

PGT Public Guardian
and Trustee
of British Columbia



2020
2021 ANNUAL
REPORT

An aerial photograph of a dense forest, likely a coniferous forest, with a dirt road running horizontally through the center. The trees are in various shades of green, and the road is a light brown color. The overall scene is a lush, natural landscape.

Rights, choices and security for all British Columbians

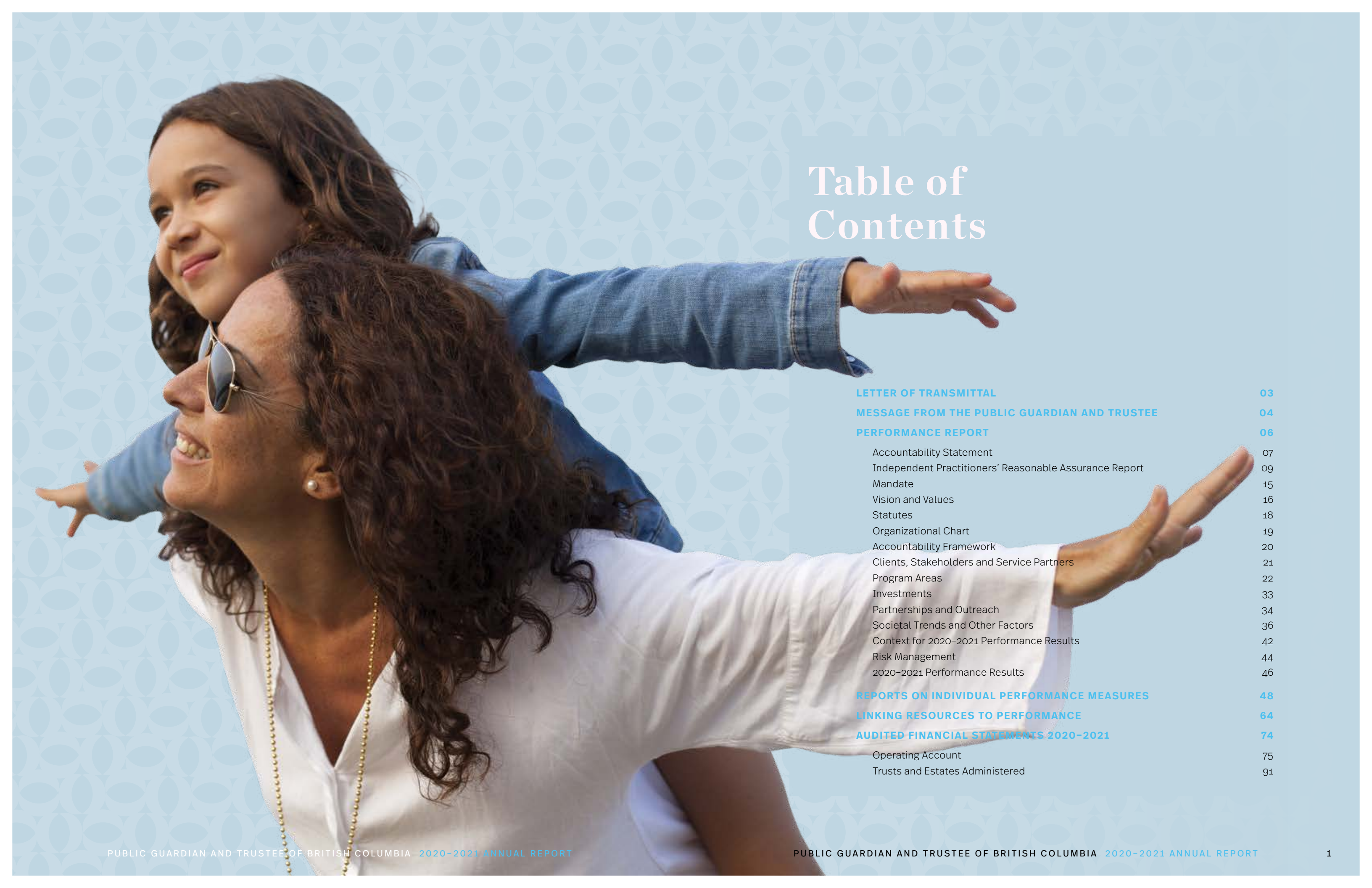


Table of Contents

LETTER OF TRANSMITTAL	03
MESSAGE FROM THE PUBLIC GUARDIAN AND TRUSTEE	04
PERFORMANCE REPORT	06
Accountability Statement	07
Independent Practitioners' Reasonable Assurance Report	09
Mandate	15
Vision and Values	16
Statutes	18
Organizational Chart	19
Accountability Framework	20
Clients, Stakeholders and Service Partners	21
Program Areas	22
Investments	33
Partnerships and Outreach	34
Societal Trends and Other Factors	36
Context for 2020–2021 Performance Results	42
Risk Management	44
2020–2021 Performance Results	46
REPORTS ON INDIVIDUAL PERFORMANCE MEASURES	48
LINKING RESOURCES TO PERFORMANCE	64
AUDITED FINANCIAL STATEMENTS 2020–2021	74
Operating Account	75
Trusts and Estates Administered	91

Letter of Transmittal

September 23, 2021

The Honourable David Eby, QC
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, 2020 to March 31, 2021.

Yours truly,

Dana Kingsbury
Public Guardian and Trustee

Message from the Public Guardian and Trustee



The world will forever remember 2020 as the year that the COVID-19 pandemic changed everything. Since the grim milestone of the first reported COVID-19 death in Canada, a British Columbia (BC) resident, 2020 has

presented constant reminders of the seriousness of the virus. It has also made it apparent that despite our differences, we belong to a global community.

As BC entered its first major lockdown on March 16, 2020, the Public Guardian and Trustee (PGT) leadership put into motion plans for shifting staff from an in-office work environment to working remotely from home. By the end of March, the PGT had provided staff with the necessary technology, updated policies and procedures, and leadership support to deliver client services virtually. PGT leadership used daily emails and increased virtual check-ins with staff to stay connected. PGT leadership was inspired by the resilience and adaptability of staff as they navigated changes to their work environment, their personal lives and the needs of our clients.

While prioritizing client services and supporting staff safety in the face of the pandemic, the PGT never

wavered from its commitment to achieving its goals. For committee of person clients, which are some of the most vulnerable people served by the PGT, in-person visits are key for connecting with individuals and better understanding their needs. While COVID-19 safety protocols prevented in-person visits in most situations, the PGT engaged families, friends and caregivers to conduct virtual visits with nearly all committee of person clients in 2020-2021.

Public health restrictions also resulted in significantly reduced opportunities to conduct in-person educational outreach and other information sessions for the public. In the latter half of the year, as the people and organizations adapted to the new reality of working during a pandemic, the PGT held more virtual presentations. However, the PGT did not meet its service target regarding education and outreach.

The PGT also continued its implementation of its document management system, allowing staff to effectively deliver client services while working from home. Staff met their operational learning goals despite the shift to a virtual learning environment.

The PGT saw higher demand for substitute health care decision requests as COVID-19 vaccines became available to British Columbians in December 2020. For those unable to consent to vaccination or have a representative do so on their behalf, the PGT was called upon to determine if vaccination was appropriate and if so, to provide consent. In 2020-2021, the PGT provided 548 consents to COVID-19 vaccination.

At the core of the PGT mandate is individual client services, and we regularly review how the PGT delivers services and identify how to improve where necessary. In early 2021, our review processes identified that investment actions for a small percentage of clients were unduly delayed, causing some clients to miss out on potential investment returns. Affected clients are being notified and compensated. The PGT is taking action to prevent similar delays from occurring in the future.

Whenever a group of clients share common issues, the PGT may advance a class action claim on behalf of its clients. In the fall of 2018, the PGT initiated a claim on behalf of children and youth in care victimized by a social worker. Over a lengthy period, victims of the social worker, many of whom were Indigenous children and youth, received inadequate care, suffered disconnection from their families, lacked Indigenous cultural care planning and experienced educational delay. Some were rendered homeless and many experienced mental, physical, emotional or sexual abuse. In 2020-2021, the class action was successfully settled and several children and former youth in care received compensation for their injuries, a significant outcome in a short period of time.

Throughout the year, the PGT progressed on its Seeking Truth, Pursuing Reconciliation Strategy. Meaningful territorial acknowledgements are now common place at PGT meetings, the PGT Indigenous Cinema Club has a strong following and staff keenly attend knowledge events to become more comfortable discussing our colonial history with Canada's First Peoples.

As with many other organizations emerging from the pandemic, the PGT is considering how and where its work will be conducted. The quick conversion from traditional in-office service delivery to a work from home model has created conversations about more suitable locations, spaces and styles of work to better support client services. The PGT has begun developing a Leading Workplace Strategy and staff are excited and engaged in defining how work will look in the coming years.

In addition to dedicated professional staff across the province, the PGT is supported by the PGT Investment Advisory Committee and Audit Advisory Committee in making strategic decisions on behalf of clients. Volunteer members bring invaluable expertise to the PGT and their dedication and commitment is very much appreciated.

Finally, we owe much gratitude to Catherine M. Romanko who retired in April 2021, following 26 years with the PGT, including more than 9 years as Public Guardian and Trustee. With too many achievements to mention, we will most remember Catherine as a steadfast champion of the PGT mandate and the law, never wavering in her principles and always doing right by clients and staff.

As of May 1, 2021, I was appointed the new Public Guardian and Trustee of British Columbia. I look forward to leading our organization and serving clients in British Columbia in the years to come.

Dana Kingsbury
Public Guardian and Trustee



Performance Report

Accountability Statement

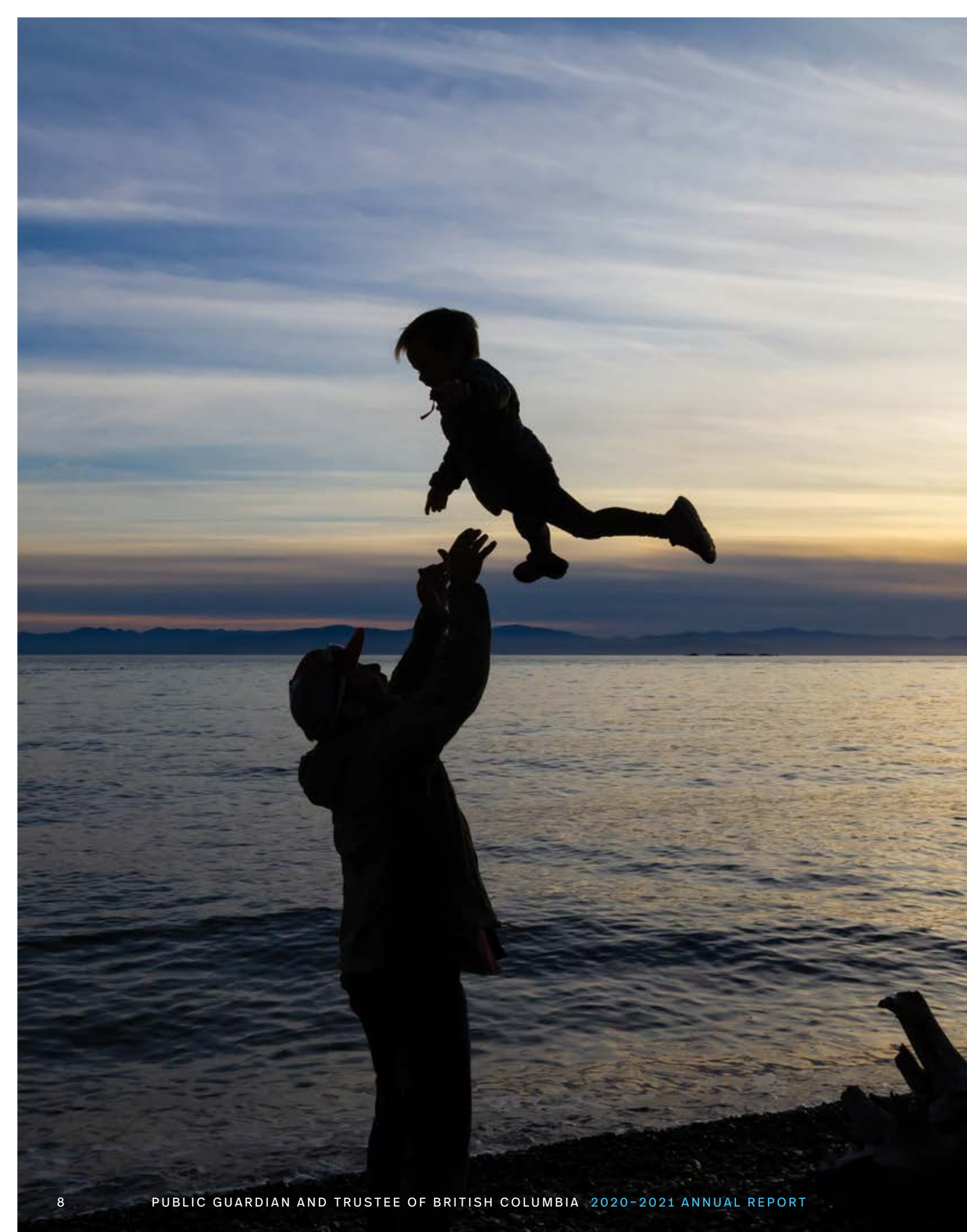
Under my direction, the 2020–2021 Performance Report has been properly prepared and fairly stated, in all material respects, based on the requirements of subsections 25 (1), 25 (2), 25 (3) (c), 25 (3) (d) and 26 (1) (b) of the *Public Guardian and Trustee Act* and on the Performance Reporting Principles 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 judgments 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, 2021.

