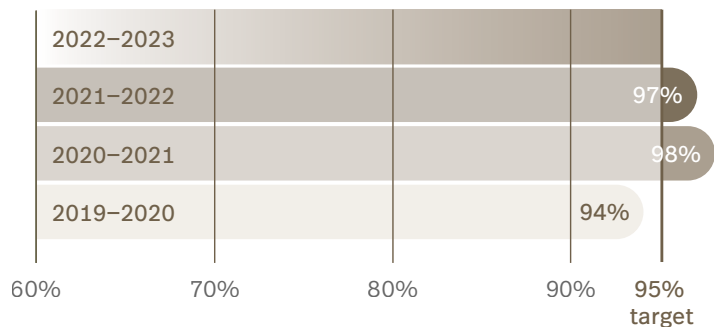


Under the Infants Act, the PGT must review all proposals to settle a variety of claims on behalf of a minor for unliquidated damages such as personal injury arising from motor vehicle accidents, medical malpractice, wrongful death of a parent and other claims. The PGT has jurisdiction to approve infant settlements of **\$50,000** or less (exclusive of interest and costs) outside the court process. The PGT also provides written comments to the court for amounts greater than **\$50,000** or when the PGT has refused to approve a settlement for less than **\$50,000** and the parties have chosen to proceed to court to seek approval.

This statutory service protects the property rights of minors in obtaining fair and reasonable compensation from negligent parties or their insurers. It also contributes to increasing the efficiency of the court system by providing experienced, objective reviews in a timely manner. Within this time frame, the PGT works as quickly as possible as PGT review is usually the final step in what may already have been a very long process for the child and parent or guardian.

In 2021-2022, in **342** of **348** cases (**98%**), the PGT reviewed the proposed settlements and advised the parties of the PGT position within **60** calendar days of all relevant information being received. Note that this measure was expanded to include infant settlement reviews previously reported under a different performance measure in prior service delivery plans starting in 2021-2022 to accommodate changes to the infant settlement review process that took place on May 1, 2021 pursuant to the provincial government's amendment of the Insurance (Vehicle) Act.

2.2.2 Percentage of cases where, on confirming that the assets of an apparently abused or neglected adult unable to seek support and assistance are at significant risk and in need of immediate protection, protective steps are taken within one business day under section 19 of the Public Guardian and Trustee Act

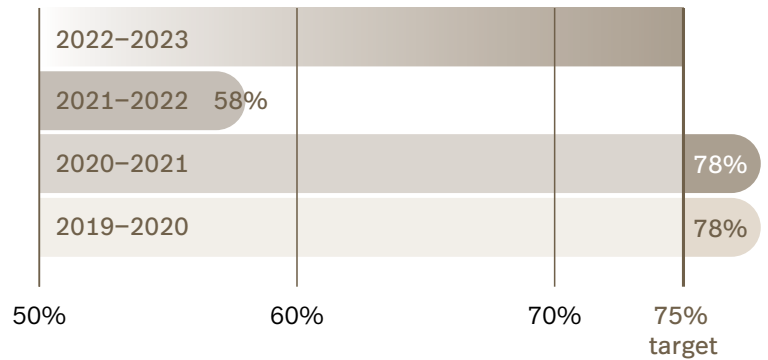


The PGT is mandated under the Public Guardian and Trustee Act to protect incapable adults at risk of abuse, neglect and self-neglect. One way it does this is to safeguard their assets so that persons seeking to take financial advantage of the adults will be unable to do so. Under section **19** of the Public Guardian and Trustee Act, the PGT orders financial institutions and others to restrict access to the assets of an individual while the PGT investigates the situation.

The speed of PGT action can be a major determinant of whether client assets are protected. Taking protective measures in a timely manner increases safety for abused, neglected and self-neglecting incapable adults. In 2021-2022, the PGT took protective measures in **114** cases. In **111** (**97%**) of these, protective measures were taken within one business day.

OBJECTIVE 2.2 STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER

2.2.3 Percentage of private committee accounts reviewed within six months of receipt



The court may order that a family member or other person may become committee of a mentally incapable adult.

The PGT helps committees to understand their role and monitors the actions of committees by reviewing their accounts on a regular basis and undertaking investigations when concerns are reported. When reviewing accounts the PGT may provide committees with information and resources to assist in the management of an estate, consider whether actions taken are in the best interest of the adult, approve committee remuneration and review if concerns arising from the management of an estate warrant investigation.

The PGT reviews accounts according to a defined schedule to help ensure the committee is managing the adult’s funds appropriately. Account reviews are completed in a timely manner so that losses related to mismanagement or misappropriation can be remedied and future problems prevented.

In 2021-2022, **257** of the **444 (58%)** accounts submitted for review to the PGT were reviewed within **6** months of receipt. The target was not achieved this year as the team experienced delays in triaging accounts due to staff vacancies and coverage challenges. In addition to resolving these staffing challenges, the PGT also made additional improvements to how this service is measured and implemented. The PGT has seen increasing demands for related services such as requests to release private committee capital funds, investigation services and reviewing the accounts of private committees with complex portfolios. The PGT continues to review resourcing in this area to maintain service levels and meet performance targets.

OBJECTIVE 2.3 THE PGT WILL CONTRIBUTE TO PUBLIC AWARENESS, POLICY DEVELOPMENT AND LAW REFORM INITIATIVES TO PROMOTE THE INTERESTS OF PGT CLIENTS

2.3.1 Host a forum with relevant provincial partners on the potential for improvement of the legislative scheme in Part 3 of the Adult Guardianship Act for the protection of vulnerable adults

Target: Report on progress to Ministry of Attorney General by March 31, 2022

2021-2022: Target achieved
2022-2023: To be determined

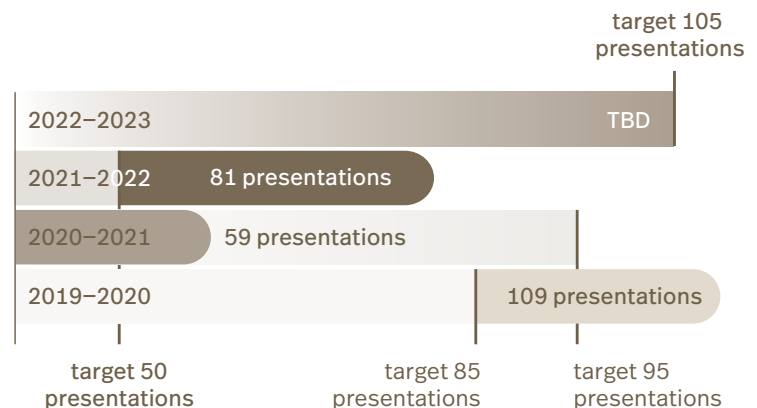
An adult guardian is somebody who is appointed to make decisions for an adult who is not capable of making their own decisions. Individuals might need an adult guardian if they suffer from conditions such as a developmental disability, mental illness, a degenerative disease or a head injury.

In BC, the adult guardianship framework is a package of 6 laws, first passed in the 1990s, that provide tools for adults to plan ahead for their legal, financial, health and personal care or to be protected if they are unable to plan ahead. These laws are designed to ensure that the wishes of adults will be heard if they are incapable of making their wishes known. BC adult guardianship laws follow guiding principles which balance supportive decision making with the least intrusive form of support being applied. Since this framework was initially introduced, the PGT along with other service providers continue to note increasing gaps in the legislative framework, particularly for younger adults not suffering the typical diseases of aging that this legislation was introduced to support.

In 2021-2022, the PGT, together with Ministry of Attorney General and Ministry of Health established an inter-ministerial working group to review potential improvements to the legislation. The working group collaborated to review issues identified within the Adult Guardianship Act relating to the adult abuse and neglect framework.

The PGT hosted many virtual meetings with the members of the inter-ministerial committee in 2021-2022, with the objective of exploring possible legislation and policy based recommendations related to the Act. The Public Guardian and Trustee directly reported progress to the Ministry of Attorney General by way of meetings with the Deputy Attorney General throughout 2021-2022.

2.3.2 PGT role explained by PGT representatives at participant and service partner conferences, events and other public education forums

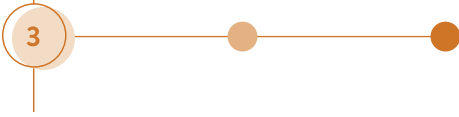


The public, service partners and participants continue to request the PGT to make presentations about PGT roles and areas of responsibility. In previous years, the PGT has been involved with implementing new legislation which has resulted in increased demand for public education activities. The PGT strives to balance demand for public education activities with other service requirements.

Better understanding of the PGT role promotes appropriate uptake of PGT services and is an important element in a PGT demand management strategy. In 2021-2022, the PGT made 81 public presentations. Though the number of presentations delivered continued to see impacts from the COVID-19 pandemic, using widely available communications technology enabled virtual presentations to successfully increase the number of presentations delivered when compared with the prior year. As such, the target for this measure is increased to pre-pandemic levels for 2022-2023.

GOAL 3

Achieve Success Through Relationships

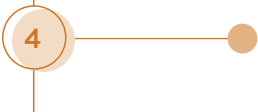


OBJECTIVE 3.1 BUILD RELATIONSHIPS AND UNDERSTANDING OF ROLES WITH CLIENTS AND STAKEHOLDERS TO SUPPORT IMPROVED SERVICE

Assessment – There are no specific performance measures, however, the PGT plans to achieve its mandate through working with others including clients, their friends and families, organizations with statutory authority and a wide range of professional and organizational service providers. This includes participating in government wide and/or community initiatives (see pages [34-35](#)).

