



NSW Trustee & Guardian

Annual Report 2009-10

Incorporating the annual report of the Public Guardian



**NSW Trustee
& Guardian**
Justice & Attorney General

**The Hon John Hatzistergos, MLC
Attorney General
Parliament House
SYDNEY NSW 2000**

Dear Attorney

I am pleased to forward for presentation to Parliament the first annual report of NSW Trustee & Guardian together with associated financial statements for the year 2009–10.

The report is prepared in accordance with the *NSW Trustee and Guardian Act 2009, Annual Reports (Statutory Bodies) Act 1984* and *Public Finance and Audit Act 1983*.

This is a historic report, outlining the work of NSW Trustee & Guardian in its first year of operation and reflecting the long and important history of the provision of trustee and financial management services to the NSW public.

**Yours sincerely
Imelda Dodds
A/Chief Executive Officer
NSW Trustee & Guardian**

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ISSN 1329-1750

Total external costs to produce 1000 copies of the annual report were \$17,862 ex GST

The annual report is available on our website: www.tag.nsw.gov.au.

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Our organisation

Our vision

The best provider of personal trustee, financial management and substitute decision-making services. We protect and promote the rights and interests of our clients.

Our values

We are guided by our values:

- > Client-centred service
- > Integrity
- > Independence
- > Accountability
- > Social justice
- > Responsive
- > Teamwork
- > Respect
- > Equity
- > Self-determination

Legislative framework

We operate under the *NSW Trustee and Guardian Act 2009* and the *NSW Trustee and Guardian Regulation 2008*. A wide range of legislation impacts on our operations.

NSW Trustee & Guardian (NSWTG) supports the Public Guardian, who is a statutory officer under the *Guardianship Act 1987*. The Public Guardian operates independently but reports to the Chief Executive Officer of NSWTG. An account of their operations is included in this annual report.

Our services

We help our clients and the community of NSW in the following ways:

- We manage their assets and help plan for their future under a power of attorney.
- We provide executor service, estate planning and estate administration expertise.
- We make their will should they need an independent, impartial and professional executor and/or trustee.
- We act as financial manager for people with decision-making disabilities.
- We authorise and direct the performance of private managers appointed by the Supreme Court and Guardianship Tribunal.
- We manage deceased estates as executor so assets at death are dealt with according to clients' wishes.
- We act as trustee of fixed or discretionary trusts created in wills, deeds and court orders for families, children and people with disabilities.
- We manage property in criminal and civil assets restraint and forfeiture.
- We act as trustees for protected defendants.
- The chief executive officer also carries out the role of the Commissioner of Dormant Funds, making determinations on charitable or public funds that have become dormant.
- We manage the affairs of people who are declared missing persons.
- We promote the making of a will, enduring power of attorney and enduring guardianship.
- We provide advice on relevant aspects of government policy and legislation.
- We contribute to relevant law reform development.

What we do

NSW Trustee & Guardian has six core business areas:

1. will making
2. estate administration
3. executor services
4. trust management
5. power of attorney management
6. financial management services.

We also manage seized or confiscated assets under the *Criminal Assets Recovery Act 1990* and the *Confiscation of Proceeds of Crime Act 1989*.

Under an agency agreement we can hold funds in the Primary Portfolio and/or the Growth Portfolio of our Trustee Common Fund. We act as agent for organisations such as retirement villages, unions, sporting associations, superannuation companies and other trustees.

In addition, the Public Guardian reports administratively to the Chief Executive Officer of NSW Trustee & Guardian.

Our clients

Our key clients are:

- the people of NSW
- the NSW Government.

Our key business risks

Key business risks for the organisation are:

- inability to attract and retain the right staff
- maintenance of our skills and reputation as a prudential asset manager
- failure of our internal governance
- maintenance of client and stakeholder engagement and generation of an ongoing demand for our services
- the balancing of the fiduciary responsibilities of trustee, financial manager and executor against the expectations of clients for expeditious service
- security of clients' assets.

Chief Executive Officer's review of operations

On 1 July 2009 NSWTG opened its doors for the first time as a new organisation that brought together the former Office of the Protective Commissioner and the Public Trustee NSW. Our first year of operation was 2009–10.

NSWTG continues to provide the essential public service that both former organisations had offered over many years. People who wish to have an independent and impartial executor, trustee and attorney can make a will, power of attorney or establish a trust with NSWTG. Those who have lost the capacity to manage their affairs can obtain direct or indirect oversight of their estate to protect themselves from exploitation. People who need a guardian have access to the Public Guardian's support in health and personal decision-making. All services are provided by skilled staff in a professional manner.



The operating environment

Our achievements as a new organisation must be placed in the context of a difficult operating environment in which factors outside our control impacted on core business. Along with other NSW public agencies we were affected by the global financial crisis, changes in the machinery of government and sector-wide delays in recruitment of new staff. Trends specifically impacting on NSWTG included the ageing of the population and an increase in the numbers of people with acquired brain injury and mental illness.

Seamless transition to the new organisation

During the past 12 months we successfully created a new organisation from three former business centres. From our clients' perspective the transition was seamless.

The merger entailed a number of activities including the development of a new model for delivering our services. We also reviewed the investment model of the former organisations, developing a new approach, and commenced work on establishing the NSW Trustee & Guardian Common Fund. We reviewed service delivery to clients under a financial management order. To integrate information technology systems, we successfully introduced a new IT platform for staff of the former Public Trustee.

A new fee structure was introduced which is based on the Independent Pricing and Regulatory Tribunal (IPART) recommendation for the former Office of the Protective Commissioner and the new fee structure for the former Public Trustee.

Importantly, NSWTG was able to expand services to regional NSW by opening a dual service delivery office in Bathurst. For the first time clients in the Western region can now access the full suite of NSWTG services.

A significant public relations campaign was mounted to assist the community to recognise the name change to NSW Trustee & Guardian and understand the role of the new organisation. This ran alongside campaigns to encourage adults with capacity to plan for their future. Our major promotions took place during Good Will Week in September and NSW Seniors Week in March.

Contribution to inquiries

NSWTG made a major contribution to the Legislative Council's *Inquiry into substitute decision-making for people lacking capacity*. The inquiry has since finalised 35 recommendations, many of which relate directly to our work. These are now being considered by the NSW Government.

NSWTG was also active in responding to various inquiries and Law Reform Commission projects and engaging in systemic advocacy. We responded in depth to legislative changes and proposals regarding guardianship, powers of attorney and intestacy laws. Additionally, we made submissions to the Productivity Commission inquiry into the care of older persons and the NSW Law Reform Commission project on people with mental illness and cognitive impairment in the criminal justice system.

In September 2009 we were also sponsors and participants in a three-day roundtable discussion on Article 12 of the *United Nations Convention on the Rights of Persons with Disabilities*. Article 12 refers to equal recognition under the law for people with disabilities.

Internal audit

NSWTG pursued a comprehensive internal audit strategy, auditing areas of risk within our operations. As the greatest challenge faced by the merged organisation is achieving consistency of practice, the audit program focused on common areas of practice such as payment processing, taxation and procurement.

We also implemented changes to ensure compliance with Treasury's Internal Audit and Risk Management Policy, among them the establishment of a new Audit and Risk Committee with an independent chair and a majority of independent members.

The year ahead

2010–11 may see the implementation of further legislative change to how we deliver services to clients under financial management.

NSWTG will continue work on the merger. Client services will improve with the establishment of dual service delivery offices throughout the state, increased direct contact by our branch staff with people under financial management and greater client contact outside of the workplace.

Our extensive capital works program will involve the upgrading of all dual service delivery locations. Work will begin on transition to a new IT application system while a review of IT and telephony services will set the framework for service delivery into the future.

In line with the NSW Government's *Ageing 2030: Creating the future* report, we will continue to promote pre-planning by making wills and powers of attorney and implement changes to the Guardianship Regulations to allow NSWTG staff to witness enduring guardianship instruments.

Together with Housing NSW and other relevant agencies, we will develop a shared protocol for early intervention should people under financial management or guardianship experience housing or tenancy difficulties.

We will implement and monitor the impact of recommendations from major reports internally commissioned in 2009–10 including audit reports, the *Evaluation of Direct Management Services*, *Review of the Delivery of Legal Services* and the review of the Common Fund.

Imelda Dodds

**A/Chief Executive Officer
NSW Trustee & Guardian**

Performance highlights by key result area

Key result area 1: Our clients

- Continued to reduce errors through appropriate training, supervision, use of technology and access to current policy and procedures.
- Measured trustee client satisfaction according to two indices – the Customer Satisfaction Index (CSI) and Process Improvement Satisfaction (PISI). Across combined client groupings the CSI was 84 compared to 86.5 in 2008–09 and the PISI 80 compared to 83.5 in 2008–09.
- Improved access for clients by increasing Saturday opening hours, expanding our programs to culturally and linguistically diverse communities and continuing our home visits to clients. More than 1100 clients unable to attend a branch office were seen outside the office.
- Continued to implement dual service delivery across the branch network and created a work environment for professional service. The first dual service office opened in May 2010 in Bathurst.
- Gave clients better document security by scanning all wills and powers of attorney.
- Achieved greater efficiencies through the use of technology, for example, by extending electronic funds transfer and improving electronic file notes.
- Reviewed delivery processes, standards and resources to enhance services for clients under financial management.
- Continued support and advice from specialist teams in decision-making.
- Implemented the client budget module and upgraded the Client Information System.

Key result area 2: Involvement with our community

- Mounted a successful Good Will Week campaign in September to raise awareness of the importance of having a professionally drafted will. Our theme was ‘Have you got the will to do what you’ve always wanted?’ Visits to the Good Will Week website were up by 250 per cent on 2008–09.
- Sponsored NSW Seniors Week in March and, as part of the program, held a family history workshop which received excellent audience feedback.
- Extended our support of the NSW TG Fellow in Elder Law at the University of Western Sydney for a further five years.
- Marketed NSW TG as a professional provider of will-making, power of attorney, trustee and executor services and financial management services.
- Continued to meet with stakeholders and clients at Macquarie Hospital, a number of Ageing, Disability and Home Care group homes, licensed residential centres, nursing homes and aged care facilities.

Key result area 3: Our financial performance

Budget management

- Continued the staged implementation of the long-term trust fee.
- Achieved Efficiency Savings Plan targets.
- Achieved positive returns on investment of corporate funds after last year's negative return due to the global financial crisis.

Fund management

- Commenced work on the establishment of the NSWTG Common Fund and the harmonisation of the former Public Trustee's and Office of the Protective Commissioner's Common Funds.

Asset management

- Opened a new office in Bathurst and commenced planning a refit program for all branches over the next two years.
- Completed the transfer of asset management services to the Department of Justice and Attorney General NSW (DJAG).

Key result area 4: Our people

- Attracted people with the requisite skills, competencies and capacity to add value to the business.
- Continued to train and develop our employees.
- Clearly articulated our expectations for staff and provided constructive feedback.
- Following the merger, commenced placement of financial management staff across the branches identified for dual service provision.
- Identified critical roles and addressed replacement needs to maintain business viability.
- Implemented equitable flexible working arrangements that met staff, client and business needs.
- Identified and developed future leaders through assessment against defined leadership qualities/competencies.