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, 2021



Independent Practitioners' Reasonable Assurance Report on the 2020-2021 Performance Report of the Public Guardian and Trustee of British Columbia

To:

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

We were engaged by the Public Guardian and Trustee of British Columbia (PGT) to undertake a reasonable assurance engagement and report on the 2020-2021 Performance Report (Performance Report) of the PGT for the year ended March 31, 2021 and the PGT's Accountability Statement (statement) thereon as set out on page 7, in the form of an independent opinion about whether the PGT's statement that the Performance Report is properly prepared and fairly stated, in all material respects, based on the requirements of subsections 25 (1), 25 (2), 25 (3) (c), 25 (3) (d) and 26 (1) (b) of the *Public Guardian and Trustee Act (PGT Act)* and on the Performance Reporting Principles For the British Columbia Public Sector (BC Performance Reporting Principles) (collectively referred to herein as the Criteria) is fairly stated.

Our conclusion excludes the following elements of the Performance Report: The Performance Report necessarily contains a number of representations by the PGT concerning the appropriateness of the PGT's goals, objectives, targets, explanations of the adequacy of planned and actual performance, and expectations for the future. These are provided to provide context to assist the reader in evaluating the plans and performance of the PGT. Such representations are the opinions of the PGT and, given their necessarily subjective nature and also the future orientation of some of the representations, such representations inherently cannot be subject to independent verification. Further, as described in the Performance Report section entitled Linking Resources to Performance, the tables and related information on pages 64 to 73 of the Performance Report are derived using an allocation model developed to reflect approximate usage of key services and other segmentation methodologies that are beyond the scope of this engagement; accordingly, with respect to the tables and related information on pages 64 to 73 of the Performance Report, our engagement was limited to providing reasonable assurance that the historical financial information in the Performance Report is consistent with the audited financial statements contained in the PGT's 2020-2021 Annual Report. Accordingly, our opinion set out below excludes the effect of adjustments, if any, which we may have determined to be necessary had we been able to independently verify the representations described in this paragraph, and had we performed a more extensive examination of the tables and related information on pages 64 to 73 of the Performance Report.



Public Guardian and Trustee of British Columbia Responsibilities

The PGT is responsible for properly preparing and fairly presenting the Performance Report free from material misstatement in accordance with the Criteria, and for the information contained therein. The PGT is also responsible for preparing the accompanying statement thereon as set out on page 7.

These responsibilities include: complying with the requirements of subsections 25 (1), 25 (2), 25 (3) (c), 25 (3) (d) and 26 (1) (b) of the *PGT Act*; 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 judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the PGT's Performance Report.

Practitioners' Responsibilities

Our responsibility is to express an opinion on the Performance Report prepared by the PGT and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements 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 properly prepared and fairly stated, in all material respects, based on the Criteria.

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 performed depends on our professional judgment, including an assessment of the risks that the Performance Report is not properly prepared and fairly presented, in all material respects, in accordance with the Criteria, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the preparation and presentation of the Performance Report in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the PGT's internal control over the preparation and presentation of the Performance Report.

Our engagement also included: assessing the suitability of the Criteria used by the PGT in preparing the Performance Report; evaluating the appropriateness of the methods and procedures used by the PGT in the preparation of the Performance Report; evaluating the reasonableness of calculations, judgements, and estimates made by the PGT in preparing the Performance Report; examining, on a test basis, evidence supporting the amounts and disclosures in the Performance Report; evaluating the proper preparation and fair presentation of the Performance Report in accordance with the Criteria; and performing such other procedures as we considered necessary in the circumstances.



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

Practitioners' 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.

Opinion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

In our opinion, the PGT's statement, that the Performance Report of the PGT for the year ended March 31, 2021 is properly prepared and fairly presented in all material respects based on the Criteria, is fairly stated.

Purpose of the Performance Report

The Performance Report has been evaluated against the Criteria. The Performance Report reports on the performance of the PGT as a BC public sector entity, in accordance with the requirements of the Criteria, and is intended to provide readers of the Performance Report with credible information, fairly interpreted, with respect to: the public purpose served by the PGT; its goals and results, focusing on the few critical aspects of its performance; information relating the PGT's results to its risks, capacity, resources, and strategies; comparative information; and the basis for key reporting judgements. The Performance Report may not be suitable for other purposes.

The attached Appendix to this report 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 Criteria.

Chartered Professional Accountants

Vancouver, Canada
September 23, 2021



Appendix to Independent Practitioners' Reasonable Assurance Report on the 2020-2021 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 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 stakeholders 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, 2020 – March 31, 2023 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, 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, and 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, 2021 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, 2021.



Mandate

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



During 2020–2021, the PGT provided services through 277 full time equivalent employee positions to approximately 26,100 clients and administered over \$1.2 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 (68% in 2020–2021) 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.

15,149

clients¹

Child and Youth Services

\$217

million assets²

43

staff³

8,034

clients¹

Services to Adults

\$663

million assets²

111

staff³

3,254

clients¹

Estate and Personal Trust Services

\$343

million assets²

46

staff³

¹ Clients: the number of individual clients served by both the division and by major business lines throughout the year. Because of this, the divisional total is typically less than the sum of the business lines as clients may require service in more than one business line.

² Total value of assets under administration (at March 31, 2021).

³ Full time equivalent employee positions.

Statutes

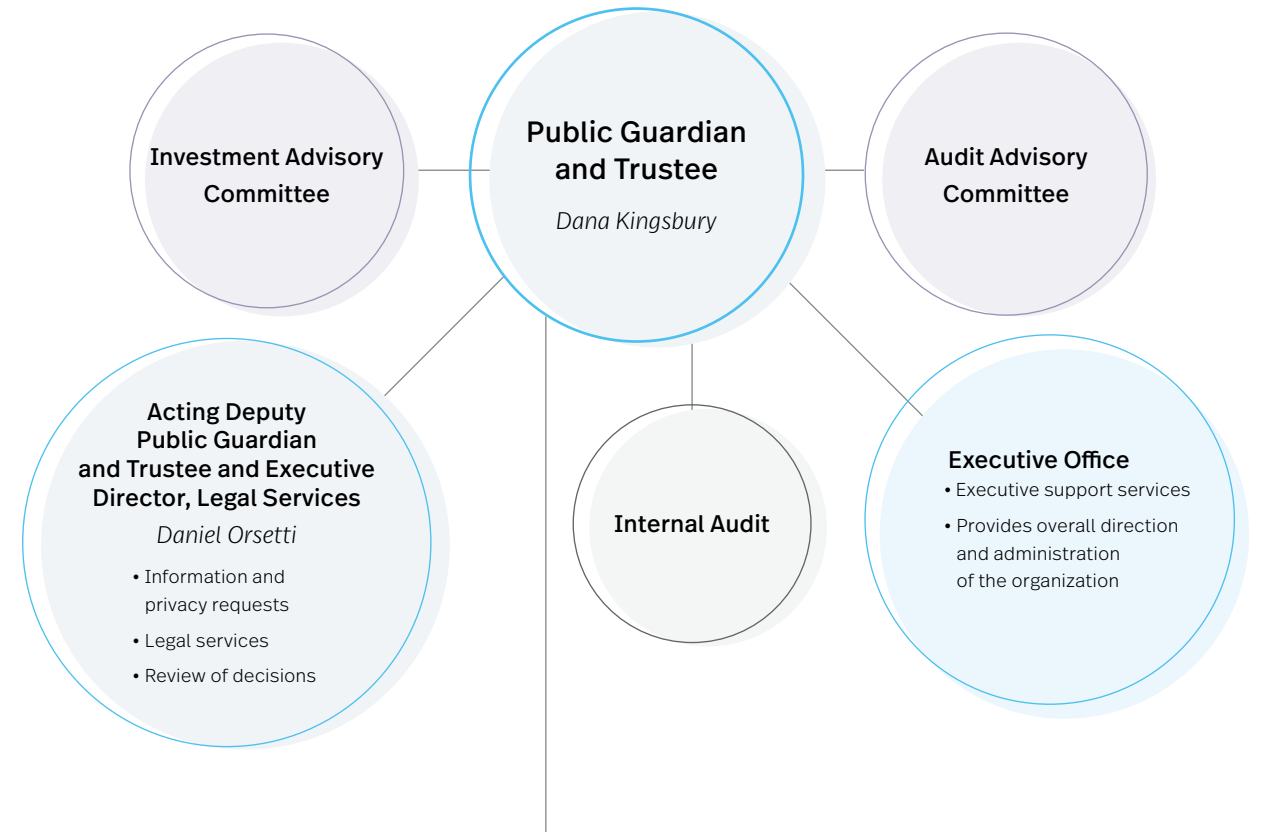
Numerous acts set out the powers and duties of the PGT. Key provincial statutes include:

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

* 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.

Organizational Chart

Public Guardian and Trustee
Organizational Structure
(as of May 1, 2021)



Child and Youth Services	Services to Adults	Estate and Personal Trust Services	Client Finance and Administrative Services	Corporate Projects and Strategic Operations
<i>Brynne Redford</i>	<i>Trudie Manoloudis</i>	<i>Bryce Somerville</i>	<i>Richard Rennie</i>	<i>Sara Maloney</i>
<ul style="list-style-type: none"> Litigation guardian Property guardian Protective legal reviews Trust services 	<ul style="list-style-type: none"> Assessment investigation 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*.

Dana Kingsbury was appointed as the Public Guardian and Trustee for a six year term effective May 1, 2021. The PGT can serve a maximum of two 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 arena from the public and private sector.

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 three year service delivery plan (SDP) and deliver it to the Attorney General no later than December 31 for the upcoming three 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 estates and trusts under administration.

Corporation Sole

The PGT is a corporation sole. This is a corporate 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.

Clients, Stakeholders 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
- Vulnerable 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

Clients are at the core of all PGT activity. 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 three broad program areas:



These are supported by:

- **Client Finance and Administrative Services;**
- **Legal Services;**
- **Corporate Projects and Strategic Operations; and**
- **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 PGT 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 PGT property guardian clients may be entitled such as Canada Pension Plan Children's Benefits and establishes Registered Disability Savings Plans (RDSPs) for qualifying clients.

Trustee

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.

CHILD AND YOUTH SERVICES

Total staff¹	43 positions
Total clients²	15,149
Property guardian	4,548
Trustee	8,727
Protective legal reviews	2,748
Litigation guardian (non-property guardian)	78
Total value of assets under administration (at March 31, 2021)	\$217 million
Investments and securities	\$212 million
Real property	\$1 million
Other	\$4 million
Business Indicators	
RDSPs (at March 31, 2021)	\$10 million
Other Indicators	
Property guardian clients with assets (at March 31, 2021)	1,438

¹Staff refers to full time equivalent employee positions.

²Client counts reflect the number of individual clients served both by the division and by major business lines throughout the year. Because of this, 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 PGT 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 to 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 to establish an effective plan that includes securing assets and pursuing income, benefits and compensation, paying bills and managing investments and property. 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. The current Designated Agencies are the regional Health Authorities, Community Living BC (CLBC) and Providence Health Care Society.

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 stakeholders with an interest in issues concerning the reduction of abuse and neglect of vulnerable adults.

SERVICES TO ADULTS

Total staff¹	111 positions
Total clients²	8,034
Assessment and investigation services	2,206
Personal decision services	1,217
Client services	3,387
Estate liaison	937
Adult legal monitoring	492
Adult legal services	82
Private committee services	2,070
Total value of assets under administration (at March 31, 2021)	\$663 million
Investments and securities	\$479 million
Real property	\$165 million
Other	\$19 million
Business Indicators	
Liabilities (at March 31, 2021)	\$34 million
RDSPs (at March 31, 2021)	\$27 million
Other Indicators	
Clients with PGT opened tax free savings account(s) (at March 31, 2021)	501
COVID-19 vaccination consents provided ³	548

¹Staff refers to full time equivalent employee positions.

²Client counts reflect the number of individual clients served both by the division and by major business lines throughout the year. Because of this, the divisional total is typically less than the sum of the business lines as clients may require service in more than one business line.

³Figure reflects the count of particular activity across 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.

Administration of 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 \$1,041,149 at December 31, 2020. In 2020–2021, there were 15 applicants and bursaries totaling \$15,700 awarded to 10 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	3,254
Deceased estates	2,671
Executor appointments	373
Personal trusts	218
Litigation representative	11
Estates of missing persons	4
PGT educational assistance fund	15 applicants
Total value of assets under administration (at March 31, 2021)	\$343 million
Investments and securities	\$254 million
Real property	\$69 million
Other	\$20 million
Business Indicators	
Liabilities (at March 31, 2021)	\$11 million
Other Indicators	
Estate administration referrals ³	1,390
Probate applications filed with Supreme Court ³	206

¹Staff refers to full time equivalent employee positions.

