



OFFICE OF THE PUBLIC TRUSTEE

ANNUAL REPORT

FOR THE FISCAL YEAR ENDING MARCH 31st, 2019



**Nova Scotia
Public Trustee
Office**

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In Reply Please Quote Our File Number:

September 23, 2025

The Honourable Becky Druhan
Attorney General and
Minister of Justice
Province of Nova Scotia
1690 Hollis Street, P.O. Box 7
Halifax, Nova Scotia B3J 1A1

Dear Minister Druhan:

In accordance with section 47 of the *Public Trustee Act*, I submit the Annual Report of the Public Trustee of Nova Scotia for the fiscal year ending March 31, 2019.

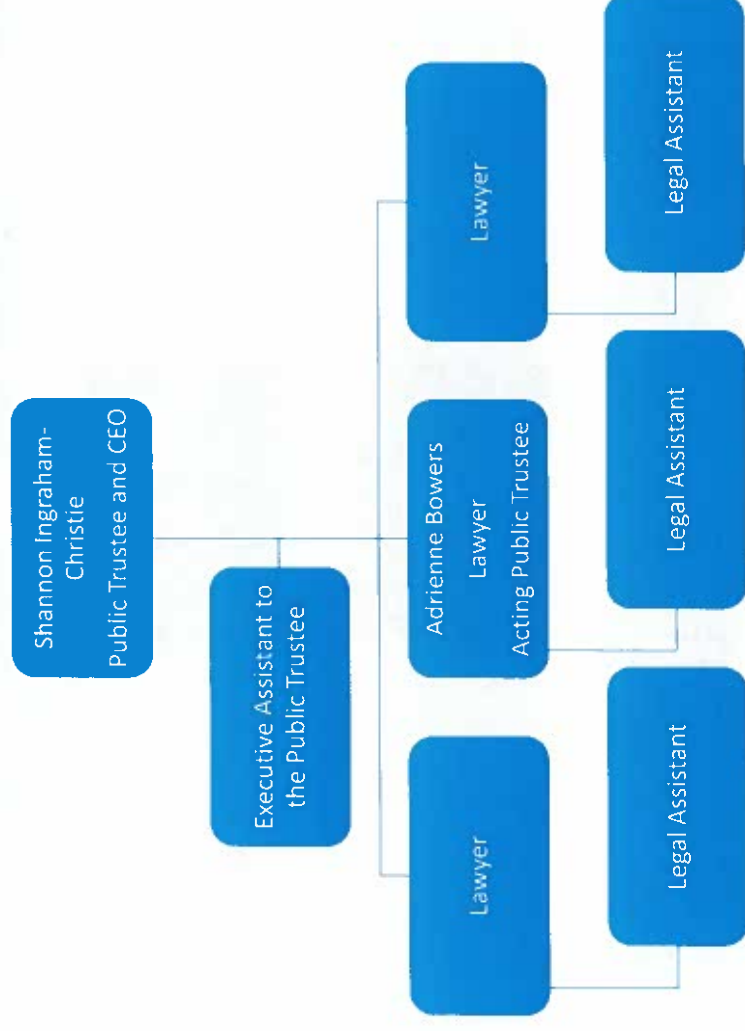
Yours very truly,

A handwritten signature in blue ink that reads "Shannon Ingraham-Christie".

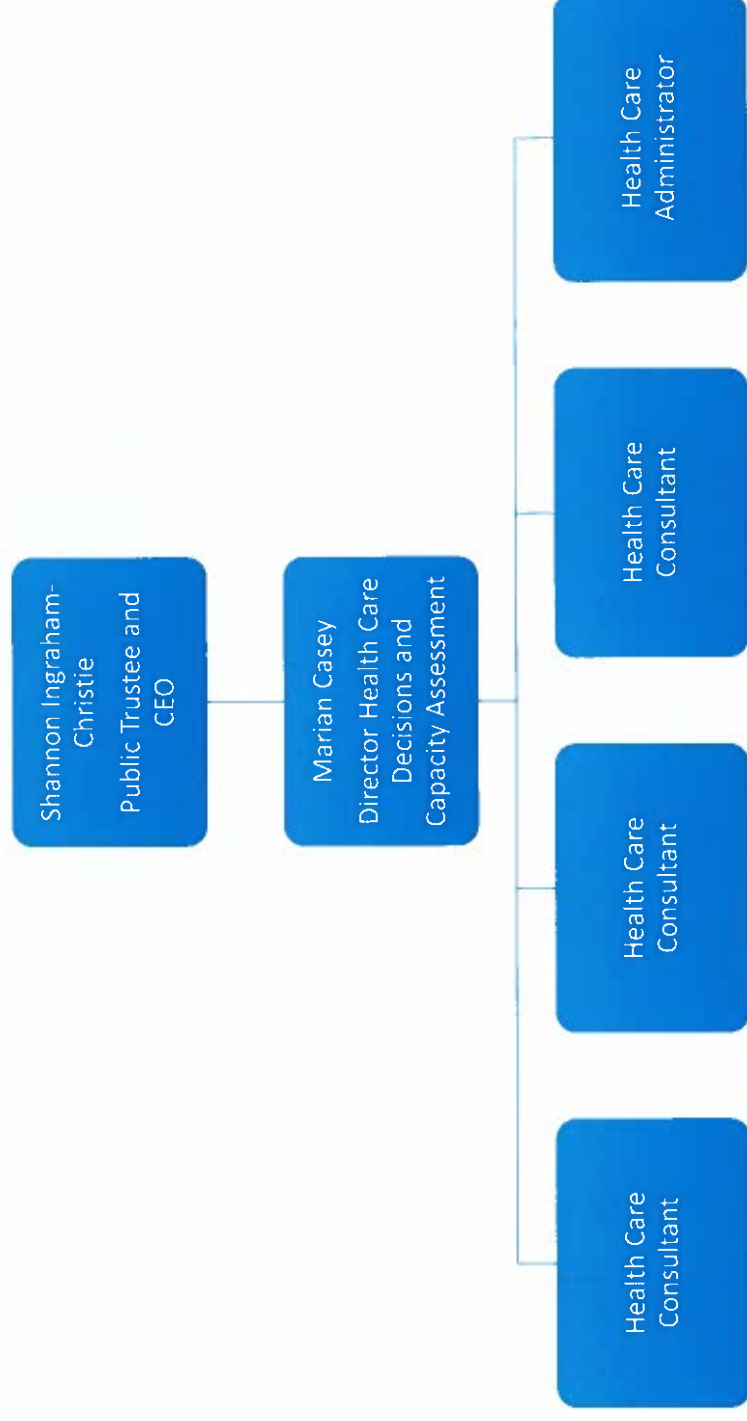
Shannon Ingraham-Christie, BBA LLB
Public Trustee of Nova Scotia, Deputy Head

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Encl.

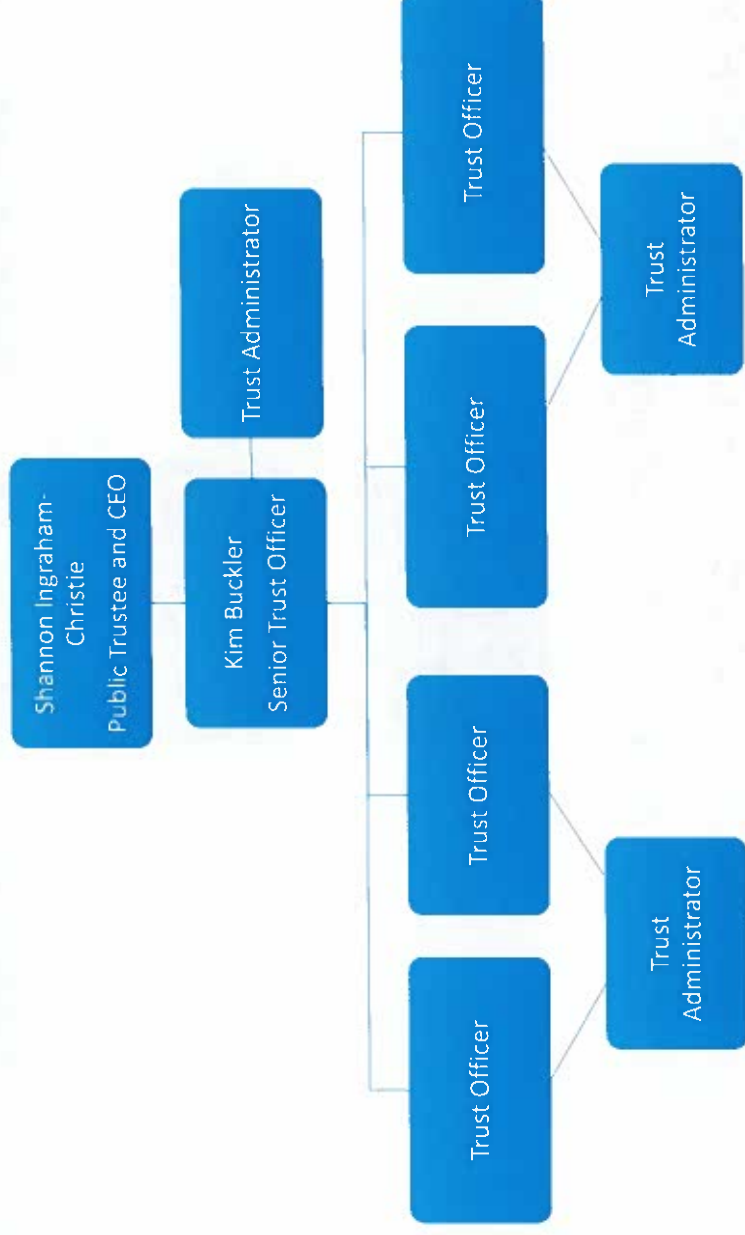
Public Trustee Office - Legal



Public Trustee Office-Health Care Division



Public Trustee Office – Trust Officers



Public Trustee Office – Accounting and Administration

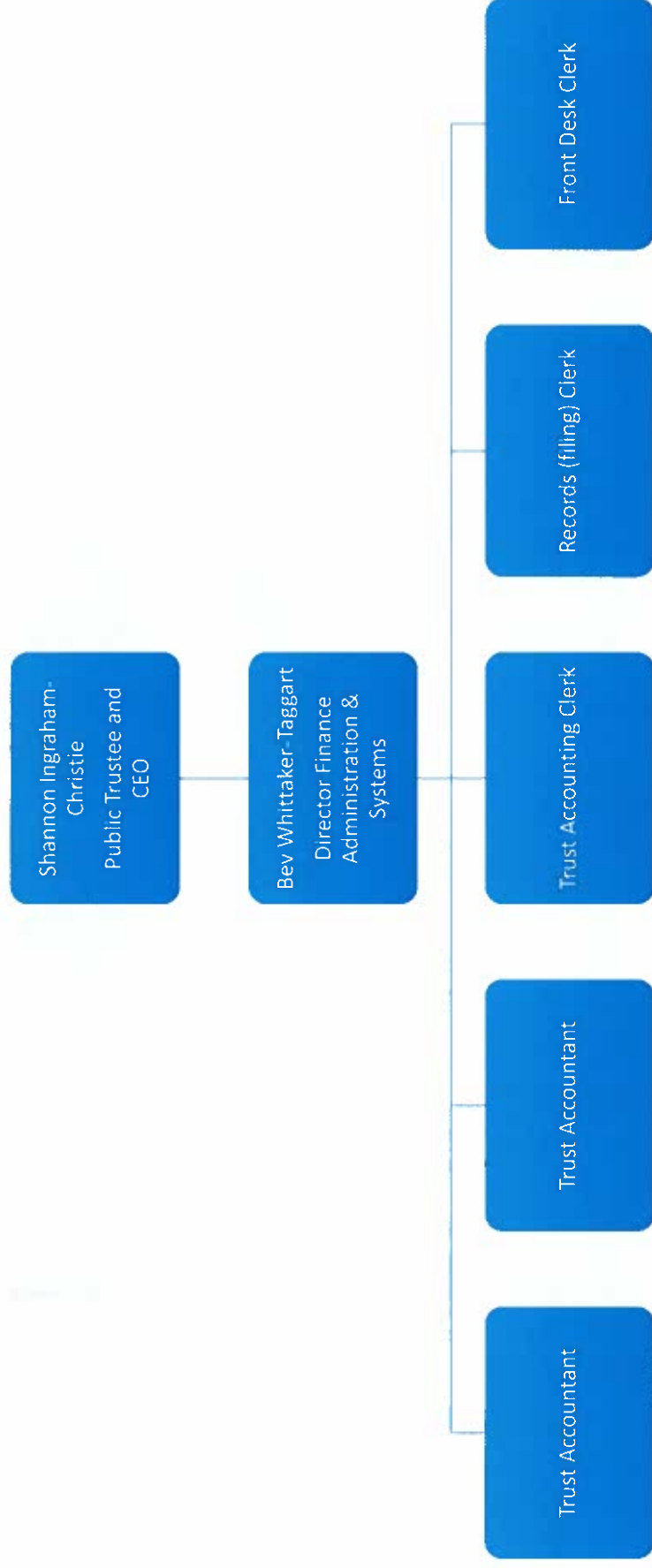


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MESSAGE FROM THE PUBLIC TRUSTEE

The fiscal period April 1, 2018 to March 31, 2019 was another busy year for the Office of the Public Trustee. We continue to provide a variety of services to an increasing number of clients, estates and trusts.

The Office of the Public Trustee was established to protect the interests of the most vulnerable people in Nova Scotia; namely minor children, incompetent adults, missing persons and deceased persons. We do this by providing professional and cost-effective guardian, trustee, custodian, estate and legal representation services in a variety of situations. Additionally, we are the substitute decision maker of last resort for incompetent individuals who need personal care or non-emergency medical care and are not able to consent to it on their own behalf. The Public Trustee becomes involved through orders issued by a court, authority granted under various pieces of legislation and in some cases when appointed under a will, power of attorney or trust document. Generally, we become involved when it is determined there is no one else willing or able to act; often in times of crisis. The fees we collect help fund the services we provide and are lower than or consistent with what is charged by other providers of trustee, guardianship and estate services.