Key result area 5: Our governance

- Increased corporate knowledge of financial management by extending business information capacity.
- Negotiated a business plan which will meet our obligations to stakeholders.
- Achieved greater efficiencies in corporate services through transfer to DJAG of responsibility for human resources, asset management and information technology.
- Further implemented TRIM records management and integrated TRIM with our business systems.
- Established the NSWTG Audit and Risk Management Committee.

Our service to clients

Financial management services

At the end of June 2010 NSW Trustee & Guardian was the financial manager for 9579 people and provided direction and authorisation to 2961 private managers. This represented an increase of 5.13 per cent for directly managed clients and 7.5 per cent for privately managed clients on the previous financial year.

NSWTG experienced a 13.6 per cent increase in total financial management orders from June 2007 to June 2010.

Table 1: Number of clients at 30 June 2007 to 2010

	30 June 2007	30 June 2008	30 June 2009	30 June 2010
People who have NSW Trustee as their manager	8786	8880	9111	9579
People who have private managers	2252	2556	2753	2961
Total	11,038	11,436	11,864	12,540
People for whom NSW Trustee fulfils the role of banker*	753	759	636	432

*These people have developmental disabilities and live in centres operated by Ageing, Disability and Home Care. NSW Trustee & Guardian does not formally manage their financial affairs. The number of these clients is reducing as applications for formal financial management orders for them are processed by the Guardianship Tribunal.

Table 2: New orders made between 1 July and 30 June for 2006–07 to 2009–10

	2006–07		2007–08		2008–09		2009–10	
People who have NSW Trustee as manager of their affairs	1024	62.2%	953	56.93%	1031	58.38%	1233	63.89%
People who have private managers of their affairs	623	37.8%	721	43.07%	735	41.62%	697	36.11%
Total orders made	1647		1674		1766		1930	100%

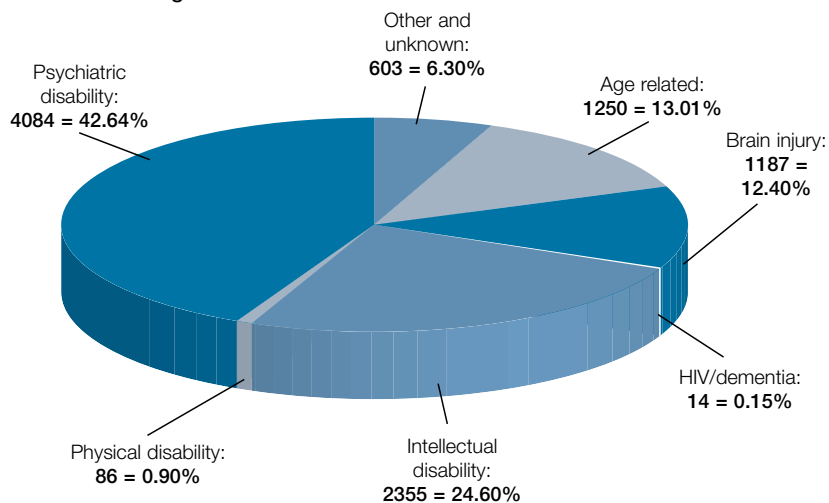
The Guardianship Tribunal is the primary source of financial management orders for NSW Trustee & Guardian.

Table 3: Order source for 2006–07 to 2009–10

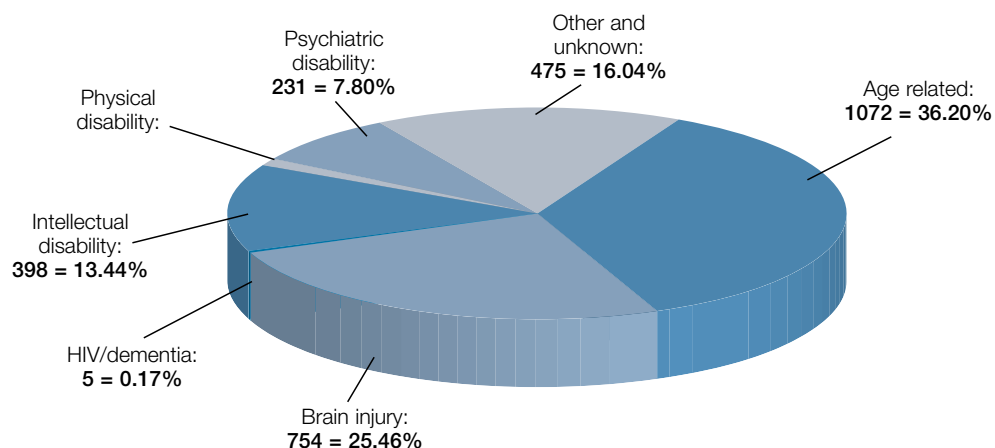
Order source	2006–07		2007–08		2008–09		2009–10	
	No.	% of new orders	No.	% of new orders	No.	% of new orders	No.	% of new orders
Supreme Court	61	3.7	71	4.24	48	2.7	42	2.23
Guardianship Tribunal	1344	81.6	1444	86.26	1595	90.3	1791	92.80
Magistrate orders	67	4.1	38	2.27	30	1.7	16	0.83
Mental Health Review Tribunal	175	10.6	121	7.23	93	5.3	81	4.12

Types of disability

Direct management



Private management



Financial management services

Financial management client service teams

NSWTG maintains client service teams to look after Sydney and the various regions of the state and, additionally, five teams with specialist roles. These are the:

- Intake Team — after initial client contact, securing the estate and setting up the client file.
- Clarence Street Team — serving clients with challenging behaviours and homeless/itinerant clients.
- Intensive Team — serving clients with significant family conflict, complex communication issues and complex estates.
- Long-term Residential Team — serving clients living in supported accommodation with low-complex estates and needs.
- Finalisation Team — finalising estates on the death of clients or revocation of financial management orders.

Reviews

Client services restructure

Westwood Spice Consultants evaluated the 2008 client service restructure this year. While noting the progress achieved, the review made 45 recommendations which focused on the key themes of:

- improving communication channels
- prioritising client focus
- monitoring performance
- continuing service development
- building capacity.

We have since developed action plans around the review recommendations to be implemented in 2010–11.

Clarence Street review

The Clarence Street Team in Sydney provides direct financial management services to some of the most disadvantaged NSWTC clients, including people who are experiencing homelessness, psychiatric illness or the effects of drug or alcohol abuse.

The Westwood Spice review made recommendations in four key areas: client service delivery, staffing issues, systems and procedures and the environment and security. An action plan was implemented to address the recommendations and has enabled the unit to refocus its services.

Private Management Branch restructure

The Liaison Team, which was established in the 2008–09 branch restructure, was reviewed in 2009–10. The review recommended that it be reconstituted as number of smaller units to provide better client service. We anticipate that this further restructure will be implemented in the new financial year.

As the number of clients under private management continued to grow, there were several staffing changes to augment the capacity of the Liaison Team.

Improved systems support the restructure

The role of the Compliance Team includes the follow up of outstanding accounts and fees, primarily through correspondence. In a major process improvement this year, we developed an automated letter system which now creates approximately 10,000 individually populated letters per year that were previously prepared by staff.

Private management service delivery

As part of our continuous improvement of private management services, we redesigned a series of manager proposal forms. The standardised question and answer format, when completed, satisfies NSWTC requirements for authority to proceed with the proposals.

The *Private Manager's Handbook* was also reviewed and updated.

Both the forms and the handbook are available to private managers on the NSWTC website.

Case study – Mr T

Mr T is a 28 year-old man diagnosed with schizophrenia who also has a history of drug abuse. He has been itinerant since he was 18 when he left his abusive and violent home. Mr T has moved between states and from boarding houses to crisis accommodation and has had a number of hospital admissions due to both his mental and physical health. Mr T has been subject to exploitation, abuse and violence while living on the streets over the last 10 years. Because of his homelessness and disability, Mr T has come to the attention of the police and the criminal justice system.

Mr T's itinerant life style has also meant that he has lost contact with service providers and for some years the only ongoing support has been the NSW TG Clarence Street unit. The team provides a one-to-one financial management service to homeless clients and those assessed as at significant risk in the Sydney area. Working with NSW TG's Disability Advisory Service, the team has provided consistent support to Mr T, building trust and confidence.

Recently the team has been working on several critical issues with Mr T – liaising with Housing NSW on a priority housing application, helping to progress a victim's compensation claim and connecting Mr T with a case management service. Currently the case manager is helping Mr T to buy furniture to set up the new Housing NSW flat into which he will move at the end of the month. It will be Mr T's first home as an adult and a new beginning for this vulnerable man.

Our financial management

Private management fee review

As detailed in last year's annual report, we began to progressively implement the fee changes recommended by the Independent Pricing and Regulatory Tribunal from 1 April 2009.

On 1 July 2009 examination of the annual accounts fee recommendations was implemented. The subsequent fee changes created a three-tiered fee structure ranging from \$100 to \$300 depending upon the complexity (and other characteristics) of the accounts being examined.

As a result of the Tribunal's \$2000 fee cap and total exemption of the pension from assessable income (up to the level of the single aged care pension amount and allowances), we charged lower fees for most privately managed clients this year. The table below shows the lower fees of 2009–10 compared with 2008–09.

Table 4: Change in average fees received per privately managed client

Year	Total active clients*	Total deceased/ discontinued clients*	Total fees received (\$'000)	Average annual fee per client
2008–09	2753	385	\$2,599	\$828
2009–10	2961	479	\$1,360	\$395

*Note: client numbers as at 30 June.

Financial management services

Financial and asset management

Financial planning

NSWTG develops and regularly reviews financial plans for clients to ensure that clients' assets are invested appropriately to meet their immediate and longer term needs. At 30 June 2010 approximately \$959.5 million was invested on behalf of our clients based on recommendations in these plans. This year we developed 38 new financial plans and reviewed 690 financial plans.

We contributed over \$7.5 million to superannuation on behalf of nearly 167 clients and managed a further \$170 million in non-NSWTG investments in such areas as direct shares, managed funds and term deposits.

Client property

NSW Trustee & Guardian ensures that all client assets are, where possible, secured and protected. This year we managed 1921 properties with a total value of more than \$524 million. Included in this group were 309 new properties where the owner came under our management. In addition, 187 properties were sold and 38 purchased. Construction or repairs were undertaken on 1710 properties.

We also managed the repair, insurance and registration (where appropriate) of client vehicles, including motor bikes, boats and tractors. Over 2009–10 we sold or purchased 195 motor vehicles, processed 191 insurance claims, effected 1776 insurance renewals and 360 new insurance policies and adjusted 422 existing insurance policies.

We oversaw the management of 84 commercial operations, which operated under complex company structures, trusts, partnerships and sole trader entities, many of which were actively trading.

Audits by both internal and external auditors ensured compliance with policy and procedures and identified process improvements.

Legal services

At end June 2010 NSWTG had provided advice and representation in 891 legal matters on behalf of clients, including personal injury, family law, deceased estates and recovery of assets.

The legal staff of the former organisations that merged to form NSWTG now work together and are moving towards developing common work practices.

Taxation services

Table 5: Number of income tax returns and activity statements lodged 2006–07 to 2009–10

2006–07	2007–08	2008–09	2009–10
3338	3549	3804	2704

Table 6: Number of land tax matters managed 2006–07 to 2009–10

2006–07	2007–08	2008–09	2009–10
54	35	37	40

The decrease in the number of tax returns and activity statements lodged for the 2009–10 financial year reflects the reduction in activity statements required. This was due to a high proportion of refunds generated in the previous year when client investment income was lower. There were fewer returns required for clients receiving superannuation due to higher income tax thresholds for senior Australians.