²Client counts reflect the number of individual clients served both by the division and by major business lines throughout the year. Because of this, the divisional total is typically less than the sum of the business lines as clients may require service in more than one business line.

³Figure reflects the count of particular activity across 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.

The PGT is independent of government in client matters and accordingly, requires its own corporate services which include budget planning, corporate accounting and facilities and administrative services.

Client Financial Services

Client Financial Services is responsible for the day to day 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 to the court regarding issues concerning the interests of minors or incapable adults in civil proceedings.

At March 31, 2021, PGT staff lawyers were providing legal advice and services to clients that involved acting on approximately 3,300 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 2020–2021, the PGT responded to 35 requests for information and two court orders for production of records.

In 2020–2021, the PGT investigated clients' eligibility for settlement payments in 8 class actions and filed claims where appropriate. The PGT continues to monitor 25 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 help 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 and clients and other stakeholders, 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	277 positions
Total clients²	26,077
Total value of assets under administration (at March 31, 2021)	\$1.22 billion
Investments and securities	\$946 million
Real property	\$234 million
Other	\$42 million
Business Indicators	
Client bills paid ³	\$196 million
Client receipts processed ³	\$280 million
Other Indicators	
Clients with trust accounts (at March 31, 2021)	14,908
Income tax filings ³	3,867
Real properties sold ³	98
Work Environment Survey Engagement Score ⁴	74

¹Staff refers to full time equivalent employee positions.

²Client counts reflect the number of individual clients served both by individual divisions and by major business lines throughout the year. Because of this, the PGT total is typically less than the sum of the divisional totals as clients may require service in more than one division.

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

⁴This survey is conducted every 2 years by BC Stats with the next survey expected in 2022.

\$1.22 billion

Total value of assets under administration (at March 31, 2021)

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, 2021.

1.14%

(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 \$537 million at March 31, 2021).

6.61%

(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 \$38 million at March 31, 2021).

8.74%

(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 \$126 million at March 31, 2021).

COMPARISONS ¹

91 DAY GOVERNMENT OF CANADA TREASURY BILL **0.10%**

3 YEAR GUARANTEED INVESTMENT CERTIFICATE **1.25%**

CHEQUING ACCOUNT INTEREST **0.0%**

STANDARD INDUSTRY PORTFOLIO BENCHMARK (5 YEARS ANNUALIZED) **6.48%**

STANDARD INDUSTRY PORTFOLIO BENCHMARK (5 YEARS ANNUALIZED) **8.53%**

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.

¹Sources: 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 stakeholders, 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 2020–2021, the PGT contributed its expertise through extensive partnership and outreach activities.

Formal Committees

- Member, Children’s Forum, an information sharing forum for senior 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, Estate Planning Council of Vancouver, an association of estate planning professionals who meet to share ideas and work experiences related to various areas of estate planning;
- 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;
- Facilitator, 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, an advisory committee to government which works to realize government’s Accessibility 2024 commitment to build and maintain BC’s position as the province with the highest per capita uptake of RDSPs in Canada; 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

- Participated in a law reform initiative consulting on the BC Law Institute and Canadian Centre for Elder Law’s ongoing Health Care Consent and Capacity Assessment Tribunals Project;
- Participated in the Canadian Centre for Elder Law project “Inclusive Investing: Respecting the Rights of Vulnerable Investors through Supported Decision Making”;
- 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;
- Participated in the BC Ombudsperson’s Advisory Authorities Panel Session for the renewal of their five year strategic plan;
- Participated in the Office of the Seniors Advocate’s abuse and neglect consultation;
- Participated in the Society of Trust and Estate Practitioners (STEP Canada) Public Policy Committee’s symposium on vulnerable clients;
- Worked collaboratively with National Association of Public Trustees and Guardians and Service Canada on access changes to the national social insurance registry to help ensure staff can access information from the registry on behalf of clients;
- Participated in Community Living BC’s (CLBC) Virtual Roundtable on Aging to provide input and plan opportunities for alliances to support an aging population of adults with developmental disabilities;
- Participated with other provincial ministries and agencies in CLBC’s 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; and
- Conducted ongoing stakeholder meetings with the Representative for Children and Youth and MCFD 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.

Educational Outreach

- Contributed to professional development programs and education events with the Trial Lawyers Association of British Columbia and the People’s Law School;
- Provided a joint training presentation with the Fraser Health Authority for Provincial Court judges specific to court applications under Part 3 of the *Adult Guardianship Act*;
- Participated in a virtual session providing information on the PGT’s role in providing consent to health care treatment at the Biennial Conference on Developmental Disability;
- Provided information to stakeholders and the general public on the role of the PGT in health care decision making for adults who are incapable of providing consent to receiving the COVID-19 vaccine;
- Provided periodic training on the role of the PGT to new social workers through the Indigenous Perspectives Society;
- 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 Program;
 - The Young Women’s Christian Association’s Strive Program; and
 - A monthly financial wellness workshop with the Federation of BC Youth in Care Networks.
- Made submissions to the *Power Pages* magazine issued by the Federation of BC Youth in Care Networks; and
- Participated in virtual National Indigenous Peoples Day activities.

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.



Improving client service through the use of technology enhancements

The Issue

- Technology continues to significantly transform the way individuals and organizations operate.
- Citizens expect organizations to be service oriented, providing programs and services in a simple, modern and effective manner.
- The COVID-19 pandemic restricts traditional service models for providing services and information to the public.

The Impact on PGT Clients

- The PGT has historically operated in a traditional paper based environment supported by legacy systems which are not sustainable. A high volume of paper creates inefficiencies and the risk of error.
- 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:
 - review the status of accounts online;
 - submit information interactively through a secure portal; and
 - complete payment transactions online.

The PGT Response

- The PGT continues to take steps to shift toward an enterprise approach in modernizing the way it manages information, data, technology and security as modernized systems and related processes will support 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 business intelligence infrastructure to improve operations and client service.
- The PGT continues implementation of a document management system. A document management system is critical to the effective management of significant volumes of client records and to providing online services.
- Improving the PGT's website and utilization of newly implemented software will provide a better service to clients and citizens by making online and/or 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 client and stakeholder services expectations.

B

Responding to changing demographics

The Issue

- The percentage of the population of people in British Columbia who are age 65 years or older is increasing, giving rise to an increase in 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 estates being administered.
- British Columbians are ethnically and culturally diverse and require services that are tailored to meet their needs.
- Several First Nations in BC have served notice to the federal and provincial government advising of their intent to steward child guardianship services for Indigenous children.

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.
- Clients also reasonably expect that PGT policies and procedures will be culturally sensitive and culturally competent.
- The changing provincial framework for child protection requires the PGT to collaborate with an increasing number of partners, including Delegated Aboriginal Agencies and Indigenous communities to provide property guardianship services to children and youth.

The PGT Response

- The PGT will allocate new resources to services in program areas with sustained increases in demand when required funding is secured.
- The PGT will review the impact of increased demand for PGT estate administration services by conducting a review of the manner in which the services are delivered and implementing opportunities for improvement.
- 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 training.
- The PGT will continue to build its relationships with Indigenous communities, to enhance its capacity to provide effective and evolving services to Indigenous clients.
- The legal framework for supporting vulnerable, Indigenous youth in British Columbia is likely to change and the PGT will collaborate and work with partner agencies to ensure that the role of the PGT is considered within that new framework.
- The PGT will continue to implement its Seeking Truth, Pursuing Reconciliation Strategy and implement a new Diversity and Inclusion Framework, both of which are directed at ensuring PGT policies and practices are culturally aware and sensitive.

C

Responding to increasing service expectations

The Issue

- Public expectations and advances in technology have increased demand for instant and easily accessible information.
- The services provided by stakeholders and service partners continue to evolve, increasing the demand for PGT resources.
- The scope of duties associated within the PGT's statutory roles continue to expand. For example, the PGT has continued to develop services related to care facility admission legislation which came into force in 2019-2020.
- 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

- Feedback from consultations with clients and stakeholders has highlighted the need for improved communication by the PGT about what PGT services entail, how PGT involvement will affect clients and their families and expected service timelines.
- PGT services need to be adapted to ensure the health and safety of clients and stakeholders are not put at risk in response to the pandemic. Creating a safe operating environment is a complex exercise, placing additional resource demands on the PGT.

The PGT Response

- The PGT will continue to focus on making operations more efficient and will continue to assess trends and service demand changes in order to manage its resources in a manner that is flexible and responsive to changing service delivery needs.
- The PGT will develop clear communications materials about services for clients and stakeholders and increase staff training in public education about PGT services.
- In order to establish safe and effective processes the PGT follows the orders and direction of the Provincial Health Officer and the BC Public Service Agency when creating new and safe ways to do business.

D

Enhancing 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.
- Staff retention is challenged by the fact that other employers are able to offer more flexible work arrangements and better compensation.
- In addition to the requirement to have the traditional skills and knowledge required to fulfill PGT roles, staff are increasingly required to have the technical skills to deliver services using new information technology systems, impacting an already demanding workload.
- 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 will continue to use bridging positions and temporary assignments to promote career growth.
- The PGT will continue to build its corporate training program, focusing on role based training including technical and communication skills development.
- The PGT will continue to engage in succession planning for critical positions.
- The PGT will continue to include staff in improving business processes.
- The PGT will continue to develop 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.
- The PGT will 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 has implemented remote working for staff whose job requirements allow them to work from home. Procedures were updated and training was enhanced to support staff working in the community. Workplace safety plans, including measures to support physical distancing at PGT worksites during the COVID-19 pandemic have been implemented and continue to be monitored to help ensure staff and client health and safety.

E

Advocating for 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.

The Impact on PGT Clients

- 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 and neglect. These gaps are giving rise to unduly lengthy involuntary protective detentions and in turn, the infringement of Charter Rights of the very adults who are intended to benefit from the protective measures. The adult guardianship response involves a variety of different stakeholders, with no clear provincial ministry or organization lead responsible and accountable for oversight on the effectiveness of the response.

- There is no clear definition of the duties of a public property guardian for children in British Columbia law.
- An increasing number of children and youth are supported by extended families through out of care arrangements which do not include authority for provision of property guardianship protections.
- *Insurance (Vehicle) Amendment Act* changes impacting the Insurance Corporation of British Columbia (ICBC) and the PGT’s Infant Settlement Review program come into force May 1, 2021.

The PGT Response

- The PGT will build a proposal to hold a forum for key stakeholders on gaps in 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.
- The PGT will review and analyze the impacts to the PGT role resulting from the anticipated introduction of Enhanced Care Coverage by ICBC and related legislative and regulatory amendments.
- The PGT will continue to advocate for other legal reform that relates to its mandate such as defining the role of a public property guardian of children and ensuring the legal and financial interests of children and youth not under continuing custody orders are protected.

Context for 2020–2021 Performance Results

DEVELOPMENT OF PGT GOALS, OBJECTIVES AND PERFORMANCE MEASURES

This document reports on PGT performance in year one of the 2020–2023 Service Delivery Plan (SDP) which was approved by the Attorney General. The 2020–2021 budget was funded as set out in the plan. Goals, objectives and performance measures were implemented during 2020–2021 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 five 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 2020–2021 PGT Performance Measurement Framework linking the goals, objectives and measures (pages 48 to 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, stakeholder 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 2020–2023 PGT Service Delivery Plan.

The PGT has a statutory obligation to report on all program areas. This 2020–2021 Performance Report includes 19 performance measures covering all program areas.

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 October 2020. 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. While the top residual risks following the October 2020 evaluation remained fairly consistent with those of previous years, there have been some changes.

The risk associated with the sufficiency of internal reporting is now the highest risk as demand for increased reporting to meet operational requirements continues and capacity to enhance

reporting remains limited by budget constraints. Business interruption risk had the largest rating increase, driven by the ongoing COVID-19 pandemic.

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 October 2020 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
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.
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 that have corresponding increases in fees, 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.	Continue to increase employee engagement, 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.
Funding sufficiency and expense authority	Risk that provincial administrative controls will limit the PGT’s expense authority so that it is unable to expend its fees in providing services to clients or declining fees will limit the funding available to provide client services or that voted funds are not sufficiently increased to offset increases in other expenses.	Carefully budget, seek relief from limits on expense authority by clarifying PGT fiduciary role and the nature of PGT self funding and pursue additional provincial funding to offset increases in expenditures for statutory public services that are not covered by fees.
Changing demographics	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).	Monitor and analyze internal and external demographic trends to understand key demand drivers for service, reallocate existing resources where required and continue implementing the PGT diversity and inclusion framework including the action plan from the PGT’s Seeking Truth, Pursuing Reconciliation Strategy.
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.

2020–2021 Performance Results

In 2020–2021, the PGT met or exceeded its targets for 17 of 19 (89%) 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. 2020-2021 will be the first year that all measures reporting on client specific information are drawn directly from PGT systems and no longer require independent tracking.

The PGT will continue to follow a leading practices approach by investing time to analyze the information generated from enhancements to systems and design new measures that will most satisfy BC Reporting Principles requirements and the *Public Guardian and Trustee Act*.

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 2020–2021, 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 has been used in several instances for changing measures and/or modifying performance targets.