Pursuant to the new *Adult Capacity and Decision-making Act*, proclaimed in December 2017, the Public Trustee established a capacity assessment training program; set up a process for applying for capacity assessment fees to be paid for by the provincial government; established a registry of all representation orders made or continued under the Act; and started investigating complaints made by all interested parties under the legislation.

In May 2018, the Public Trustee Office also went live with a new trust accounting computer system that had been in development for several years.

Public Trustee staff work with clients, their family and friends and a variety of social service, healthcare and private agencies to meet the needs of our clients. Although our staff often work under very stressful conditions, they understand the importance of the services we provide and the direct impact these services have on the well-being of the Nova Scotians we serve.



Shannon Ingraham-Christie, BBA LLB
Public Trustee of Nova Scotia

OVERVIEW

Mission

The Public Trustee is committed to the proper administration of estates of deceased persons, incompetent persons, children and missing persons. It is also committed to providing informed consents for health care, placement in continuing care homes and the provision of home care services using an approach that is client-oriented, respectful of human rights and freedoms and in the client's best interests if prior wishes, values and beliefs are not known. We maintain a registry of representation orders made or continued under the *Adult Capacity and Decision-making Act* and investigate complaints made by interested parties under this legislation.

Organization

The Public Trustee Office is a corporation sole, created pursuant to the *Public Trustee Act*. Although our office is located at Suite 200-5670 Spring Garden Road, Halifax, Nova Scotia the Public Trustee's jurisdiction is province wide. When fully staffed, we have a total of twenty-seven employees.

The Office of the Public Trustee has perpetual succession and an official seal. It may sue and be sued in its corporate name. The person appointed to be Public Trustee has the status of a Deputy Head. They must be a lawyer with a minimum of ten years practicing experience and in good standing with the Nova Scotia Barrister's Society. For administration purposes, the Public Trustee reports to the Attorney General.

The Public Trustee may perform the duties of and be a guardian, representative, custodian of property, trustee, personal representative of deceased estates and for healthcare purposes substitute decision maker of last resort under numerous pieces of legislation, including the following:

- *Public Trustee Act*
- *Trustee Act*
- *Hospitals Act*
- *Personal Directives Act*
- *Patient's Abandoned Property Act*
- *Adult Protection Act*

- *Guardianship Act*
- *Adult Capacity and Decision-making Act*
- *Probate Act*
- *Presumption of Death Act*
- *Survival of Actions Act*
- *Involuntary Psychiatric Treatment Act and*
- *Residential Tenancies Act*

The Public Trustee's services can be broken down as follows:

- Services for Mentally Incompetent or Physically Disabled Adults
- Health Care Decisions
- Deceased Estate Services
- Children's Trust Services
- Legal Representation Services
- Missing Persons Services
- Services pertaining to Undistributed Assets Held in Trust by Third Parties
- Public Enquiries

Statistical Summary of Year

During this fiscal year, we opened 504 new files and we closed 420 files leaving us with a total of 1988 active, open files and 647 enquiry files. I refer you to Schedules "A", "B", "C", "D", and "F" attached hereto. These schedules set out the 17 different categories of files that the Public Trustee manages, the number of files in each category that were opened and closed during the fiscal year and the number of active files at year end.

Since March 31, 2013, our total file numbers have increased by approximately 36%. Our enquiry files have increased by approximately 175%. The net value of assets we hold in trust has

increased by approximately 28%. With our aging population, these numbers are expected to continue to rise.

	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019
No. of client files	1467	1469	1605	1720	1788	1904	1988
No. of enquiry files (opened)	370	442	456	484	468	563	647
Net value of assets held in trust	\$49,160,934	\$52,508,079	\$55,525,891	\$56,830,441	\$59,306,839	\$59,364,325	\$62,728,318

Not factoring in Enquiry files, our largest category of files are Health Care files at 621. Our second largest category of files are Adult Living Estate files at 543. Our third largest category of files are Deceased Estate files at 253.

We continue to observe that the more complex and demanding files are being referred to the Public Trustee. These files are referred to our office by the judiciary, hospital staff, social service agencies, financial institutions and the general public.

SERVICES

Services for Mentally Incompetent or Physically Disabled Adults

The Public Trustee of Nova Scotia provides representation and trustee services for adults who are deemed to lack capacity and do not live independently in the community, under the following pieces of legislation:

- *Hospitals Act*
- *Adult Protection Act*
- *Public Trustee Act*
- *Personal Directives Act*
- *Powers of Attorney Act*
- *Adult Capacity and Decision-making Act*

Of these, we receive the most referrals pursuant to the *Hospitals Act*, the *Adult Protection Act* and sections 4 and 8A of the *Public Trustee Act*, in conjunction with section 14 of the *Personal Directives Act*. We are seeing an increasing number of matters coming into our office pursuant to the *Powers of Attorney Act*.

Hospitals Act Referrals

Section 59 and related sections of the *Hospitals Act* proclaimed in force April 1, 1979 created a mechanism whereby the Public Trustee, being notified by a hospital to do so, may "assume management" of the estate of a patient who has been found to lack capacity and has no one to administer his or her property and finances. It is not necessary for the Public Trustee to make an application to the court to obtain a representation order. The authority is granted pursuant to the legislation.

Hospital and community care staff are the leading proponents of this mechanism. It is the source of many of the Public Trustee's growing caseload of adult living estate files.

Many of these referrals are sent to the Public Trustee when the patient is ready for discharge and a long-term care facility bed has been found. Increasingly, long-term care facilities are refusing to accept people unless there is a representative available to manage their estate, pay the long-term care facility bills, deal with their taxes, secure their pension(s) and work out their daily accommodation rates with the Eligibility Review Unit of the Department of Health and Wellness. By referring the client to the Public Trustee, the placement in the long-term care facility can be achieved, and very often achieved much more quickly, which benefits the patient and helps the hospital free up acute care and emergency room beds. This provides a valuable benefit to the province's health care budget.

Unfortunately, we are not able to accept all the section 59 *Hospitals Act* referrals received due to our limited resources. Each of our 5 Trust Officers carry a case load of approximately 95-120 cases. In our experience, the cases are becoming more complex, often involving individuals who have property located in more than one province and/or country and with complex family dynamics. We must be cautious in accepting files as it is very important that we have the resources necessary to thoroughly investigate, locate, take control of and protect the assets of our incompetent clients in a timely fashion. If we are not able to do this, assets may be missed, stolen, misappropriated or damaged while technically under our care, thereby exposing our office to a high level of liability.

Adult Protection Act Referrals

The *Adult Protection Act* came into force in 1985. The purpose of this legislation, as set out in section 2 of the Act, is to provide a means whereby adults who lack the ability to care and fend adequately for themselves can be protected from abuse and neglect.

Section 13(1) of the Act is entitled, “Role of the Public Trustee on removal of adult”. It states that where an adult is "removed" from the premises where he resides to another place pursuant to this Act and it appears to the Minister that there is an immediate danger of loss of, or damage to, any property of his by reason of his temporary or permanent inability to deal with the property and that no other suitable arrangements have been made or are being made for the purpose, the Minister shall inform the Public Trustee.

Section 13(2) of the Act allows the Public Trustee, if she feels it is appropriate after receiving notice pursuant to section 13(1) of the Act, to assume immediate management of the estate of the adult in need of protection and safely keep, preserve and protect it until the happening of a future event. It is not necessary for the Public Trustee to make an application to the court to obtain a representation order pursuant to this section. It should be noted that the Public Trustee lacks the statutory authority to assume immediate management of the property and finances of individuals who have been determined by the courts to be an “adult in need of protection” but were not “removed” from their homes pursuant to section 10 of the Act.

Personal Directives Act Referrals

The *Personal Directives Act* was proclaimed on April 1, 2010. This legislation enables Nova Scotians to document their wishes concerning personal care and health care. An individual can name who they wish to make personal care and health care decisions for them in a Personal Directive document if, in the future, they are found to be incapable of doing so. If an individual does not prepare a Personal Directive the legislation provides a hierarchal list of statutory decision makers to make decisions regarding health care, placement in a continuing

care home and home care services for individuals deemed incapable of making these decisions for themselves. The Public Trustee is named the substitute decision maker of last resort on this list.

If a Delegate named in a Personal Directive or a Substitute Decision Maker makes a decision on behalf of a person who lacks capacity to make healthcare decisions, accept an offer of placement in a continuing care home or regarding the provision of home care services and it is discovered that the individual also lacks the capacity to manage their property and finances and they have no financial representative or Attorney acting pursuant to an Enduring Power of Attorney document, the *Personal Directives Act* in conjunction with section 8A of the *Public Trustee Act* establishes a mechanism whereby a statutory notice may be sent to the Public Trustee. The legislation allows the Public Trustee to then investigate whether the individual needs a guardian for their property and finances. If the Public Trustee determines its services are required, the Public Trustee can immediately become statutory guardian of the individual's property and finances. It is not necessary to make a court application to assume the authority as the authority is given under the legislation.

This has been a source of additional requests for the Public Trustee's services as statutory guardian of property and finances. It is anticipated that the number of files opened pursuant to the *Personal Directives Act* will continue to increase as the legislation becomes better understood by long-term care facility staff, continuing care workers, adult protection workers and social workers generally. Staff in our Health Care Decisions Division have been actively conducting educational sessions around the province concerning the *Personal Directives Act*.

Powers of Attorney Act Referrals

Enacted in 1988 to validate "Enduring Powers of Attorney" the *Powers of Attorney Act*, c.352, R.S.N.S. 1989 contains references to the Public Trustee. Section 4 provides that the Attorney named in the document and not the Public Trustee shall administer a patient's estate pursuant to S. 59 of the *Hospitals Act*, if the instrument of enduring power of attorney includes a provision expressly excluding the operation of subsection (2) of Section 59 and the attorney wishes to act.

Subsection (3) of S. 5 provides that an attorney may apply to the court for an order substituting another person as attorney upon giving notice of the application to the Public Trustee.

The Public Trustee received many calls from the public during the fiscal year seeking general information about Enduring Powers of Attorney and reporting suspicious or fraudulent conduct on behalf of attorneys. We encourage callers reporting suspicious or fraudulent behaviour to contact the local police. Many of these calls dealt with questions of accountability and the concerns individuals have on the way the attorney is managing the trust funds.

The Public Trustee has the discretion to accept or refuse to act as a guardian, trustee or attorney.

We continue to see that the management of living estates for incompetent adults is a large file category at 543 open and active files. As the average age of the population of Nova Scotia continues to increase, the Public Trustee forecasts that the request for financial management of the estates of incompetent adults will continue to increase. The Public Trustee will need additional staff and resources to meet this demand.

Adult Capacity and Decision-making Act Referrals

Proclaimed on December 27, 2017, this legislation replaces the *Incompetent Persons Act*. The purpose of the new law is to:

- Recognize that adults may not be able to make some decisions because of a learning disability, mental health problems, brain injury, or for other reasons
- Provide a fair and respectful way to protect the safety of those adults
- Promote the dignity, autonomy, independence, social inclusion, and freedom of decision-making of adults
- Make sure that the least restrictive and least intrusive supports and interventions are considered before seeking a court order under this new law to help an adult

Under this new legislation, all people are entitled to have their dignity and autonomy respected. Every adult is presumed to be able to make a decision until it is established that they cannot.

Under this legislation, it is recognized that when an adult is unable to make a decision for themselves, the least restrictive and least intrusive type of decision-making must be provided to protect their well-being and financial interests.

If an individual is making an application to the court to obtain a representation order, the adult's ability to make decisions must be assessed by a professionally qualified capacity assessor. The Public Trustee was asked to develop and deliver a capacity assessment training program for allied health care professionals. The legislation also provides that the Public Trustee will develop and maintain a roll of representative orders, oversee a new complaints procedure and a process for applying for capacity assessment fees to be paid for by the provincial government, which was done.

During the fiscal period April 1, 2018 to March 31, 2019, we received 21 Orders to be placed in the registry under the *Adult Capacity and Decision-making Act*. We investigated 2 complaints against appointed representatives and no applications for funding assistance for the capacity assessment were received.

Health Care Decisions

The Public Trustee acts as the substitute decision maker of last resort for individuals who have been assessed and determined to lack capacity to make their own decisions concerning health care, home care services and placement in continuing care facilities, under the following pieces of legislation:

- *Personal Directives Act*
- *Hospitals Act*
- *Involuntary Psychiatric Treatment Act*

The Public Trustee's Health Care Decisions Division reviews all requests for consent. The Division has a Coordinator and three Health Care Consultants. The Coordinator and Health Care Consultants can provide consent to Level-1 and Level-2 health care decisions and the Public Trustee provides consent to Level-3 health care decisions, such as consent for amputations.

Detailed policy and procedures were developed to guide the Health Care Consultants in their deliberations. Underpinning the Health Care Decisions Division policies are the *best interest principles* and the *principle of informed consent*.

Health Care Decision Division policies also employ the four commonly held principles of health care ethics, namely: respect for autonomy; non-injury; beneficence; and justice. Respect for autonomy is demonstrated by respecting the client's prior capable wishes, values and beliefs, if known, and consideration of the client's rights to independence and freedom; non-injury is demonstrated in decision-making that avoids or minimizes risk to the client; beneficence is demonstrated in decisions that benefit the client; and justice is demonstrated in decisions that are fair and equitable.