Financial transactions for clients

Table 7: Transactions with comparative volumes from 2006–07 to 2009–10

Activity	2006–07	2007–08	2008–09	2009–10
No. of transactions completed	1,189,240	1,227,099	1,274,109	1,336,667

Disability Advisory Service

Through our Disability Advisory Service NSW TG:

- provides specialist advice and advocacy to assist with decision-making, planning and communication for our clients
- delivers education to staff about disability-specific matters impacting on financial management decisions for clients
- administers the Authorised Visitor Service.

Achievements

Key achievements over the year included:

- in conjunction with Clarence St staff, participating in the Homeless Connect Day and developing a fact sheet on NSW TG services for homeless clients
- contributing to the NSW TG response to the Law Reform Commission's *Consultation Paper – people with cognitive and mental health impairments in the criminal justice system*
- in conjunction with the NSW TG A/Chief Executive Officer and Public Guardian, presenting a session on financial management and guardianship to University of Sydney final year social work students
- drafting the NSW TG response to the *Review of the Accreditation Process for Residential Aged Care*.

This year NSW TG developed plans for the Disability Advisory Service to offer assistance to the regional branch network. This primarily involves education for trustee staff.

The service experienced an increase in crisis referrals, such as where a child is at risk or a threat of homelessness, and an increase in referrals from external service providers seeking support for clients.

Authorised Visitors

The use of Authorised Visitors continued to increase, reflecting growth in the complexity of client needs. In 2009–10 we made over 180 referrals to Authorised Visitors to assess the needs of clients in nursing homes and help improve their quality of life. This is an increase of approximately 100 per cent on the previous year.

The Disability Advisory Service recruited Authorised Visitors for second terms and will expand their number in 2010–11 to meet growing demand.

Licensed boarding houses

Staff continued to visit licensed boarding housing across the state and review residents' budgets in the light of their needs. NSW TG plans to review the payments made to boarding house proprietors to reflect their role as landlord only and increase residents' access to their own allowances where possible.

NSW TG is working with other government and non-government agencies on a project to address the systemic exploitation that occurs in some licensed boarding houses.

Trustee services

Wills and powers of attorney for future business

NSWTG makes wills for people appointing us as executor, an activity which is both a community service and a loss leader as there is no charge. However, wills generate future business and form the basis of our estate administration work, which generates up to 60 per cent of revenue.

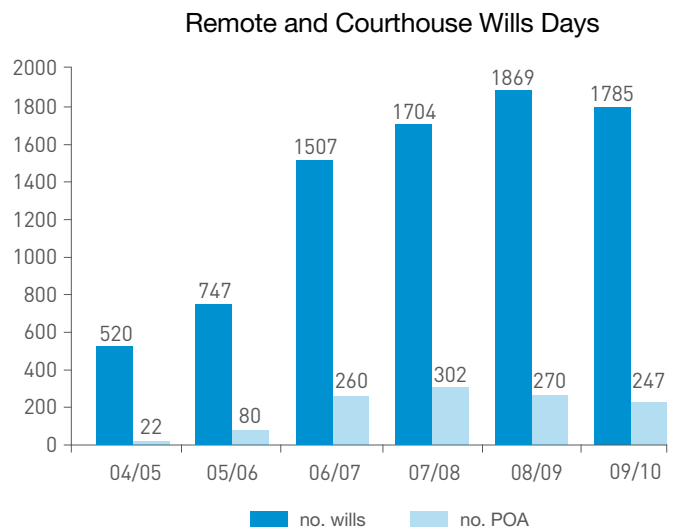
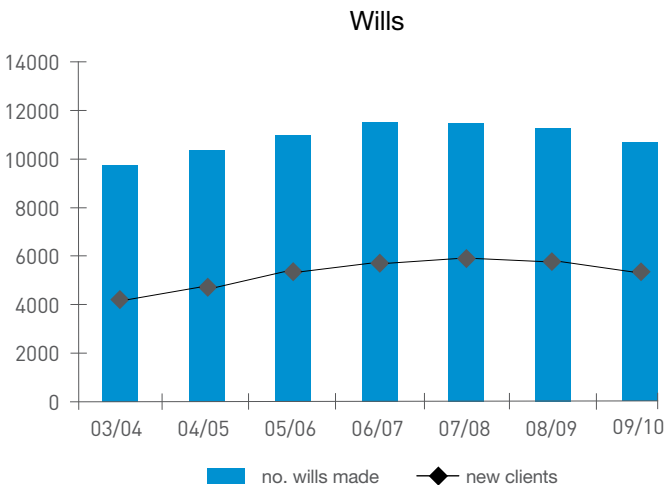
Working to a target of 12,000 wills, we made 10,639 wills in 2009–10, around half of which were for new clients. This is a good result given the merger and the re-branding of the organisation.

The success in sustaining our wills business at over 10,000 wills per annum in recent years is due to continued provision of flexible access for clients. This year we expanded the number of Wills Days held at locations such as courthouses, libraries and community centres to ensure that our services were as widely available as possible.

Activities driving results included:

- a total of 83 talks across the state, achieving an average attendance of 40 people per session
- two state-wide Saturday Wills Days across branches in May and during Good Will Week in October and an additional 19 individual branch Saturday openings, resulting in 512 executed wills and 55 powers of attorney
- 214 remote Wills Days, which generated 1785 wills and 247 powers of attorney. This was an increase of 9 per cent on the number of off-site Wills Days conducted in 2008–09
- home visits to 1178 clients unable to attend branch offices, including the sick, elderly and those with a disability. We saw an additional 1785 clients outside the office to make wills and powers of attorney.

Wills and powers of attorney made using the document production software Chameleon failed to reach the target of 80 per cent (reaching 60 per cent) due to migration to a new operating environment. However, we licensed versions of the software to other public trustees in Australia.



Estates

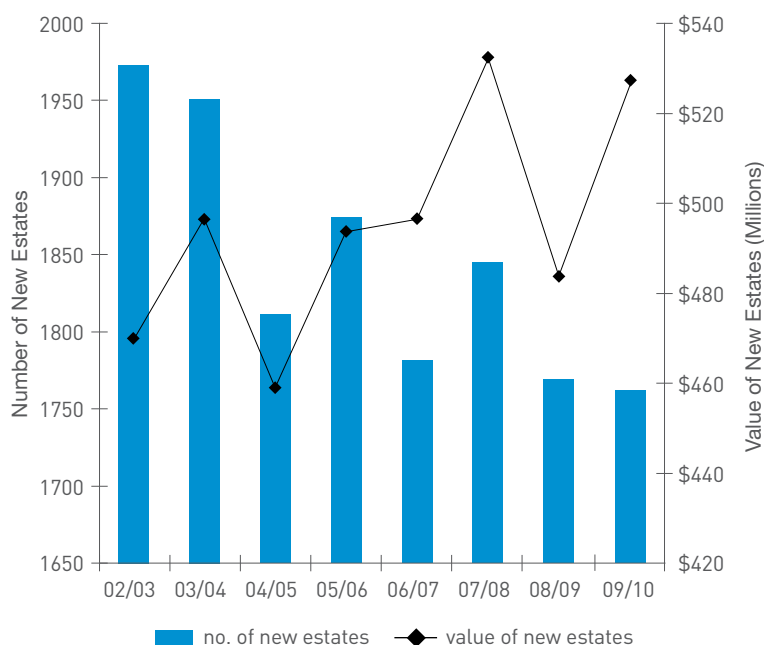
NSW Trustee & Guardian manages both testate (will) and intestate (no will) estates. Importantly, we cannot decline an estate purely on the basis of its low value but receive community service funding from the NSW Government for managing such estates. We also accept referral of estates from executors or administrators who wish to discontinue their involvement. Estates administered covered a wide range of value and complexity.

Statistics for the year show we obtained administration of 1759 new estates with a total value of \$525.3 million and had 6271 estates on hand. The targets were a total of 1850 estates with \$488 million in value. The average value of estates under grant of administration rose from \$438,978 in 2008–09 to \$465,579 in 2009–10. We also administered many smaller estates without the need for formal administration, transferring property to the surviving joint tenant and arranging funerals where no-one else was available.

Achievement of client service targets for 2009–10

- Working to a target of 90 per cent, filed 90.22 per cent of estates with values less than \$100,000 (\$50,000 until 31/8/08) with the Supreme Court within three weeks of the estate being reported.
- Working to a target of 80 per cent, 63.97 per cent of estates with values of \$100,000 (\$50,000 until 31/8/08) or more achieved a grant of administration within 10 weeks of the reporting date.
- Against a target of 80 per cent, completed 73.02 per cent of estates in seven months.
- Achieved an average time to administer estates of 6.08 months, slightly up from 5.79 months in the previous year. The target for simpler estates was 7 months and for more complex matters 8 months.

New Estates



Trustee services

Trusts

We act as trustee, manager or receiver of funds for infants or those unable to manage their funds. The appointment is usually made by the court under the *Civil Procedure Act 2005* and the *Workers Compensation Act 1987*. Trusts can be created by individuals or organisations, including government agencies. We are receiving an increasing number of trusts for infants from superannuation funds as fund managers, which made trustees of superannuation funds more aware of our services.

In 2009–10 we received 993 new trusts with a value of \$49.8 million. The 2009–10 targets were 815 trusts and a total value target of \$51.5 million. As at 30 June 2010 we were managing 6738 long-term trusts.

Our expert staff deal with a wide range of issues in trusts, such as the purchase and construction of dwellings, special home modifications for people with a disability and purchase of motor vehicles. The interests of clients are paramount in our decision-making. We invest client funds in accordance with the *Trustee Act 1925*. More details appear in this report in the chapter titled *Our financial performance*.

Other trusts – extending our role

During the year we acted as trustee in a number of ways apart from our more traditional role as trustee for infants:

- employee entitlement trusts – we act as trustee of workers' entitlements so that they are protected in the event the employer goes into liquidation
- family trusts – we act as trustee, manage the assets and distribute income and capital according to the terms of the trust
- retirement villages – we act as trustee for the unit holders' funds.