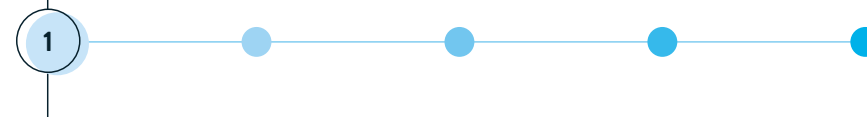


Reports on Individual Performance Measures



GOAL 1

Optimize Client Service Delivery



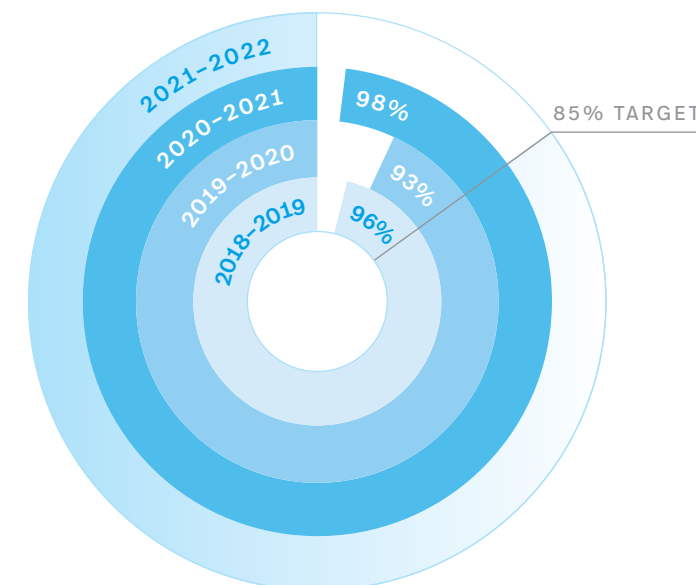
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

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 2020-2021, PGT Estate and Personal Trust Services distributed \$27,498,488 of which \$26,981,337 (98%) was transferred to intestate successors and beneficiaries.



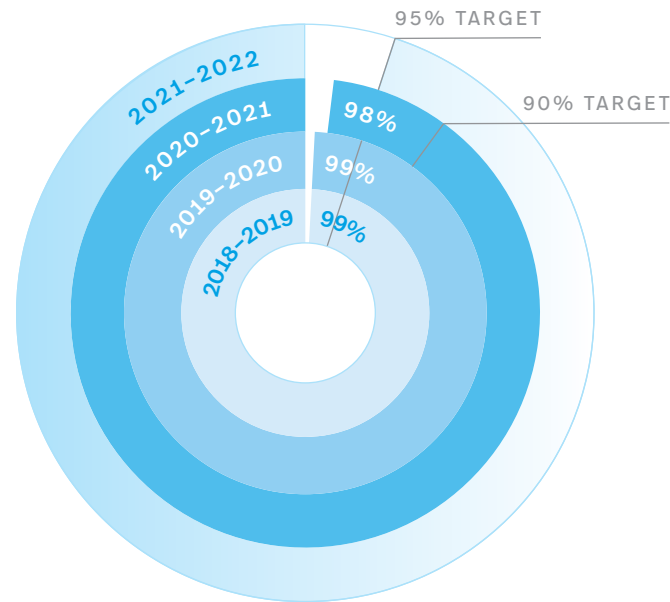
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

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 motor vehicle accidents 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 2020–2021, of 1,795 critical incident reports received directly from MCFD and DAAs, 1,754 (98%) 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 timeframe to complete reviews was reduced from 45 calendar days to 30 calendar days. In 2021–2022, the target for this measure will be increased back to 95% and the timeframe to complete reviews will be maintained at 30 days.



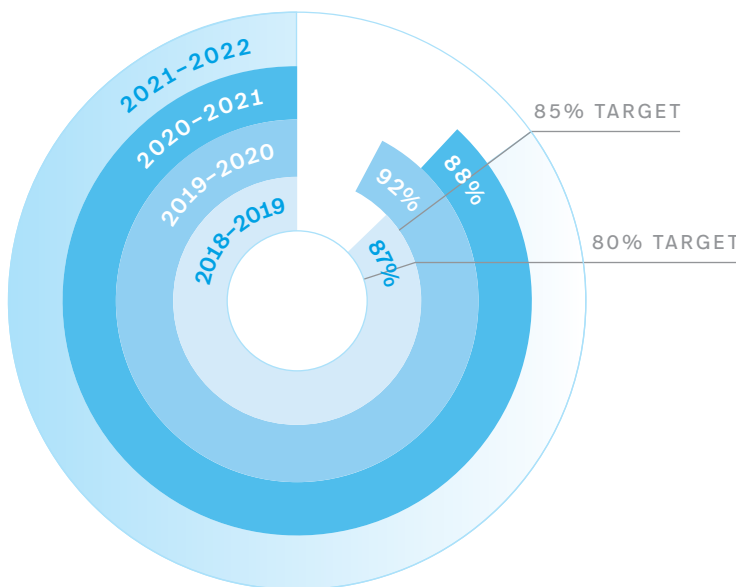
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

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, six 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 2020–2021, 234 new clients required these plans and the PGT developed personalized case plans for 206 (88%) of them within the six month time frame.



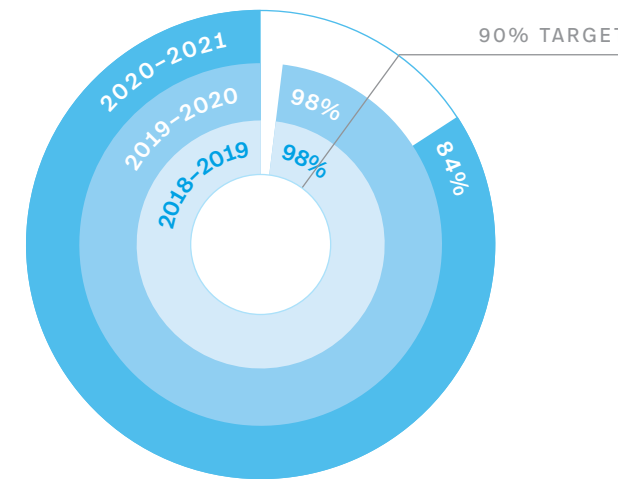
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.4 For children and youth where ongoing assistance with day to day maintenance has been approved, personalized expenditure plans will be developed and implemented within 20 calendar days of receiving all decision making information and then annually reviewed

The PGT implements and maintains personalized case plans on behalf of child and youth clients where ongoing assistance with day to day maintenance has been approved. Maintenance includes a broad range of payments to the caregiver for day to day costs of the child's needs. This activity improves the quality of life for minors by providing timely decisions regarding sustainable management of their resources to meet current and future financial needs.

In 2020–2021, personalized case plans were developed and implemented or reviewed within the target timelines for 74 of 88 (84%) minor clients for whom ongoing maintenance has been approved. The target for this measure was missed as a result of staffing changes that led to annual reviews not being completed on time for a two month period.

Note that this measure has been discontinued in the 2021–2024 Service Delivery Plan as the performance measure requirement for this program area has been satisfied by other performance measures already in place.

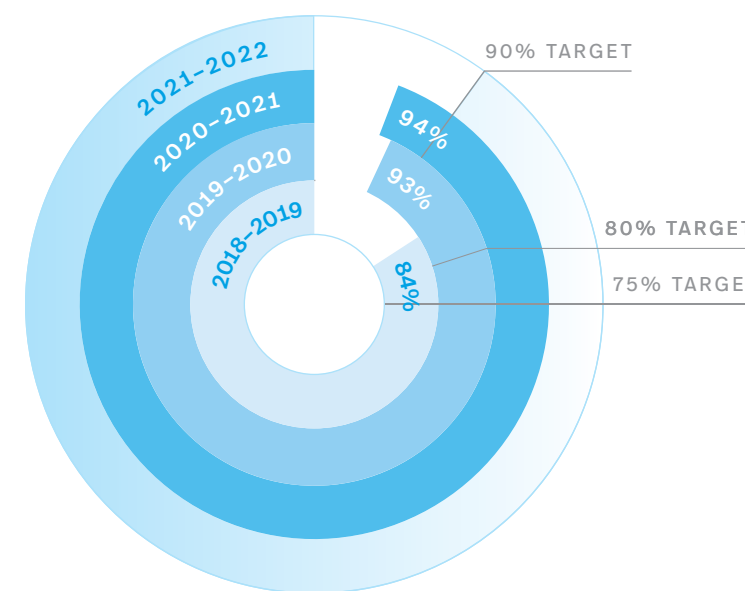


OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.5 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 2020–2021, of 1,402 client investment plans and reviews scheduled and required to be completed, 1,313 (94%) were completed prior to the specified due date. However, while the plans and reviews were completed, our internal review processes detected that the implementation of some plans was delayed. Where delays resulted in a potential missed investment return for a client, the client receives compensation. Note that the target for this measure will increase to 95% in 2022–2023 instead of 2021–2022 as the scope of this measure was recently increased to include additional child and youth clients with total assets over \$25,000 (the previous threshold for this group was \$50,000).



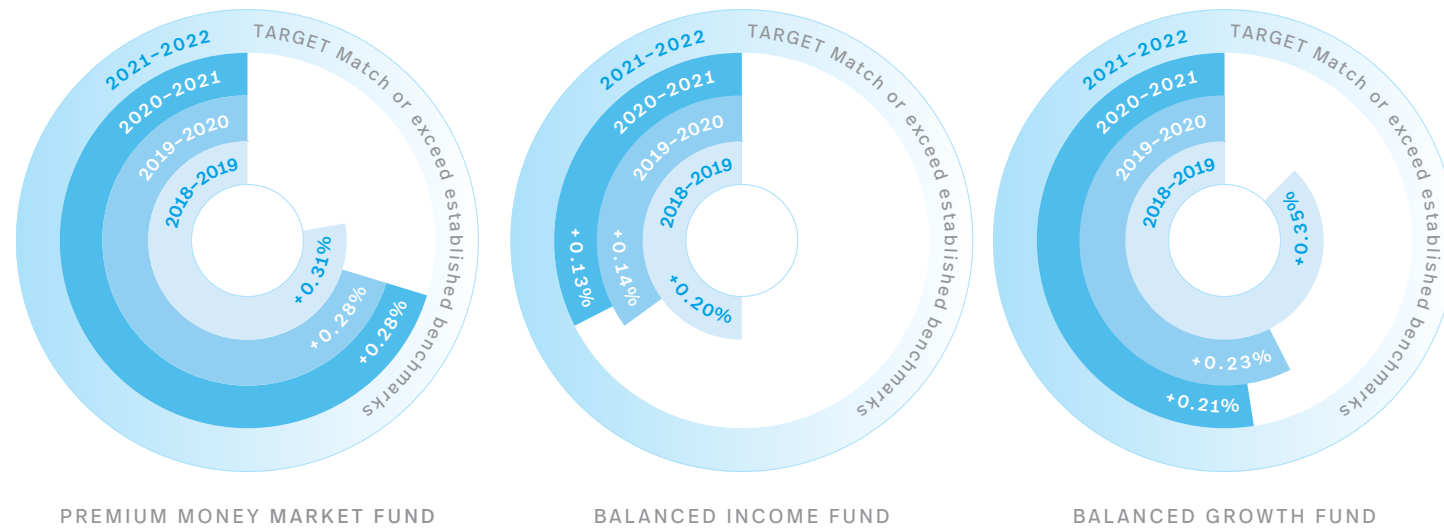
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

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

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 three 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 five 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 2020-2021, investment returns for all three pooled funds exceeded the established benchmarks. The Premium Money Market Fund is comprised of two separate components, a money market pool component and a segregated bond portfolio. The measure currently assesses only the performance of the money market pool. The PGT will be updating the benchmark for this fund starting in 2021-2022 to cover the performance of both components. Details are recorded in the accompanying charts.



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

1.1.7 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 both the 2020-2023 and 2021-2024 Service Delivery Plans until a more suitable replacement measure is developed. The previous measure could only be applied to a subset of client 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.

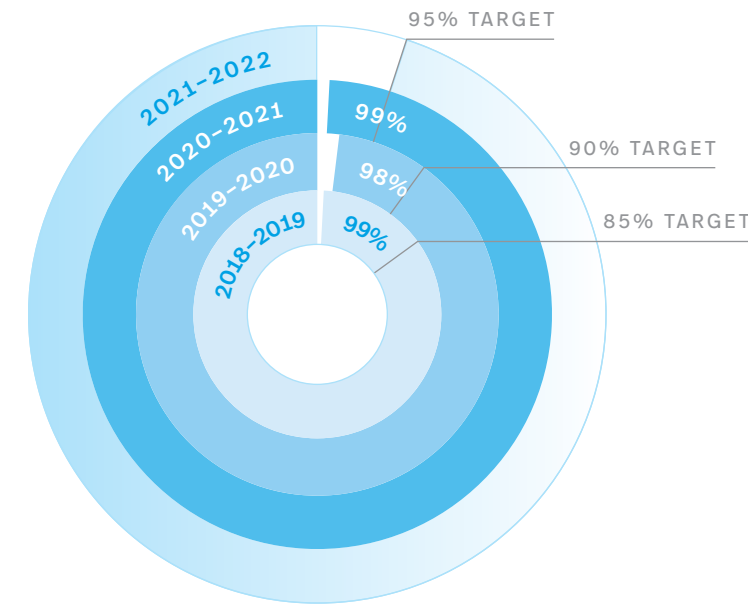
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.8 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 2020-2021, of 455 client inventory reports, 454 (99%) were recorded within five business days.