The Health Care Decisions Division stands in the place of the client and is entitled to the same information and freedom of choice as the client would have received if he or she had capacity. Decisions are made using the *reasonable person standard*; after carefully considering the available relevant information, the Health Care Decisions Division makes a reasonably well-informed decision to consent, to not consent, or to withdraw consent as a reasonably prudent and careful lay person would do in similar circumstances and not as a health care professional.

All three performance indicators of the Health Care Decisions (HCD) division (i.e. complaints, response times and attendance at client conferences) were within established targets for 2018/19 fiscal year. Monitoring of the Health Care Decisions program was conducted and reported to the Public Trustee on a quarterly basis. The following is a summary of annual statistics for the Health Care Decisions Division for the fiscal year ending March 31, 2019:

- There were 621 active client files at March 31, 2018, an increase of 12% over 2017/18
- 117 new client files were opened and 49 client files were closed during the year
- 865 referrals were received in 2018/19 as compared to 700 referrals for 2017/18
- 73% of referrals were received under the *Personal Directives Act*, 14% under the *Hospitals Act*, and 13% under *involuntary Psychiatric Treatment Act*
- The largest number of referrals (425 or 49%) were received from agencies in the Central Region (Zone 4) of the Nova Scotia Health Authority and the least number of referrals (96 or 11%) came from agencies in the Northern Region (Zone 2)
- A total of 3491 decisions were made in 2018/19 up from 2582 in 2017/18 (3102 under *Personal Directives Act*, 215 under the *Hospitals Act* and 174 under *Involuntary Psychiatric Treatment Act*)
- 96% of decisions were Level-1, 3.2% of decisions were Level-2 and 0.8% of decisions were Level-3
- Nine (9) external education sessions were provided to Department of Health and Wellness and Department of Community Service stakeholders in 2018/19 with approximately 105 attendees

We continue to see a growth in the number of consent to medical treatment files in our office as well as an increase in the number of Protection of Persons in Care investigations involving our clients. Knowledge of the services provided by our Health Care Consultants has continued to grow. As of March 31, 2019, Consent to Medical Treatment files was our largest category of files totaling 621 compared to 553 files on March 31, 2018.

Deceased Estate Services

The Public Trustee has the right to apply to administer the estate of a deceased person when they die intestate (without a will), pursuant to section 32(1) of the *Probate Act*, which reads as follows:

Entitlement to administration

32(1) Subject to sections 15, 23 and 24 of the *Public Trustee Act*, administration of the estate of an intestate or of an estate partly or wholly unadministered owing to the death or removal of a personal representative shall be granted to one of more of the following persons, if they are competent and suitable for the discharge of the trust and willing to undertake the administration of the estate unless the court thinks it proper to appoint some other person according to the following priorities:

(a) first - the spouse of the intestate if the spouse resides in the Province and those

children of the intestate who reside in the Province;

- (b) second - those persons who reside in the Province and who are entitled to share in the distribution of the estate by reason of the *Intestate Succession Act* or by reason of being adult residuary beneficiaries;
- (c) third — the Public Trustee;
- (d) fourth - those persons who do not reside in the Province and who are entitled to share in the distribution of the estate by reason of the *Intestate Succession Act* or by reason of being adult residuary beneficiaries;
- (e) fifth — a creditor or a person having a cause of action against the estate.

A common-law spouse is not recognized as a legal “spouse” under the *Probate Act* or the *Intestate Succession Act* unless the couple signed a “domestic partnership agreement” and registered it with the Office of Vital Statistics of Nova Scotia.

The Public Trustee is listed as the third person in line to administer the estate of an intestate individual. If someone listed after the Public Trustee wants to administer the estate, they must ask the Public Trustee to sign an official Renunciation document before they can apply.

Before the Public Trustee will renounce its right to administer an estate, time is spent reviewing the information provided to ensure the beneficiaries and creditors would be properly protected and served if someone other than the Public Trustee is appointed to administer the estate. The Public Trustee also considers the assets that are contained in the estate; whether the estate has enough personal and/or real property that can be sold to cover the debts and costs of administering the estate; whether the Public Trustee has the expertise and staff to administer the estate properly; how much fees the estate administration would generate and whether any of the heirs are minors, vulnerable adults or missing persons, among other things.

The Public Trustee renounced its right to administer 87 new deceased estates during the fiscal year under review (see Schedule "G" attached hereto).

Pursuant to sections 15, 23 and 24 of the *Public Trustee Act*, the Public Trustee also has priority to administer a deceased estate in the following situations:

- the Public Trustee acted as trustee, guardian, or custodian of a person's estate while they were alive and that person dies without a will
- the Public Trustee acted as trustee, guardian, or custodian of a person's estate while they were alive and that person dies with a will and the executor of the will is dead or renounces their right to probate the will
- a person dies with a will and the person who is named as executor of the will is dead or renounces their right to probate the will and the people named as the residuary beneficiaries live outside of

Nova Scotia

- the Public Trustee is already administering the estate of a person who is alive or is administering the estate of a person who had died, and one of the following occurs:
 - the person is named as a beneficiary in the will of someone else who dies and there is no one who is willing or able to act as the executor of that will
 - the person is entitled to inherit from the estate of a person who has died without a will
 - the person is named as the executor of a will, or as the personal representative of the estate of someone who has died

Pursuant to section 36 of the *Public Trustee Act*, the Public Trustee is empowered in a case where "the Public Trustee is entitled to take out letters of administration under this Act" to authorize and appoint by writing under his hand some other person to take out such letters of administration" and "the Court of Probate shall, upon the application of a person so authorized and appointed by the Public Trustee as aforesaid, grant to such applicant letters of administration". Customarily the Public Trustee declines to act pursuant to section 36 of the *Public Trustee Act* and prefers to leave this determination to the Court of Probate.

As of March 31, 2019, Deceased Estate Files was our third largest category of files totaling 253 which is an increase of 29% from 2017/18 despite having renounced on 15% more estates during the same fiscal period.

Children's Trust Services

In Nova Scotia, the age of majority is 19. Legally, an individual under the age of 19 is deemed an infant or a minor. Where no person has been appointed to be guardian of the property of an infant or minor and they are entitled to receive money as a beneficiary under a life insurance policy, as a death benefit, as a beneficiary on an intestacy or under a will and the executor or administrator is not empowered to act as trustee of the child's share, or under a settlement or a trust, and no trustee is appointed by the will, or other instrument, the Public Trustee is automatically the legal guardian of their money and property under the following pieces of legislation:

- Section 14 of the *Guardianship Act*
- Sections 4(2), 4(3)(d) and 4(5) of the *Public Trustee Act*

The Public Trustee does not have to file a bond with the court to act as trustee or guardian of the estate of an infant or minor under these pieces of legislation. Nor does the Public Trustee have the discretion to refuse to act in this capacity.

The Public Trustee is also regularly appointed as trustee of the finances of an infant or minor by the Court in matters involving infant settlements in personal injury matters.

As of March 31, 2019, Infant Living Estate Files was our fourth largest category of files totaling 160.

Legal Representation Services

The *Public Trustee Act* gives the Public Trustee the authority to act as a litigation guardian or guardian *ad litem* for a child or an adult who has been deemed to lack capacity to manage their affairs in a legal proceeding before the court. The Public Trustee has the discretion to act or refuse to act in this capacity.

The Public Trustee also has the authority to represent a deceased person (where an estate has not been opened in Probate Court) in a legal proceeding before the court under the *Survival of Actions Act*. As the deceased's public liability insurer or the Facility Association may be relied upon to defend any automobile accident claims, the Public Trustee will generally always consent to be appointed to represent the estate of a deceased tortfeasor for the purposes of an intended action that arises out of a motor vehicle accident.

During the fiscal period under review, we acted as guardian *ad litem* for 4 adults and 5 minor children and we represented 29 deceased persons under the *Survival of Actions Act*.

Missing Persons Services

Section 2(e) of the *Public Trustee Act* defines “missing person” as follows:

“Missing person” means a person who cannot be found after all reasonable efforts have been made to locate him and includes a person who dies intestate or intestate as to some part of his estate without leaving any known heir-at-law living in the Province or any heir-at-law who can be readily communicated with living elsewhere or where the only heir-at-law is an infant or where Her Majesty in right of the Province has an interest in the estate or proceeds thereof

Section 11 of the *Public Trustee Act* states that the Public Trustee shall be served with notice of each application made to the court in respect of the property or estate of a missing person.

When the Public Trustee is served with notice of the application, they automatically become guardian of the estate or the property of the missing person.

The Public Trustee may safely keep, preserve and protect the property and effects of the missing person pending an order of a Judge of the Supreme Court. If the court approves, the Public Trustee may mortgage, lease, sell or otherwise dispose of any of the property of the missing person, pay sums of money that the missing person might otherwise have been ordered to pay and make such payments as are necessary for the maintenance or education of a spouse or child of the missing person.

During the fiscal year under review, we represented the interests of 10 missing persons.

Services pertaining to Undistributed Assets Held in Trust by Third Parties

Pursuant to section 28 of the *Public Trustee Act*, an executor or administrator or a trustee acting pursuant to a the provisions of a will or other trust agreement may at any time and shall, after the expiration of five years, apply for an order in Nova Scotia Supreme Court, authorizing the transfer of the assets to the Public Trustee, when the heir-at-law or beneficiary cannot be located or identified or the object of the trust cannot be carried out, or, if for any other reason it is not possible to distribute the assets of the estate or trust. The Public Trustee must then convert any assets into cash and immediately pay the undistributed assets to the Minister of Finance as per the court order.

For the fiscal year under review, the Public Trustee Office processed undistributed assets totally \$442,841.00 and forwarded them to the Minister of Finance (a 354% increase over the last fiscal year). These numbers are not included in our active case files for the year, and the Public Trustee does not receive any fees for acting in this capacity.

Public Enquiries

The Public Trustee has always been regarded as a public resource for information about guardianship, representation, trust administration, the administration of deceased estates, legal representation services and the law pertaining to healthcare decisions for adults who lack capacity and the elderly. Information requests are received from many sources including lawyers, medical professionals, social workers, law enforcement officers and the general public. Many individuals are referred to us by staff at the Probate Courts.

We strive to provide accurate general information about the issues raised. Due to the high cost of retaining legal services, many individuals are trying to find free legal information that will help them understand and resolve the problems they face. Access to justice is currently an issue throughout Canada. These enquiries put pressure upon our already limited legal resources. However, many of the enquiry calls and letters we receive pertain to cases that could potentially become Public Trustee files. These calls help identify the matters that should be further investigated by the Public Trustee and the matters that can be managed in the private sector. The number of enquiry calls we are receiving is increasing from year to year.

We opened 647 enquiry files during this fiscal period, which is a 15% increase over the last fiscal year. It should also be noted that the volume of materials and number of calls received on each individual enquiry file is also increasing.

REVENUE AND COSTS OF PUBLIC TRUSTEE OFFICE

Pursuant to the *Public Trustee Act* and the regulations thereto, the Public Trustee is entitled to charge for its legal, trustee, guardianship and representation services. The Public Trustee is also entitled to receive administration fees when it acts as personal representative of a deceased estate. The Public Trustee does not earn any revenue for providing general advice on enquiry files, for acting as substitute decision maker of last resort and providing consents for medical treatment, for processing assets received pertaining to undistributed assets pursuant to section 28 of the *Public Trustee Act* or for providing legal representation services.

On an annual basis, the government forecasts what income the Public Trustee may earn for its services. This income is very important as it off-sets the cost of running the office.

During the fiscal year ending March 31, 2019, it was forecasted that the Public Trustee would earn \$900,000.00 in legal, administrative and trustee fees. The Public Trustee exceeded this goal, earning \$1,236,877.00 (excluding accruals) during the fiscal year. These fees were transferred to the Department of Finance.

The Public Trustee recovered \$17,921.00 from its clients for disbursements including photocopy and postage fees incurred in carrying out our duties and responsibilities to our clients during the fiscal year.

The Public Trustee also earned income in its Special Reserve Fund in the amount of \$94,433.00.

If we total the legal, administrative and trustee fees earned by the Public Trustee (excluding accruals), its recovery fees from disbursements and the income earned from its Special Reserve Fund, the total revenue earned by the Office of the Public Trustee totaled \$1,349,231.00 during the fiscal period (see Schedules "E" and "E1" attached hereto).

Public expenditures for the general operating costs of the Public Trustee program, including rent, are funded by the Department of Justice. Funding to operate the office for the period ending March 31, 2019 was \$2,465,263.

Considering the total cost to operate the office and the revenue earned from all sources by the Office of the Public Trustee, the actual cost of providing these valuable services (excluding accrued fees) was \$1,116,032.

Public Trustee Trust Funds

Financial Statements

For the Year Ended March 31, 2019

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Management's responsibility for the financial statements

These financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS) and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Public Trustee is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Public Trustee performs monthly reviews of financial information and a yearly review of the final audited financial statements.

The external auditor, Grant Thornton LLP, conducts an independent examination, in accordance with Canadian auditing standards, to express their opinion on the financial statements. The external auditors have full and free access to financial management of the Public Trustee Trust Funds and met when required.

On behalf of the Entity


Shannon Ingraham
Public Trustee


Beverly Whittaker-Taggart, CPA
Director, Finance, Administration & Systems

Independent auditor's report

Grant Thornton LLP
Nova Centre, North Tower
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To the Public Trustee of Nova Scotia

Qualified Opinion

We have audited the financial statements of the Public Trustee Trust Funds (the "Entity"), which comprise the statement of net assets held in trust as at March 31, 2019, and the statement of loss and comprehensive loss, statement of changes in net assets held in trust, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Public Trustee Trust Funds as at March 31, 2019, and the results of its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

As discussed in Note 2 to the financial statements, neither a fair value model nor a cost model has been consistently established for real estate assets held on behalf of clients. This constitutes a departure from IFRS. As a result of a cost-benefit decision by management with respect to their clients and to taxpayers, appraisals have not been performed to establish fair value at March 31, 2019 or April 1, 2018, the beginning of the current fiscal year. Similarly, initial and subsequent measurement based on cost has not been established given the age of certain properties, the nature in which the Entity assumes ownership of the real estate, and the lack of historical information to establish an accurate measurement basis. The impact of this departure on the financial statements has not been determined. Since the opening and ending real estate balance affects the determination of the results of operations and cash flows, we were not able to determine whether any adjustments might be necessary to real estate, expenses, cash flows and net assets for the year ended March 31, 2019. Our audit opinion on the financial statements for the year ended March 31, 2019 is modified because of the effects of this departure from IFRS and the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity 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 qualified opinion.