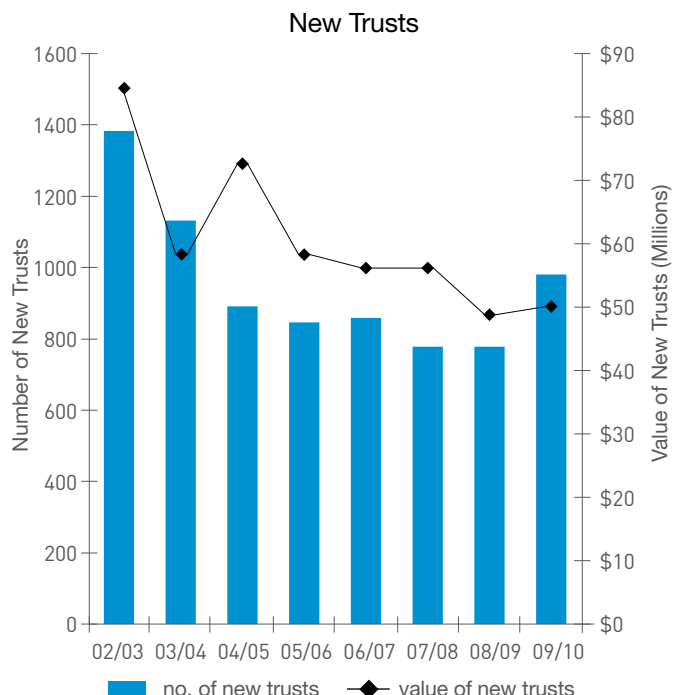
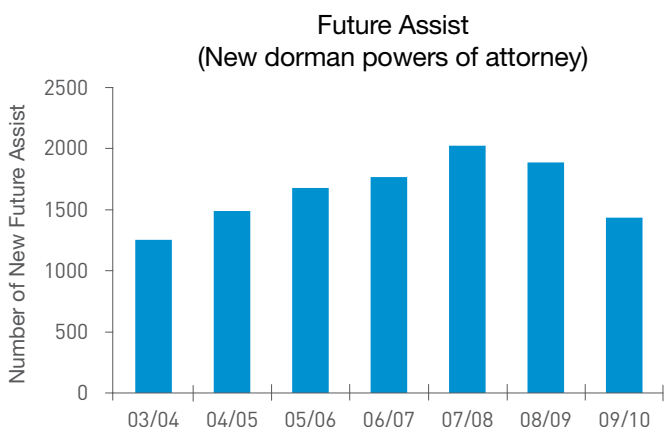
We have continually sought to expand the different types of trusts under which we act following the decline in compensation trusts since tort law reform.

Powers of attorney

We have a three-tiered management plan under attorney and agency services, allowing clients to choose as much or as little help as they require while giving them the security of an independent, professional attorney. It comprises:

- Future Assist – where we act only at client request or when they are no longer able to look after their own affairs
- Funds Assist – where clients can lodge funds with NSW Trustee & Guardian
- Active Assist – where the client requires ongoing assistance in dealing with part or all of their financial affairs.

This year we received 135 new matters with a value of \$45.1 million against a target of 160 active powers of attorney and a target value of \$45 million. We made 1432 powers of attorney for prospective clients. As at 30 June 2010 we were managing the financial affairs of 758 clients.



Using technology to support service delivery

We are continually improving our processes and core business systems to streamline estate administration and deliver more efficient service to clients. This year we concentrated on facilitating the move to the new DJAG standard operating environment and upgrading supporting infrastructure.

As part of the merger, a review by BSR of the core business systems CIS and TEAMS was commissioned. The review will lead to a common application system for NSW Trustee & Guardian, which will deliver immediate benefits to staff and clients in knowledge sharing and access to information. We expect to receive and consider the review recommendations by the end of September 2010.

NSWTG also completed the move to the Department of Justice and Attorney General's standard operating environment as part of both the merger and the government's shared corporate services strategy.

Taxation support for trustee service delivery

To fulfil the tax compliance obligations of deceased estates and trusts and those of power of attorney clients, the NSW TG Taxation Section prepared and lodged 9415 taxation returns this financial year.

Automatic migration of data from the core business system to the tax preparation software for about 3355 trusts with routine and non-complex transactions contributed to operational efficiency and enabled staff to focus on the more complex taxation returns.

The Taxation Section maintains a close relationship with the taxation committee of the Trustee Corporations Association, which is the peak body representing trustee companies in Australia, and contributes to submissions made by the association to government on proposed tax legislation that impacts the trustee industry.

Development of corporate business

Under an agency agreement we can hold funds in the Primary Portfolio and/or the Growth Portfolio of our Trustee Common Fund. We act for organisations which range from other government agencies and courts to retirement villages, unions, sporting associations, superannuation funds and other trustees.

In 2009–10 we attracted 65 superannuation trust referrals and took on two new superannuation referral partners. We also established a new employee entitlement trust through targeting companies in various industry groups. At 30 June 2010 we retained 271 agency clients with funds totalling \$76.2 million.

Management of seized or confiscated assets

We manage assets seized and confiscated under the *Criminal Assets Recovery Act 1990* and the *Confiscation of Proceeds of Crime Act 1989*. Assets can include real estate, cash, jewellery, motor vehicles and livestock. The assets may have to be sold immediately or held and either managed or maintained until further court orders are issued. In 2009–10 we paid \$18.07 million earned from asset management to NSW Treasury.

Dormant Funds Act 1942

The Chief Executive Officer of NSW Trustee & Guardian is the Commissioner of Dormant Funds and recommends to the Attorney General proposals for dealing with funds relating to charitable purposes or purposes of a public character which have become dormant. Over the reporting year one fund was determined by the Commissioner to be dormant.

Electronic access and communication

Our clients use the NSW TG website both as a reference source and as a point of access.

Due to the merger, both the former website domains of the Office of the Protective Commissioner and Public Trustee NSW changed to www.tag.nsw.gov.au. The site now acts as a portal for both the financial management and trustee areas of the organisation.

Trustee services

During the past year NSW TG received:

- 816 online will applications through the website — a slight decrease on the 856 received in 2008–09
- 795 general enquiries through webmaster — an increase of 10 per cent on last year's 720
- 802 deceased will enquiries — a 21 per cent increase on the 659 of the previous year
- 149 online power of attorney enquiries — a decrease of 10 per cent on the 166 enquiries in 2008–09
- 202 applications for funds from trust accounts
- 100 intestacy referrals — a new function on the website for which 2009 was the first year of operation.

This year we improved the functionality of the site by adding an online booking facility for Wills Days, which generated a significant number of wills appointments.

The average number of site visits per month exceeded 18,170, a 29 per cent increase on last year. This equates to over 600 visitors per day. The increase indicates that strategies to drive traffic to the site, such as use of search engine optimisation and links with partners such as Garvin, Seniorscard and IMB, are yielding results.

During the Good Will Week 2009 community education campaign there were 5400 visitors to the Good Will Week website — a 259 per cent increase on 2008. The majority of the visitors were driven to the site by targeted advertising campaigns across a variety of networks, public relations activities and print articles.

Monitoring and evaluation

We tracked response rates for marketing initiatives through our range of toll free 1300 and 1800 numbers to ensure an optimum return on investment. The ability to measure and evaluate response rates to specific campaigns and business development initiatives enables us to comprehensively report on the results of activities undertaken.

Strategies to drive business continued to be effective, with monthly average enquiry calls from 1300 and 1800 numbers in 2009–10 at 2210. While this was a significant decline on the 2008–09 monthly call volumes of over 2650, it may be attributable to reduced marketing activities during the early part of the financial year due to the merger.

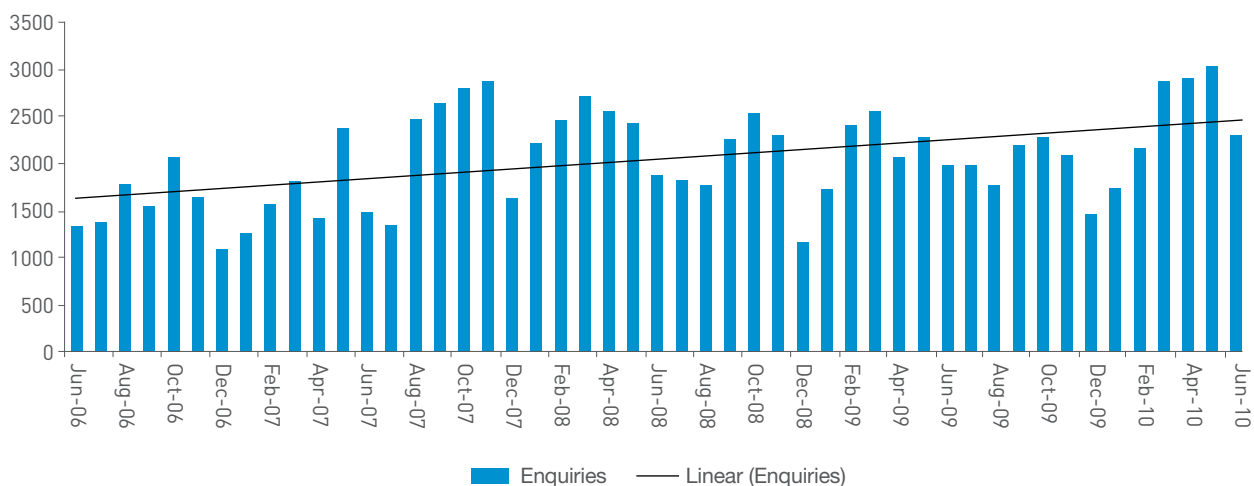
Customer feedback

Client satisfaction surveys

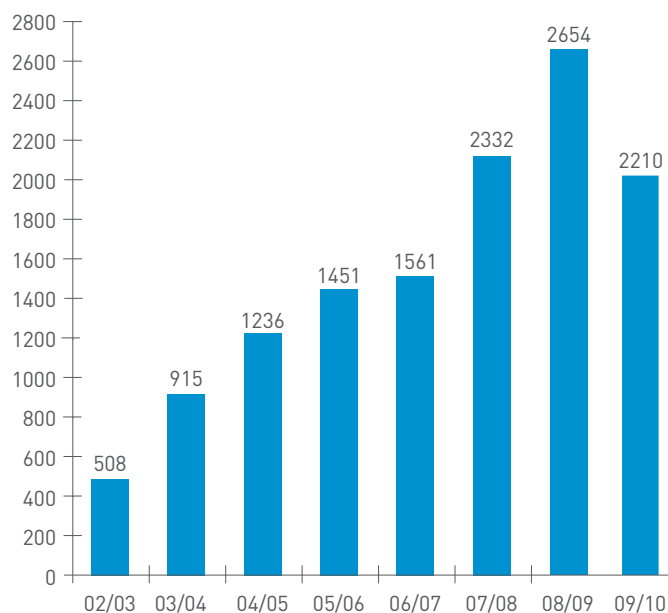
In order to improve our relationship with clients, we continued to measure customer satisfaction according to two indices — the Customer Satisfaction Index (CSI) and Process Improvement Satisfaction Index (PISI).

Our annual survey of wills clients showed that customer satisfaction was 96 compared with 94 in the previous year and the Process Improvement Satisfaction Index 93 compared with 92 in 2008–09. Our beneficiaries' client survey indices were 72 for the Customer Satisfaction Index in 2009–10 and 67 for the Process Improvement Satisfaction Index, decreases of 5 per cent and 3 per cent respectively on the previous year.

Enquiry calls from 1300/1800 marketing numbers



Monthly Average 1300/1800 Enquiry Calls



The broader client groupings create a combined representative benchmark for customer satisfaction, providing a mean CSI of 84 and PISI of 80 compared with 86.5 and 83.5 in 2008–09. The results indicate the maintenance of a high level of client satisfaction during the merger.

An external service audit was conducted across all branches and benchmarked against the previous year. Client satisfaction with our telephone service was 69 per cent (a decrease of 5 per cent on June 2009) and 79 per cent for face-to-face service (an increase 1 per cent on 2009).

The telephone and face-to-face audits assisted us in identifying weaknesses in our interactions with potential clients and training those branches needing improvement.

The number of people receiving our bi-annual newsletter, *PTConnect*, increased over the past 12 months to more than 50,000, with over 80 per cent of new clients giving us permission to contact them. The newsletter enables us to inform our clients of news and events and any changes to our services. We regularly received positive feedback on interesting stories, case studies and legislative changes.