GOAL 4

Demonstrate Accountability and Transparency



OBJECTIVE 4.1 PROVIDE MEANINGFUL INFORMATION TO CLIENTS, STAKEHOLDERS AND THE PUBLIC

Assessment – All of the specific performance measures described above relate to this goal. In addition, the PGT is approaching this goal by responding to a large number of strategic and operational factors. Implementing and enhancing supportive information technology and advocating for legal reform in support of client financial and legal interests are major strategic approaches. The PGT has a strong accountability framework that includes an enterprise risk management framework (see pages [42-43](#)) and independently audited public reporting on performance and operations (see pages [74-114](#)).



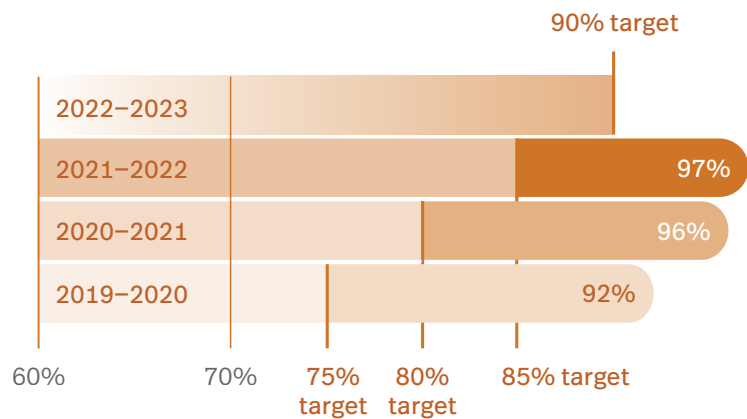
GOAL 5

Engage and Empower Staff

5

OBJECTIVE 5.1 DEVELOP MOTIVATED, SKILLED AND ACCOUNTABLE LEADERS AND STAFF

5.1.1 Percentage of existing PGT staff that completed at least 10 hours of client service related learning



Training and learning is a vital component of developing a motivated and skilled workforce. The increasing complexity of substitute decision making for vulnerable clients and of managing client financial assets and estates demands that appropriate and continuous skills and knowledge training be provided to staff. Often this type of learning is not available in formal educational programs. To this end, the PGT delivers in person and eLearning training and education programs focusing on substantive knowledge based education and role based training for staff.

The percentage of staff who receive training is another indicator contributing to quality client service. Some staff, such as those who are on extended leave or who end their employment with the PGT, are excluded from the measure. In 2021-2022, **273 of 281 (97%)** staff included in the measure completed at least 10 hours of client service related learning.

Linking Resources to Performance



Linking Resources, Strategies and Results

Background

The PGT is responsible by law for delivering a broad range of services to clients and is self-funded for a large percentage of its expenditure budget. In developing its annual budget, the PGT provides for meeting its statutory and fiduciary obligations to its clients. The PGT establishes strategic goals and determines performance measures and targets within the budgeted resources and constraints of a given year in the context of its 3 year service plan.

The PGT delivers client services through a combination of activities that are specific to an operational division, integrated between divisions, across divisions or are delivered in conjunction with service partners:

- Operational divisions focus on broad client groups such as children and youth, adults, estates of deceased persons and personal trusts. Costs are assigned directly to the divisions;
- Activities of operational divisions are supported by integrated services such as legal, investments, information systems, securing of client assets, warehousing, budgeting, facilities, internal audit and executive support services. Costs for these integrated services are assigned across operational divisions using an allocation model developed to reflect approximate usage;
- Some services, such as quality assurance and risk management, are delivered in a cross divisional manner. Costs of cross divisional services are assigned directly through operational division budgets and indirectly through costs assigned through an allocation model; and
- Some specialized services, such as management of investments and real property, are delivered jointly with contracted service providers. Certain service provider costs are charged directly to the accounts of clients benefiting from the service while other service provider costs are charged to the PGT and recovered from clients through PGT fees.

See pages **72-73** for the Allocation of Recoveries and Expenses by Program – Budget and Actual (unaudited) for the year ended March 31, 2022.

Delivery of services and allocation of costs are reflected in Areas of Expenditures and PGT Strategic Goals (unaudited)

on pages **67-68**, describing which PGT goals apply to which area of expenditure. The table provides a context to put PGT areas of expenditure into perspective. The allocation also reflects the integrated and cross divisional nature of PGT operations.

Linkages

Client services fall into one of 2 broad service areas:

- Trust and estate services are fiduciary in nature with the greatest impact from the service on the management of individual client assets which is reflected in the total or high level of cost recovery
- Public services are regulatory in nature with the greatest impact from the service on monitoring or oversight and the limited or non-existent cost recovery reflects the public nature of these services

Table **1** (unaudited) demonstrates that most PGT goals apply broadly to most areas of expenditure and may involve both a number of programs and expenditures and a number of divisions.

Challenges

The challenge of segmenting expenditures is greatest at the broad goal level. It is a lesser challenge in the case of specific performance measures within each goal as these are more likely to apply to a single area of expenditure. However, the PGT considers that elaboration of budget particulars at the individual measure level is not possible as the work is too interrelated and spread throughout PGT activities.

For example, integrating a new adult client requires more than preparation of a new case plan. Assets must be secured, legal interests must be considered, real property may have to be sold, an investment plan may have to be developed and overdue taxes may have to be made current.

These complex linkages mean that although the areas of expenditure are linked with groups of strategic goals, the relationship between performance and outcomes and changes in costs may not be direct or immediate.



Areas of Expenditure and PGT Strategic Goals (Unaudited)*

Trust and Estate Services

Trust and estate services are the primary PGT responsibility and in 2021–2022 accounted for **\$25.1 million** or **69%** of total costs and produced **\$21.4 million** or **96%** of total self-generated recoveries from fees.

Trust and estate services include the following:

Table 1

Trust and Estate Services Costs and Self-Generated Recoveries

PROGRAM AREAS	Costs	Self-generated recoveries
Child and youth trust services	\$ 2.57 million	\$ 2.00 million
Adult trust services	\$ 15.81 million	\$ 12.82 million
Estate and personal trust services	\$ 6.72 million	\$ 6.61 million
Total	\$ 25.10 million	\$ 21.43 million

Context

The PGT Estate and Personal Trust Services division achieved a cost recovery rate of **98%** in 2021–2022 (**125%** in 2020–2021). Note this rate does not include deduction for centralized overhead costs paid and expensed by other government entities for PGT operating costs.

The PGT acts as a prudent investor in managing all client invested funds. These investment activities support objectives under Goal **1** by helping to ensure property and financial interests of PGT clients are well managed. At March 31, 2022, the average cost per client for salaries and benefits within the PGT investment services section was **\$16.03** (**\$16.22** at March 31, 2021).

*All PGT expenditures are allocated into one of 2 broad service areas according to the nature of the work (i.e. trust and estate services or public services). Goals may apply in both categories. Individual performance measures within a goal may relate more specifically to one area of expenditure than another.

Public Services

Goals 1, 2, 3, 4 and 5 most directly affected

Public services accounted for **\$11.3 million** or **31%** of total costs in 2021–2022 and produced **\$0.9 million** or **4%** of total self-generated recoveries from fees.

Public services include the following:

Table 2

Public Services Costs and Self-Generated Recoveries

PROGRAM AREAS	Costs	Self generated recoveries
Child and Youth Services		
Property guardian	\$ 2.92 million	-
Infant settlement and other legal reviews	\$ 1.14 million	\$ 0.24 million
Grant application reviews	\$ 0.60 million	\$ 0.21 million
Litigation guardian	\$ 0.11 million	-
Services to Adults		
Assessment and investigation services	\$ 2.43 million	\$ 0.05 million
Personal decision services	\$ 1.47 million	-
Committee of person	\$ 0.25 million	-
Private committee services	\$ 2.19 million	\$ 0.43 million
Other adult legal services	\$ 0.16 million	\$ 0.01 million
Total	\$ 11.27 million	\$ 0.94 million