Other Matter – Comparative Information

The financial statements for the year ended March 31, 2018 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 28, 2018.

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 (IFRSs), 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Halifax, Canada
March 16, 2020

Chartered Professional Accountants

Public Trustee Trust Funds
Statement of net assets held in trust
March 31, 2019

	2019	2018
Assets		
Cash and cash equivalents	\$ 8,505,767	\$ 7,157,816
Accounts receivable	464,563	529,477
Investments (note 4)	46,501,502	46,876,394
Real estate	7,330,210	5,131,339
Other assets	<u>432,625</u>	<u>468,893</u>
	<u>63,234,667</u>	<u>60,163,919</u>
Liabilities		
Accounts payable	506,349	708,972
Due to the Province of Nova Scotia	<u>-</u>	<u>90,622</u>
	<u>506,349</u>	<u>799,594</u>
Net assets held in trust	<u>\$ 62,728,318</u>	<u>\$ 59,364,325</u>

Approved on behalf of the Public Trustee Trust Funds for the Province of Nova Scotia


Shannon Ingraham

See accompanying notes to the financial statements

Public Trustee Trust Funds
Statement of loss and comprehensive loss
For the year ended March 31, 2019

	2019	2018
Revenues		
Pension	\$ 9,182,127	\$ 8,493,911
Other income	1,186,726	869,745
Investment income	1,106,707	865,493
Annuities	<u>633,793</u>	<u>541,968</u>
	<u>12,109,353</u>	<u>10,771,117</u>
Expenses		
Accommodation	8,350,370	7,551,594
Fees and recoveries paid to the Province (note 7)	1,475,172	1,372,598
Taxes	594,865	781,267
Funeral	587,204	487,536
Allowances	430,006	410,149
Medical	418,900	407,331
Legal costs	295,997	255,893
Property care	171,005	217,376
Utilities	159,821	138,342
Insurance	107,226	102,795
Miscellaneous	81,410	50,896
Real estate	<u>75,992</u>	<u>137,066</u>
	<u>12,747,968</u>	<u>11,912,843</u>
Loss from operations before loss on investments	(638,615)	(1,141,726)
Loss on sale of investments	(369,992)	(1,138,341)
Unrealized loss on investments at fair value through profit and loss	<u>(44,948)</u>	<u>(616,584)</u>
Net loss and comprehensive loss	<u>\$ (1,053,555)</u>	<u>\$ (2,896,651)</u>

See accompanying notes to the financial statements

Public Trustee Trust Funds
Statement of changes in net assets held in trust
For the year ended March 31, 2019

	2019	2018
Balance, beginning of year	\$ 59,364,325	\$ 59,306,839
Net loss and comprehensive loss	(1,053,555)	(2,896,651)
Other changes to net assets:		
Contributions of estates and trusts of new clients and additional contributions of existing clients	16,100,158	12,589,295
Distributions of estates and trusts	(11,145,336)	(9,419,630)
Undistributable trust assets transferred to Province (note 8)	(442,841)	(124,906)
Special Reserve Fund distribution to Province (note 7)	<u>(94,433)</u>	<u>(90,622)</u>
Balance, end of year	<u>\$ 62,728,318</u>	<u>\$ 59,364,325</u>

See accompanying notes to the financial statements

Public Trustee Trust Funds
Statement of cash flows
For the year ended March 31, 2019

	2019	2018
Operating activities		
Net comprehensive loss	\$ (1,053,555)	\$ (2,896,651)
Adjustments for:		
Realized loss	369,992	1,138,341
Unrealized loss	44,948	616,584
	(638,615)	(1,141,726)
Changes in working capital, net	(137,707)	207,378
Net cash from operating activities	<u>(776,322)</u>	<u>(934,348)</u>
Investing activities		
Proceeds from sale of investments, net	1,194,958	2,047,833
Proceeds from sale of real estate and other assets, net	2,231,426	2,169,251
Advances to Province	(185,055)	-
Undistributable assets transferred to Province	(442,841)	(124,906)
Net cash from investing activities	<u>2,798,488</u>	<u>4,092,178</u>
Financing activities		
Contributions to plan, net	(674,215)	166,160
Net cash from financing activities	<u>(674,215)</u>	<u>166,160</u>
Increase in cash and cash equivalents	1,347,951	3,323,990
Cash, beginning of year	<u>7,157,816</u>	<u>3,833,826</u>
Cash, end of year	<u>\$ 8,505,767</u>	<u>\$ 7,157,816</u>

See accompanying notes to the financial statements

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

1. Reporting entity

The Public Trustee (the "Entity") is a corporation sole of the Province of Nova Scotia created pursuant to the Public Trustee Act. It is independent of government but shares a budget with the Department of Justice ("DOJ") which the DOJ controls. The Entity is set up as a corporation to protect the financial and personal well-being of clients. The Public Trustee is empowered to perform the duties of a guardian, representative, custodian, trustee, executor or administrator of an estate. All investments by the Entity are to be made in accordance with the Trustee Act and Public Trustee Act. The address of the Entity's registered office is 5670 Spring Garden Rd, Halifax, Nova Scotia.

The Entity is exempt from income tax under section 149 of the *Income Tax Act*.

This set of financial statements reflects the net assets held in trust and the activity for the estates and trusts administered by the Entity. Separate operating costs for the Entity are presented in Note 7.

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") as issued by the International Accounting Standards Board ("IASB") with the exception of measurement for real estate, which is not in accordance with IAS 40 (see note 3(e)). They have been prepared under the assumption that the Entity operates on a going concern basis.

These financial statements have been authorized for issue by the Public Trustee on March 16, 2020.

In 2019, the Entity adopted new guidance for financial instruments (see note 3(h)). The new standard has been adopted retrospectively; however, did not have a material impact on the Entity. Accordingly, the Entity is not required to present a third statement of financial position as at that date.

(b) Basis of measurement

The financial statements have been prepared on an accrual basis under the historical cost convention except for certain financial instruments which are presented at fair value through profit and loss and certain real estate assets which are measured as described in note 2(d).

(c) Currency

The financial statements are presented in Canadian dollars, which is the functional currency for the Entity.

Transactions in foreign currencies are translated into Canadian dollars using exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are converted into Canadian dollars at the exchange rate at the reporting period end date.

(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. Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Actual results could differ from management's best estimates as additional information becomes available in the future and will be recognized in the period in which the estimates are revised. Significant judgments include those related to the valuation of investments as described in notes 3(b), 3(c), 3(d) and 4.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

3. Summary of significant accounting policies

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

(a) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and balances held with banks.

(b) Financial instruments

Recognition and derecognition

The Entity adopted IFRS 9 during the year which requires financial instruments to be classified as either amortized cost, or fair value through profit and loss. Financial assets and liabilities are recognized at fair value on the effective date the Entity commences administration of the financial asset or financial liability.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

The applicable financial instruments for the Entity are classified and measured as follows:

- Cash and cash equivalents – amortized cost;
- Accounts receivable – amortized cost;
- Accounts payable – amortized cost;
- Investments (excluding bonds) – fair value through profit and loss; and
- Investments (bonds) – amortized cost.

The carrying values of cash and cash equivalents, accounts receivable, and accounts payable approximate fair value due to the short-term maturity.

Classification and initial measurement of financial assets

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the periods presented the Entity does not have any financial assets categorized as FVOCI.

The classification is determined by both:

- the Entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

3. Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Entity's cash and cash equivalents, and accounts receivable fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category. The fair value was determined in line with the requirements of IFRS 9, which does not allow for measurement at cost. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'.

The Entity makes use of a simplified approach in accounting for accounts receivable recording the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses. The Entity assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics. The Entity's accounts receivable are not subject to significant credit risk as the amounts are owed largely by the federal government in the form of tax return refunds and pension annuities. An estimate of expected lifetime credit losses is not included given as the Entity has not experienced bad debts on their receivables in their history of operations.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Entity designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

3. Summary of significant accounting policies (continued)

(c) Fair value measurement

All investments, with the exception of bonds which are designated at amortized cost, are designated as fair value through profit and loss. Realized gains and losses on the sale of investments and unrealized gains and losses arising from the change in fair value of investments are recorded through profit and loss in the period in which they arise. All purchases and sales of investments are recognized on the date the trades are executed. Income from interest and dividends are recognized as investment income in the period incurred.

Fair value is best evidenced by quoted market prices in an active market. Where quoted market prices are not available, the quoted prices of similar financial instruments are used to estimate fair value. Minimal management judgement is required for fair values calculated using quoted market prices. The calculation of estimated fair value is based on market conditions at a specific point in time and may not be reflective of future fair values.

(d) Investments

The Entity employs a fair value hierarchy to categorize the inputs it uses in valuation techniques to measure the fair value. The extent of use of (Level 1) quoted prices in active markets for identical assets or liabilities, (Level 2) inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly, and (Level 3) inputs for the asset or liability that are not based on observable market data in the valuation of securities as at the statement of net assets held in trust date is disclosed in Note 6.

(e) Real estate

Real estate assets are properties held in trust for clients. IAS 40, Investment Property, requires application of either the cost method or a fair value model as the measurement basis. The Entity has applied a separate policy for measuring the value of real estate assets as it is impractical to use fair value or cost measurement. Formal valuations or appraisals are not always performed given the disproportion between cost to clients and the benefit received. Relevant and reliable cost value is not available to establish cost as the basis of measure given the age of the properties and the nature of how the Entity comes in possession of real estate. Real estate included within the statement of net assets held in trust is measured either by the most recent property assessment or most recent professional appraisal, when available. The Entity does not record a provision for depreciation; however, changes in real estate property assessment values are recorded through profit and loss. The financial impact on the financial statements of this departure if the Entity were to comply with the standard is indeterminable given an unreasonable amount of financial resources would need to be spent to determine cost or fair value of real estate assets.

(f) Other assets

Other assets, including personal effects such as mobile homes, vehicles and jewelry, are recognized when the Entity commences administration of the assets. Other assets are carried at fair value. Fair value is determined through appraisal where deemed appropriate. For some other assets where no observable market exists, these assets remain valued at a nominal amount until such time that more reliable valuation information is available.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

3. Summary of significant accounting policies (continued)

(g) Investment income

Income from pensions, as well as investment income are recognized as earned on an accrual basis. Interest income is accrued using the effective interest method.

Other income is mostly composed of Canada Revenue Agency refunds and credits and is recognized as earned on an accrual basis.

Gains and losses on assets represent the appreciation or depreciation in the value of marketable securities, real estate and other assets administered by the Entity from the value assigned on the date of the commencement of administration of assets by the Entity, the date of purchase, or the value at the prior year end. Such gains and losses become realized on the date the assets are sold or released to clients, beneficiaries or heirs. Both realized gains and losses and changes in unrealized gains and losses are reported in the statement of net and comprehensive loss.

(h) Current year accounting policy implementation

IFRS 9 – Financial Instruments – On April 1, 2018 the Entity adopted IFRS 9 on a retrospective basis. The Entity did not early adopt this standard. The standard introduced an option to recognize unrealized investment gains and losses as fair value through other comprehensive income (OCI) with no subsequent reclassification to profit or loss. The Entity will continue to record fair value changes for investments through profit and loss. In addition, the standard introduced guidance on impairment with a simplified model for receivables. The simplified model for receivables has an entity recognize a loss allowance at an amount equal to lifetime expected credit losses at the inception of the receivable instead of the previous incurred loss model. The receivables of the Entity are not material in nature and comprise pension, annuity, and tax return refunds which bear a low collection risk. Lastly, the standard speaks to hedge accounting; however, the Entity will not apply hedge accounting. Application of IFRS 9 did not have a material impact on the results and no adjustments were recorded on transition.

4. Investments

	2019 Market Value	2018 Market Value
Guaranteed Investment Certificates (note 4(a))	\$ 34,566,691	\$ 34,954,016
Bonds		
Provincial	462,239	450,016
Corporate	1,519,691	1,519,691
Total bonds (note 4(b))	1,981,930	1,969,707
Quoted investments		
Canadian equity	6,332,938	5,844,572
Canadian preferred	11,588	21,930
US equity	258,441	703,796
Mutual Funds	1,578,305	1,114,489
Total quoted investments	8,181,272	7,684,787
Investment cash	1,771,609	2,267,884
Total	\$ 46,501,502	\$ 46,876,394

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

4. Investments (continued)

	2019 Market Value	2018 Market Value
(a) Guaranteed Investment Certificates – maturity profile		
Maturing within one year	\$ 23,582,362	\$ 29,297,718
Maturing between one and five years	<u>10,984,329</u>	<u>5,656,298</u>
	<u>\$ 34,566,691</u>	<u>\$ 34,954,016</u>
(b) Bonds – maturity profile		
Maturing within one year	\$ 161,487	\$ 186,612
Maturing between one and five years	1,149,374	1,112,026
Maturing in greater than five years	<u>671,069</u>	<u>671,069</u>
	<u>\$ 1,981,930</u>	<u>\$ 1,969,707</u>

5. Financial risk management

Section 3A(1) of the *Public Trustee Act* allows the Public Trustee to delegate authority to employees to invest in most forms of financial securities, including a security issued by a mutual fund. The standard of care, skill, diligence, and judgment imposed by the section is that of a prudent investor. The Entity utilizes a conservative investment management strategy. All trust property must be invested in a manner that reflects the standard and high duty of care required to fulfill the responsibilities of the Public Trustee. The Entity's long-term objectives as a prudent investor are threefold:

- i) to minimize any loss of capital;
- ii) where possible, to provide income sufficient to meet the individual client's or trust's ongoing income needs; and
- iii) for clients or trusts with higher risk tolerances or longer term investment horizons, the potential for capital appreciation.