Complaints

Trustee services recorded 121 complaints in 2009–10 compared with 126 in 2008–09. Of these, less than 20 per cent were justified complaints, down from 29 per cent in the previous year. The complaints related to delays, communication and technical issues. Satisfied clients sent in 76 written commendations in 2009–10, down from 103 in 2008–09.

There were 166 complaints regarding financial management services, down from 223 in 2008–09.

Complaints about financial management related to issues such as the length of time taken to answer phone calls, respond to correspondence and make decisions and the way in which NSWTG communicated with stakeholders. Complaints about policy or procedure related to disagreement with decisions made by the office, payment approvals and the decision-making process. Complaints about costs concerned service fees charged by either NSWTG or external providers.

There was an overall decrease in the number of complaints for 2009–10. This result reflects continued improvement to client service delivery and our efforts to resolve issues before they escalated into formal complaints. Currently NSWTG is reviewing the telephony system to address concerns about delays in answering calls from financial management clients and stakeholders.

We plan to capture more information from clients and stakeholders through the complaints system to enable further service improvement.

Involvement with our community

Overview

Our two key campaigns are the annual Good Will Week community education program which we produce, and NSW Seniors Week of which we are a major sponsor. The main objectives are to raise awareness of the need for wills and powers of attorney. In light of the newly merged organisation, the need to engage with the community was stronger than ever to retain our brand as the state's largest will-maker, a leader in estate administration and trustee services, and experts in attorney services.



A/CEO, Imelda Dodds, addresses the Bucket List Workshop as part of the September 2009 Good Will Week campaign.

Good Will Week September 2009

Good Will Week is our community education campaign to raise awareness of the importance of having a professionally drafted will. As the first campaign brought to the public by the newly formed NSW Trustee & Guardian, we adopted an engaging theme and new campaign strategies to maintain public appeal and secure media interest. This year the campaign also played an important role in the re-branding of NSW Trustee & Guardian. We aimed to reassure people that, while the name had changed, the organisation's high level of expertise and services in estate planning had not.

The campaign theme was "Have you got the will to do what you've always wanted?", which tied making a will to the concept of making a 'bucket list' of the things you would like to do before you die. This proved to be a positive call to action.

With the impending introduction of new inheritance laws in NSW in early 2010, it emerged that there would be changes to how and to whom an estate would be distributed in the event someone died without a will. The news of these changes formed a strong part of Good Will Week 2009 messaging to highlight the importance of making a will and reinforce the re-branding of NSW Trustee & Guardian as an expert in estate planning and administration.

As in previous years, Good Will Week 2009 had clearly identifiable components: metropolitan and regional community outreach; a themed Good Will Week website; a charity partner; an intensive media campaign covering television, radio, print and online; and Good Will Week Wills Days. These included a Saturday Wills Day across our branch network to give the public increased access to services.

To bring the bucket list theme to life for both media and the general public, we enlisted the assistance of McCrindle Research to find out "What's on Australia's bucket list?" via an online survey which had over 3000 respondents. Further insights and experience on how to create a bucket list were provided by Bluebird Coaching, a life and leadership development organisation.

The Good Will Week strategies enabled NSW Trustee & Guardian to offer the public advice on how to start writing a bucket list and set goals. Further community involvement was achieved through a free Sydney CBD Bucket List Workshop, which more than 130 people attended. The combined input of

the social research and life planning experts across all Good Will Week elements reinforced the strong link between the creation of a bucket list and making a will before you 'kick the bucket.'

A cheque for \$11,250 was presented at the workshop event to the 2008–09 Good Will Week charity partner, the Children's Medical Research Institute. Good Will Week partnered with Make-A-Wish Australia for 2009–10 to allow cross-promotional opportunities, with the arrangement based on our pledge to donate one dollar to the charity for every will made during the financial year.

Overall results

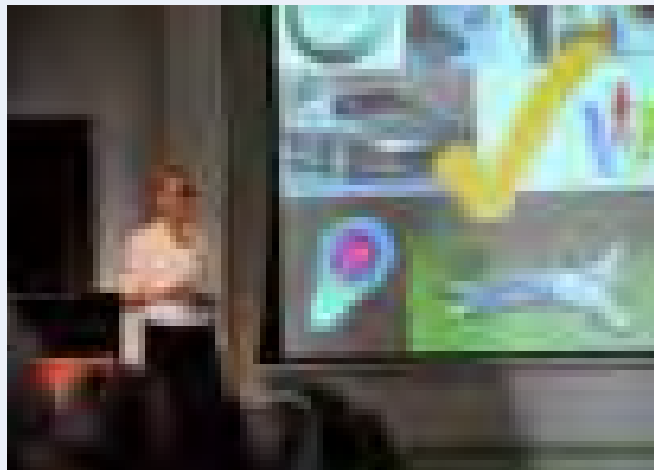
The total number of media and online media impressions reached over 10.5 million, which was an increase of 45 per cent on last year. Visits to the Good Will Week website increased by 290 per cent on 2008–09. With the larger audience reach during the campaign period, overall will numbers for the month of Good Will Week decreased by five per cent with 1069 wills made compared to 1122 in 2008–09.

Since the inception of Good Will Week in 1998 the value of unpaid media coverage received has totalled \$7.19 million.

RIGHT: The Bucket List Workshop held at Customs House in Sydney provided entertainment and information around making a bucket list and a will.

BELOW: Good Will Week promotional materials expanded awareness of NSW Trustee & Guardian will making services.

BELOW: Life planning expert, Rebecca Wells, explores goal setting and pre-planning options.



NSW Trustee & Guardian
Formerly known as Public Trustee NSW

Good Will Week
20-26 September 2009
www.goodwillweek.com.au

Do you have the Will to do what you've always wanted?
If you don't, now is the time to do something about it!

NSW Seniors Week March 2010

As in previous years, NSW Seniors Week was a very successful event for major sponsor NSW Trustee & Guardian.

We participated in the Ageing, Disability and Home Care program of Seniors Week events, including the NSW Seniors Week Achievement Awards, the Premier's Seniors Week Gala Concerts and the "Applaud" event category. Under the banner, "NSW Trustee & Guardian presents Applaud" a series of theatre and concert performances were held across metropolitan and regional NSW. We received excellent exposure, promoting our services and distributing information at the gala concerts, which attracted more than 30,000 seniors.

The Seniors Week Premier's Gala Concert series with NSW TG as major sponsor draws capacity crowds to each of the three concerts.

A family history workshop was held by NSW Trustee & Guardian during which an expert from the Society of Australian Genealogists outlined how to start researching your family history and highlighted the importance of wills in conducting genealogical research. As with the family history workshops held in previous years, this year's seminar was very well attended and received great audience feedback.

During Seniors Week we focused on promoting the way in which NSW Trustee & Guardian could help older people from falling victim to financial abuse. We detailed real life scenarios and then showed how older Australians could protect themselves by making a power of attorney.

Strong radio coverage presented NSW Trustee & Guardian as an authority on elder abuse. We additionally heightened awareness of Wills Days and NSW TG information seminars taking place throughout the week, which assisted in expanding coverage of our elder financial abuse messages.



Overall results

In summary, the media coverage generated this year was of a high quality, with larger print articles and longer segments on major radio stations. The estimated editorial value of this was over \$170,000, a 40 per cent increase on last year.

NSW Trustee & Guardian Fellow in Elder Law at the University of Western Sydney

Our support of the NSW Trustee & Guardian Fellow in Elder Law was extended for a further five years from mid 2010. Sue Field LLB is currently the NSW Trustee & Guardian Fellow in Elder Law at the University of Western Sydney. The position will continue to actively contribute to the recognition of elder law as an emerging area, not only in the legal profession, but also within the community. Sue continued to deliver development sessions for our staff on such topics as the new intestacy laws, retirement villages legislation, mental capacity and testamentary trusts and life estates.

Elder abuse has become a significant issue in recent years and Sue has played an active role in research and awareness raising, particularly of financial abuse of the elderly.

NSWTG staff hand out information and answer questions at our busy stand at the Seniors Week Premier's Gala Concerts in March 2010.



Community education and marketing

In order to meet community needs and expectations with the formation of NSW Trustee & Guardian, it was important to continue marketing ourselves as a professional provider of will-making, power of attorney, trustee and executor services and financial management services. With the further challenges of re-branding and managing client and media perceptions since the merger, effective communications and marketing strategies were needed to sustain business for NSW Trustee & Guardian in an increasingly competitive environment.

We implemented a corporate media campaign using radio, which we have previously used successfully, particularly because of its suitability to deliver sensitive messages. The radio advertisements were re-worked to include the re-branding message. This process created some delay and budget constraints resulting from the merger deferred and lessened the extent of the media campaign, which in turn led to a decrease in the number of monitored calls over 2009–10. Our client surveys also indicated name recognition issues which also impacted on results.

An integrated marketing approach supported our radio campaign, including coordinated corporate and branch marketing plans and strategies. Other strategies used were direct mail campaigns targeting business activities, online services and promotions and business development alliances. Our media campaign was coordinated with community education campaigns conducted during the year, including Good Will Week campaign and NSW Seniors Week.

A Family History Workshop was hosted by NSW Trustee & Guardian in Sydney as part of Seniors Week 2010.



Our financial performance

Client funds management

Common Funds

The NSW Trustee and Guardian Act 2009 directs NSW TG to establish one or more common funds. The Act also provides for the existing common funds (both Trustee and Financial Management) to continue indefinitely, albeit with some changes to the way that the Trustee Common Fund Primary Portfolio operates.

A major project over the next 12 months will entail the:

- establishment of a set of new portfolios within the new the NSW TG Common Fund
- harmonisation of the fund manager, custodian and unit registries of the two existing funds with the new fund
- restructuring of the existing Trustee Primary Portfolio.

The existing common funds have significant differences, such as the make-up of the portfolios and the underlying investments and, in respect of cash and fixed interest investments, different investment styles. They are therefore reported separately here.

Trustee assets under management

Within each matter NSW Trustee & Guardian holds assets such as real estate, investments, trustee acquired investments and other personal property. These are the assets of client matters — not of NSW Trustee & Guardian — and had an estimated value of \$466 million at June 2010.

Trustee funds under management

Funds received for each client matter are placed in the NSW TG Trustee's Common Fund for separate investment by the fund. The total value of client funds was \$1,365 million at 30 June 2010.

The following table summarises the components of the assets under management and the Common Fund portfolios.

Table 8: Components of assets under management and Trustee Common Fund investment of funds

	2009–10 \$'000
Deceased estates	871,182
Trusts (including agencies)	694,579
Attorney services	229,222
Other	18,413
TOTAL NET TRUSTS	1,813,396
Represented by:	
Funds in Common Fund	
- Primary Portfolio	1,156,948
- Growth Portfolio	208,384
Estimated unrealised client assets	
- Real estate	317,740
- Investments	112,449
- Mortgages	3,112
- Other personal property	32,493
Total client funds and unrealised assets	1,831,126
Deduct	
Estimated trust liabilities	
Client payables	17,730
TOTAL NET TRUSTS	1,813,396

Investment of funds

NSWTG operated two portfolios under a Common Fund for the investment of trustee client funds received in our capacity of executor, trustee or attorney. These funds are initially placed in the Primary Portfolio. Investment plans are prepared and, if exposure to growth assets is required, the Common Fund acquires units in the Growth Portfolio on behalf of the particular estate or trust.

NSWTG Trustee charges a fee against the income of the Common Fund. The fee is for management of the fund and payment of fees to external fund managers and service providers.