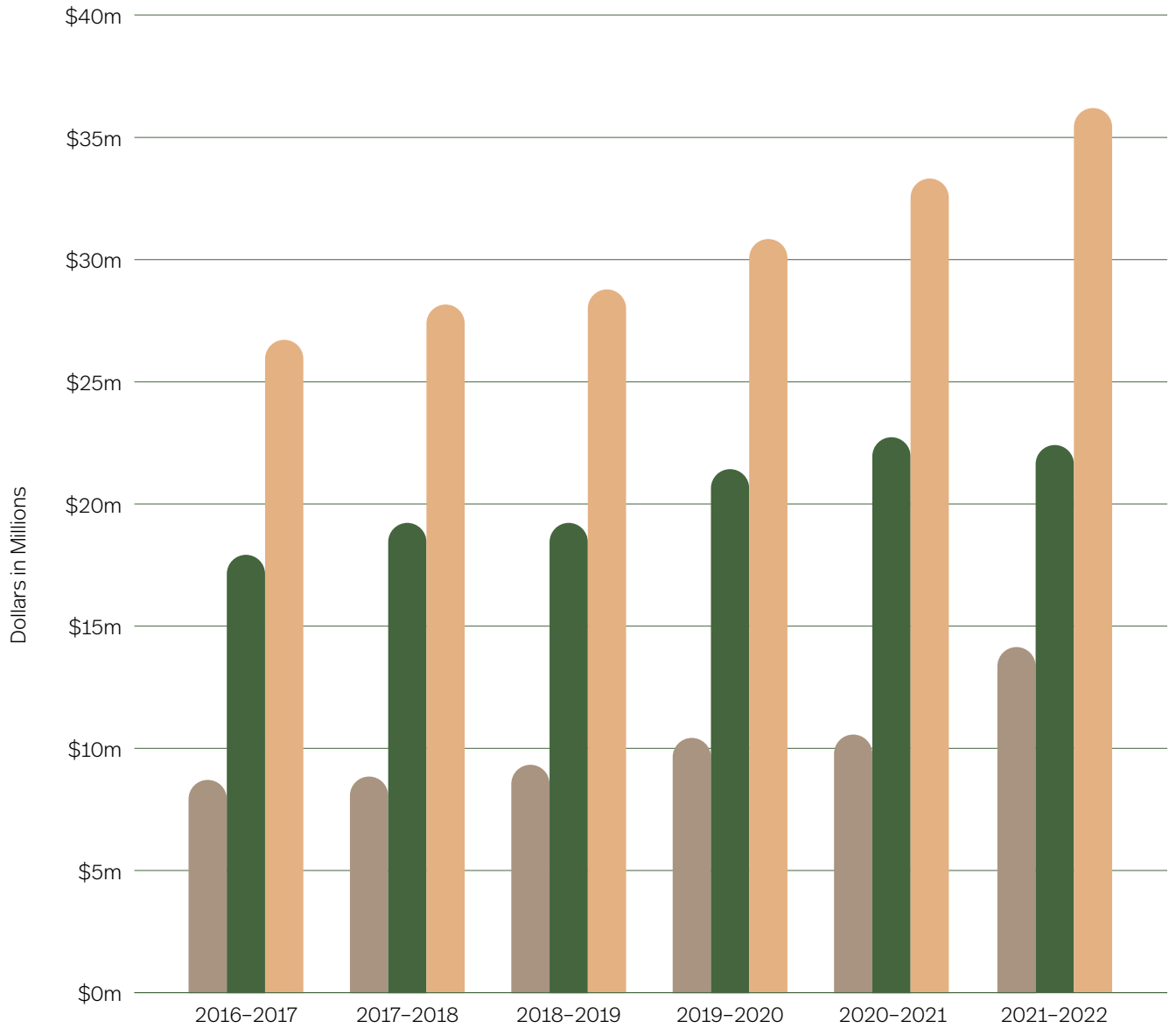
Context

Under the Health Care (Consent) and Care Facility (Admission) Act, PGT staff act as a substitute decision maker for health care treatment and care facility admission or appoint other suitable substitutes to make these decisions. This activity supports objectives under Goal 2 by helping to ensure personal interests of PGT clients are protected. In 2021–2022, average unit cost was **\$1,170** (**\$994** in 2020–2021).

The Wills, Estates and Succession Act requires that the PGT be notified before a court application for a grant involving interests of a child or incapable adult. These grant application reviews support objectives under Goal 3 by helping to ensure statutory protective and monitoring services are delivered in an appropriate, timely and fair manner. In 2021–2022, cost per review was **\$756** (**\$946** in 2020–2021) and the Public Guardian and Trustee Fees Regulation allows a fee of **\$300** per notice for this review.

Table 3

PGT Voted Funding, Recoveries and Expenses 2016–2017 to 2021–2022



Voted Funding	\$8.76m	\$8.91m	\$9.37m	\$10.46m	\$10.59m	\$14.01m
Self-Generated Recoveries	\$17.98m	\$19.28m	\$19.29m	\$21.49m	\$22.75m	\$22.36m
Expenses	\$26.74m	\$28.20m	\$28.83m	\$30.85m	\$33.33m	\$36.37m

Recoveries and Program Costs 2021–2022

Introduction

The PGT cost allocation model was developed to show recoveries from fees and costs in a meaningful way by linking resources to the costs of providing service. Budgeted figures have been derived from the Estimates approved by the Legislative Assembly of British Columbia on June 3, 2021. Actual results are provided from the audited financial statements of the Public Guardian and Trustee Operating Account. These amounts may differ from the Public Accounts of the Province of British Columbia due to timing differences resulting from year end accruals and adjustments posted to the PGT's accounts that are below the materiality threshold for posting to the Public Accounts.

Recovery Sources and Variances

Recoveries are comprised of fees charged in accordance with the Public Guardian and Trustee Fees Regulation and funding received from the Province of British Columbia.

Table 4

Recoveries Variances (Unaudited)

Year Ended March 31, 2022 (expressed in thousands of dollars)	Budget	Actual	\$ Variance*	% Variance*	Note
External recoveries from fees					
Commissions	\$ 13,894	\$ 12,234	\$ (1,660)	(12%)	1
Asset management fees	8,040	8,053	13	0%	
Fees for investigations, monitoring and legal services	911	938	27	3%	
Estate liaison administration fees	514	645	131	26%	
Minimum administration fees	355	396	41	12%	
Heir tracing fees	86	95	9	10%	
Total external recoveries from fees	23,800	22,362	(1,438)	(6%)	
Voted funding from the Province of British Columbia	10,756	14,004	3,248	30%	2
Total	\$ 34,556	\$ 36,366	\$ 1,810	5%	

*Brackets in variance column indicate budget recoveries in excess of actual

Explanatory Notes on Recovery Variances

1. A change in accounting policy to exclude fees expected to be excused on the basis of administrative fairness from revenue and accounts receivable resulted in lower than budgeted commissions.
2. Funding was provided from the Consolidated Revenue Fund to compensate clients for delayed investment returns.

Table 5**Expense Variances (Unaudited)**

Year Ended March 31, 2022 (expressed in thousands of dollars)	Budget	Actual	\$ Variance*	% Variance*	Note
Expenses					
Salaries and benefits	\$ 27,004	\$ 26,979	\$ (25)	0%	
Client expenditures	956	3,672	2,716	284%	1
Computer systems and support	2,911	2,550	(361)	(12%)	
Amortization	1,517	1,433	(84)	(6%)	
Other operating and administrative costs	1,557	870	(687)	(44%)	2
Legal services	276	495	219	79%	
Professional services	301	342	41	14%	
Building occupancy	34	27	(7)	(21%)	
Total expenses	\$ 34,556	\$ 36,368	\$ 1,812	5%	

*Brackets in variance column indicate budget expenses in excess of actual

Explanatory Notes on Expense Variances

1. Compensation provided to clients for delayed investment returns resulted in higher than budgeted client expenditures.
2. A change in accounting policy to exclude fees expected to be excused on the basis of administrative fairness from revenue and accounts receivable resulted in lower than budgeted bad debts expense.

Table 6**Allocation of Recoveries and Expenses by Program Area - Budget (Unaudited)**

Year Ended March 31, 2022 (expressed in thousands of dollars)	TRUST AND ESTATE SERVICES				PUBLIC SERVICES			TOTAL
	Adult trust services	Estate and personal trust services	Child trust services	Subtotal	Services to adults	Child and youth services	Subtotal	
External recoveries from fees								
Commissions	6,868	5,966	1,060	13,894	-	-	-	13,894
Asset management fees	4,549	2,178	1,313	8,040	-	-	-	8,040
Fees for investigations, monitoring and legal services	-	-	-	-	425	486	911	911
Estate liaison administration fees	514	-	-	514	-	-	-	514
Minimum administration fees	355	-	-	355	-	-	-	355
Heir tracing fees	-	86	-	86	-	-	-	86
Total external recoveries from fees	12,286	8,230	2,373	22,889	425	486	911	23,800
Operating expenses								
Salaries and benefits	10,662	5,414	1,679	17,755	5,337	3,912	9,249	27,004
Client expenditures	638	193	55	886	47	23	70	956
Computer systems and support	1,231	534	187	1,952	562	397	959	2,911
Amortization	642	279	99	1,020	290	207	497	1,517
Other operating and administrative costs	664	300	109	1,073	282	202	484	1,557
Legal services	103	-	-	103	63	110	173	276
Professional services	98	56	35	189	65	47	112	301
Building occupancy	13	7	2	22	7	5	12	34
Total operating expenses	14,051	6,783	2,166	23,000	6,653	4,903	11,556	34,556
Net external recovery (expense)*	(1,765)	1,447	207	(111)	(6,228)	(4,417)	(10,645)	(10,756)
Other revenue								
Voted funding from the Province of British Columbia	-	-	-	-	-	-	-	10,756
Balance								-

*Does not include deduction for centralized overhead costs paid and expensed by other government entities for PGT operating costs including certain financial and administrative services, post-employment benefits and office and warehouse facilities.

Table 7**Allocation of Recoveries and Expenses by Program Area - Actual (Unaudited)**

Year Ended March 31, 2022 (expressed in thousands of dollars)	TRUST AND ESTATE SERVICES				PUBLIC SERVICES			TOTAL
	Adult trust services	Estate and personal trust services	Child trust services	Subtotal	Services to adults	Child and youth services	Subtotal	
External recoveries from fees								
Commissions	7,141	4,364	730	12,235	-	-	-	12,235
Asset management fees	4,641	2,145	1,267	8,053	-	-	-	8,053
Fees for investigations, monitoring and legal services	-	2	-	2	493	443	936	938
Estate liaison administration fees	645	-	-	645	-	-	-	645
Minimum administration fees	396	-	-	396	-	-	-	396
Heir tracing fees	-	95	-	95	-	-	-	95
Total external recoveries from fees	12,823	6,606	1,997	21,426	493	443	936	22,362
Operating expenses								
Salaries and benefits	10,868	5,320	1,648	17,836	5,340	3,803	9,143	26,979
Client expenditures	2,607	451	532	3,590	42	40	82	3,672
Computer systems and support	1,076	469	164	1,709	493	348	841	2,550
Amortization	607	263	93	963	274	196	470	1,433
Other operating and administrative costs	320	144	87	551	175	144	319	870
Legal services	185	-	-	185	113	197	310	495
Professional services	140	69	39	248	55	39	94	342
Building occupancy	11	5	2	18	5	4	9	27
Total operating expenses	15,814	6,721	2,565	25,100	6,497	4,771	11,268	36,368
Net external recovery (expense)*	(2,991)	(115)	(568)	(3,674)	(6,004)	(4,328)	(10,332)	(14,006)
Other revenue								
Voted funding from the Province of British Columbia	-	-	-	-	-	-	-	14,004
Balance								(2)

*Does not include deduction for centralized overhead costs paid and expensed by other government entities for PGT operating costs including certain financial and administrative services, post-employment benefits and office and warehouse facilities.