The majority of the accounts held by the Entity are administered on behalf of clients and are not held in a pooled fund. Clients with five years or less projected investment horizon with the Entity may have their excess funds invested in a combination of cashable guaranteed investment certificates (GICs), treasury bills, fixed term GICs and bonds with a maximum investment period of five years.

Liquidity risk

Liquidity risk is the risk that a client account is unable to meet its financial obligations, specifically accounts payable, as they come due. The Entity 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, 2019 to be insignificant.

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. This risk specifically relates to accounts receivable, bonds and other investments.

The credit risk related to accounts receivable is assessed to be low due as the counterparties are primarily the federal government.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

5. Financial risk management (continued)

Credit risk (continued)

The investment policy established by the Entity limits credit risk in the following manner: client excess funds invested in GICs are not to exceed \$95,000 from a national bank or trust company or \$235,000 from a credit union. This ensures that if a financial institution defaulted, the client would receive from the insurance plan the client's principal plus any accrued interest. The bond portfolio remains high quality with 92.5% of the bonds rated A or better. Bonds purchased with client excess funds must have a minimum rating of BBB by the Dominion Bond Rating Service or an equivalent rating by another recognized rating agency.

	2019	2018
Credit rating – Bonds		
AAA	\$ 26,990	\$ 26,990
AA	1,170,701	1,133,353
A	636,571	636,571
BBB	147,668	172,793
	<u>\$ 1,981,930</u>	<u>\$ 1,969,707</u>

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types or risk: currency risk, interest rate risk and other price risk. The Entity is subject to interest rate risk, currency risk, and other price risk.

A 1% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the Entity's Canadian common equity of \$63,329 (2018 - \$58,446).

A 1% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the Entity's US common equity of \$2,584 (2018 - \$7,038).

A 1% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the Entity's mutual funds of \$15,783 (2018 - \$11,145).

A 1% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the Entity's Canadian preferred equities of \$116 (2018 - \$219).

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. Investments in guaranteed investment certificates and bonds with a maturity are subject to interest rate risk. The Entity mitigates this risk by investing excess client funds in a diversified portfolio, including investing in fixed rate securities.

At March 31, 2019 a 1% movement in interest rates, with all other variables held constant, could impact the market value of bonds by \$19,819 (2018 - \$19,697).

At March 31, 2019 a 1% movement in interest rates, with all other variables held constant, could impact the market value of GICs by \$345,667 (2018 - \$349,540).

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

5. Financial risk management (continued)

Currency risk

Foreign currency risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in exchange rates and produce an adverse impact on net income when measured in the Entity's functional currency.

Net exposure to United States dollar denominated amounts (in United States Dollars), related to the investment portfolio, included in the balance sheet as at March 31, 2019 is \$193,528 (2018 - \$545,956).

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Entity is subject to this risk with its equity securities composed mostly of stocks. It mitigates this risk by investing only in very low risk stocks.

6. Fair values

Client investments and certain other assets as well as other financial assets are reflected in the statement of net assets held in trust at fair value. The fair value of cash, accrued interest and accounts receivable approximates their carrying value due to the short term to maturity. In regards to bonds, their fair value is approximated by their carrying value. Real estate assets are excluded from the fair value hierarchy, due to the measurement basis as disclosed in note 2(d).

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 – Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or the liability, either directly or indirectly. Level 2 inputs include:

- (i) Quoted prices for similar assets or liabilities in active markets.
- (ii) Quoted prices for identical or similar assets or liabilities in markets that are not active.
- (iii) Inputs other than quoted prices that are observable for the asset or liability.
- (iv) Market-corroborated inputs.

Level 3 – Inputs that are unobservable; there is little, if any, market data. Fair value determination would generally require significant management judgment or estimation.

The following table shows the fair value of financial assets and financial liabilities as at March 31, 2019 classified within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total Fair Value
GICs	\$ 34,566,691	\$ -	\$ -	\$ 34,566,691
Quoted investments	8,181,272	-	-	8,181,272
Bonds	-	1,981,930	-	1,981,930
	<u>\$ 42,747,963</u>	<u>\$ 1,981,930</u>	<u>\$ -</u>	<u>\$ 44,729,893</u>

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

6. Fair values (continued)

Available-for-sale investments recorded at fair value by the level of the fair value hierarchy as at March 31, 2018:

	Level 1	Level 2	Level 3	Total Fair Value
GICs	\$ 34,954,016	\$ -	\$ -	\$ 34,954,016
Quoted investments	7,684,787	-	-	7,684,787
Bonds	-	1,969,707	-	1,969,707
	<u>\$ 42,638,803</u>	<u>\$ 1,969,707</u>	<u>\$ -</u>	<u>\$ 44,608,510</u>

7. Related party disclosures

The Province of Nova Scotia, its Agencies and its Crown Corporations are related parties to the Entity. Under IAS 24 Related Party Disclosures, a reporting entity is exempt from the disclosure requirements of paragraph 18 in relation to related party transactions and outstanding balances, including commitments, with:

- a government that has control or joint control of, or significant influence over, the reporting entity; and
- another entity that is a related party because the same government has control or joint control of, or significant influence over, both the reporting entity and the other entity.

As a result, the Entity has applied this exemption to these financial statements. In applying this exemption, the Entity must disclose the nature and amount of each individually significant transaction and for other transactions that are collectively, but not individually, significant, a qualitative or quantitative indication of their extent.

Operating costs of the Entity are absorbed by the Nova Scotia Department of Justice and are not reflected in the Statement of loss and comprehensive loss. These costs are offset by fees charged for administering estates, recoveries of client expenses paid by the Entity and transfers of investment income from the Special Reserve Fund.

	2019	2018
Operating expenses paid by the Province of Nova Scotia		
Salaries and benefits	\$ 2,088,221	\$ 2,063,052
Other operating costs	198,270	194,555
Rent	<u>178,772</u>	<u>156,165</u>
	<u>2,465,263</u>	<u>2,413,772</u>
Fees and recoveries paid to the Province of Nova Scotia		
Fees	1,236,877	1,182,758
Recoveries	17,921	20,150
Special Reserve Fund income transferred	<u>90,433</u>	<u>90,622</u>
	<u>1,345,231</u>	<u>1,293,530</u>
Expenses paid by the Province of Nova Scotia, net	<u>\$ 1,120,032</u>	<u>\$ 1,120,242</u>

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

7. Related party disclosures (continued)

The above fees and recoveries totaling \$1,254,798 (2018 - \$1,202,908) represent cash payments to the Province. They are net of HST of \$186,208 (2018 - \$177,868) and net accrued fees of \$34,166 (2018 - (\$8,178)). The total amount of these Fees, Recoveries, HST, and net accrued fees is \$1,475,172 (2018 - \$1,372,598) and is disclosed on the statement of loss and comprehensive loss. The remaining \$90,433 (2018 - \$90,622) above represents investment income earned in the Special Reserve Fund and remitted to the Province of Nova Scotia.

In addition to the above, the Entity transfers undistributable assets to the Province of Nova Scotia as disclosed in note 8.

Key management personnel

All key management personnel and other staff are employees of the Province of Nova Scotia, as the Entity obtains key management services from the Province of Nova Scotia employees. The salaries and benefits for these employees is included in salaries and benefits above.

8. Undistributable estates and trusts

Undistributable assets are transferred to the Minister of Finance when they are deemed undistributable under Section 28 of the Public Trustee Act. The proceeds are paid immediately to the Minister of Finance as a distribution through net assets.

9. Common fund securities

Section 30 of the Public Trustee Act permits the Public Trustee to invest monies, not subject to any express trust or direction for investment thereof, into a Common Fund. Investments of the Common Fund are valued at market value as of March 31, 2019. The Common Fund serves as a general bank account for its clients and allows the Public Trustee to pool small value client accounts in order to provide more substantial balances used to purchase income-generating investments.

The interest to be paid to clients with funds in the Common Fund is determined by a regulation which is as follows: the prescribed rate of interest is a floating rate ascertained by the Public Trustee half yearly, and is one percent less than the rate arrived at by averaging the lowest rate offered during the period on savings - non-chequing accounts by the Canadian Imperial Bank of Commerce and the Royal Bank of Canada at their respective Halifax branches. In addition, the regulation provides that, in order to earn interest, the client's account must have had a minimum quarterly balance of \$1,000 or more and must have been held in trust by the Public Trustee for more than three months.

Due to the fact that the current interest rate is below the prescribed rate, all interest received in the Common Fund during the year will be transferred to the Special Reserve Fund, after providing for bank fees and other charges in the Common Fund, in accordance with the Public Trustee Act. The amounts for 2016-2017 and 2017-2018 were transferred in 2018-2019.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

9. Common fund securities (continued)

A continuity of the Common Fund is as follows:

	2019	2018
Balance, beginning of year	\$ 2,988,153	\$ 2,994,349
Add:		
Purchase of securities	2,391	(3,806)
Interest and investment income	<u>253,924</u>	<u>161,771</u>
	3,244,468	3,152,314
Less:		
Disbursements	(3,395)	(3,409)
Amount to be transferred to the Special Reserve Fund	<u>(251,124)</u>	<u>(160,752)</u>
Balance, end of year	<u>\$ 2,989,949</u>	<u>\$ 2,988,153</u>

The balance of the Common Fund consists of the following amounts which are included with their respective Statement of Net Assets line:

	2019	2018
Cash	\$ 251,124	\$ 278,494
Investments	2,990,543	2,990,543
Payables ⁽¹⁾	<u>(251,718)</u>	<u>(280,884)</u>
	<u>\$ 2,989,949</u>	<u>\$ 2,988,153</u>

- (1) In 2018, the figure included \$278,494 payable to the Special Reserve Fund. (2018 - \$160,752 and 2017 - \$117,742). This amount was transferred in 2018/2019.

Public Trustee Trust Funds
Notes to the financial statements
For the year ended March 31, 2019

10. Special reserve fund

Section 32 of the Public Trustee Act provides for the establishment of a Special Reserve Fund. The Fund is administered by the Public Trustee and held in joint trust with the Deputy Minister of Finance and Treasury Board.

The stated purpose of the Fund is to provide for any future deficiency in the Common Fund. Investment income earned in the Common Fund in excess of the prescribed interest paid to clients' accounts is normally transferred to the Special Reserve Fund annually as required by the Public Trustee Act.

Income received on investments in the Special Reserve Fund may be transferred to the Province's general revenues in such amounts as determined by the Public Trustee and the Deputy Minister of Finance and Treasury Board. During the year \$185,055 of Special Reserve Fund interest has been transferred consisting of \$94,433 approved for transfer during the current year and \$90,622 previously approved but not transferred.

In the current year an additional \$94,194 has been received in interest payments. The Entity and the Deputy Minister of Finance and Treasury Board will determine whether any transfer will be made during the next fiscal year.

The continuity of the Special Reserve Fund is as follows:

	2019	2018
Balance, beginning of year	\$ 3,401,678	\$ 3,239,119
Add: Interest income and gains (losses)	97,409	92,429
Net amount to be transferred from the Common Fund	<u>251,124</u>	<u>160,752</u>
	3,750,211	3,492,300
Less: Amount transferred to the Province of Nova Scotia	(94,433)	-
Amount owed to the Province of Nova Scotia	<u>-</u>	<u>(90,622)</u>
Balance, end of year	<u>\$ 3,655,778</u>	<u>\$ 3,401,678</u>

The balance of the Special Reserve Fund consists of the following amounts which are included with their respective statement of net assets line:

	2019	2018
Cash	\$ 102,913	\$ 193,588
Receivables	298,041	322,196
Investments	3,254,824	2,976,516
Payable	<u>-</u>	<u>(90,622)</u>
	<u>\$ 3,655,778</u>	<u>\$ 3,401,678</u>

PUBLIC TRUSTEE STATISTICS

SCHEDULE "A"

CASES ACTIVE AS OF MARCH 31, 2019

ESTATES AND TRUSTS

Estate of Deceased	Adult 's Estate (Living)	Infant 's Estate (Living)	Undistributable Estate or Trust	Missing Person's Estate	Patients' Abandoned Property Act	Specific Trust	Renunciation	TOTAL
253	543	160	10	8	10	44	252	1280

REPRESENTATIVE LITIGATION

Presumption of Death Act	Missing/ Unascertained Person	Survival of Actions Act	Guardian ad litem - Incompetent Adult	Guardian ad litem - Infant
16	10	29	4	5

ACDMA

Complaints under ACDMA	Reviews of Representation Orders under ACDMA
2	21

CONSENT TO TREATMENT

GRAND TOTAL

REQUESTS, COMPLAINTS, INQUIRIES, LITIGATION & REFERRALS

Individual General Inquiries April 1, 2018 - March 31, 2019	558
Individual ACDMA Inquiries April 1, 2018 - March 31, 2019	89
GRAND TOTAL	647

PUBLIC TRUSTEE STATISTICS

SCHEDULE "B"