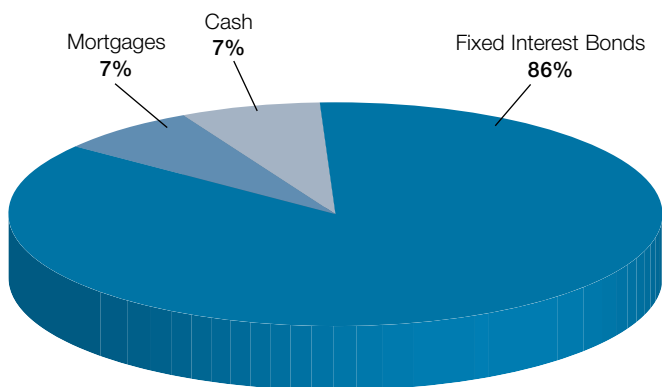
Trustee Primary Portfolio

The Primary Portfolio invests in fixed interest securities, such as bonds, commercial mortgages and term deposits, which are generally held to maturity. The portfolio objective is to provide an income stream and return of the original capital sum (capital guaranteed).

The bond portfolio is managed by the New South Wales Treasury Corporation (TCorp).

The mortgages are managed by the NSW TG Trustee and consist of interest-only commercial property loans. We have a rigorous methodology for loans assessment. Typically, loan terms are between three and five years.

The investments making up the Primary Portfolio in 2009–10 comprised:



The 'at call' interest rates for client funds in this portfolio remained high. This was achieved by strong book returns and earnings on reserves.

Table 9: Matter type

Matter type	Period	Rate (% pa)
Ongoing estates trusts	01.07.09 to 31.01.10	6.50
	01.02.10 to 30.06.10	6.75
Agencies	01.07.09 to 31.01.10	6.50
	01.02.10 to 30.06.10	6.75
Standard estates and trusts	01.07.09 to 09.10.09	3.50
	10.10.09 to 31.01.10	4.00
	01.02.10 to 31.05.10	4.25
	01.06.10 to 30.06.10	4.45

The book value returns for the Primary Portfolio are shown below. The market value return is also included for comparative purposes.

Table 10: Book value returns

Investment category	Book return (% pa)	Market return (% pa)
Bonds	6.34	8.76
Mortgages	7.78	6.06
Cash (liquidity)	4.51	4.51
Total portfolio (weighted average)	6.35	8.36

The bonds are benchmarked against the UBS 0+YR Composite Bond Index, which had a market return of 7.86 per annum.

Investment strategy

Our investment strategy for the Trustee Primary Portfolio was to continue to hold the assets to maturity and generate income streams.

Trustee Growth Portfolio

The Growth Portfolio has been investing in the Indexed Australian Shares Sector Trust managed by TCorp, which in turn invests in the share market. Following advice, the Growth Portfolio began investing in the Indexed International Shares Sector Trust from 1 August 2008 for more diversification. The eventual target is 70 per cent Indexed Australian Shares and 30 per cent Indexed International Shares. At 30 June 2010 the ratio was 70.5 per cent Indexed Australian Shares and 29.5 per cent Indexed International Shares.

The portfolio objective is to achieve capital growth over the medium to long term. The units in the Growth Portfolio are not capital guaranteed. The price of the units fluctuates daily, depending on the market value of the shares held by the trust.

The portfolio had a return of 11.27 per cent net of fees for the year (-22.45 per cent for 2008–09). Until the target diversification of 70 per cent Indexed Australian Shares and 30 per cent Indexed International Shares is reached, there is no benchmark available.

Financial Management Common Fund

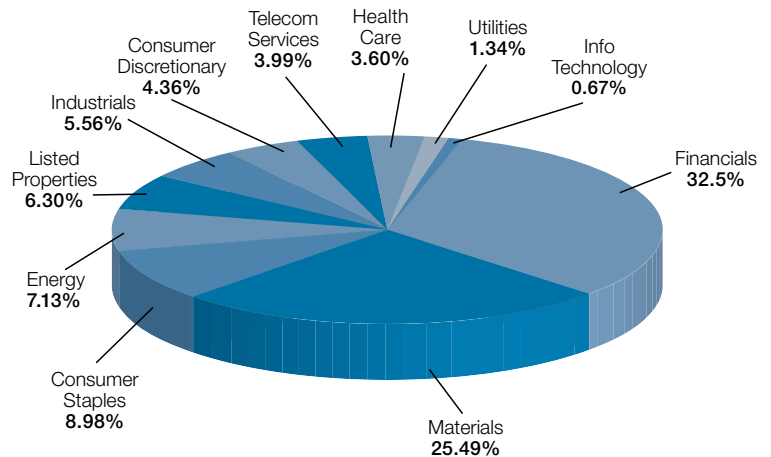
The Financial Management Common Fund represents funds owned by clients whose financial affairs are directly managed by NSW TG, as well as funds of a number of clients whose affairs are managed by a private manager. This Common Fund consists of the Access Fund, best described as an interest-bearing working account for client transactions, and seven diversified investment funds.

All the investment funds comprising the Financial Management Common Fund have been outsourced to State Street Global Advisors as funds manager and are managed on an indexed basis to the relevant benchmarks. BNP Paribas Securities was appointed as the master custodian for the custody, compliance and accounting functions.

The performance of NSW TG financial management funds against benchmarks is shown in Table 12 on page 28.

Trustee Growth Portfolio Breakdown

Australian Share Sector Trust



International Shares Sector Trust

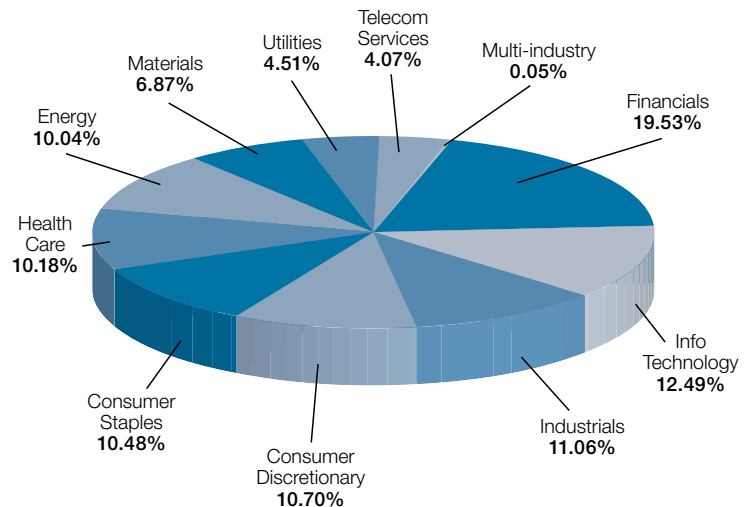


Table 11: Components of assets under management and Financial Management Common Fund investment of funds

	2009–10 \$'000	
Directly managed clients	2,077,478	
Privately managed clients	112,120	
Total net client funds	2,189,598	
Represented by:		
Funds in Common Fund		
	Direct management	Private management
Access Fund	339,398	70,212
Australian cash	147,589	22,736
Australian cash plus	97,613	4,382
Australian fixed interest	72,201	2,841
Australian shares	254,040	7,742
Australian listed property securities	36,358	1,006
International bonds	8,058	456
International shares	109,828	2,746
Total Financial Management Common Fund	1,065,085	112,121
Estimated client assets outside the Common Fund		
Real estate	664,429	
Investments	241,491	
Other general assets	106,473	
Total client assets outside the Common Fund	1,012,393	
Directly managed clients	2,077,478	
Investments under private management	112,121	
Total client funds and assets outside the Common Fund	2,189,599	

Table 12: Fund performance against benchmarks

NSWTG financial management investment fund performance *	(%)	Benchmark *	(%)
Access Fund	3.46	UBS Australian 90-day Bank Bill Index	3.39
Australian cash	3.46	UBS Australian 90-day Bank Bill Index	3.39
Australian cash plus	4.72	UBS Australian 0–3 year Composite Bond Index	4.88
Australian fixed interest	7.46	UBS Australian All Maturities Composite Bond Index	7.36
Australian listed property securities	19.41	S&P ASX 200 Australian Real Estate Investment Trusts Accumulation Index	19.91
Australian shares	12.25	S&P/ASX 200 Accumulation Index	12.51
International bonds	8.35	Citigroup World Government Bond (ex Australia)	8.69
International shares	4.93	MSCI World (ex Australia) Index	4.72

*Both benchmark and client returns are shown net of fees (0.50 per cent).

In addition, there may be variations in individual client returns, depending on the client's entry date to the fund and any new applications or redemptions during the financial year.

An external actuary has confirmed the above schedule of performance at the request of NSWTG.

The various funds results reflect difficult market conditions over the period.

Clients' funds are invested in the knowledge that market returns can be volatile and, wherever possible, four to five years of planned client expenses are held in defensive assets

such as cash and fixed interest. Despite difficult conditions over the past few years, the longer-term returns for clients with a diversified portfolio continue to exceed the cash rate.

The Financial Management Unit registry is currently conducted in-house while the Trustee registry is outsourced. The harmonisation of this function will form part of the Common Fund Project over the coming financial year.

The activities for the former registry are shown in the table below.

Table 13: Registry activity 2006–07 to 2009–10

Activity	2006–07	2007–08	2008–09	2009–10
Unit registry:				
Applications (\$million)	150	82	67	123
Redemptions (\$million)	214	168	125	215
Number of applications	1220	936	624	669
Number of redemptions	2838	2520	2218	1883

Financial performance

NSWTG is a self-funding NSW general government agency. Our revenue comes from:

- commissions and fees on estates, trusts and agencies
- fees for managing our clients' assets
- income on corporate investments
- our community service obligations payment from government.

Commission and fee rates are constantly reviewed regarding both costs to the organisation and market rates. Charges are structured to enable the provision of professional trustee and financial management services at reasonable cost to the people of NSW, irrespective of their wealth. Fees and commissions may be reduced or waived in cases of hardship.

The basis for charging and the level of fees is established in the *NSW Trustee and Guardian Act 2009* and regulations. Fees are generally changed every five years, following a Regulatory Impact Statement consultation or a review by the Independent Pricing and Regulatory Tribunal (IPART).

Challenges affecting our financial performance in 2009–10 included the merger of the former Public Trustee NSW and the Office of the Protective Commissioner and achievement of financial targets to optimise revenue.

High-level results

The operating result was a surplus of \$2.76 million.

Table 14: Key strategies and results for 2009–010

Key strategy	Expected result	Result achieved
Meet or exceed new business volume and value targets.	Continued organisational growth.	New estate and trust numbers were above and on target respectively. Both wills and power of attorney numbers were below target.
Manage Efficiency Savings Plan targets.	Positive contribution to government savings targets.	Efficiency savings achieved.
Increase corporate knowledge on budgetary process/reporting.	Improved planning and budgetary control.	Training session held and Budget Manual updated and released.
Manage community service obligations (CSO) arrangement with NSW Treasury.	Clear understanding of a CSO and transparency of cost, funding and reporting of CSOs.	CSO funding remained unchanged. Basis of CSO determination will be taken up by NSWTG with future review by IPART.
Undertake analysis of reserve needs and possible distribution of the Interest Suspense Account in terms of Schedule 1, s16 of the <i>NSW Trustee and Guardian Act 2009</i> .	Efficient management of corporate financial resources.	90% complete. Draft report received from actuaries.
Effective and efficient management of corporate assets.	Better control and utilisation of resources.	Stock take completed.
Integrate financial systems and processes.	Efficient management of corporate financial systems and processes.	90% complete.
Install server virtualisation software and servers.	Reduction of hardware costs and environmental footprint.	90% complete.