Audited Financial Statements 2021-2022



Operating Account

Financial Statements of the
Operating Account of the

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

And Independent Auditors' Report thereon

Year ended March 31, 2022

MANAGEMENT'S STATEMENT OF RESPONSIBILITIES FOR THE OPERATING ACCOUNT FINANCIAL STATEMENTS OF THE PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Management is responsible for preparing the accompanying financial statements and is responsible for their integrity and objectivity. The financial statements are prepared in conformity with Canadian public sector accounting standards and include amounts based on informed judgments and estimates of the expected effects of current events and transactions.

Management is also responsible for maintaining systems of internal control that provide reasonable assurance that financial information is reliable, that all financial transactions are properly authorized, that assets are safeguarded, and that the Public Guardian and Trustee of British Columbia adheres to legislation and regulatory requirements. These systems include the communication of policies and the Public Guardian and Trustee of British Columbia's ethical principles and standards of conduct throughout the organization. Management continually monitors the systems of internal controls for compliance.

PricewaterhouseCoopers has been appointed by the Public Guardian and Trustee of British Columbia as independent auditors to examine and report on the financial statements and their report follows.



Dana Kingsbury
Public Guardian and Trustee

August 11, 2022



Independent auditor's report

To the Public Guardian and Trustee of British Columbia

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Operating Account of the Public Guardian and Trustee of British Columbia (the PGT Operating Account) as at March 31, 2022 and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

What we have audited

The PGT Operating Account's financial statements comprise:

- the statement of financial position as at March 31, 2022;
- the statement of operations and accumulated surplus for the year then ended;
- the statement of changes in net financial assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the PGT Operating Account in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Comparative information

The financial statements of the PGT Operating Account for the year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on June 29, 2021.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7

T: +1 604 806 7000, F: +1 604 806 7806

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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 Canadian public sector accounting standards, 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 PGT Operating Account'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 management either intends to liquidate the PGT Operating Account or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the PGT Operating Account'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 PGT Operating Account'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 PGT Operating Account'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 PGT Operating Account 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
August 11, 2022

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Statement of Financial Position
(Expressed in thousands of dollars)

March 31, 2022, with comparative information for 2021

	Notes	2022	2021
Financial assets			
Cash	3(a)	\$ 21,763	\$ 21,128
Due from Trusts and Estates Administered, net of AFDA	4	3,928	5,019
Other financial assets		1,522	1,200
		<u>27,213</u>	<u>27,347</u>
Liabilities			
Accounts payable and accrued liabilities		777	1,479
Deferred revenue		358	378
		<u>1,135</u>	<u>1,857</u>
Net financial assets		26,078	25,490
Non-financial assets			
Tangible capital assets	5	1,703	2,293
Accumulated surplus		<u>6</u> \$ 27,781	<u>6</u> \$ 27,783
Contingent liabilities	7		

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



Dana Kingsbury
Public Guardian and Trustee

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Statement of Operations and Accumulated Surplus (Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

	Notes	2022 Budget (Note 8)	2022	2021
External recoveries from fees		\$ 23,800	\$ 22,362	\$ 22,747
Funding from the Province of British Columbia	3(b)	10,756	14,004	10,595
		34,556	36,366	33,342
Expenses:	3(c)			
Salaries and benefits		27,004	26,979	26,565
Client expenditures		956	3,672	633
Computer systems and support		2,911	2,550	2,972
Amortization		1,517	1,433	1,370
Other operating and administrative costs		1,557	870	1,087
Legal services		276	495	152
Professional services		301	342	380
Building occupancy	3(d)	34	27	173
		34,556	36,368	33,332
Annual surplus (deficit)		-	(2)	10
Accumulated surplus, beginning of year		27,773	27,783	27,773
Accumulated surplus, end of year		\$ 27,773	\$ 27,781	\$ 27,783

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Statement of Changes in Net Financial Assets (Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

	2022 Budget	2022	2021
	(Note 8)		
Annual surplus (deficit)	\$ -	\$ (2)	\$ 10
Acquisition of tangible capital assets	(363)	(843)	(815)
Amortization of tangible capital assets	1,026	1,433	1,370
Increase in net financial assets	663	588	565
Net financial assets, beginning of the year	25,490	25,490	24,925
Net financial assets, end of the year	\$ 26,153	\$ 26,078	\$ 25,490

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Statement of Cash Flows

(Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (2)	\$ 10
Non-cash item:		
Amortization of tangible capital assets	1,433	1,370
Change in due from Trusts and Estates Administered	1,091	(969)
Change in other financial assets	(322)	(177)
Change in accounts payable and accrued liabilities	(702)	292
Change in deferred revenue	(20)	1
	1,478	527
Capital activities:		
Acquisition of tangible capital assets	(843)	(815)
Increase (decrease) in cash	635	(288)
Cash, beginning of year	21,128	21,416
Cash, end of year	\$ 21,763	\$ 21,128
Cash consists of:		
Cash held by the Province of British Columbia	\$ 18,988	\$ 18,787
Cash held directly	2,775	2,341
	\$ 21,763	\$ 21,128

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Notes to Financial Statements

(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

1. Reporting entity:

The Public Guardian and Trustee of British Columbia (the “PGT”) Operating Account (“Operating Account”) operates under the authority of the Public Guardian and Trustee Act (the “Act”). The Operating Account is not liable for taxation, except insofar as the government is liable. The Operating Account was established as a Special Account in the general fund of the consolidated revenue fund of the Province of British Columbia.

The Operating Account reports the revenues earned from the services provided to clients of the PGT and the operating and capital expenditures relating to the provision of these services. Clients are adults who are not capable of managing their own affairs, deceased persons’ estates which have no other person willing and able to act for them, estates of missing persons, and children in receipt of settlement funds, insurance policy proceeds or money from estates.

Separate financial statements have been prepared as at March 31, 2022 for client trust accounts, which include \$ 1.265 billion (2021 - \$1.17 billion) of net assets held in trust.

2. Summary of significant accounting policies:

(a) Basis of accounting:

Management has prepared these financial statements in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of CPA Canada. These financial statements were authorized for issue by the Public Guardian and Trustee on August 11, 2022.

(b) Due from Trusts and Estates Administered and allowance for doubtful accounts:

Due from the Trusts and Estates Administered includes amounts owing from trusts and estates under administration by the PGT for fees, cost recoveries and short-term loans. The PGT maintains an allowance for doubtful accounts that reflects management’s best estimate of uncollectible amounts owing. Amounts deemed uncollectible are charged to client expenditures in the statement of operations in the period in which they are deemed uncollectible. These amounts are collectible on demand and are non-interest bearing.

(c) Tangible capital assets:

Tangible capital assets are recorded at cost and are amortized on a straight-line basis over their estimated useful lives. Computer hardware and software purchases less than ten thousand dollars are amortized over three years. All remaining assets are amortized over five years.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Notes to Financial Statements

(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

2. Summary of significant accounting policies (continued):

(d) Revenue recognition:

External recoveries from fees consists of fees paid by clients in accordance with the Public Guardian and Trustee Fees Regulation as provided for under the Act. Fees are recognized in the period in which the service is provided or at the point in time directed by regulation, court order, co-trustees or beneficiaries. Fees expected to be excused on the basis of administrative fairness are excluded from revenue. Funding from the Province of British Columbia is recognized as revenue when authorized and eligibility criteria, if any, have been met, unless the funding contains stipulations on how it is to be expended by the PGT, in which case the funding is recorded as deferred revenue. Once the stipulations have been met, the funding is subsequently recognized as revenue.

(e) Employee benefit plans:

All eligible employees participate in a multi-employer defined benefit pension plan. All contributions to this plan are expensed as incurred.

(f) Client expenditures:

Client expenditures represent amounts paid for clients' property management, provision for doubtful accounts on amounts owing from clients, and other miscellaneous expenditures made on behalf of clients. Legal expenditures paid on behalf of clients are reported under legal services.

(g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions in determining reported amounts. The only significant areas requiring the use of management estimates are the estimation of the collectability of accounts receivable and the useful life of tangible capital assets for amortization.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Actual results could differ from these estimates. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

In March 2020, the World Health Organization declared a global pandemic related to COVID-19. The current and expected impacts on local and global commerce are anticipated to be far reaching. There is significant ongoing uncertainty surrounding COVID-19 and the extent and duration of the impacts that it may have on the global economy.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Notes to Financial Statements

(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

3. Related party transactions:

The PGT is a corporation sole. All transactions with related parties, including the Province of British Columbia ministries, agencies and Crown corporations occurred in the normal course of operations and are valued at the exchange amount, which reflects fair value unless otherwise disclosed in these notes.