VOLUME AND PROGRESS OF CASELOAD

<u>FISCAL YEAR</u>	<u>VOLUME AT START</u>	<u>NEW CASES ADDED</u>	<u>CASES CLOSED</u>	<u>VOLUME AT YEAR END</u>
April 1/18 - March 31/19	1904	504	420	1988
April 1/17 - March 31/18	1788	427	311	1904
April 1/16 - March 31/17	1720	362	294	1788
April 1/15 - March 31/16	1605	381	266	1720
April 1/14 - March 31/15	1470	372	237	1605
April 1/13 - March 31/14	1468	387	385	1470

PUBLIC TRUSTEE STATISTICS

SCHEDULE "C"

BREAKDOWN OF CASES CLOSED

<u>FISCAL YEAR ENDING</u>	<u>Estate of Deceased</u>	<u>Adult's Estate (Living)</u>	<u>Infant's Estate (Living)</u>	<u>Undistributable Estate or Trust</u>	<u>Missing Person's Estate</u>	<u>Patients' Abandoned Property Act</u>	<u>Specific Trust</u>	<u>Consent to Treat</u>	<u>Renunciation</u>	<u>Representative Litigation</u>	<u>ACDMA</u>	<u>TOTAL ⁽¹⁾</u>
April 1/18 - March 31/19	44	106	30	2	0	0	1	49	183	4	1	420
April 1/17 - March 31/18	50	96	24	1	1	0	1	44	93	1	0	311
April 1/16 - March 31/17	65	86	21	0	1	0	1	60	60	0	0	294
April 1/15 - March 31/16	49	89	22	5	0	0	1	68	32	0	0	266
April 1/14 - March 31/15	61	94	28	2	0	0	4	47	0	1	0	237
April 1/13 - March 31/14	70	101	34	5	2	0	1	52	118	2	0	385

⁽¹⁾ Representative Litigation and ACDMA stats have been added effective 2018/2019

PUBLIC TRUSTEE STATISTICS

SCHEDULE "D"

BREAKDOWN OF CASES ADDED

<u>FISCAL YEAR</u> <u>ENDING</u>	<u>Estate of Deceased</u>	<u>Adult's Estate</u> <u>(Living)</u>	<u>Infant's</u> <u>Estate</u> <u>(Living)</u>	<u>Undistributable</u> <u>Estate or Trust</u>	<u>Missing Person's</u> <u>Estate</u>	<u>Patients'</u> <u>Abandoned</u> <u>Property Act</u>	<u>Specific Trust</u>	<u>Consent to Treat</u>	<u>Renunciation</u>	<u>Representative</u> <u>Litigation</u>	<u>ACDMA</u>	<u>TOTAL</u> ⁽²⁾
April 1/18 - March 31/19	101	121	29	2	3	1	10	117	87	9	24	504
April 1/17 - March 31/18	76	118	19	4	1	0	6	122	76	5	0	427
April 1/16 - March 31/17	79	95	23	0	1	1	3	85	68	7	0	362
April 1/15 - March 31/16	53	115	18	5	2	1	3	92	87	5	0	381
April 1/14 - March 31/15	69	113	20	2	0	3	1	78	83	3	0	372
April 1/13 - March 31/14	59	113	32	4	1	1	6	91	69	11	0	387

(2) Representative Litigation and ACDMA stats have been added effective 2018/2019

PUBLIC TRUSTEE STATISTICS

SCHEDULE "E"

FUNDS TRANSFERRED TO DEPARTMENT OF FINANCE

YEAR ENDING	PUBLIC TRUSTEE FEES	EXPENSE RECOVERIES	SPECIAL RESERVE FUND		SECTION 28
			INVESTMENT INCOME	TRUST FUNDS *3	
	Revenue *1	Revenue *2	Revenue		
March 31, 2019	\$ 1,236,877.00	\$ 17,921.00	\$ 94,433.00	\$ 442,841.00	
March 31, 2018	\$ 1,182,758.00	\$ 20,150.00	\$ 90,622.00	\$ 124,906.00	
March 31, 2017	\$ 1,026,881.00	\$ 16,581.00	\$ 95,018.00	\$ 67,283.00	
March 31, 2016	\$ 971,672.00	\$ 17,276.00	\$ 100,893.00	\$ 69,641.00	
March 31, 2015	\$ 896,678.00	\$ 17,646.00	\$ 95,093.00	\$ 136,654.00	
March 31, 2014	\$ 1,214,553.00	\$ 21,819.00	\$ 95,949.00	\$ 217,682.00	

*1 Fees of counsel and solicitor, proctor's fees, administrator's commission collected from estates and transferred; figures do not include accruals.

* 2 Pre-tax expenses recovered from clients e.g. postage, photocopy.

* 3 May be subject of claims. Public Trustee Act, s. 35. : figures do not include accruals

PUBLIC TRUSTEE STATISTICS

SCHEDULE "E1"

YEAR ENDING	COMMON FUND INVESTMENT INCOME TRANSFERRED TO SPECIAL RESERVE FUND	SPECIAL RESERVE FUND ACCUMULATED NON-TRANSFERABLE EQUITY
March 31, 2019	\$ 251,124.00 \$	3,262,304.86
March 31, 2018	\$ 160,752.00 \$	3,307,425.00
March 31, 2017	\$ 117,742.00 \$	3,148,497.00
March 31, 2016	\$ 124,514.00 \$	3,025,428.00
March 31, 2015	\$ 115,957.00 \$	2,901,045.00
March 31, 2014	\$ 135,237.00 \$	2,790,439.00

PUBLIC TRUSTEE STATISTICS

SCHEDULE "F"

HEALTH CARE DECISIONS

Client Files	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Active Files at April 1st	352	394	425	449	475	553
New Client Files Opened	91	78	92	85	122	117
Deactivated Files Reopened	3	0	0	0	0	0
Client Files Closed	(52)	(47)	(68)	(59)	(44)	(49)
Active Files at March 31st	394	425	449	475	553	621

REFERRALS RECEIVED

Client Files	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Hospitals Act	100	97	91	122	135	125
Involuntary Psychiatric Treatment Act	72	77	86	97	82	112
Personal Directives Act	348	338	441	374	483	628

TOTAL DECISIONS

YEAR ENDING NUMBER OF DECISIONS

March 31, 2019	3491
March 31, 2018	2582
March 31, 2017	2398
March 31, 2016	2383
March 31, 2015	1631
March 31, 2014	1678

PUBLIC TRUSTEE STATISTICS

SCHEDULE "G"

RENUNCIATIONS

<u>YEAR ENDING</u>	<u>NUMBER OF RENUNCIATIONS OPENED</u>
March 31, 2019	87
March 31, 2018	76
March 31, 2017	68
March 31, 2016	87
March 31, 2015	83
March 31, 2014	69

Health Care Decisions
Annual Statistical Report
April 1st, 2018 - March 31st, 2019

SUMMARY

This 18-19 fiscal report provides a summary of the Health Care Division at the Office of the Public Trustee.

The Public Trustee, through the Health Care Decisions division acts as the decision-maker of last resort for individuals who lack capacity to make decisions concerning medical, surgical, and psychiatric treatment, as well as decisions related to health care, home care services, and placement to a continuing care home when there is no higher-ranked substitute with capacity who is willing and able to act on their behalf.

Authority to act is granted under the *Hospitals Act (HA)*, *Involuntary Psychiatric Treatment Act (IPTA)* and *Personal Directives Act (PDA)*.

Health Care Numbers at a Glance

Client Files	2016-17	2017-18	2018-19
Active Files at April 1st	449	475	553
New Client Files Opened	86	122	117
Deactivated Files Reopened	0	0	0
Client Files Closed	-60	-44	-49
Active Files at March 31st	475	553	621

REFERRALS RECEIVED

Legislation	2016-17	2017-18	2018-19
Hospitals Act	122	135	125
Involuntary Psychiatric Treatment Act	97	82	112
Personal Directives Act	374	483	628

TOTAL DECISIONS

Year Ending	# of Decisions
March 31, 2019	3491
March 31, 2018	2582
March 31, 2017	2398

Health Care Decisions Annual Report April 1st, 2018 - March 31st, 2019

Annual statistics for the fiscal year 2018-19 are noted below;

- 117 new client files were opened during the year and 49 client files were closed.
- There were 621 active client files at March 31, 2019, an increase of 12.5% over 2017-18. Note that this number will dramatically decrease next fiscal as a complete review of each client file will be completed and a fresh approach to record retention will be developed. All dormant (no activity within an established timeline by legislation) will be closed due to the following;
 - SDM come forward;
 - Client regained capacity; or
 - No activity within the designated timeframe.

Moving forward an active client will more accurately describe a file that we are engaged and dynamically making decisions on.

- 865 referrals were received
 - 628 (72.6%) under PDA,
 - 125 (14.2%) under HA, and
 - 112 (13.2%) under IPTA,
- A total of 3491 decisions were made in 2018-19

Decision Level

- 3102 (96%) were Level 1;
 - 215 (3.2%) were Level 2; and
 - 174 (0.8%) were Level 3.
- Nine external education sessions were provided to Department of Health & Wellness and Department of Community Services stakeholders in 2018-19 with a total of 105 attendees. Participants reported that the information was helpful to their roles in their evaluation feedback.

HEALTH CARE DECISIONS DIVISION

Public Trustee Mission

The Public Trustee is committed to the proper administration of estates of deceased persons, incompetent persons, children, and missing persons. It is also committed to providing informed consents for health care, placement to a continuing care home or home care services using an approach that is client-centered, respectful of human rights and freedoms and in the client's best interests if prior wishes, values and beliefs are not known.

Principles and Standards

Together with the *Personal Directives Act*, the *Hospitals Act*, and the *Involuntary Psychiatric Treatment Act*, the foundation documents supporting the Health Care Decisions Division are the Canadian Charter of Rights & Freedoms and the *Nova Scotia Human Rights Act*.

Best interest and informed consent principles are the foundation of decision-making within the Health Care Decisions division. Division policies also employ the four commonly held **principles of health care ethics**, namely: respect for autonomy; non-injury; beneficence; and justice. Respect for autonomy is demonstrated by respecting the client's prior capable wishes, values and beliefs if known and consideration of the client's rights to independence and freedom; non-injury is demonstrated in decision-making that avoids or minimizes risk to the client; beneficence is demonstrated in decisions that benefit the client; and justice is demonstrated in decisions that are fair and equitable.

The Health Care Decisions division, on behalf of the Public Trustee, stands in the place of the client and is entitled to the same information and freedom of choice as the client would have received if he or she had capacity. Decisions are made using the **reasonable person standard**; after carefully considering the available relevant information, the Health Care Decisions division makes a reasonably well-informed decision to consent, to not consent, or to withdraw consent as a reasonably prudent and careful lay person would do in similar circumstances and not as a health care professional.

Health Care Decisions Division Structure



Health Care Decisions Annual Report April 1st, 2018 - March 31st, 2019

The Organizational chart of the Health Care Decision division changed In January as a result of the additional responsibilities related to the *Adult Capacity and Decision-making Act* capacity assessment training and support. The Health Care Decisions Division serves all of Nova Scotia and now consists of four full-time employees, the Director and three Health Care Consultants.

Note: An intake clerk will be added to the division to provide administrative support and record management during the next fiscal year.

2018-2019 Statistical Overview

In 2018-19, 117 new client files were opened. With the closure of 48 files, the year-end balance of 622 active files represents a 12.6% increase in the total number of active files at March 31, 2018.

Table 1 – Year over year comparison of active and closed client files

Client Files	2016-17	2017-18	2018-19	Comments
Active files on April 1 st	449	475	553	Increase of 16%
New Client Files Opened	85	122	117	Decrease of 4%
Closed Client Files	(59)	(44)	(49)	Increase of 9%
Active Client Files at March 31 st	475	553	621	Increase of 12%

Chart 1 – Year over year comparison of active files at March 31st

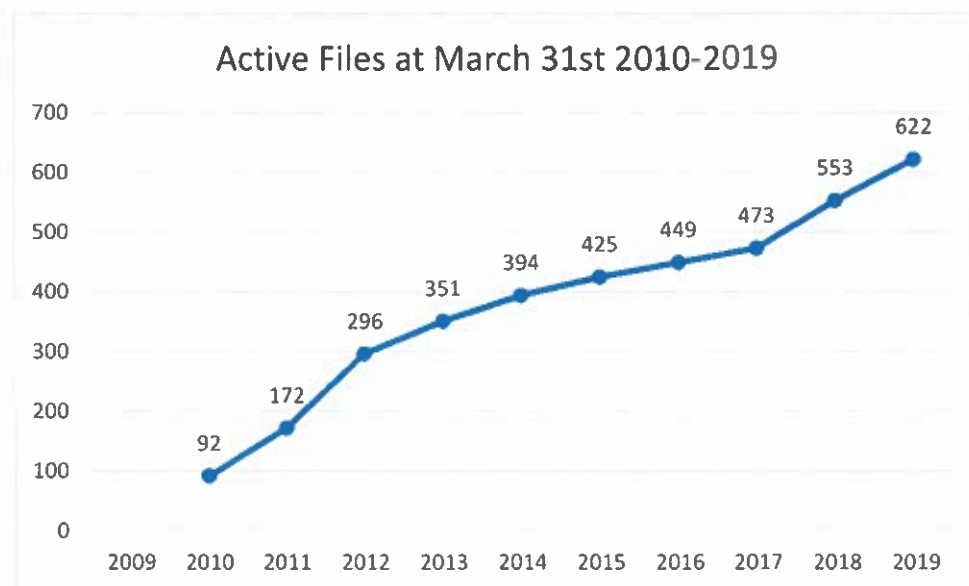


Table 2 – Closed Files

Reason for Closing	2016-17	2017-18	2018-19
Client death	57	44	49
Higher-ranked statutory decision maker	2	0	0
Delegate or proxy identified	0	0	0
Capacity regained	0	0	0
Left jurisdiction	1	0	0
Total	60	44	49

Referrals

Total Referrals by legislation

In the fiscal year 2018-19, a total of **865** referrals were received:

- 628 (72.6%) referrals under *Personal Directives Act*;
- 125 (14.4%) referrals under *Hospitals Act*; and
- 112 (13%) referrals under *Involuntary Psychiatric Treatment Act*.