2009–10 revenue and expenditure budget

Details of our 2009–10 recurrent expenditure budget compared to actual expenses are shown in Table 15 on page 31. Also presented is our recurrent budget for the 2010–11 financial year.

Budget commentary

We had planned for a break-even operating result in 2009–10. The actual result was an operating surplus of \$2.76 million.

Revenue budget and results

Our revenue budget was based on trends in previous years, business level predictions and changes in regulated fees for the merged entities.

In summary:

- total revenue was \$70.24 million, \$0.63 million over budget (+.09 per cent)
- commissions and fees were under budget by \$0.48 million (-2 per cent)
- management fees were under budget by \$1.05 million (-3 per cent)
- funding of \$5.11 million was received from NSW Treasury for our community service obligations
- investment revenue was over budget by \$2.25 million (+122 per cent), including unrealised gains from long-term growth assets
- other revenue included a transfer from the Common Fund Interest Suspense Account.

NSWTG waives, reduces or foregoes commissions and fees to allow community access to our professional services. We do so for reasons of hardship, on certain property passing to the spouse of the deceased, because the value of the matter does not warrant the fee or due to special circumstances. Commissions and fees waived, reduced or foregone in 2009–10 were estimated at \$13.53 million.

Expenditure budget and results

Our expenditure budget provided for award increases in personnel services costs and operating costs, with maintenance and depreciation expenses being held at previous budget levels.

Personnel service costs before superannuation and long service leave valuation adjustments were below budget, partly as a result of staff vacancies due to the government's recruitment freeze. Other operating costs were well contained overall, resulting in savings in rent, telecommunications, services and consultancy costs. Depreciation expenses were below budget due to a deferral of capital works.

In summary:

- total operational expense was \$67 million (-3 per cent) under budget
- personnel services costs before superannuation and long service leave adjustments were below budget by \$4.1 million (-8 per cent). A loss arising from an actuarial adjustment to future fund earnings of superannuation of \$6.14 million, which was not budgeted for, resulted in overall personnel services costs going over budget by \$0.21 million (4 per cent)
- operating costs were below budget by \$1.32 million (-9 per cent)
- depreciation expenses were below budget by \$1.021 million (-22 per cent).

The Director General of the Department of Justice and Attorney General has approved the NSW TG 2010–11 budget.

The amount of government funding received for NSW TG services in the 2009–10 reporting period was \$5.11 million.

NSW Trustee & Guardian recurrent revenue and expenditure

Table 15: NSW TG recurrent revenue and expenditure

Recurrent revenue and expenditure budget	2009–10 Budget \$'000	2009–10 Actual \$'000	2010–11 Budget \$'000
Revenue			
Commission and fees	27,940	27,458	27,671
Management fees	30,752	29,698	30,976
Community service obligation fee	5,215	5,115	5,215
Investment revenue	1,843	4,097	3,216
Other revenue	3,865	3,874	4,774
	69,615	70,242	71,852
Expenditure			
Personnel service expenses	50,637	50,850	52,576
Advertising	1,793	1,297	1,823
Fees for services	4,392	5,099	5,843
Postal and telephone	1,179	1,068	1,253
Lease expenses	3,869	2,903	3,253
Other operating expenses	1,802	1,542	1,835
Maintenance	1,260	1,042	1,166
Depreciation and amortisation	4,683	3,662	4,103
Loss on disposal of assets	0	21	0
	69,615	67,484	71,852
SURPLUS/(DEFICIT) FOR THE YEAR			
	0	2,758	0

NSWTG capital budget commentary

Details of our 2009–10 capital expenditure budget compared to actual expenses are shown in Table 16 below as are details of our 2010–11 capital budget.

The merger of the former Office of the Protective Commissioner and Public Trustee NSW from 1 July 2009 and proposed further implementation of shared corporate services with the Department of Justice and Attorney General required reconsideration of our capital program for 2009–10. Building

renovation projects and associated furniture and furnishings replacements were deferred pending a decision about future location of work groups for the new entity. Similarly, associated replacement and upgrades of computer hardware and software were deferred, as was some planned activity that may transfer to the Department of Justice and Attorney General.

Table 16: Capital expenditure budget

	2009–10 Budget \$000	2009–10 Actual \$000	2010–11 Budget \$000
Building fixtures	1,440	–	1,105
Leasehold improvements	220	123	815
Plant and equipment	492	367	703
Computer hardware	1,125	361	932
Computer software	2,387	1,035	3,977
	5,664	1,886	7,532

Office of the Public Guardian budget and expenditure

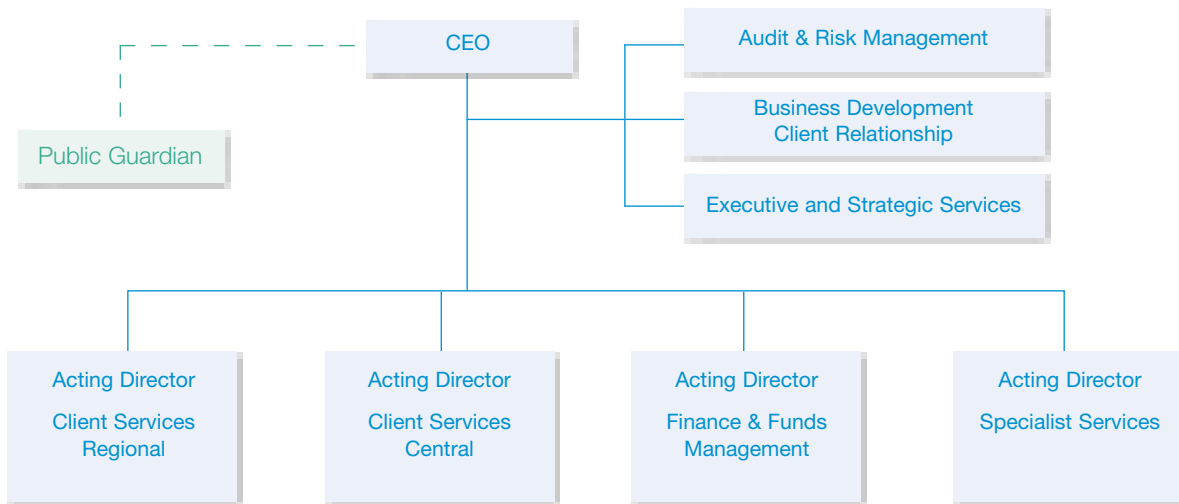
The OPG 2010–11 budget has been approved by the Director General of the Department of Justice and Attorney General.

Table 17: OPG budget and actual expenditure for 2009–10 and budget for 2010–11

	2009–10 Budget \$000	2009–10 Actual \$000	2010–11 Budget \$000
OPERATING REVENUE			
Investment income	120	138	160
Government funding	7,344	7,344	7,528
TOTAL OPERATING REVENUE	7,464	7,482	7,688
OPERATING EXPENSES			
Salary and related	5,968	5,898	6,291
Operating expenses	1,482	1,417	1,271
Maintenance	14	17	20
Depreciation	115	102	105
TOTAL OPERATING EXPENSES	7,579	7,434	7,687
SURPLUS/(DEFICIT) FOR THE YEAR	(115)	48	1
CAPITAL EXPENDITURE	100	39	100

Our people

NSWTG Organisation Chart



NSW Trustee & Guardian faced specific staffing challenges in 2009–10, among them staffing the dual service branch offices and a new branch office at Bathurst. Accordingly we implemented a recruitment and transition program. This raised further challenges in coordinating flexitime arrangements across two different systems, managing the transition of country branch staff to other locations and arranging transfer of files and workloads to Bathurst.

Key strategies for 2009–10 were to:

- review technical training and other training needs across NSWTG
- give staff exposure to external management courses
- provide staff with feedback on personal performance and development
- continue to foster a culture of dignity at work
- ensure a safe workplace by complying with occupational health and safety (OH&S) legislation and government guidelines.

Key results achieved in 2009–10 included:

- signing a lease to relocate the Burwood branch office to new premises with improved office facilities and access for staff and people with a disability
- opening and staffing a new dual service branch office at Bathurst which meets full requirements for disability access

- developing all internal training programs in consultation with key stakeholders
- continuing the Achievement Planning Program with 12 monthly reviews
- expanding services to culturally and linguistically diverse communities (CALD) after six additional staff completed the Community Language Assistance Scheme examination
- establishing a new OH&S committee for NSWTG with both employer and employee representation
- maintaining an OH&S management plan and relevant policies to ensure compliance and an integrated approach to managing OH&S issues.

Equal employment opportunity (EEO) results

Our major achievements over the year were:

- six additional staff passed the Community Language Allowance Scheme examination
- three staff attended the Springboard Women's Development course
- NSWTG provided an interpreter service to hearing impaired staff
- one staff member completed the Leadership Assessment Program.

Training and development

Courses attended by financial management and trustee staff in 2009–10

Anti-discrimination for managers
Business writing skills
Chameleon (an automated will-making program)
Corporate budgets
Customer service skills
Dealing with difficult complainants
Disability awareness
Emergency evacuation
Estate administration 1
Fraud awareness
Induction (which incorporates customer service, ethical practices, OH&S, disability awareness and risk management)
Intestate proofs and next of kin
Marketing
OH&S awareness for managers
Online entitlement and distribution
Powers of attorney accreditation
Presentation skills
Risk management for managers
Securities
Selection techniques
Succession
Taxation
Testamentary trusts
Trusts
Will accreditation

Student placements

The NSW TG Disability Advisory Service regularly offers placements to a student social worker. During this financial year we had third-year student social workers from the University of Sydney whose placement program included client advice and assessment work and presentations by the students at professional development sessions.

NSWTG Culturally Diverse Communities Action Plan

NSWTG is committed to providing appropriate services to meet the individual needs of all clients.

In financial management this means considering a client's cultural requirements when making substitute financial decisions.

In addition to taking account of the Culturally Diverse Communities Action Plan, NSW TG abides by the principles of the *NSW Guardianship Act 1987* when making decisions and disseminating information to CALD communities through face-to-face sessions and translated fact sheets. NSW TG continued to address the needs of the CALD communities in information sessions this year and used interpreters to assist community groups to develop greater understanding of the office's role and how we can assist them.

NSWTG continued to distribute information about financial management, public guardianship and trustee services in other languages as part of the *CALD Access Plan*.

Each six months we sent newsletters to NSW TG clients and service providers, including CALD service providers. The newsletters detailed changes or updates to the provision of financial management services. Meetings were held with peak disability services to discuss any major changes and gave them an opportunity for feedback.

We will continue to liaise with culturally diverse community groups and work with them to address needs as they arise.

Staff training in cultural diversity and disability awareness

NSW Trustee & Guardian incorporates training on disability awareness and the cultural and linguistic needs of clients in our internal training program.

Over the year 261 staff completed internal and external training on cultural diversity and 87 completed training on disability awareness.

Language services and information to the diverse community of NSW

To assist service delivery to a culturally diverse client group, 34 NSWTG staff received the Community Language Allowance.

NSWTG offered language assistance in 19 community languages via the Telephone Interpreter Service and professional interpreters who interpreted for face-to-face meetings and translated documents for clients and their families.