- (a) The PGT uses the Province of British Columbia's financial and banking systems to process and record most of its transactions. Transactions related to PGT fees and other amounts collected from clients are processed and recorded first in the PGT's own financial and banking system, and subsequently recorded on a monthly aggregate basis in the Province of British Columbia's systems.
- (b) A transfer of \$10.756 million (2021 - \$10.595 million) from a sub-vote of the Ministry of Attorney General has been provided for services to incapable adults, children and youth and for other expenditures of the PGT. A transfer of \$2.95 million (2021 - Nil) from the Consolidated Revenue Fund was provided to compensate clients for lost investment returns due to delays in implementing investment decisions beyond PGT service standard times.
- (c) Certain financial and administrative services, post-employment benefits, and office and warehouse facilities are provided centrally by various ministries and agencies of the government of the Province of British Columbia. The costs of these services are not charged to the Operating Account and are, therefore, not included in the statement of operations.
- (d) Office and warehouse facilities are provided by the Real Property Division within the Ministry of Citizens' Services ("CITZ"). The cost of buildings occupied by the PGT, including charges from CITZ, and the net building occupancy expense of the PGT is as follows:

	2022	2021
Building costs incurred by CITZ for facilities occupied by the PGT	\$ 2,852	\$ 2,455
Portion not charged to the PGT	(2,840)	(2,382)
Building costs paid by the PGT to CITZ	12	73
Building costs paid by the PGT to unrelated parties	14	100
Building occupancy expense, as reported on the Statement of Operations and Accumulated Surplus	\$ 26	\$ 173

- (e) Capital costs for system development projects are periodically funded by the Office of the Chief Information Officer within CITZ, and transferred to the PGT upon implementation. Acquisitions of tangible capital assets include \$0.801 million (2021 - \$0.698 million) of system development costs transferred from CITZ.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Notes to Financial Statements

(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

4. Due from Trusts and Estates Administered:

	2022		2021	
Gross amount due from Trusts and Estates Administered	\$	5,166	\$	7,387
Allowance for doubtful accounts		(1,238)		(2,368)
Net amount due from Trusts and Estates Administered	\$	3,928	\$	5,019

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Notes to Financial Statements
(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

5. Tangible capital assets:

	2022							Net book value end of year		
	Cost beginning of year	Additions for the year	Disposals for the year	Cost end of year	Accumulated amortization beginning of year	Disposals	Amortization expense		Accumulated amortization end of year	Net book value beginning of year
Operating equipment	\$ 22	\$ -	\$ -	\$ 22	\$ (21)	\$ -	\$ -	\$ (21)	\$ -	\$ 1
Furniture and equipment	796	-	(19)	777	(557)	19	(64)	(602)	239	175
Personal computer software	32	-	-	32	(32)	-	-	(32)	-	-
Computer hardware - less than \$10,000	311	-	-	311	(254)	-	(34)	(288)	57	23
Server computer software	7,883	843	-	8,726	(6,052)	-	(1,289)	(7,341)	1,831	1,385
Computer hardware - greater than \$10,000	660	-	-	660	(495)	-	(46)	(541)	165	119
Tenant improvement	704	-	-	704	(704)	-	-	(704)	-	-
Total	\$ 10,408	\$ 842	\$ (19)	\$ 11,232	\$ (8,115)	\$ 19	\$ (1,433)	\$ (9,529)	\$ 2,293	\$ 1,703

	2021							Net book value end of year		
	Cost beginning of year	Additions for the year	Disposals for the year	Cost end of year	Accumulated amortization beginning of year	Disposals	Amortization expense		Accumulated amortization end of year	Net book value beginning of year
Operating equipment	\$ 21	\$ 1	\$ -	\$ 22	\$ (21)	\$ -	\$ -	\$ (21)	\$ -	\$ 1
Furniture and equipment	771	25	-	796	(494)	-	(63)	(557)	277	239
Personal computer software	32	-	-	32	(32)	-	-	(32)	-	-
Computer hardware - less than \$10,000	311	-	-	311	(220)	-	(34)	(254)	91	57
Server computer software	7,185	698	-	7,883	(4,888)	-	(1,164)	(6,052)	2,297	1,831
Computer hardware - greater than \$10,000	569	91	-	660	(386)	-	(109)	(495)	184	165
Tenant improvement	704	-	-	704	(704)	-	-	(704)	-	-
Total	\$ 9,593	\$ 815	\$ -	\$ 10,408	\$ (6,745)	\$ -	\$ (1,370)	\$ (8,115)	\$ 2,848	\$ 2,293

Cost includes fully amortized assets that are still in use of \$4.137 million (2021 - \$4.108 million).

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Notes to Financial Statements
(Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

6. Accumulated surplus:

Spending from external recoveries in excess of the budget approved by the Province of British Columbia is permitted to the extent it does not reduce the Accumulated Surplus carried forward from the previous year. Spending from the Accumulated Surplus requires Treasury Board approval.

7. Liability for losses:

As outlined in section 21 of the Act, the PGT, or an officer or employee of the PGT, is not liable for any loss for which a private trustee would not be personally liable in similar circumstances. Client losses may arise as a result of errors or omissions in the provision of PGT services. Any money required to discharge any liability or claim against the PGT for client losses must be paid out of the consolidated revenue fund of the Province of British Columbia and does not impact the financial position of the PGT.

8. Budget figures:

Budget figures have been provided for comparative purposes and are derived from the estimates approved by the Legislative Assembly of British Columbia on June 3, 2021.

9. Employee benefit plans:

The PGT and all eligible employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pension Plans Act*. The British Columbia Pension Corporation administers the plan, including payments of pension benefits to eligible employees. A Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of assets and administration of benefits.

The Public Service Pension Plan is a multi-employer, defined benefit plan. Under joint trusteeship, the risks and rewards associated with the Plan's unfunded liability or surplus are shared between the employers and the Plan members and will be reflected in their future contributions. Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of the funding. The last actuarial valuation was published in January 2021 and showed that the Plan was at 110% funded as at March 31, 2020. The next actuarial valuation is to be completed as at March 31, 2023.

During the year ended March 31, 2022, the PGT contributed \$2.007 million (2021 - \$1.830 million) to the Plan. These contributions are included in salaries and benefits expense. No pension liability for this Plan is included in these financial statements.

10. Fair value:

The fair value of the Operating Account's financial instruments, which include cash, due from Trusts and Estates Administered, other financial assets, and accounts payable and accrued liabilities are not materially different from their carrying value due to their short-term nature.



Trusts and Estates Administered

Financial Statements of the
Trusts and Estates Administered by the

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

And Independent Auditors' Report thereon

Year ended March 31, 2022

MANAGEMENT'S STATEMENT OF RESPONSIBILITIES FOR THE COMBINED FINANCIAL STATEMENTS OF TRUSTS AND ESTATES ADMINISTERED BY THE PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Management is responsible for preparing the accompanying financial statements and is responsible for their integrity and objectivity. The financial statements are prepared in conformity with International Financial Reporting Standards and include amounts based on informed judgments and estimates of the expected effects of current events and transactions.

Management is also responsible for maintaining systems of internal control that provide reasonable assurance that financial information is reliable, that all financial transactions are properly authorized, that assets are safeguarded, and that the Public Guardian and Trustee of British Columbia adheres to legislation and regulatory requirements. These systems include the communication of policies and the Public Guardian and Trustee of British Columbia's ethical principles and standards of conduct throughout the organization. Management continually monitors the systems of internal controls for compliance.

PWC has been appointed by the Public Guardian and Trustee of British Columbia as independent auditors to examine and report on the financial statements and their report follows.



Dana Kingsbury
Public Guardian and Trustee

August 11, 2022



Independent auditor's report

To the Public Guardian and Trustee of British Columbia

Our opinion

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Trusts and Estates Administered by the Public Guardian and Trustee of British Columbia (the Trusts and Estates Administered by the PGT) as at March 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited

The Trusts and Estates Administered by the PGT's combined financial statements comprise:

- the combined statement of net assets of trusts and estates administered as at March 31, 2022;
- the combined statement of income and expenses of trusts and estates administered for the year then ended;
- the combined statement of changes in net assets of trusts and estates administered for the year then ended;
- the combined statement of cash flows of trusts and estates administered for the year then ended; and
- the notes to the combined financial statements, which include significant accounting policies and other explanatory information.

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 combined financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Trusts and Estates Administered by the PGT in accordance with the ethical requirements that are relevant to our audit of the combined financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Comparative information

The combined financial statements of the Trusts and Estates Administered by the PGT for the year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on June 29, 2021.

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

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

In preparing the combined financial statements, management is responsible for assessing the Trusts and Estates Administered by the PGT'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 management either intends to liquidate the Trusts and Estates Administered by the PGT or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trusts and Estates Administered by the PGT's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 Trusts and Estates Administered by the PGT'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 Trusts and Estates Administered by the PGT'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 combined 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 Trusts and Estates Administered by the PGT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
August 11, 2022

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Combined Statement of Net Assets of Trusts and Estates Administered
(Expressed in thousands of dollars)

March 31, 2022, with comparative information for 2021

	Notes	2022	2021
Assets			
Cash	5	\$ 29,700	\$ 27,326
Premium Money Market Fund	6	576,079	536,715
Balanced Income Fund	7	32,829	38,441
Balanced Growth Fund	8	118,640	125,823
Other investments and securities	9	272,345	245,141
Other financial assets	10	13,568	9,022
Real property	11	265,226	234,105
Other assets		6,224	5,989
		1,314,611	1,222,562
Liabilities			
Accounts payable and accrued liabilities		13,575	14,864
Payable to the Public Guardian and Trustee Operating Account	12	5,073	7,287
Mortgages and loans payable		28,790	26,971
		47,438	49,122
Net Assets of Trusts and Estates Administered		\$ 1,267,173	\$ 1,173,440

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



Dana Kingsbury
Public Guardian and Trustee

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Combined Statement of Income and Expenses of Trusts and Estates Administered
(Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

	Notes	2022	2021
Income:			
Pensions, benefits and settlements		\$ 95,497	\$ 95,181
Interest and dividends		14,224	23,895
		109,721	119,076
Expenses:			
Client care and maintenance	13(a)	63,563	58,310
Public Guardian and Trustee fees	13(b)	21,459	24,299
Professional services	13(c)	8,842	7,891
Estate settlement	13(d)	4,966	3,615
Income taxes paid from Trusts and Estates Administered		8,190	7,551
		107,020	101,666
Net income before realized and unrealized gains and losses		2,701	17,410
Realized and unrealized gains/losses:			
Net realized gains on assets sold or released		40,359	123
Change in unrealized gains/losses		(12,000)	52,102
		28,359	52,225
Net income (loss), representing total comprehensive income (loss)		\$ 31,060	\$ 69,635

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Combined Statement of Changes in Net Assets of Trusts and Estates Administered
(Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

	Notes	Total
Balance at March 31, 2020		\$ 1,067,662
Net income representing comprehensive income for the year		69,635
Other changes in net assets of Trusts and Estates Administered:		
Assets acquired		186,350
Assets released to clients, beneficiaries and heirs		(71,198)
Cash distributions to clients, beneficiaries and heirs		(75,429)
Unclaimed assets transferred to the		
British Columbia Unclaimed Property Society	13	(702)
Movement in other assets less liabilities		(2,878)
Total changes in net assets of Trusts and Estates Administered		105,778
Balance at March 31, 2021		1,173,440
Net income representing comprehensive income for the year		31,060
Other changes in net assets of Trusts and Estates Administered:		
Assets acquired		193,965
Assets released to clients, beneficiaries and heirs		(37,294)
Cash distributions to clients, beneficiaries and heirs		(92,270)
Unclaimed assets transferred to the		
British Columbia Unclaimed Property Society	13	(1,728)
Total changes in net assets of Trusts and Estates Administered		93,733
Balance at March 31, 2022		\$ 1,267,173

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Combined Statement of Cash Flows of Trusts and Estates Administered
(Expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Income:		
Pensions, benefits and settlements	\$ 92,574	\$ 95,181
Interest and dividends	3,490	26
Expenses:		
Client care and maintenance	(49,989)	(58,310)
Fees paid to the Public Guardian and Trustee Operating Account	(22,419)	(20,752)
Professional services	(8,094)	(6,391)
Estate Settlement Expenses	(4,966)	(3,174)
Income taxes paid from Trusts and Estates Administered	(9,568)	(7,893)
	1,028	(1,313)
Investing activities:		
Contributions to Premium Money Market Fund	(64,000)	(82,000)
Withdrawals from Premium Money Market Fund	16,000	11,000
Contributions to Balanced Income Fund	(3,487)	(4,410)
Withdrawals from Balanced Income Fund	9,368	10,987
Contributions to Balanced Growth Fund	(9,911)	(10,393)
Withdrawals from Balanced Growth Fund	19,488	33,279
Contributions to other investments and securities	(40,101)	(32,817)
Withdrawals from other investments and securities	34,954	53,865
Purchases of other assets	(201)	(388)
Net proceeds from sale of assets	95,033	52,185
	57,143	31,308
Financing activities:		
Proceeds from collection of assets	33,043	27,585
Distributions to clients, beneficiaries and heirs	(92,270)	(75,429)
Transfers of unclaimed assets	(1,728)	(702)
	(60,955)	(48,546)
Increase (decrease) in cash	(2,784)	(18,551)
Cash (overdraft), beginning of year	15,584	34,135
Cash, end of year	\$ 12,800	\$ 15,584
Cash held in external client bank accounts	16,900	11,742
Total cash	29,700	27,326

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Notes to the Combined Financial Statements of Trusts and Estates Administered
(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

1. Reporting entity:

The Public Guardian and Trustee of British Columbia (the “PGT”) operates under the Public Guardian and Trustee Act (the “Act”) and other provincial statutes to uphold the legal rights and safeguard the financial interests of adults who are not capable of managing their own affairs, deceased persons’ estates which have no other person willing and able to act for them, estates of missing persons and children in receipt of settlement funds, insurance policy proceeds or money from estates.

The PGT’s principal office is located at 700 - 808 West Hastings Street, Vancouver, British Columbia V6C 3L3.

These financial statements reflect the combined net assets held in trust and activity for the trusts and estates under administration by the PGT. The PGT manages the trusts and estates under their administration individually and charges management fees accordingly. The Act establishes a requirement under law for those financial statements to be prepared and audited by September 30th of each year. Separate financial statements have been prepared for the PGT Operating Account, which report the recoveries from fees, funding from the Province of British Columbia, and the operating and capital expenses of the PGT. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. All transactions with the PGT Operating Account are related party transactions (note 12 and 13 (b)).

2. Basis of preparation:

(a) Statement of compliance:

These financial statements have been prepared in accordance with the principles of International Financial Reporting Standards (“IFRS”). Certain amounts in the prior year’s comparative figures have been reclassified to conform to the current year’s presentation.

These financial statements meet the requirements of Section 25 of the Act.

These financial statements have been authorized for issue by the Public Guardian and Trustee on August 11, 2022.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis except for the Premium Money Market Fund (“PMMF”), Balanced Income Fund (“BIF”), Balanced Growth Fund (“BGF”), other investments and securities and real property, which are carried at fair value.

(c) Functional and presentational currency:

These financial statements are presented in Canadian dollars, which is the functional currency for the PGT.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Notes to the Combined Financial Statements of Trusts and Estates Administered
(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

2. Basis of preparation (continued):

(d) Use of estimates and judgments:

The preparation of these financial statements, in conformity with IFRS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The most significant judgements that management has made in the application of accounting policies as follows:

- i. The PGT has exercised significant judgment in determining the reporting entity under IFRS, which is the combination of individual trusts or estates. The individual trusts and estates are managed together by the PGT in accordance with the Act. Each individual trust or estate has different economic interests and the assets of one trust or estate are not available to settle the liabilities of any other trust or estate. Combined financial statements are prepared despite the different economic interests in the respective trusts and estates because they are under common administration of the PGT and have been legally bound together by the Act.
- ii. Real Property has been classified as investment properties as they are considered to be primarily managed for capital appreciation within the individual trust or estate and/or held for rental income. Properties are considered to be primarily managed for capital appreciation including where the individual client resides in the property.
- iii. Management has determined that the most appropriate valuation methodology to estimate the fair value of real estate is the assessed values provided by local authorities.

The most significant measurement uncertainty arises from the following item:

- iv. Fair value of real property: Management uses local assessment values as a significant input into the determination of the fair value of real property at the reporting date. Management bases its fair value estimates on historical experience and other factors it believes to be reasonable under the circumstances, but which are inherently uncertain and unpredictable, the result of which forms the basis of the carrying amounts of real property. However, uncertainty about these estimates could result in outcomes that could require a material adjustment in the future to the carrying amount of the asset or liability affected that would only be resolved by sale of the real property in an arm's length transaction.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Notes to the Combined Financial Statements of Trusts and Estates Administered
(Tabular amounts, except percentages, expressed in thousands of dollars)

Year ended March 31, 2022, with comparative information for 2021

3. Summary of significant accounting policies:

The accounting policies set out below, have been applied consistently to all periods presented in these financial statements.

(a) Recognition and measurement of assets and liabilities:

On initial recognition, assets and liabilities are recorded at fair value on the effective date the PGT commences administration of the asset or liability, which is the date of death for estate administration, the date of PGT appointment for trust administration or the date that the estate or trust assumed beneficial ownership for assets and liabilities acquired after PGT appointment. Assets and liabilities recognized on commencement of administration result in a corresponding adjustment directly to net assets. Similarly, assets and liabilities released to clients, beneficiaries and heirs result in an adjustment directly to net assets at the fair value of those assets and liabilities at the time of release.

Other assets include jewelry, collectibles, intangibles, vehicles and effects and are carried at cost, which represents the estimated fair value of the asset on the effective date that the PGT commenced administration of the asset.

(b) Cash:

Cash consists of demand deposits held in pooled trust bank accounts and is used for day-to-day receipts and disbursements for all clients as well as individual external client bank accounts. Canadian and foreign currencies held in the clients' investment portfolio is included in other investments as it is held for investment purposes and not to meet short term cash commitments.

(c) Measurement of real property:

Real property included within the statement of net assets primarily represents the value of residential properties, currently occupied by the clients of the PGT. Real property is carried at fair value with changes recognized in net income each period. Fair value is determined by considering the most recent British Columbia Assessment Authority property assessment or valuation by a professional appraiser, where such valuation is available, and adjusted for other relevant valuation data, including market trends, if appropriate.

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3. Summary of significant accounting policies (continued):

(d) Revenue recognition:

Income from pensions, benefits and settlements consist primarily of payments from government entities, including Canada Pension Plan, Old Age Security, insurance settlements and payments from other pension plans. These payments are recognized as revenue when the right to receive payment is established, which is typically as the individual estate or trust becomes entitled to it. Interest is recognized using the effective interest rate method. Dividends are recognized when the right to receive payment is established.

Realized gains and losses on assets represent the appreciation or depreciation in the value of assets administered by the PGT from the value assigned on the date of appointment of the client (if acquired on appointment) or date of purchase (if purchased for clients after appointment) or the date the assets are sold or released to clients, beneficiaries and heirs. Both realized gains/losses and changes in unrealized gains/losses are reported in the statement of income and expenses.