As in past years, the majority of referrals fall under the PDA and the majority of our clients reside in DCS or DHW facilities.

Chart 2 – Referrals by Legislation

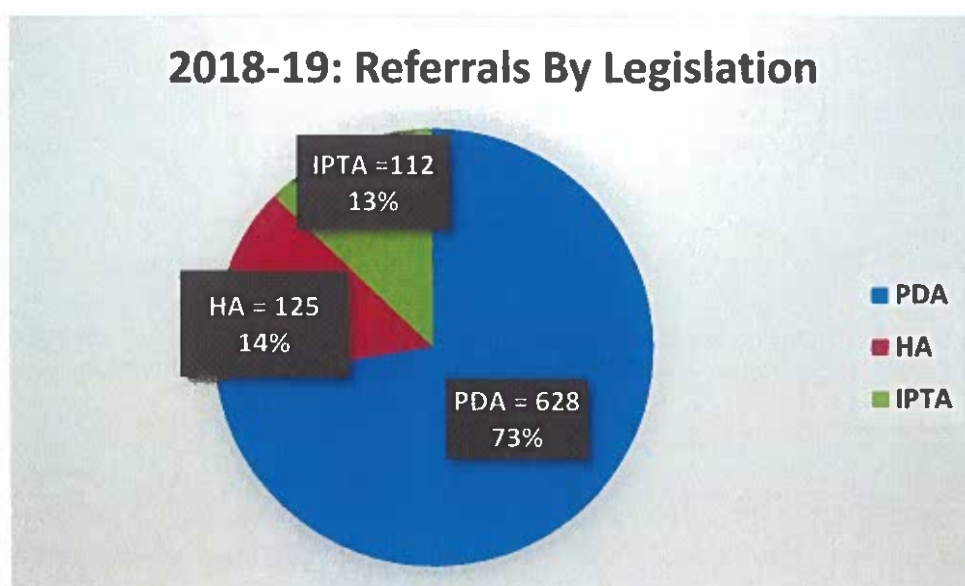
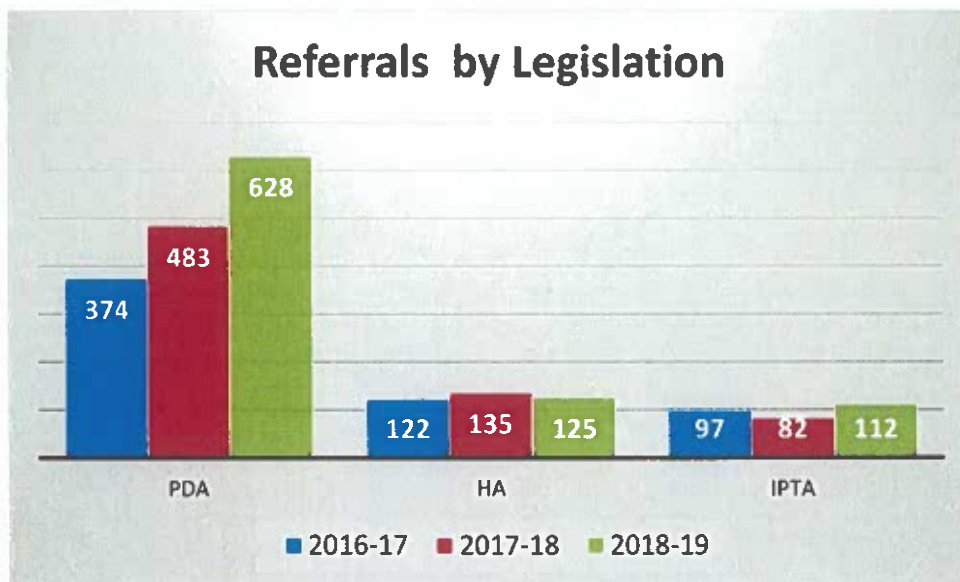
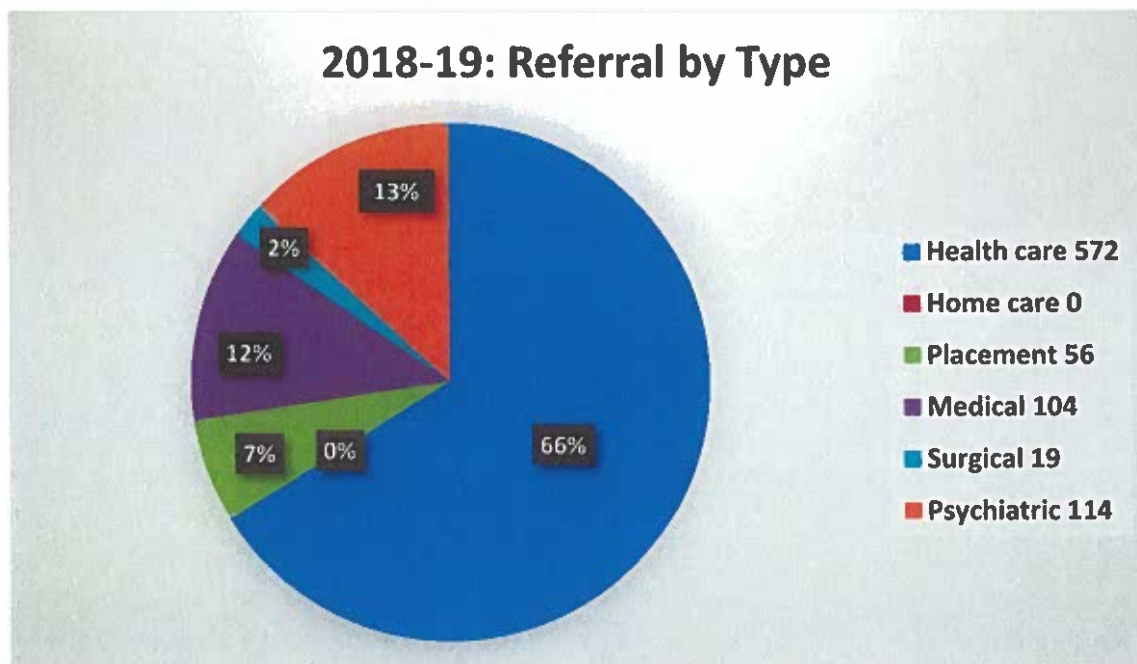


Chart 3 – Referrals – Trending Year over year by Legislation



Referrals by Type

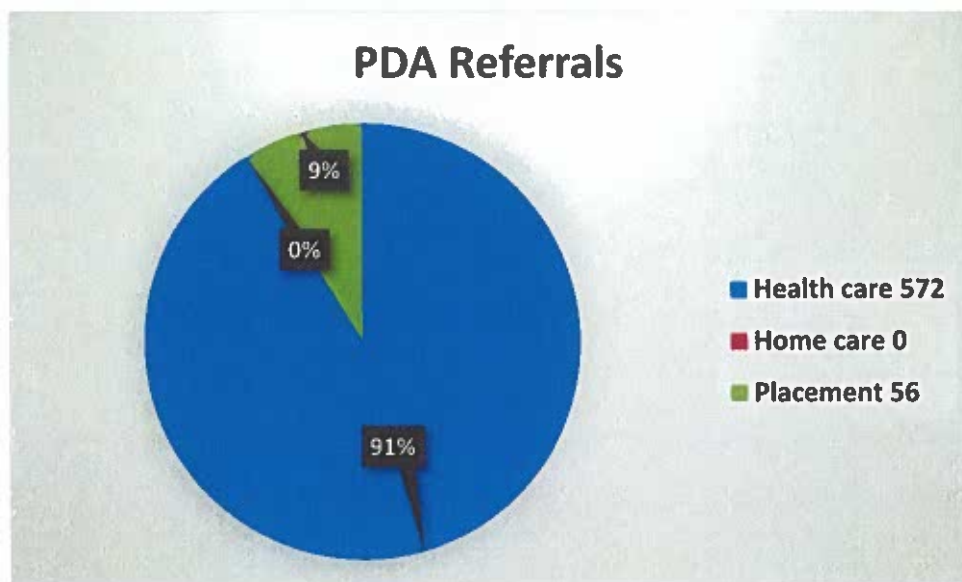
Chart 4 – Referrals by type



Referrals under *Personal Directives Act*

Referrals under the *Personal Directives Act* include health care, home care and placement to a continuing care home. In 2018-19, a total of 628 referrals were received under PDA.

Chart 5 – 2018-19 Referrals: Health Care, Home Care , Placement

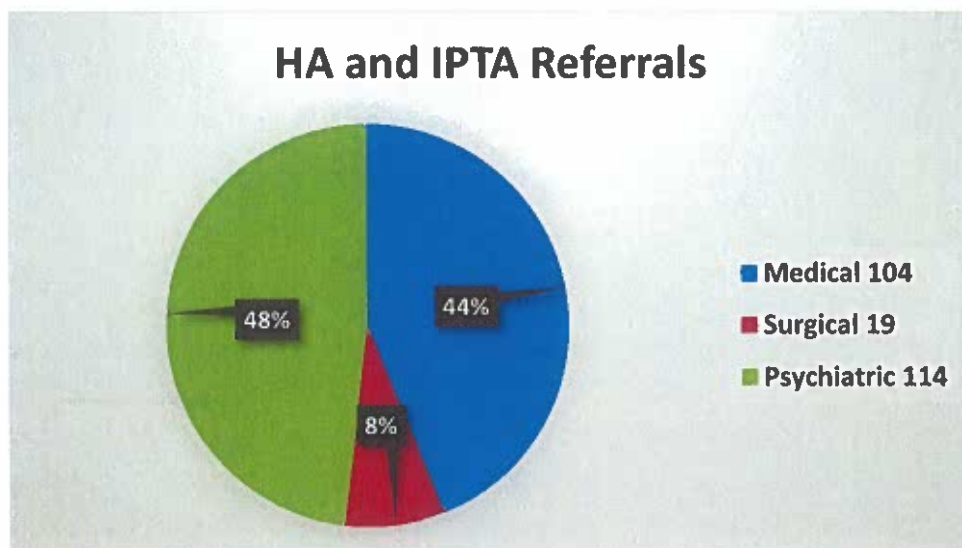


Referrals under *Hospitals Act* and *Involuntary Psychiatric Treatment Act*

Hospitals Act referrals includes recommendations for medical and surgical treatments. In the fiscal year ending March 31, 2019, the Public Trustee received 125 referrals under the *Hospitals Act*.

Involuntary Psychiatric Treatment Act referrals include recommendations for psychiatric treatment in hospital and community treatment orders. In the fiscal year ending March 31, 2019, the Public Trustee received 112 referrals under the *Involuntary Psychiatric Treatment Act*.

Chart 6 – 2018-19 Total medical, surgical, and psychiatric treatment referrals



Referrals by month

The average number of referrals received each month in 2018-19 was 72, compared to 58 in 2017-18. January had the most referrals received in a month at 101; December had the fewest at 57 referrals.

Chart 7 – 2018-19 Referrals per month by legislation

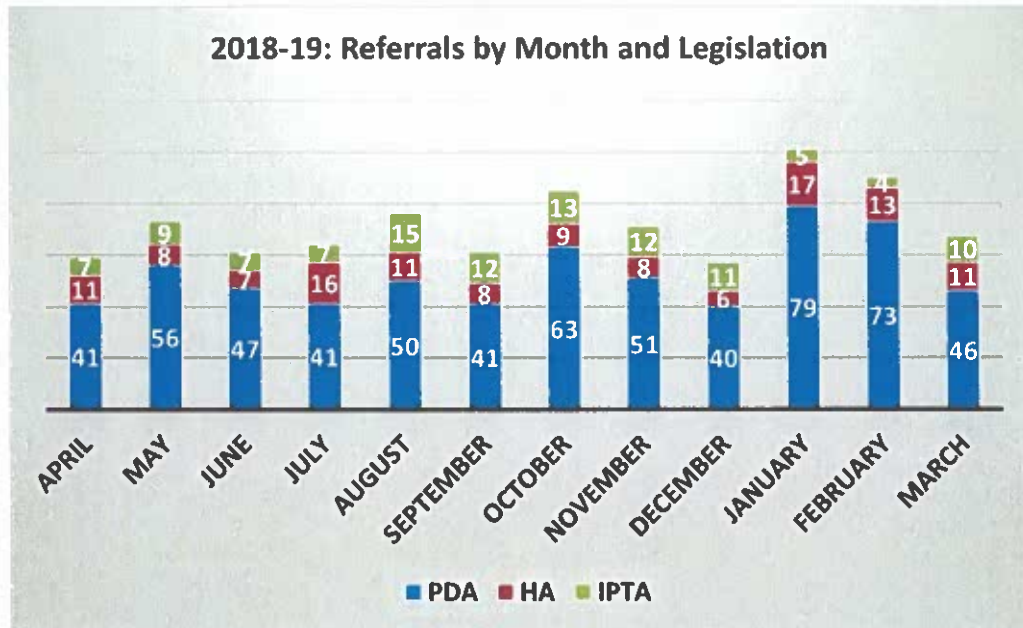
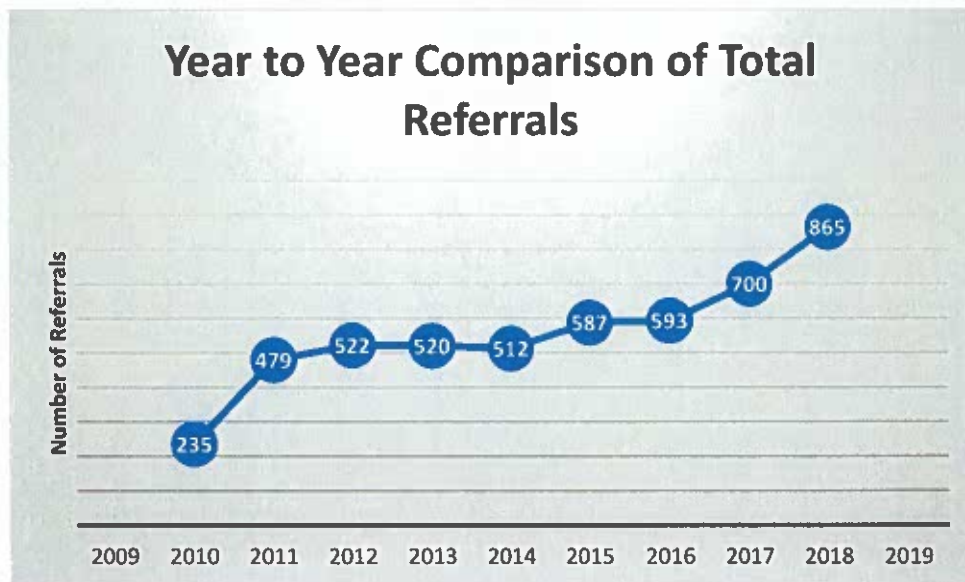