We continued to encourage access to our services by including an information panel in 21 community languages on financial management brochures and on the back of letterheads, as well as on the website. Trustee brochures are also available in nine different languages.

Use of interpreters

Interpreter services across 24 languages were provided for 242 people in 2009–10, 61 face-to-face and 181 by telephone. The main languages where interpreters were used included Arabic, German, Greek, Italian, Korean, Macedonian, Mandarin, Serbian, Spanish, Turkish and Vietnamese.

Disability plan

NSWTG remains committed to the DJAG Disability Plan. Disability awareness is essential in our work with clients with a cognitive disability. Also in accordance with EEO principles, NSWTG continues to support staff with specific needs as required. On the advice of the Commonwealth Rehabilitation Services, we provide reasonable workplace adjustments, including appropriate ergonomic equipment. The Commonwealth Rehabilitation Service conducted 12 workplace assessments during the year.

We continued to employ flexible service delivery techniques to assist both clients and staff. New staff attend disability training. Our dissemination of information was also extended across a variety of media, including the website, e-information, TTY, telephone and traditional hard copy. Plain English is used in all publications.

NSWTG Spokeswomen's Program

The Spokeswomen's Program aims to improve equality in the workplace for women in the NSW public sector. Our Spokeswoman, Tracy Burgess, is also the departmental representative for women on the DJAG Equity and Diversity Alliance.

International Women's Day

We organised the DJAG International Women's Day lunchtime forum on the theme "Women and Diversity" to explore existing and potential development opportunities for women in the department. Many staff attended the forum which was opened by NSWTG Chief Executive Officer, Imelda Dodds.

Key speakers included women at various career levels within the department and from a variety of EEO backgrounds who shared their inspirational stories on overcoming adversity and meeting challenges.

Lunchtime seminars

The Spokeswomen organised a number of lunchtime seminars on issues of interest to women. Topics included financial planning, time management, work-life balance and networking for success.

Action Plan for Women

The action plan states that all NSW government agencies must take responsibility for women's full economic and social participation in a fair society by integrating the needs and concerns of women into their everyday work. We aim to have equitable representation by women on councils and committees. Within NSWTG women hold the positions of CEO and Director, Client Services Central and General Manager, Business Development. Women make up 61 per cent of our staff and hold 43.9 per cent of management positions.

In 2009–10 there were no government policy initiatives that specifically related to women's interests in our area of operations. However, we can report that:

- three women attended the Springboard Women's Development Program
- of 1159 higher duties allowance opportunities, 752 went to women
- women won 61 promotions.

Code of Conduct and Ethics

NSWTG is covered by the Department of Justice and Attorney General's Code of Conduct and Ethics. There were no changes to the code in 2009–10.

The code sets out staff obligations and the expected standards of ethical behaviour. It assists staff to identify and deal with maladministration or corruption. It identifies internal systems for detection, preliminary investigation, reporting and prevention of such behaviour. All departmental staff must comply with the code, which is consistent with the *Independent Commission Against Corruption Act 1988*, *Public Sector Employment and Management Act 2002*, *Public Finance and Audit Act 1983* and *Privacy and Personal Protection Information Act 1998*.

The code incorporates three principles:

- public confidence
- responsibility to the government of the day
- the rights of employees.

The public has the right to expect that public sector organisations demonstrate the highest integrity and competence, treating all citizens fairly, reasonably and equitably. The government of the day is entitled to expect that its employees provide impartial and accurate advice and implement its policies promptly, efficiently and effectively. Public sector employees enjoy the same rights as private sector employees. They have additional protection under some legislation, such as the *Protected Disclosures Act 1994* and the *Anti-Discrimination Act 1977*.

Equal employment opportunity (EEO)

Table 18: NSWTG trends in the representation of EEO groups#

EEO Group	% of total staff				
	Benchmark or target*	2007	2008	2009	2010
Women	50%	54%	57%	58%	61%
Aboriginal people and Torres Strait Islanders	2.6%	2.5%	1.5%	2%	1.1%
People whose first language was not English	19%	30%	23.90%	23%	23%
People with a disability	12%	11%	5.09%	6%	4.2%
People with a disability requiring work-related adjustment	7%	10.8%	2.03%	2%	1.6%

Figures reflect full-time equivalency

* Benchmark set by NSW Department of Premier and Cabinet

Our governance

Internal Audit and Risk Management Statement for the 2009–10 Financial Year for NSW Trustee & Guardian

I, Imelda Dodds, am of the opinion that NSW Trustee & Guardian has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, Imelda Dodds, am of the opinion that the Audit and Risk Committee for NSW Trustee & Guardian is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09-0.

The chair and members of the Audit and Risk Committee are:

- Independent Chair – Dr Elizabeth Coombes (term of appointment – four years)
- Independent Member – Paul Crombie (term of appointment – four years)
- Independent Member – Ian Neale (term of appointment – four years)
- Non-independent Member – Clare McNamara (term of appointment – four years)
- Non-independent Member – Graeme Smith (term of appointment – four years)

The delivery of the internal audit function for NSW Trustee & Guardian is a co-sourced model. An Internal Audit Plan is developed annually and endorsed by the Audit and Risk Committee for the outsourced internal audit service provider. Additionally, the Chief Audit Executive of NSW Trustee & Guardian manages the outsourced service provider and also manages a team of staff undertaking systems analysis, branch audits and ad-hoc investigations. This delivery model is maintained having regard to the size, complexity, risk profile and operational distribution of NSW Trustee & Guardian and the viability, cost and capacity of alternative arrangements.

These processes provide a level of assurance that enables the senior management of NSW Trustee & Guardian to understand, manage and satisfactorily control risk exposures.

Imelda Dodds



**Chief Executive Officer
NSW Trustee & Guardian**

Our executive team

A/Chief Executive Officer

Commissioner of Dormant Funds
Ex-Officio Trustee and Honorary Treasurer of ANZAC Memorial Trust

Imelda Dodds BSocSc, MA Public Policy, Adjunct Professor of Social Work, University of Sydney

A/Director Client Services Regional

Anthony Steinmetz DipLaw (SAB), GAICD, AIMM

A/Director Client Services Central

Clare McNamara BA (Communications), GradCert Dispute Resolution, GradDip Public Admin, Masters in Social Work

A/Director Specialist Services

Anthony Lentini BEc, LLB, TEP

A/Director Finance and Funds Management

Bernie Farrell CFP, DFP, SA Fin, Dip Fin Mkts

Corporate management

NSW Trustee & Guardian has the following divisions: Client Services Regional and Central, Specialist Services and Finance and Funds Management.

The Executive Committee works as a board in that Directors of each division report monthly on budget performance, performance in key result areas, performance under the Business Plan and new or ongoing projects.

The Investment Advisory Committee includes internal and external members and advises the CEO on issues relating to investment of clients' funds. NSW TG is represented on the committee by the CEO and Directors. The external members are:

- Alan Bertram, who had 31 years experience in investment activities for AMP until retirement in 1999 and has since undertaken advisory and consultative roles for AMP and Medibank Private

- Ted Gifford, who had 36 years experience in a wide range of investment activities for AMP until retirement in 2002
- Michael McGrath (representing the NSW Treasurer), Principal Advisor Financial Liabilities, Crown Asset & Liability Management, NSW Treasury.

Other key committees are: Audit and Risk Management, Joint Consultative Committee, Occupational Health and Safety, Business Support Group and Information Technology Steering Committee. Our representation of significant external committees is detailed in Appendix 5.

We have the following plans at the corporate level:

- Business Plan
- Marketing Plan
- Risk Management Plan
- Business Continuity Plan
- Total Asset Management Plan (included with the DJAG overall plan)

These plans inform division and branch plans to ensure a corporate focus on both objectives and outcomes.

Compliance program

In 2009–10 we continued to improve our governance, risk management and general compliance. We maintained a high level of awareness of risk management, with greater emphasis at the corporate management level, complemented by ongoing inclusion of risk management components in all staff induction and technical training courses.

Risk management and audit

Our Risk Management Plan addresses both operational and corporate risks. Some of the operational and corporate risks are mitigated by:

- compliance with Treasury Policy TPP09-05 Internal Audit and Risk Management Policy for the NSW public sector, including:
 - > an Audit and Risk Management Committee with an independent chair and a majority of independent members to provide transparency
 - > clearly defined charters for the Audit and Risk Management Committee operations and for the internal audit function
 - > an enterprise-wide approach to ongoing implementation and maturity of risk management practices
 - > establishment of a Chief Audit Executive with independence and objectivity through operational reporting to the independent chair of the Audit and Risk Management Committee
 - > professional development of the Chief Audit Executive to ensure proficiency and due professional care
 - > development of a quality assurance and improvement program by means of a fraud control strategy and prevention framework and control self-assessment framework
- annual review of the risk management framework
- a strategic audit framework and vigorous, annually reviewed internal audit program for all operational areas and corporate, strategic and operational risks
- external oversight and assessment through the Audit Office of NSW
- a comprehensive training program for the majority of staff in fraud awareness and workplace expectation.

We have an overarching risk management framework. The framework is subject to review for continuous improvement and changes in industry practice, including ongoing refinement of risk assessment methodology. Estate property and assets are protected by internal procedures and by comprehensive insurance of Trustee estate property. Wills and selected items of client property are protected by secure storage.

Major business processes are protected by:

- internal auditing programs, which ensure that effective control systems are in place to test conformance with trustee and financial management high-risk activities
- external auditing to assess the adequacy of existing controls
- the fraud control strategy and corruption prevention framework
- the control self-assessment framework for the regular reporting on operational areas of risk
- oversight by and reporting to the independent Audit and Risk Management Committee
- training and development of staff to raise awareness of fraud risk and appropriate workplace expectations of staff
- the approved Business Impact Analysis and Business Continuity plans
- risk management, within policy guidelines and AS-NZS-ISO 31 000-2009 standards, including incorporation in the business planning cycle and Internal Audit Plan.

We are a member of the NSW Treasury Managed Fund, which provides insurable risk protection. Our insurance cover includes:

- comprehensive motor vehicle insurance
- liability insurance, including public liability and professional indemnity
- property insurance covering corporate property
- workers compensation insurance
- miscellaneous insurance for liabilities not specifically covered.

Internal audit

Our Risk Management and Audit Program ensures that effective control systems are in place and that there is reasonable assurance regarding the achievement of objectives. Throughout 2009–10 Walter Turnbull Chartered Accountants assisted in the risk assessment, development and performance of the internal audit plan.

Quality Control and Audit staff assessed the adequacy of existing controls and provided, where appropriate, recommendations to enhance the effectiveness and efficiency of both policy and practice. Additionally, all new technical policies and practices clearly articulated the risks the policies have been developed to control. All new project business cases required a formalised risk assessment.

What we did to strengthen compliance

- We gave branch trust account audit findings a performance/assurance rating and reported the findings to the Audit and Risk Management Committee.
- We developed our control self-assessment program for core business units, including risk assessment for outdoor work and OH&S hazard identification.
- Our Audit and Risk Management Committee met its objectives for the internal audit program, external audit, major projects and risk management.
- We continued use of data mining techniques to determine possible areas of control breakdown in higher risk areas to focus audit resources.
- The majority of staff completed fraud awareness and workplace expectation training.

What we achieved

- Completed an annual corporate-wide risk assessment program using the business planning and audit program findings.
- