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AUDITOR GENERAL

CHARLOTTETOWN
PRINCE EDWARD ISLAND

PUBLIC TRUSTEE

FINANCIAL STATEMENTS

MARCH 31, 2010

AUDITOR GENERAL

CHARLOTTETOWN
PRINCE EDWARD ISLAND

AUDITOR'S REPORT

Honourable Doug W. Currie
Minister of Justice and Public Safety
Province of Prince Edward Island

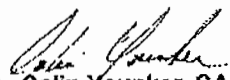
I have audited the balance sheet of the Public Trustee as at March 31, 2010 and the Statement of Revenues and Expenses and the Statement of Continuity of Assets and Liabilities for the year then ended. These financial statements are the responsibility of the Public Trustee. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

These financial statements have not been, and are not intended to be, prepared in accordance with Canadian generally accepted accounting principles. The primary purpose of the Public Trustee is to ensure that all known assets are properly accounted for and administered. In many cases, the historical cost of assets is not known. Therefore, these financial statements have been prepared in accordance with the accounting policies disclosed in Note 2 to the financial statements. The effect of this departure from Canadian generally accepted accounting principles is not measurable.

Except for the impact of the preceding paragraph, in my opinion, these financial statements present fairly, in all material respects, the assets and liabilities under control of the Public Trustee as at March 31, 2010 and the results of the Public Trustee's operations for the year then ended in accordance with the accounting policies disclosed in Note 2 to the financial statements.

Further, I have audited the accounts and financial transactions of the Official Guardian in the course of the above mentioned audit of the Public Trustee in accordance with subsections 33(8) and 33(11) of the *Judicature Act* to determine whether they were in compliance with the Act. I conducted my audit of these accounts and transactions in accordance with Canadian generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. In my opinion, these accounts and transactions did, in all material respects, comply with section 33 of the Act.


Colin Younker, CA
Auditor General

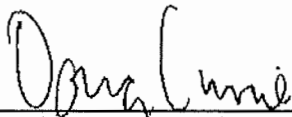
Charlottetown, Prince Edward Island
December 3, 2010

PUBLIC TRUSTEE
BALANCE SHEET
AS AT MARCH 31, 2010

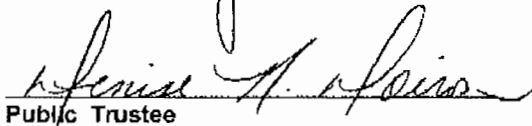
	<u>2010</u>	<u>2009</u>
ASSETS		
Cash	\$2,380,759	\$2,184,689
Investments (Note 2(b))	3,589,737	5,440,464
Real property (Note 2(c))	865,500	803,700
Other assets (Note 2(d))	<u>16,329</u>	<u>-</u>
TOTAL ASSETS	<u>\$6,852,325</u>	<u>\$8,428,853</u>
LIABILITIES		
Due to Province of PEI (Note 2(e))	\$ 103,859	\$ 130,098
Client loans payable (Note 2(f))	329,511	238,070
Client trust accounts (Notes 1 and 2(a))	<u>6,418,955</u>	<u>8,060,685</u>
TOTAL LIABILITIES	<u>\$6,852,325</u>	<u>\$8,428,853</u>

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

APPROVED BY:



Minister of Justice and Public Safety



Public Trustee

PUBLIC TRUSTEE
STATEMENT OF REVENUES AND EXPENSES
YEAR ENDED MARCH 31, 2010

	<u>2010</u>	<u>2009</u>
REVENUES		
Administrative fees	\$101,081	\$ 97,943
Interest	<u>607</u>	<u>30,194</u>
	<u>101,688</u>	<u>128,137</u>
EXPENSES		
Bank charges	2,882	2,937
Remittance to Province of Prince Edward Island - (Note 2(e))	<u>98,806</u>	<u>125,200</u>
	<u>101,688</u>	<u>128,137</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ -</u>	<u>\$ -</u>