Chart 8 – Total Referrals by Quarter



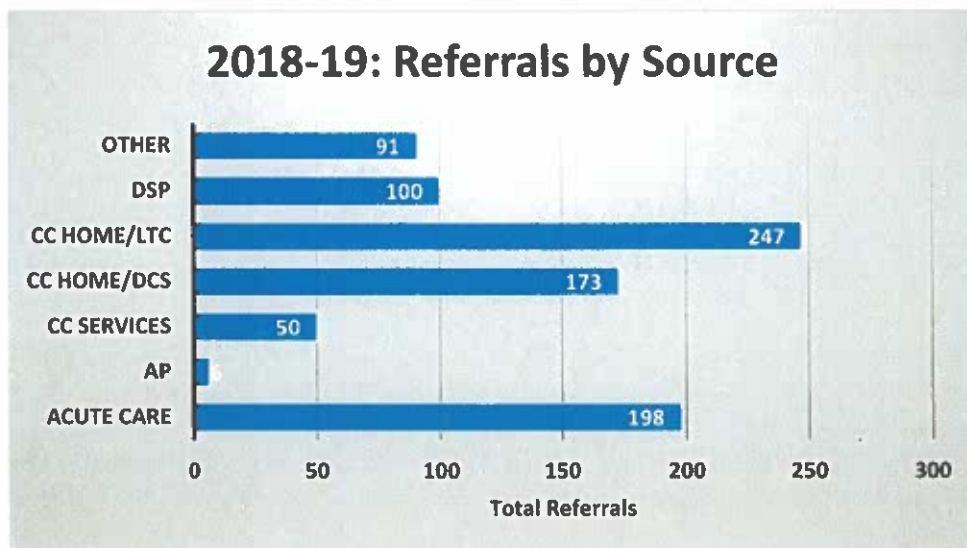
Chart 9 – Year over Year Total Referrals



Referrals by Source

Referrals come from several sources, including hospitals, licensed homes under Departments of Community Services (DCS) and Health and Wellness (DHW), Adult Protection Services, Care Coordination and Placement Services (NSHA) and the Disability Supports Program (DSP). 'Other' sources may include primary care health professionals in the community, e.g. dentist, general practitioners.

Chart 9 – Total Referrals by source

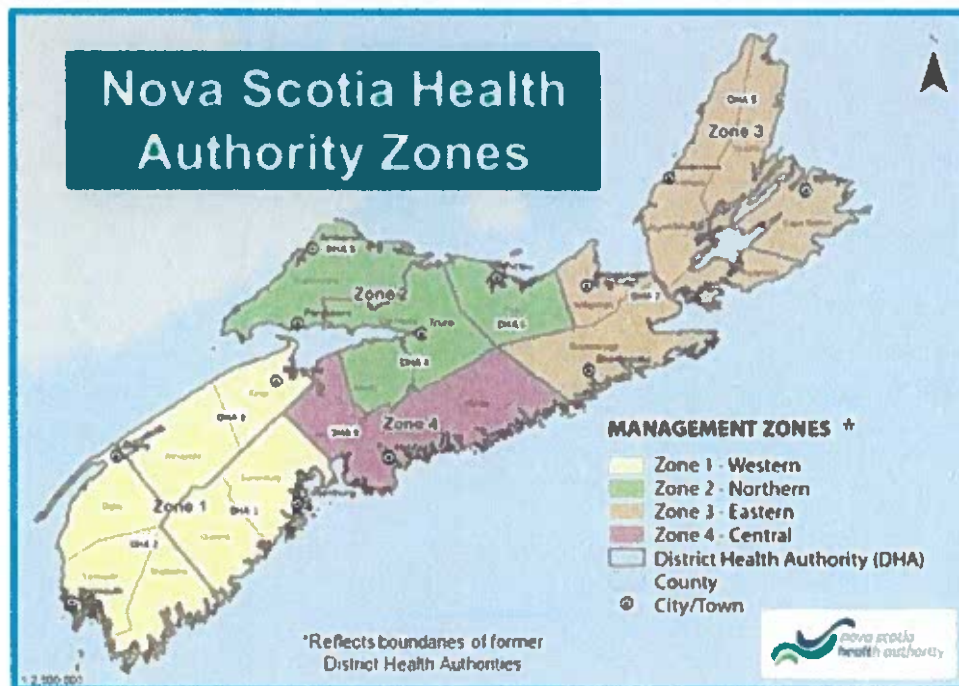
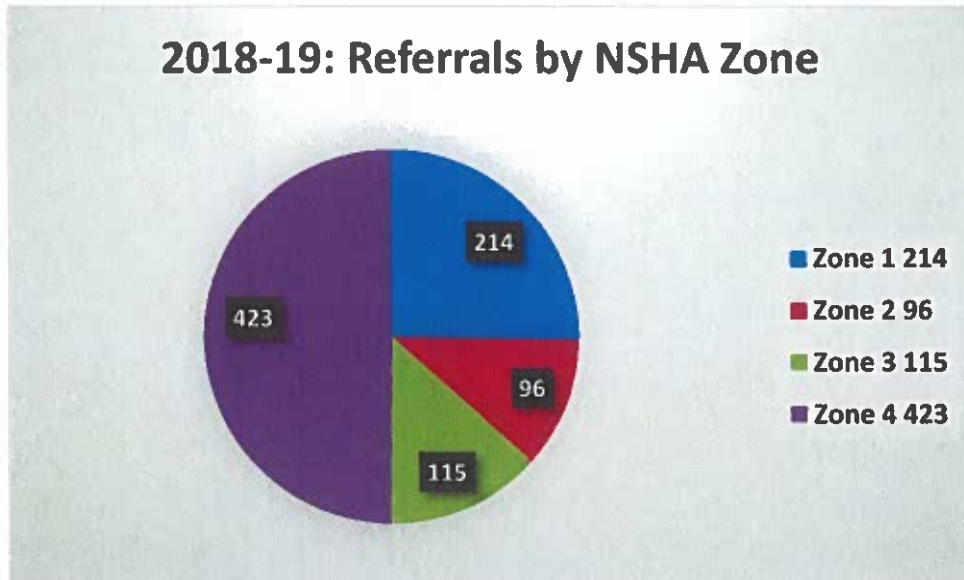


Referrals by Geographic Area

The Nova Scotia Health Authority (NSHA) is divided into four geographic zones:

- Zone 1 (Western);
- Zone 2 (Northern);
- Zone 3 (Eastern); and
- Zone 4 (Central).

Chart 10 – 2018-19 Total Referrals by Zone

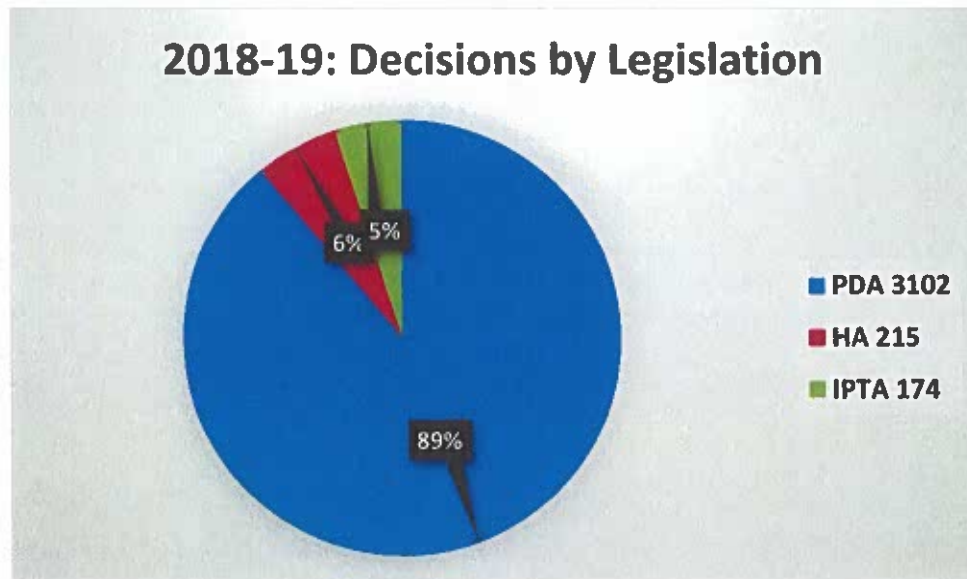


Decisions

Total Decisions

In the fiscal year 2018-19, a total of 3491 decisions were made compared to 2582 decisions made in 2017-18 an increase of 35%. Of the 3491 decisions made: 6% were made under the *Hospitals Act*; 5% were made under *Involuntary Psychiatric Treatment Act*; and 89% were made under *Personal Directives Act*.

Chart 12 – Decisions by Legislation



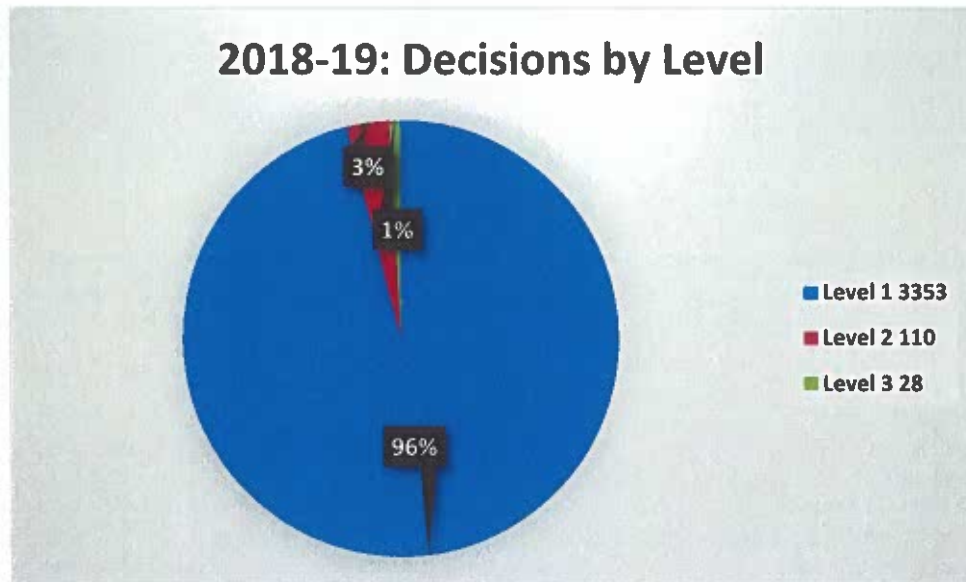
Decision Levels

Each decision is categorized as level 1, level 2, or level 3 in accordance with the degree of risk to the client, with level 3 (CTO and ECT) having the most risk.

In 2018-19,

- 96% decisions were Level 1;
- 3% were Level 2; and
- 1% were Level 3 decisions

Chart 14 – Total Decisions by level



There were 28 Level 3 decisions made in 2018-19, an increase of 12% as compared to 25 in 2017-18.

Table 3 – Level 3 Decisions 2018-19

Level 3 Decision	Number
Community treatment orders (CTO) and CTO renewals	14
Electroconvulsive therapy (includes maintenance schedules)	12
Neurosurgery	2
Amputation	0
Total	28

Quality Indicators

Complaints

The 2018-19 target was to have fewer than 5 complaints during the year

One complaint was received during the 2018-19 fiscal year regarding a complex client situation. The concern related to a lack of understanding of our client's legal rights and was resolved by the Public Trustee.

Response Times

100% of decision letters were issued within the established response time standard of 3 business days of receipt of all relevant and required referral information.

External Education

A provincial education outreach plan was developed and implemented in 2018-19. It included presentations to stakeholders throughout Nova Scotia by Health Care Consultants on the role of the Public Trustee as statutory decision-maker and were offered to DHW and DCS-licensed continuing care homes, Adult Protection Workers, and Disability Support Program staff. A total of 9 presentations were provided with a total of 105 stakeholders attending.

ANNUAL WORK PLAN

1. Continue to provide excellence customer service and timely responses to complete referrals.
2. Actively seek creative learning opportunities for external stakeholder education throughout the province regarding the role of the Health Care Decisions division and associated processes.
3. Conduct an entire client file review to ensure that we are still the required SDM.
4. Continue to seek feedback from external stakeholders with respect to HCD policies and processes to promote continuous quality improvement and best practice in decision making.
5. Finish developing and host the Inaugural ACDMA Capacity Assessment training program.
6. Review the workflow for Adult Protection (Section 7 & 10) cases.
7. Conduct a review of the HCD policies and practices.
8. Develop criteria by legislation for closing dormant files.