(e) Financial assets and liabilities:

Financial assets:

Financial assets are classified based on the PGT's business model for managing those financial assets as well as the contractual characteristics of the financial assets. Financial assets are classified as fair value through profit or loss unless they have cash flows that consist solely of payments of principal and interest and are held to either collect the contractual cash flows or with the objective of both collecting contractual cash flows or selling the asset. The PGT currently measures all its financial assets (excluding amounts receivable included in other financial assets) at fair value through profit or loss and their gains and losses are recorded in the combined statement of income and expenses. Transaction costs of financial assets are expensed in the combined statement of income and expenses.

Amounts receivable included in other financial assets are carried at amortized cost.

Financial liabilities:

Financial liabilities are initially recognized on the date the PGT becomes a party to the contractual provisions of the instrument. Financial liabilities are measured at amortized cost using the effective interest rate method. The PGT derecognizes a financial liability when its obligations are discharged, cancelled, or expire.

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3. Summary of significant accounting policies (continued):

(e) Financial assets and liabilities (continued):

Fair value measurement:

Fair value is the amount an asset could be sold, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction. Fair value does not take into consideration the expected transaction costs incurred on transfer or disposal of an asset.

The PGT measures fair values using quoted prices in an active market, where available. A market is considered active if quoted prices are regularly available and represent regularly occurring market transactions at an arm's-length basis. Additional details on fair value measurement are outlined in Note 15.

(f) Income taxes:

The income taxes paid from Trusts and Estates Administered for the period is the tax payable on the clients' taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The PGT has not recognized the effect of deferred taxes in these combined financial statements as the impact would not be material.

The current tax is recognized in the combined statement of income and expenses.

4. Financial risk and capital management:

As a fiduciary, the PGT is responsible for managing the assets owned by each estate and trust under its authority. The PGT must exercise the care, skill, diligence and judgment of a prudent investor for its clients.

Under Section 12 of the Act, the PGT is permitted to create common funds within the trust fund account. The PGT has established three common funds called the PMMF, the BIF and the BGF. The PMMF holds short- and medium-term fixed income investments and is used for day-to-day receipts and disbursements of all clients. The BIF and the BGF hold investments, which are appropriate for clients with long-term investment horizons.

Under Section 13(1) of the Act, the PGT is permitted to make separate investments for clients if the money is subject to an express trust or direction for investment or it is, for any other reason, in the best interests of the client to do so. Other investments and securities include separate investment portfolios and registered plans which are established or maintained for clients according to their investment profile.

The three common funds are managed by British Columbia Investment Management Corporation ("BCI"). Other investments are managed by private investment management firms.

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4. Financial risk and capital management (continued):

The PGT maintains a risk management practice that includes quarterly monitoring of the returns and investment strategy of the three common funds and annual monitoring for other client investment portfolios recorded as other investments and securities. PGT corporate investment policies assign the investment asset mix strategies for client trusts based on the PGT's assessment of appropriate investment strategy for the client.

Four investment portfolio asset mix models are used, and client investment portfolios are allocated amongst the three common funds and other investments as follows:

Asset Mix	Investment portfolio allocation	Fixed Income	Equity
Model A	Balanced Growth Fund	45%	55%
Model B	Balanced Income Fund	60%	40%
Model C	Blend of Balanced Income Fund and Premium Money Market Fund	80%	20%
Model D	Premium Money Market Fund	100%	nil

Assets in "other investments and securities" represent individual client accounts. Although these individual accounts may have a slightly different target asset mix, each client account is managed to a selected risk profile similar to one of the above asset mix models.

PGT client investments are exposed to a variety of financial risks: credit risk, liquidity risk, and market risk (comprised of interest rate risk, currency risk and other price risk). The fair value of investments can fluctuate on a daily basis as a result of these risk exposures.

Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into, resulting in a financial loss. The investment policy established by the PGT limits credit risk by limiting the maximum exposure to one single issuer and by investing only in debt securities from governments and corporations with a minimum rating of at least "BBB" or "R-1" as defined by Moody's, Standard & Poor's or Dominion Bond Rating Service. The funds' compliance with policy asset mix and investment guidelines is reviewed quarterly by management and the PGT Investment Advisory Committee.

Liquidity risk:

Liquidity risk is the risk that a client account is unable to meet its financial obligations as they come due. PGT minimizes this risk by ensuring that client accounts hold sufficient cash funds to meet current liabilities and expenses and considers liquidity risk at March 31, 2022 and March 31, 2021 to be insignificant.

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4. Financial risk and capital management (continued):

Interest rate risk:

Interest rate risk is the risk that the fair value or cash flows of interest bearing investments will fluctuate due to changes in market interest rates. Interest rate risk is managed by PGT through established asset mix policies.

Currency risk:

Currency risk is the risk that the fair value of investments will change due to changes in foreign exchange rates. Currency risk is managed by PGT through established asset mix policies.

Other price risk:

Other price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Other price risk is managed by PGT through established asset mix policies.

Capital management:

The PGT's primary capital management objective is to act as fiduciary on behalf of the trusts and estates under administration, and takes an individualized approach to managing each clients' assets and liabilities in accordance with their unique needs and circumstances. The PGT has an investment planning program in place to act as a prudent investor to achieve an overall balance of capital preservation and growth through various investment strategies. The PGT contracts a property management company to ensure adequate maintenance and capital appreciation on real property.

5. Cash:

Cash held in pooled trust bank accounts is used for day-to-day receipts and disbursements. Cash held in external client bank accounts are held in the name of individual clients at the time that the PGT commenced administration of the assets and that remain open as at the financial reporting date. The collection of cash from these external client bank accounts, to the PMMF, is classified as proceeds from collection of assets on the Combined Statement of Cash Flows.

	2022	2021
Cash held in pooled trust bank accounts	\$ 12,800	\$ 15,584
Cash held in external client bank accounts	16,900	11,742
	<u>\$ 29,700</u>	<u>\$ 27,326</u>

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6. Premium Money Market Fund (“PMMF”):

The investment policy target asset mix for the PMMF is 35% (2021 - 35%) fixed income securities which are issued, insured or guaranteed by the Government of Canada, a provincial or municipal or territorial government with a maximum term to maturity of 5 years and 65% (2021 - 65%) government and corporate money market securities with a maximum term to maturity of 15 months.

The investment policy statement for the PMMF requires that fixed income and money market securities held must meet certain credit quality ratings. Specifically, fixed income investments must be investment grade and have a minimum credit rating of “BBB-” or better by Standard & Poor’s, or an equivalent rating by another major recognized rating agency and Corporate short term debt securities, and non-Canadian short term debt securities, must be rated “A-1 (Low)” or better by Standard & Poor’s or have an equivalent rating from another credit rating agency.

Credit risk:

The amount recorded for the PMMF on the statement of net assets held in trust represents the maximum credit risk associated with the PMMF. The PMMF is currently comprised of cash and debt instruments with credit ratings as follows:

	2022		2021	
	Amount	%	Amount	%
Segregated bonds:				
AAA	\$ 80,213	14	\$ 69,794	13
AA	155,511	27	139,637	26
A	135,127	23	139,045	26
	370,851	64	348,479	65
Money market:				
A-1 (low) or better	205,228	36	188,239	35
	\$ 576,079	100	\$ 536,715	100

Interest rate risk:

Debt instruments held within the PMMF mature on the following basis:

	2022		2021	
Debt instruments:				
Less than one year	\$ 279,631		\$ 198,358	
One to three years	179,891		227,672	
Three years to five years	116,557		110,685	
	\$ 576,079		\$ 536,715	

As at March 31, 2022, if interest rates were to increase or decrease by 1%, with other variables held constant, the fair value of the PMMF, and accordingly, net assets, would have increased or decreased, respectively, by approximately \$7.7 million (2021 - \$8.3 million).

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6. Premium Money Market Fund (continued):

Currency risk:

As at March 31, 2022 and 2021, the PMMF is not exposed to currency risk as all PMMF securities are denominated in Canadian dollars.

Other price risk:

As at March 31, 2022 and 2021, the PMMF is not exposed to other price risk as all PMMF securities are fixed income instruments.

7. Balanced Income Fund ("BIF"):

The BIF is a unitized fund of funds pool of investments. The investment objective is to enhance returns for investors with a low to moderate level of risk by investing in a well-diversified portfolio. The investment policy target asset mix as at March 31, 2022 is 60% fixed income securities, rated "BBB" or better for bonds or "A-1 (low)" or better for money market securities, and 40% domestic and international equities, invested through indexed pooled funds (2021 - 60% fixed income; 40% equity).

Credit risk:

The BIF's maximum exposure to credit risk as at March 31, 2022 is \$19.6 million (2021 - \$23.0 million), representing the amount of debt instruments within the BIF at March 31, 2022. The BIF's investment policy guidelines require that debt instruments are rated BBB or A-1 (low) or better and have a duration that is within 20% of the FTSE TMX Canada Universe Bond Index.

Interest rate risk:

The BIF is exposed to interest rate risk on that portion of its portfolio invested in fixed income securities. As at March 31, 2022, if interest rates were to increase or decrease by 1%, with all other variables held constant, the fair value of the BIF, and accordingly net assets, would have increased or decreased, respectively, by approximately \$1.3 million (2021 - \$0.8 million).

Currency risk:

The BIF's maximum exposure to currency risk at March 31, 2021 is \$9.2 million (2021 - \$2.9 million), representing the amount of international equity investments within the BIF at March 31, 2022, of which \$6.1 million (2021 - \$1.4 million), is exposed to US dollars and \$3.1 million (2021 - \$1.4 million) is exposed to other international currencies.

As at March 31, 2022, if the Canadian dollar had strengthened or weakened by 2% in relation to all currencies, with all other variables held constant, the fair value of the BIF, and accordingly net assets held in trust, would have decreased or increased, respectively, by approximately \$0.2 million (2021 - \$0.1 million).

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7. **Balanced Income Fund (continued):**

Other price risk:

The BIF's maximum exposure to other price risk as at March 31, 2022 is \$12.6 million (2021 - \$15.4 million), representing the amount of equity instruments within the BIF at March 31, 2022.

As the BIF uses an indexed pooled and portfolio strategy, the BIF's net asset values will vary based on changes in the related market index benchmarks. The impact on the BIF due to a 10% change in benchmark, using historical correlation between the return of the BIF units as compared to the BIF's benchmark, as at March 31, 2022, with all other variables held constant, would be an increase or decrease to the fair value of the BIF, and accordingly net assets, of \$1.3 million (2021 - \$1.5 million).

8. **Balanced Growth Fund ("BGF"):**

The BGF is a unitized fund of funds pool of investments. The investment objective is to enhance long-term returns for investors with a moderate to high level of risk by investing in a well-diversified portfolio. The investment policy target asset mix as at March 31, 2022 is 45% fixed income securities, rated "BBB" or better for bonds or "A-1 (low)" or better for money market securities and 55% domestic and international equities, invested through indexed pooled funds (2021 - 45% fixed income; 55% equity).

Credit risk:

The BGF's maximum exposure to credit risk as at March 31, 2022 is \$53.0 million (2021 - \$57.0 million), representing the amount of debt instruments within the BGF at March 31, 2022. The BGF's investment policy guidelines require that debt instruments are rated BBB or A-1 (low) or better and have a duration that is within 20% of the FTSE TMX Canada Universe Bond Index.

Interest rate risk:

The BGF is exposed to interest rate risk on that portion of its portfolio invested in fixed income securities. As at March 31, 2022, if the interest rates were to increase or decrease by 1%, with all other variables held constant, the fair value of the BGF, and accordingly net assets, would have increased or decreased by approximately \$3.5 million (2021 - \$2.0 million).

Currency risk:

The BGF's maximum exposure to currency risk at March 31, 2022 is \$47.3 million (2021 - \$15.2 million), representing the amount of international equity investments within the BGF at March 31, 2022, of which \$30.8 million (2021 - \$6.7 million) is exposed to US dollars and \$16.5 million (2021 - \$8.4 million) is exposed to other international currencies.

As at March 31, 2022, if the Canadian dollar had strengthened or weakened by 2% in relation to all currencies, with all other variables held constant, the fair value of the BGF, and accordingly net assets, would have decreased or increased, respectively, by approximately \$0.9 million (2021 - \$0.3 million).

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8. Balanced Growth Fund (continued):

Other price risk:

The BGF's maximum exposure to other price risk as at March 31, 2022 is \$66.5 million (2021 - \$68.8 million), representing the amount of equity instruments within the BGF at March 31, 2022. As the BGF uses an indexed pooled fund portfolio strategy, the BGF's net asset values will vary based on changes in the related market index benchmarks. The impact on the BGF due to a 10% change in benchmark, using historical correlation between the return of the BGF units as compared to the BGF's benchmark, as at March 31, 2022, with all other variables held constant, would be an increase or decrease to the fair value of the BGF, and accordingly net assets, of \$6.7 million (2021 - \$7.0 million).

9. Other investments and securities:

Other investments and securities are comprised of the following:

	2022	2021
Investment portfolios	\$ 133,588	\$ 113,362
Registered plans	100,697	92,550
Other	38,060	39,229
	<u>\$ 272,345</u>	<u>\$ 245,141</u>

The balance of other investments and securities is comprised of numerous individual client accounts, each managed in accordance with specific target asset mix policies. Each individual client account is exposed to credit, interest rate, currency and other price risks and is managed based on individual asset mix and holdings to ensure the PGT acts as a prudent investor in its fiduciary duty for managing client financial assets. In management's opinion, aggregation and presentation of these individual risk exposures and fair value hierarchy measurements (note 15) would not provide additional meaningful information.

10. Other financial assets:

Other financial assets are comprised of the following:

	2022	2021
Amounts receivable	\$ 10,645	\$ 9,022
Due from PGT Operating Account	2,923	-
	<u>\$ 13,568</u>	<u>\$ 9,022</u>

A transfer of \$2.923 million from the consolidated revenue fund was provided to the PGT Operating Account to compensate clients for unrealized investment returns due to delays in implementing investment decisions beyond PGT service standard times. This amount is due to PGT Trusts and Estates Administered as at March 31, 2022.

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11. Real property:

Real property includes land, buildings and manufactured homes. As at March 31, 2022, approximately 99.00% (2021 – 98.56%) of the fair value of real properties represents properties located in British Columbia.

	2022	2021
Opening balance at April 1	\$ 234,105	\$ 226,082
Assets acquired on commencement of administration	89,722	83,479
Assets sold	(89,974)	(50,973)
Assets released to clients, beneficiaries and heirs	(17,502)	(32,257)
Realized gain	17,493	5,042
Change in unrealized gain	31,382	2,732
Ending balance at March 31	\$ 265,226	\$ 234,105

As at March 31, 2022, \$16.0M of real property (2021 - \$16.6M) was valued by an independent appraiser.

12. Payable to the Public Guardian and Trustee Operating Account:

The payable to the PGT Operating Account is payable on demand, not interest bearing and is comprised of PGT fees and cost recoveries (note 13(b)) and short-term loans as follows:

	2022	2021
Total fees and cost recoveries charged but not paid	\$ 3,757	\$ 5,660
Short term loans advanced but not repaid	1,409	1,727
Gross amount due to the PGT Operating Account		7,387
Portion of fees payable from within the Balanced Income Fund and Balanced Growth Fund	(93)	(100)
Balance payable to the PGT Operating Account as presented on the Statement of Net Assets	\$ 5,073	\$ 7,287

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13. Expenses:

(a) Client care and maintenance:

Client care and maintenance represents goods and services purchased for clients and for personal living expenses, including payments to care facilities.

(b) Public Guardian and Trustee fees:

PGT fees are charged to trusts and estates, for services provided by the PGT, in accordance with the Public Guardian and Trustee Fees Regulation as provided for under the Act. In addition, the PGT recovers costs incurred in delivering certain services as provided for under the Act.

The expense for PGT fees includes commissions, asset management fees, administration fees, heir tracing fees, cost recoveries and applicable sales tax. Most of the applicable fees are calculated, charged, and collected automatically by the trust accounting system. PGT fees applicable to the BIF and BGF, are charged directly to, and collected from, these pooled funds.

(c) Professional services:

Professional fees are expenses incurred on behalf of clients for services such as accounting, legal, investment management, custodial, funeral and property management.

(d) Estate settlement:

Estate settlement represents expenses incurred to settle estates for deceased and missing persons such as probate fees, asset disposition fees and claims against the estates.

14. Unclaimed assets transferred to the British Columbia Unclaimed Property Society:

Unclaimed assets are transferred periodically to the British Columbia Unclaimed Property Society when they are deemed inactive by the PGT under Section 27.1 of the Act.

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15. Fair values:

The PMMF, BIF, BGF, other investments and securities and real property are reflected in the Statement of Net Assets at fair value. In management's opinion, the fair values of other financial assets and accounts payable, mortgages and loans payable, and amounts payable to the PGT Operating Account are not materially different from the carrying value.

Fair Value Hierarchy:

The three levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets with insufficient volume or infrequent transactions (less active markets), or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities.

Level 3 - Inputs that are unobservable: there is little, if any, market activity. Inputs into the determination of fair value require significant management judgment or estimation.

As at March 31, 2022 and 2021, the PMMF investments were fair valued using Level 2 inputs, based on the daily closing net asset value of the underlying fund.

As at March 31, 2022 and 2021, the BIF and BGF investments were fair valued using Level 2 inputs, based on the respective net asset value of each of the underlying funds.

As at March 31, 2022 and 2021, Other Investments and Securities were fair valued using Level 1 and Level 2 inputs, based on statements and other source documentation provided by financial institutions.

As at March 31, 2022 and 2021, Real Property was fair valued using Level 3 inputs, primarily based on the most recent assessment provided by the British Columbia Assessment Authority or similar authority. Where available, appraisals carried out by a qualified independent appraiser contracted by the PGT may also be used. Management considers market trend data and evaluates the appropriateness of the assessment as a proxy of fair value and may adjust as appropriate. The assessed values were adjusted by \$nil (2021 \$nil) to reflect fair value.

The fair values of other financial assets and liabilities, which are carried at amortized cost in the financial statements, are also based on Level 2 inputs. For each of the years ended March 31, 2022, and 2021, there were no significant transfers between the levels in the hierarchy.

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16. Classification of items in combined statements of financial position:

A summary of the classification between current and noncurrent assets and liabilities is presented below.

	Less than 12 months	Greater than 12 months	Non-determinable	Total
Assets				
Cash	\$ 31,928	\$ -	\$ -	\$ 31,928
PMMF	279,631	296,448	-	576,079
BIF	-	-	32,829	32,829
BGF	-	-	118,640	118,640
Other investments And securities	-	-	272,345	272,345
Other financial assets	-	13,568	-	13,568
Real property	-	-	265,226	265,226
Other assets	-	-	6,224	6,224
Liabilities				
Accounts payable and accrued liabilities	13,575	-	-	13,575
Payable to the PGT Operating Account	8,781	-	-	8,781
Mortgages and loans payable	-	28,790	-	28,790



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