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

PUBLIC TRUSTEE
STATEMENT OF CONTINUITY OF ASSETS AND LIABILITIES
YEAR ENDED MARCH 31, 2010

	ASSETS					LIABILITIES			
	Cash	Investments	Real Property	Other Assets	Total	Due to Province of PEI	Client Loans Payable	Client Trust Accounts	Total
Balance, beginning of year	<u>\$2,184,689</u>	<u>\$5,440,464</u>	<u>\$803,700</u>	<u>\$ -</u>	<u>\$8,428,853</u>	<u>\$130,098</u>	<u>\$238,070</u>	<u>\$8,060,685</u>	<u>\$8,428,853</u>
Add:									
Receipts/acquisitions	3,860,700	249,990	235,850	16,329	4,362,869	-	101,414	4,261,455	4,362,869
GST on administration fees	-	-	-	-	-	5,054	-	(5,054)	-
Administration fees	-	-	-	-	-	101,081	-	(101,081)	-
Property tax trusts (Note 3)	-	-	-	-	-	779,178	-	(779,178)	-
Interest and other investment income	3,211	47,761	-	-	50,972	607	-	50,365	50,972
	<u>3,863,911</u>	<u>297,751</u>	<u>235,850</u>	<u>16,329</u>	<u>4,413,841</u>	<u>885,920</u>	<u>101,414</u>	<u>3,426,507</u>	<u>4,413,841</u>
Less:									
Payments on accounts	-	-	-	-	-	-	9,973	(9,973)	-
Disbursements/disposals	3,664,959	2,148,478	174,050	-	5,987,487	909,277	-	5,078,210	5,987,487
Bank charges	2,882	-	-	-	2,882	2,882	-	-	2,882
	<u>3,667,841</u>	<u>2,148,478</u>	<u>174,050</u>	<u>-</u>	<u>5,990,369</u>	<u>912,159</u>	<u>9,973</u>	<u>5,068,237</u>	<u>5,990,369</u>
Balance, end of year	<u>\$2,380,759</u>	<u>\$3,589,737</u>	<u>\$865,500</u>	<u>\$16,329</u>	<u>\$6,852,325</u>	<u>\$103,859</u>	<u>\$329,511</u>	<u>\$6,418,955</u>	<u>\$6,852,325</u>

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

PUBLIC TRUSTEE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

1. Description of Business

The Public Trustee administers assets received in the following situations:

- (a) individuals who are declared incompetent, pursuant to the *Public Trustee Act*;
- (b) estates of deceased individuals who died intestate, or where no one else is responsible or qualified to administer the estate, pursuant to the *Provincial Administrator of Estates Act*;
- (c) compensation awards under the *Victims of Crime Act* to minor persons or to individuals requiring assistance in managing their affairs, at the discretion of the Attorney General;
- (d) court ordered settlements involving minor persons, on whose behalf monies are transferred from the Official Guardian; and
- (e) individuals who have given voluntary power of attorney to the Public Trustee, pursuant to the *Power of Attorneys Act*.

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

As at March 31, 2010, there were 478 client accounts on the records of the Public Trustee with balances ranging from nil to \$631,853. As at March 31, 2009, there were 458 such accounts with balances ranging from nil to \$1,124,885.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with the significant accounting policies set out below. These financial statements differ from Canadian generally accepted accounting principles because the historical costs of assets held by the Public Trustee are not known.

- (a) Clients' assets are recorded and documented when they are received or discovered. The accounts record all known assets, including those owned by clients whose affairs are administered pursuant to a power of attorney, and in respect of which the Public Trustee does not have exclusive control. The value of unknown assets is not determinable and therefore no amounts have been recognized in these financial statements.
- (b) Investments consist of shares, bonds and other interest bearing assets. These investments are recorded at face value plus accrued interest, except for those included in client investment portfolio accounts, which are recorded at market value.

PUBLIC TRUSTEE**NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2010****2. Summary of Significant Accounting Policies (continued....)**

- (c) Real property which is transferred to the Public Trustee's control is recorded at its current tax assessment value. Real estate purchased by the Public Trustee on behalf of clients is recorded at cost. Where there is joint ownership, the value is allocated based on the relevant legislation.
- (d) Other assets which are recorded at fair market value consist of any asset of significant value, other than real property.
- (e) The excess of revenues over expenses is paid to the Province of Prince Edward Island. In addition, GST collected on administrative fees is paid to the Province and remitted to the Federal government.
- (f) Clients' loans payable consist of those mortgage and personal loans in respect of which the Public Trustee is administering repayment on behalf of clients.

3. Property Tax Trusts

The Public Trustee closed 102 trust accounts during the year that related to proceeds from past property tax sales that were transferred to the Public Trustee in error. The net amount of \$779,178 was transferred back to the Province during the fiscal year. No property tax trust accounts remain on the records of the Public Trustee as at March 31, 2010.

4. Related Party

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