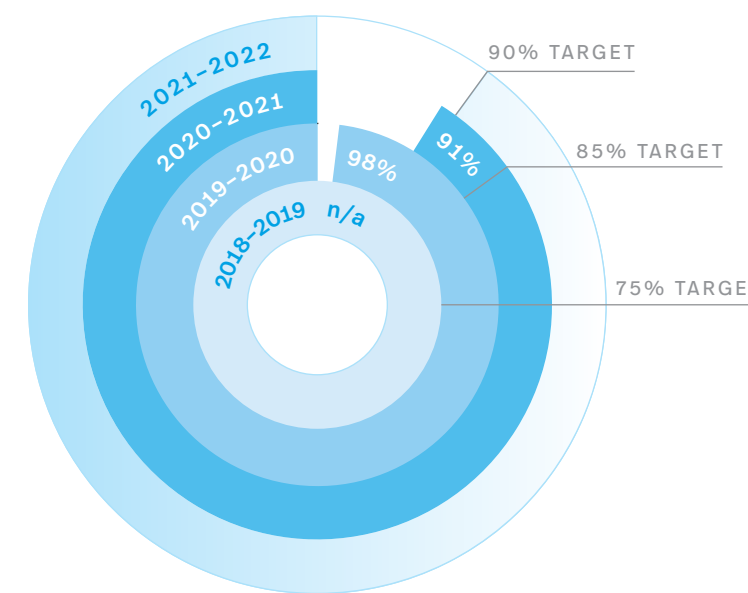
OBJECTIVE 1.1 PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED

1.1.9 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.

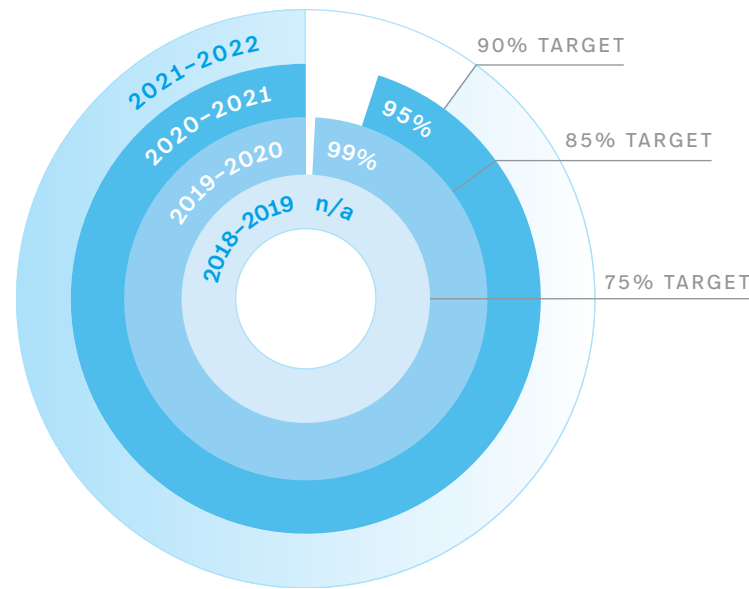
Other disbursements for children and youth that are also processed in an efficient and timely manner, such as payments for PGT fees, payments made for a fixed amount to a third party or payments to the client over a period of time at specified intervals, are not included in this measure.

In 2020-2021, out of 1,594 decisions to issue funds, 1,447 (91%) were completed and a payment issued within 30 calendar days of the request by the client or client guardian. Note that the target for this measure (and performance measure 1.1.10) was initially scheduled to increase in 2022-2023 to 95%, however the target will remain at 90% in 2022-2023 as additional reporting is developed to further support operations.



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

1.1.10 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.

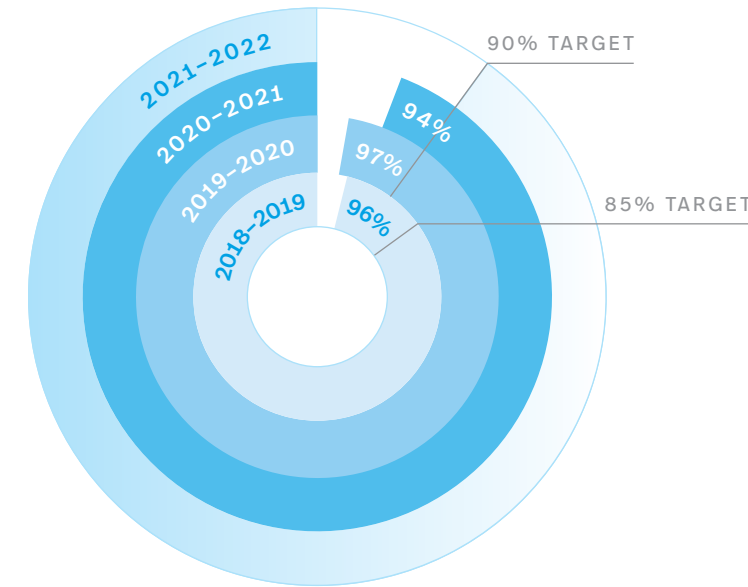
Ensuring that amounts owed by PGT clients are paid in a timely manner is an important aspect of managing the affairs of adult clients. Where the client is able to manage some day to day expenses, funds may be issued directly to the client's bank account. If the client is in a care facility, the PGT pays 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 2020-2021, of 36,982 adult client disbursements, 35,258 (95%) were processed within 30 calendar days.

OBJECTIVE 1.2 THE PGT WILL DELIVER HIGH QUALITY CLIENT CENTRED SERVICES

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

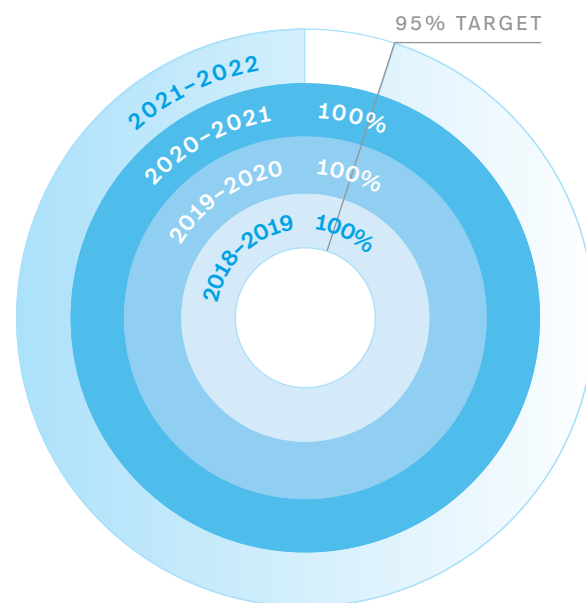


The PGT administers estates of deceased persons. The EPTS division conducts a client satisfaction survey with intestate successors and beneficiaries who receive funds when administration of an estate is completed. This activity measures client satisfaction and gives intestate successors and beneficiaries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

In 2020-2021, 202 of the 216 (94%) beneficiaries who responded to the survey question rating estate administration services rated them as good or very good.

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 healthcare decisions.

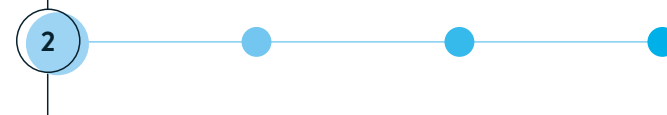
This performance measure focuses on clients for whom the PGT has the greatest responsibility. Client visits improve quality of life for clients through direct contact with PGT staff and provide for their maximum empowerment. Due to the COVID-19 pandemic, the PGT expanded the definition of client visits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

In 2020-2021, visits were made to 117 of 117 (100%) adult clients for whom the PGT acts as committee of person. 115 visits were virtual and 2 clients were visited in person.



GOAL 2

Contribute to a Fair and Just Society

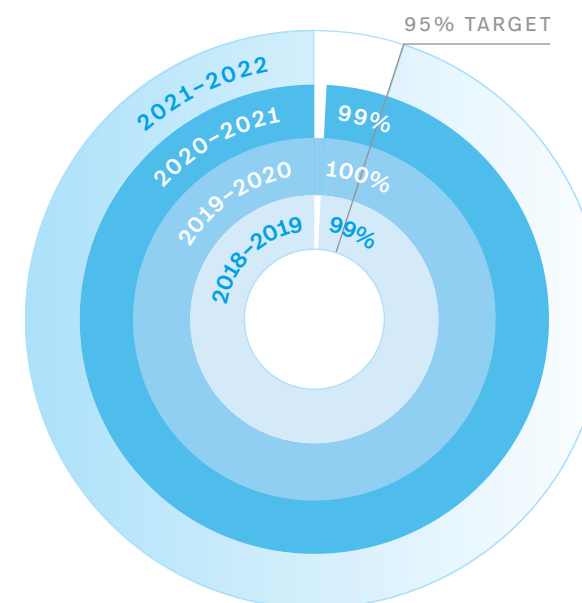


OBJECTIVE 2.1 PERSONAL INTERESTS OF PGT CLIENTS WILL BE PROTECTED

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 2020-2021, of 105 major health care decisions, 104 (99%) were made within the three business day time frame.



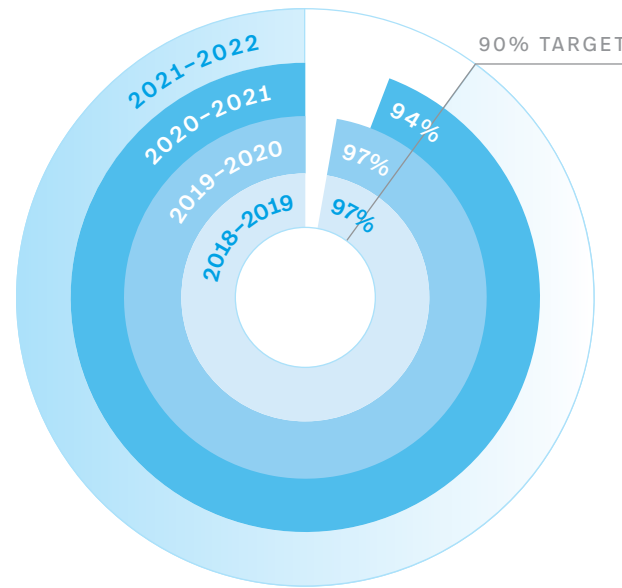
OBJECTIVE 2.2 STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER

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 2020-2021, in 280 of 298 cases (94%), 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 will be expanded to include infant settlement reviews currently reported under performance measure 2.2.2 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*.

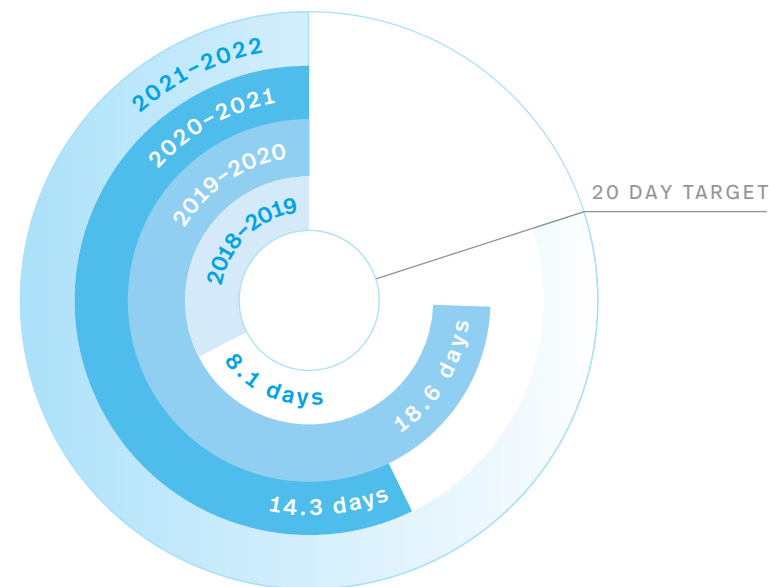


OBJECTIVE 2.2 STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER

2.2.2 For minors' settlements under \$5,000, the average number of calendar days to review and advise of the PGT position regarding proposed settlements once all relevant information has been received

This measure is related to the previous measure (2.2.1) and focuses on proposed settlements of minors' claims for unliquidated damages under \$5,000. The PGT must review all proposals to settle a claim by a minor for unliquidated damages and has jurisdiction to approve infant settlements of \$50,000 or less (exclusive of interest and costs) outside the court process.

These smaller settlements are reported separately because they are usually less complex than larger settlements and it is possible for them to be reviewed more quickly. In 2020-2021, the PGT reviewed and concluded 57 proposed settlements under \$5,000 in an average of 14.3 elapsed days per settlement. Note that reviews under this measure will be included in performance measure 2.2.1 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*.

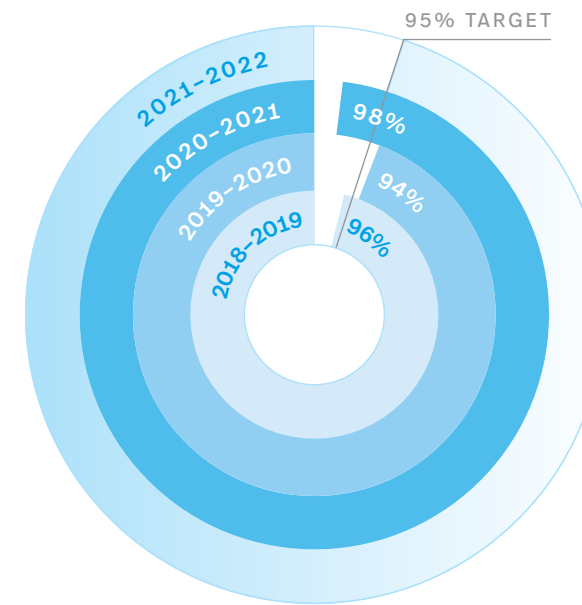


OBJECTIVE 2.2 STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER

2.2.3 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 2020-2021, the PGT took protective measures in 126 cases. In 123 (98%) 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

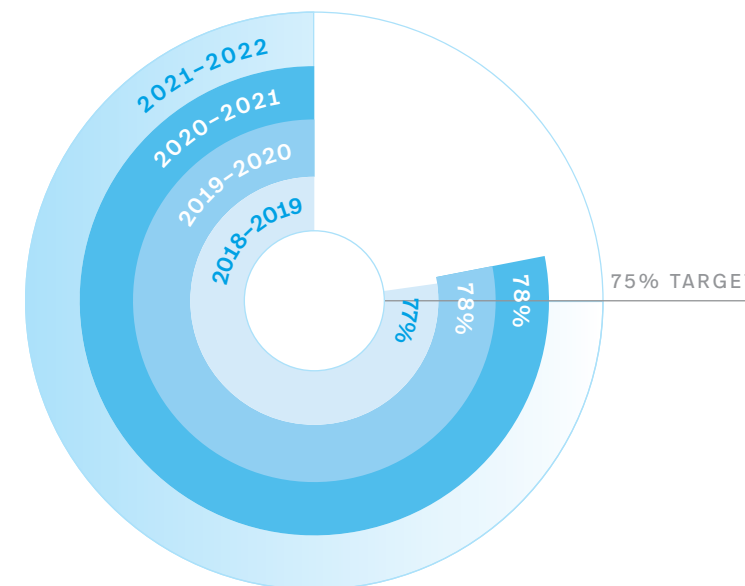
2.2.4 Percentage of private committee accounts reviewed within six months of receipt

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 2020-2021, of 448 accounts submitted for review to the PGT, 350 (78%) were reviewed within six months of receipt.



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 Gather information regarding various definitions and tests of mental capacity and prepare public education materials outlining capacity requirements for specific decisions at various life stages



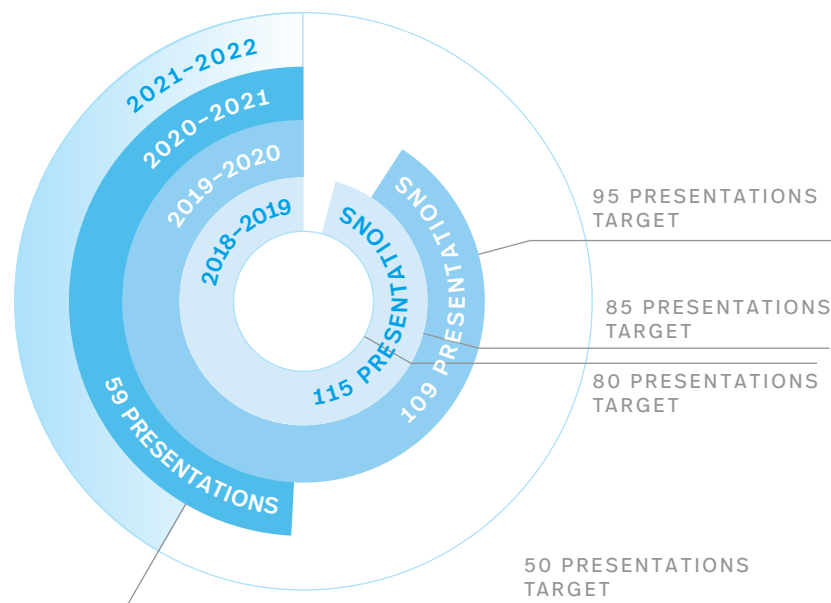
A person must have legal capacity in order to make decisions that are legally binding. The personal ability to understand and make rational decisions about the things that will be legally binding on the decision maker and their property is the essence of legal capacity. Different decisions require differing levels of understanding.

The PGT has gathered information on the various definitions and tests of mental capacity in the form of a guide now available on the PGT website. The guide discusses key terms and concepts including the age of majority, mental capacity and legal capacity. Capacity tests applicable to specific circumstances, such as making a will, gift giving and entering into contracts are also discussed in detail.

The PGT has produced these materials to help individuals and professionals gain a better understanding of these complex considerations and to support those engaged in advanced planning.

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

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

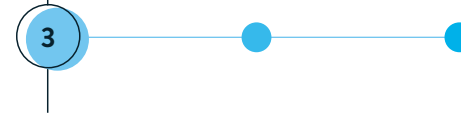


The public, service partners and stakeholders continue to request the PGT to make presentations about PGT roles and areas of responsibility. In previous years, the PGT has been involved with implementing new legislation which has resulted in increased demand for public education activities. The PGT strives 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 2020-2021, the PGT made 59 public presentations. The number of presentations was reduced due to the COVID-19 pandemic and the resulting inability to provide in-person sessions. Further, many organizations who normally participate in PGT information sessions were focused on responding or reacting to the pandemic. Given the pandemic is ongoing, the target for this measure will be temporarily reduced for next year to reflect the reduced demand for presentations and the ongoing inability to provide in-person sessions.

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 for this goal, 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 and/or community initiatives as documented in this report (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 under the previous goals also relate to this goal. In addition, the PGT is approaching this goal by responding to a large number of strategic and operational factors. Implementing 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 44-45) and independently audited public reporting on performance and operations (see pages 74-110).



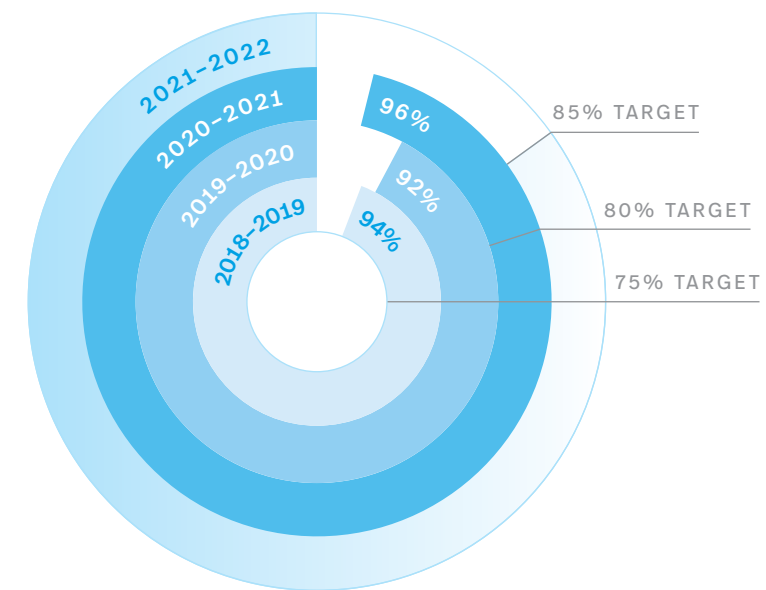
GOAL 5

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 2020-2021, of the 274 staff included in the measure, 262 (96%) received 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 three 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.
- 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 and 73 for the Allocation of Recoveries and Expenses by Program – Budget and Actual (unaudited) for the year ended March 31, 2021.

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 two 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

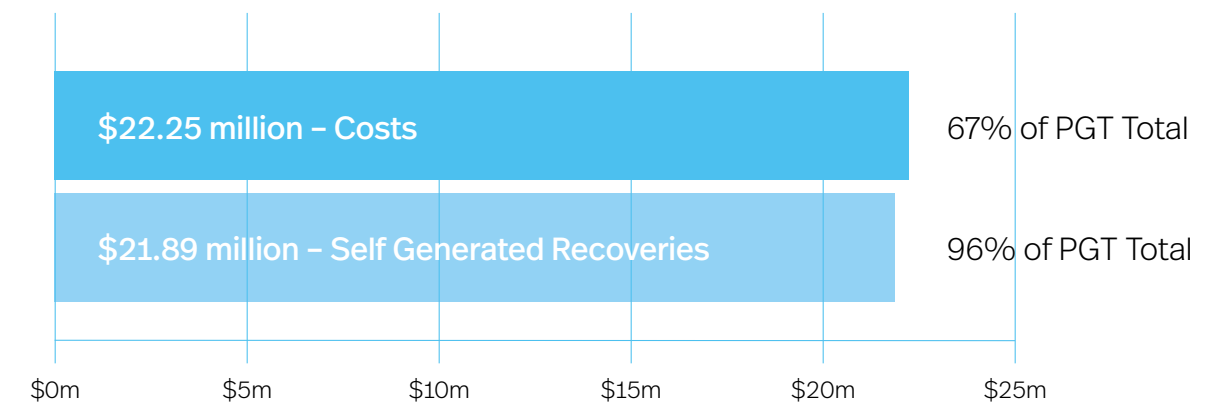
The challenge of segmenting expenditures is greatest at the broad goal level. It is a lesser challenge in the case of specific performance measures within each goal as these are more likely to apply to a single area of expenditure. However, the PGT considers that elaboration of budget particulars at 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



Goals 1, 3, 4 and 5 most directly affected

Trust and Estate Services

Trust and estate services are the primary PGT responsibility and in 2020–2021 accounted for \$22.25 million or 67% of total costs and produced \$21.89 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 trust services	\$ 2.05 million	\$ 2.15 million
Adult trust services	\$ 14.00 million	\$ 11.96 million
Estate and personal trust services	\$ 6.20 million	\$ 7.78 million
Total	\$ 22.25 million	\$ 21.89 million

Context

The PGT Estate and Personal Trust Services division achieved cost recovery. The rate of recovery was 125% in 2020–2021 (110% in 2019–2020). 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, 2021, the average cost per client for salaries and benefits within the PGT investment services section was \$16.22 (\$14.31 at March 31, 2020).

*All PGT expenditures are allocated into one of two 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 \$11.08 million or 33% of total costs in 2020–2021 and produced \$0.85 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	\$ 2.75 million	-
Infant settlement and other legal reviews	\$ 1.22 million	\$ 0.28 million
Grant application reviews	\$ 0.64 million	\$ 0.17 million
Litigation guardian	\$ 0.10 million	-
Services to Adults		
Assessment and investigation services	\$ 2.55 million	\$ 0.05 million
Personal decision services	\$ 1.43 million	-
Committee of person	\$ 0.22 million	-
Private committee services	\$ 1.97 million	\$ 0.35 million
Other adult legal services	\$ 0.20 million	-
Total	\$ 11.08 million	\$ 0.85 million

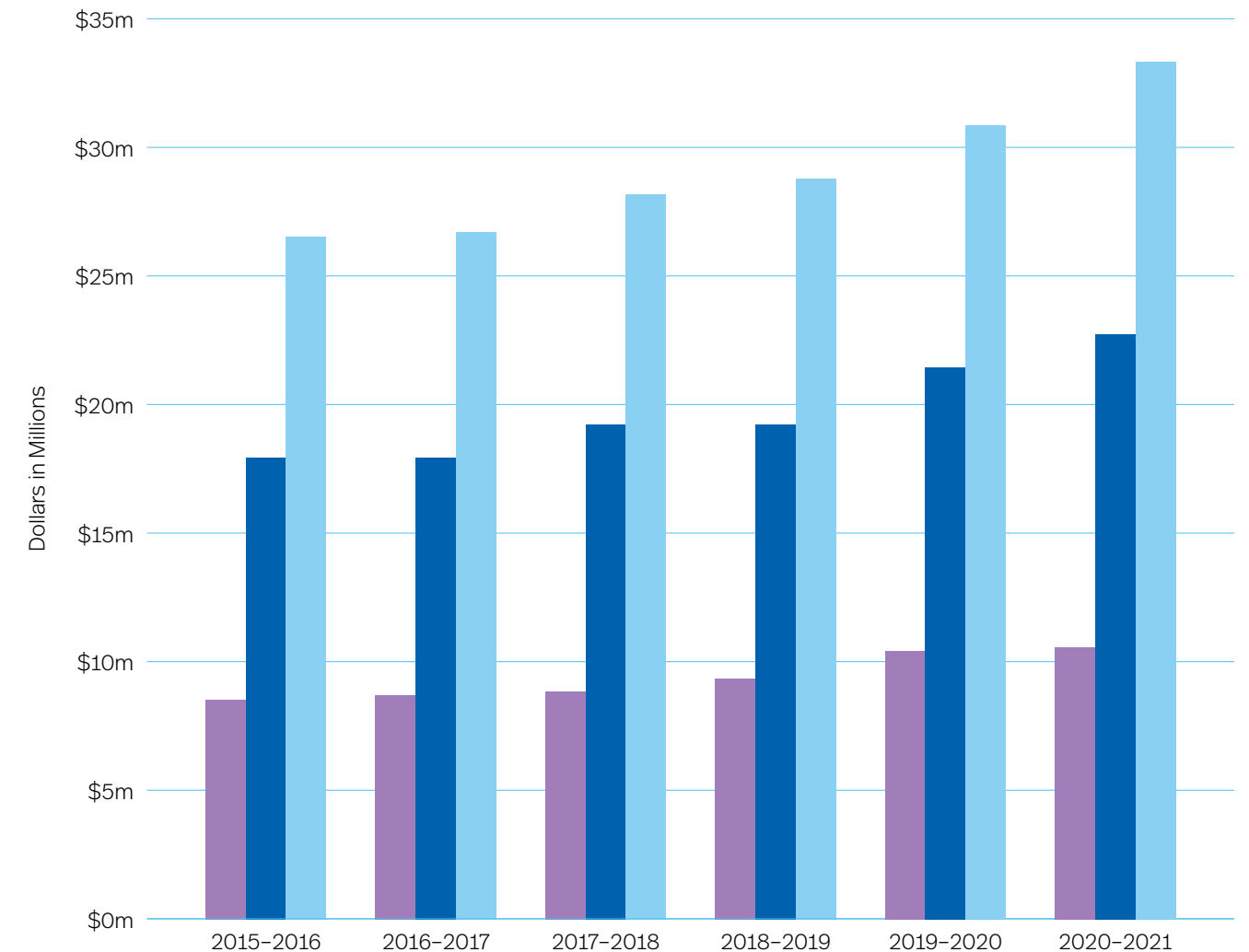
Context

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 2020–2021, average unit cost was \$994 (\$1,815 in 2019–2020).

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 2020–2021, cost per review was \$946 (\$937 in 2019–2020) 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 2015–2016 to 2020–2021



Voted Funding	\$8.58m	\$8.76m	\$8.91m	\$9.37m	\$10.46m	\$10.59m
Self Generated Recoveries	\$17.99m	\$17.98m	\$19.28m	\$19.29m	\$21.49m	\$22.75m
Expenses	\$26.55m	\$26.74m	\$28.20m	\$28.83m	\$30.85m	\$33.33m

Recoveries and Program Costs 2020–2021

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 August 14, 2020. 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, 2021 (expressed in thousands of dollars)	Budget	Actual	Variance*	% Variance*	Note
External recoveries from fees					
Commissions	\$ 12,079	\$ 13,381	\$ 1,302	11%	1
Asset management fees	6,920	7,585	665	10%	2
Fees for investigations, monitoring and legal services	962	853	(109)	(11%)	
Estate liaison administration fees	514	563	49	10%	
Minimum administration fees	354	280	(74)	(21%)	
Heir tracing fees	78	85	7	9%	
Total external recoveries from fees	20,907	22,747	1,840	9%	
Voted funding from the Province of British Columbia	10,355	10,595	240	2%	3
Total	\$ 31,262	\$ 33,342	\$ 2,080	7%	

*Brackets in the above table indicate actual results are less than budget

Explanatory Notes on Recovery Variances

1. Capital commissions were higher than budgeted due to higher than expected investment market returns.
2. Asset management fees were higher than budgeted due to a higher than expected increase in the value of client assets.
3. The balance of funding was received for costs associated with the *Health Care (Consent) and Care Facilities (Admission) Act*.

TABLE 5

Expense Variances (Unaudited)

Year Ended March 31, 2021 (expressed in thousands of dollars)	Budget	Actual	\$ Variance*	% Variance*	Note
Expenses					
Salaries and benefits	\$ 25,370	\$ 26,565	\$ 1,195	5%	
Computer systems and support	2,075	2,972	897	43%	1
Amortization	1,418	1,370	(48)	(3%)	
Other operating and administrative costs	1,280	1,087	(193)	(15%)	2
Client expenditures	573	633	60	10%	
Professional services	271	380	109	40%	3
Building occupancy	110	173	63	57%	
Legal services	165	152	(13)	(8%)	
Total expenses	\$ 31,262	\$ 33,332	\$ 2,070	7%	

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

Explanatory Notes on Expense Variances

1. Additional computer hardware, software and network enhancements were required to support staff working remotely during the pandemic.
2. Travel restrictions during the pandemic resulted in lower than budgeted travel expenses and bad debts expense on amounts receivable from clients was lower than budgeted.
3. Professional services were incurred for the translation of publications that are not included in the budget.

TABLE 6

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

Year Ended March 31, 2021 (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	6,502	4,643	934	12,079	-	-	-	12,079
Asset management fees	4,015	1,608	1,297	6,920	-	-	-	6,920
Estate liaison administration fees	514	-	-	514	-	-	-	514
Minimum administration fees	354	-	-	354	-	-	-	354
Heir tracing fees	-	78	-	78	-	-	-	78
Fees for investigations, monitoring and legal services	-	-	-	-	462	500	962	962
Total external recoveries from fees	11,385	6,329	2,231	19,945	462	500	962	20,907
Operating expenses								
Salaries and benefits	10,041	4,797	1,570	16,408	4,904	4,058	8,962	25,370
Computer systems and support	879	376	133	1,388	412	275	687	2,075
Amortization	601	257	91	949	281	188	469	1,418
Other operating and administrative costs	535	202	91	828	239	213	452	1,280
Client expenditures	403	126	2	531	40	2	42	573
Professional services	89	53	34	176	52	43	95	271
Building occupancy	43	21	7	71	22	17	39	110
Legal services	159	-	-	159	1	5	6	165
Total operating expenses	12,750	5,832	1,928	20,510	5,951	4,801	10,752	31,262
Net external recovery (expense)*	(1,365)	497	303	(565)	(5,489)	(4,301)	(9,790)	(10,355)
Other revenue								
Voted funding from the Province of British Columbia	-	-	-	-	-	-	-	10,355
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, 2021 (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	6,825	5,644	912	13,381	-	-	-	13,381
Asset management fees	4,291	2,055	1,239	7,585	-	-	-	7,585
Estate liaison administration fees	563	-	-	563	-	-	-	563
Minimum administration fees	280	-	-	280	-	-	-	280
Heir tracing fees	-	85	-	85	-	-	-	85
Fees for investigations, monitoring and legal services	-	-	-	-	401	452	853	853
Total external recoveries from fees	11,959	7,784	2,151	21,894	401	452	853	22,747
Operating expenses								
Salaries and benefits	10,906	4,950	1,623	17,479	5,175	3,911	9,086	26,565
Computer systems and support	1,258	537	189	1,984	594	394	988	2,972
Amortization	580	248	88	916	272	182	454	1,370
Other operating and administrative costs	442	201	112	755	196	136	332	1,087
Client expenditures	463	165	(8)	620	13	-	13	633
Professional services	137	70	39	246	76	58	134	380
Building occupancy	68	33	10	111	34	28	62	173
Legal services	147	-	-	147	1	4	5	152
Total operating expenses	14,001	6,204	2,053	22,258	6,361	4,713	11,074	33,332
Net external recovery (expense)*	(2,042)	1,580	98	(364)	(5,960)	(4,261)	(10,221)	(10,585)
Other revenue								
Voted funding from the Province of British Columbia	-	-	-	-	-	-	-	10,595
Balance								10

*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 2020–2021

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, 2021



KPMG LLP
 PO Box 10426 777 Dunsmuir Street
 Vancouver BC V7Y 1K3
 Canada
 Telephone (604) 691-3000
 Fax (604) 691-3031



700-808 West Hastings Street
 Vancouver, British Columbia
 Canada V6C 3L3

PHONE 604 660 4444
 FAX 604 660 0374
 EMAIL mail@trustee.bc.ca
 WEBSITE www.trustee.bc.ca

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.

KPMG LLP 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

June 29, 2021

INDEPENDENT AUDITORS' REPORT

To the Public Guardian and Trustee of British Columbia

Opinion

We have audited the financial statements of the Operating Account of the Public Guardian and Trustee of British Columbia (the "PGT"), which comprise:

- the statement of financial position as at March 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of net changes in financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the PGT as at March 31, 2021 and the results of its operations and cash flow for the year ended in accordance with Canadian Public Sector Accounting Standards.

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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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'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 or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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'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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the PGT 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.
- 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.



Chartered Professional Accountants

Vancouver, Canada

June 29, 2021

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

Operating Account

Statement of Financial Position
(Expressed in thousands of dollars)

March 31, 2021, with comparative information for 2020

	Notes	2021	2020
Financial assets			
Cash	3(a)	\$ 21,128	\$ 21,416
Due from Trusts and Estates Administered	4	5,019	4,050
Other financial assets		1,200	1,023
		27,347	26,489
Liabilities			
Accounts payable and accrued liabilities		1,479	1,187
Deferred revenue		378	377
		1,857	1,564
Net financial assets			
		25,490	24,925
Non-financial assets			
Tangible capital assets	5	2,293	2,848
Accumulated surplus			
	6	\$ 27,783	\$ 27,773
Liability for losses	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, 2021, with comparative information for 2020

	Notes	2021 Budget (Note 8)	2021	2020
External recoveries from fees		\$ 20,907	\$ 22,747	\$ 21,492
Funding from the Province of British Columbia	3(b)	10,355	10,595	10,461
		31,262	33,342	31,953
Expenses:				
Salaries and benefits	3(c)	25,370	26,565	23,330
Computer systems and support		2,075	2,972	3,000
Amortization		1,418	1,370	1,195
Other operating and administrative costs		1,280	1,087	1,747
Client expenditures		573	633	603
Professional services		271	380	487
Building occupancy	3(d)	110	173	198
Legal services		165	152	288
		31,262	33,332	30,848
Annual surplus		-	10	1,105
Accumulated surplus, beginning of year		27,773	27,773	26,668
Accumulated surplus, end of year		\$ 27,773	\$ 27,783	\$ 27,773

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, 2021, with comparative information for 2020

	Notes	2021 Budget	2021	2020
		(Note 8)		
Annual surplus		\$ -	\$ 10	\$ 1,105
Acquisition of tangible capital assets	3(e)	(363)	(815)	(386)
Amortization of tangible capital assets		1,418	1,370	1,195
Increase in net financial assets		1,055	565	1,914
Net financial assets, beginning of the year		24,925	24,925	23,011
Net financial assets, end of the year		\$ 25,980	\$ 25,490	\$ 24,925

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, 2021, with comparative information for 2020

	Notes	2021	2020
Cash provided by (used in):			
Operating activities:			
Annual surplus		\$ 10	\$ 1,105
Non-cash item:			
Amortization of tangible capital assets		1,370	1,195
Change in due from Trusts and Estates Administered		(969)	(551)
Change in other financial assets		(177)	(281)
Change in accounts payable and accrued liabilities		292	(905)
Change in deferred revenue		1	47
		527	610
Capital activities:			
Acquisition of tangible capital assets	3(e)	(815)	(386)
Increase (decrease) in cash		(288)	224
Cash, beginning of year		21,416	21,192
Cash, end of year		\$ 21,128	\$ 21,416
Cash consists of:			
Cash held by the Province of British Columbia		\$ 18,787	\$ 19,739
Cash held directly		2,341	1,677
		\$ 21,128	\$ 21,416

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, 2021, with comparative information for 2020

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, 2021 for client trust accounts, which include \$1.17 billion (2020 - \$1.07 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 June 29, 2021.

(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 not 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, 2021, with comparative information for 2020

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. 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, 2021, with comparative information for 2020

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 \$10.595 million (2020 - \$10.461 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.
- (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:

	2021	2020
Building costs incurred by CITZ for facilities occupied by the PGT	\$ 2,455	\$ 2,774
Portion not charged to the PGT	(2,382)	(2,698)
Building costs paid by the PGT to CITZ	73	76
Building costs paid by the PGT to unrelated parties	100	122
Building occupancy expense, as reported on the Statement of Operations and Accumulated Surplus	\$ 173	\$ 198

- (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 \$0.698 million (2020 - nil) 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, 2021, with comparative information for 2020

4. Due from Trusts and Estates Administered:

	2021	2020
Gross amount due from Trusts and Estates Administered	\$ 7,387	\$ 5,587
Allowance for doubtful accounts	(2,368)	(1,537)
Net amount due from Trusts and Estates Administered	\$ 5,019	\$ 4,050



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, 2021



700-808 West Hastings Street
Vancouver, British Columbia
Canada V6C 3L3

PHONE 604 660 4444
FAX 604 660 0374
EMAIL mail@trustee.bc.ca
WEBSITE www.trustee.bc.ca

KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

MANAGEMENT'S STATEMENT OF RESPONSIBILITIES FOR THE 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.

KPMG LLP 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

June 29, 2021

INDEPENDENT AUDITORS' REPORT

To the Public Guardian and Trustee of British Columbia

Opinion

We have audited the financial statements of the trusts and estates administered by the Public Guardian and Trustee of British Columbia (the "PGT"), which comprise:

- the statement of net assets of trusts and estates administered as at March 31, 2021
- the statements of income and expenses of trusts and estates administered for the year then ended
- the statement of changes in net assets of trusts and estates administered for the year then ended
- the statement of cash flows of trusts and estates administered for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets of the trusts and estates administered by the PGT as at March 31, 2021 and its income and expenses, its changes in net assets and its cash flow for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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 International Financial Reporting Standards (IFRS), 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'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 or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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'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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the PGT 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.
- 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.



Chartered Professional Accountants

Vancouver, Canada

June 29, 2021

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

March 31, 2021, with comparative information for 2020

	Notes	2021	2020
Assets			
Cash		\$ 15,584	\$ 34,135
Premium Money Market Fund	5	536,715	461,192
Balanced Income Fund	6	38,441	39,670
Balanced Growth Fund	7	125,823	123,510
Other investments and securities	8	245,141	202,455
Other financial assets	9	20,764	17,160
Real property	10	234,105	226,082
Other assets		5,989	5,659
		<u>1,222,562</u>	<u>1,109,863</u>
Liabilities			
Accounts payable and accrued liabilities		14,864	5,764
Payable to the Public Guardian and Trustee Operating Account	11	7,287	5,481
Mortgages and loans payable		26,971	30,956
		<u>49,122</u>	<u>42,201</u>
Net Assets of Trusts and Estates Administered		\$ 1,173,440	\$ 1,067,662

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

Dana Kingsbury
Public Guardian and Trustee

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

	Notes	2021	2020
Income:			
Pensions, benefits and settlements		\$ 95,181	\$ 123,435
Interest and dividends		23,895	16,618
		<u>119,076</u>	<u>140,053</u>
Expenses:			
Client care and maintenance	12(a)	58,310	68,089
Public Guardian and Trustee fees	12(b)	24,299	21,966
Professional services	12(c)	7,891	8,379
Estate settlement	12(d)	3,615	3,979
Income taxes paid from Trusts and Estates Administered		7,551	4,113
		<u>101,666</u>	<u>106,526</u>
Net income before realized and unrealized gains and losses		17,410	33,527
Realized and unrealized gains/losses:			
Net realized gains on assets sold or released		123	34,136
Change in unrealized gains/losses		52,102	(70,258)
		<u>52,225</u>	<u>(36,122)</u>
Net income (loss), representing total comprehensive income (loss)		<u>\$ 69,635</u>	<u>\$ (2,595)</u>

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

	Notes	Total
Balance at March 31, 2019		\$ 1,037,017
Net loss representing comprehensive loss for the year		(2,595)
Other changes in net assets of Trusts and Estates Administered:		
Assets acquired		180,940
Assets released to clients, beneficiaries and heirs		(45,531)
Cash distributions to clients, beneficiaries and heirs		(99,356)
Unclaimed assets transferred to the British Columbia Unclaimed Property Society	13	(3,119)
Movement in other assets less liabilities		306
Total changes in net assets of Trusts and Estates Administered		30,645
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

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Income:		
Pensions, benefits and settlements	\$ 95,181	\$ 123,435
Interest and dividends	26	481
Expenses:		
Client care and maintenance	(58,310)	(70,915)
Fees paid to the Public Guardian and Trustee Operating Account	(20,752)	(19,468)
Professional services	(6,391)	(8,316)
Estate Settlement Expenses	(3,174)	(4,100)
Income taxes paid from Trusts and Estates Administered	(7,893)	(2,301)
	(1,313)	18,816
Investing activities:		
Contributions to Premium Money Market Fund	(82,000)	(25,000)
Withdrawals from Premium Money Market Fund	11,000	59,000
Contributions to Balanced Income Fund	(4,410)	(5,563)
Withdrawals from Balanced Income Fund	10,987	7,300
Contributions to Balanced Growth Fund	(10,393)	(16,322)
Withdrawals from Balanced Growth Fund	33,279	30,918
Contributions to other investments and securities	(32,817)	(27,913)
Withdrawals from other investments and securities	53,865	40,576
Purchases of other assets	(388)	(119)
Net proceeds from sale of assets	52,185	54,703
	31,308	117,580
Financing activities:		
Proceeds from collection of assets	27,585	23,492
Distributions to clients, beneficiaries and heirs	(75,429)	(99,356)
Transfers of unclaimed assets	(702)	(3,119)
	(48,546)	(78,983)
Increase (decrease) in cash	(18,551)	57,413
Cash (overdraft), beginning of year	34,135	(23,278)
Cash, end of year	\$ 15,584	\$ 34,135

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

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

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 net assets held in trust and activity for the trusts and estates under administration by the PGT. 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.

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 June 29, 2021.

(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.

(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 reporting amounts of assets, liabilities, income and expenses. The significant areas requiring use of management estimates are the estimation of the fair value of the BIF, BGF, and real property. Judgement is required in determining the measurement of real property. Actual values may differ from these judgments, estimates and assumptions.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

2. Basis of preparation (continued):

(d) Use of estimates and judgments (continued):

Estimates and underlying assumptions are reviewed on an annual basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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.

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.

The PMMF, BIF, BGF and other investments and securities are carried at fair value as determined from valuation data provided by investment service providers.

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

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.

All financial liabilities are carried at amortized cost.

(b) Cash:

Cash is held in pooled trust bank accounts and used for day-to-day receipts and disbursements for all clients. Cash held in individual external client bank accounts, included in other financial assets (note 9), is not classified as cash.

(c) Measurement of real property:

IFRS requires that, in the absence of an IFRS that can be specifically applied to a situation, management should use judgment in developing and applying an accounting policy to provide relevant, reliable and prudent information. In these instances, it is suggested that IFRS requirements in dealing with similar issues are applied, as well as measurement concepts included within the IFRS Framework.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

3. Summary of significant accounting policies (continued):

(c) Measurement of real property (continued):

Real property included within the statement of net assets primarily represents the value of residential properties, currently occupied by the clients of the PGT. This property does not meet the definition of property, plant and equipment, nor investment property, although the acceptable measurement bases for such assets include both cost and fair value.

Accordingly, real property is carried at fair value in the statement of net assets as determined by professional appraisals or, where an appraisal is not available or is not current, as determined from the most recent British Columbia Assessment Authority property assessment or other relevant valuation data.

(d) Revenue recognition:

Income from pensions, benefits and settlements, as well as interest and dividends is recognized on an accrual basis.

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). Such gains and losses become realized on 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.

4. Financial risk 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.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

4. Financial risk 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. 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 the asset mix for the Balanced Income Fund was modified on October 1, 2020. Client investment portfolios are allocated amongst the three common funds as follows:

Asset Mix	Investment portfolio allocation	Subsequent to September 30, 2020		Prior to October 1, 2020	
		Fixed Income	Equity	Fixed Income	Equity
Model A	Balanced Growth Fund	45%	55%	45%	55%
Model B	Balanced Income Fund	60%	40%	62%	38%
Model C	Blend of Balanced Income Fund and Premium Money Market Fund	80%	20%	81%	19%
Model D	Premium Money Market Fund	100%	nil	100%	nil

Assets in "other investments and securities" represent individual client accounts. Although these individual accounts may have a slightly different target asset mix, they have a similar risk profile to 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.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

4. Financial risk management (continued):

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, 2021 and March 31, 2020 to be insignificant.

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.

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

The investment policy target asset mix for the PMMF is 35% (2020 - 50%) 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% (2020 - 50%) 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.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

5. Premium Money Market Fund (continued):

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:

	2021		2020	
	Amount	%	Amount	%
Segregated bonds:				
AAA	\$ 69,794	13	\$ 43,189	9
AA	139,637	26	97,786	21
A	139,045	26	76,710	17
	348,476	65	217,685	47
Money market:				
A-1 (low) or better	188,239	35	243,507	53
	\$ 536,715	100	\$ 461,192	100

Interest rate risk:

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

	2021	2020
Debt instruments:		
Less than one year	\$ 198,358	\$ 298,779
One to three years	227,672	145,744
Three years to five years	110,685	16,669
	\$ 536,715	\$ 461,192

As at March 31, 2021, 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 \$8.3 million (2020 - \$4.7 million).

Currency risk:

As at March 31, 2021 and 2020, the PMMF is not exposed to currency risk as all PMMF securities are denominated in Canadian dollars.

Other price risk:

As at March 31, 2021 and 2020, the PMMF is not exposed to other price risk as all PMMF securities are fixed income instruments.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

6. 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, 2021 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 (2020 - 62% fixed income; 38% equity).

Credit risk:

The BIF's maximum exposure to credit risk as at March 31, 2021 is \$23.0 million (2020 - \$25.2 million), representing the amount of debt instruments within the BIF at March 31, 2021. 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, 2021, 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 \$0.8 million (2020 - \$1.4 million).

Currency risk:

The BIF's maximum exposure to currency risk at March 31, 2021 is \$2.9 million (2020 - \$11.7 million), representing the amount of international equity investments within the BIF at March 31, 2021, of which \$1.4 million (2020 - \$7.4 million), is exposed to US dollars and \$1.4 million (2020 - \$4.3 million) is exposed to other international currencies.

As at March 31, 2021, 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 \$0.1 million (2020 - \$0.2 million).

Other price risk:

The BIF's maximum exposure to other price risk as at March 31, 2021 is \$15.4 million (2020 - \$14.5 million), representing the amount of equity instruments within the BIF at March 31, 2021. 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, 2021, with all other variables held constant, would be an increase or decrease to the fair value of the BIF, and accordingly net assets, of \$1.5 million (2020 - \$1.4 million).

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

7. 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, 2021 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 (2020 - 45% fixed income; 55% equity).

Credit risk:

The BGF's maximum exposure to credit risk as at March 31, 2021 is \$57.0 million (2020 - \$59.4 million), representing the amount of debt instruments within the BGF at March 31, 2021. 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, 2021, 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 \$2.0 million (2020 - \$3.7 million).

Currency risk:

The BGF's maximum exposure to currency risk at March 31, 2021 is \$15.2 million (2020 - \$48.4 million), representing the amount of international equity investments within the BGF at March 31, 2021, of which \$6.7 million (2020 - \$29.2 million) is exposed to US dollars and \$8.4 million (2020 - \$19.3 million) is exposed to other international currencies.

As at March 31, 2021, 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 \$0.3 million (2020 - \$1.1 million).

Other price risk:

The BGF's maximum exposure to other price risk as at March 31, 2021 is \$68.8 million (2020 - \$64.1 million), representing the amount of equity instruments within the BGF at March 31, 2021. 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, 2021, with all other variables held constant, would be an increase or decrease to the fair value of the BGF, and accordingly net assets, of \$7.0 million (2020 - \$7.0 million).

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

8. Other investments and securities:

Other investments and securities are comprised of the following:

	2021	2020
Investment portfolios	\$ 113,362	\$ 92,162
Registered plans	92,550	75,880
Other	39,229	34,413
	<u>\$ 245,141</u>	<u>\$ 202,455</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 based on individual asset mix and holdings. In management's opinion, aggregation and presentation of these individual risk exposures and fair value hierarchy measurements (note 14) would not provide additional meaningful information.

9. Other financial assets:

Other financial assets are comprised of the following:

	2021	2020
Cash in external client bank accounts	\$ 11,742	\$ 10,216
Amounts receivable	9,022	6,944
	<u>\$ 20,764</u>	<u>\$ 17,160</u>

External client bank accounts are bank accounts in the name of individual clients that were held 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 Statement of Cash Flows.

10. Real property:

Real property includes land, buildings and manufactured homes. As at March 31, 2021, approximately 98.56% (2020 - 99.12%) of the fair value of real properties represents properties located in British Columbia.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

11. 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 12(b)) and short-term loans as follows:

	2021	2020
Total fees and cost recoveries charged but not paid	\$ 5,660	\$ 4,203
Short term loans advanced but not repaid	1,727	1,384
Gross amount due to the PGT Operating Account	7,387	5,587
Portion of fees payable from within the Balanced Income Fund and Balanced Growth Fund	(100)	(106)
Balance payable to the PGT Operating Account as presented on the Statement of Net Assets	<u>\$ 7,287</u>	<u>\$ 5,481</u>

12. 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.

PUBLIC GUARDIAN AND TRUSTEE OF BRITISH COLUMBIA

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

Year ended March 31, 2021, with comparative information for 2020

13. 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.

14. 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, 2021 and 2020, the PMMF investments were fair valued using Level 1 inputs, based on the daily closing net asset value of the underlying fund.

As at March 31, 2021 and 2020, 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, 2021 and 2020, Real Property was fair valued using Level 2 inputs, based on the most recent appraisal carried out by a qualified independent appraiser contracted by the PGT.

Fair value information has not been provided for other investments and securities as management believes it would not provide additional meaningful information. 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 as while price quotations are available, the instruments are not traded in an active market. For each of the years ended March 31, 2021, and 2020, there were no significant transfers between the levels in the hierarchy.

Colleen Koch



On March 25, 2021, the Public Guardian and Trustee lost a valued employee and friend with the passing of Colleen Koch, Manager, Estate Liaison.

Colleen joined the PGT in 2000 and for more than two decades, in whatever position she held, she worked fervently to advocate for and meet the needs of PGT clients. Colleen's legacy will be long lasting - she participated in and led several key improvement and transformation initiatives including the implementation of our first case management system in 2007. She was known as a champion for the clients she served and a supportive leader to her staff. Colleen will be deeply missed by all who had the privilege of working with her at the PGT.



Public Guardian and Trustee of British Columbia
700 – 808 West Hastings Street
Vancouver, B.C. V6C 3L3

www.trustee.bc.ca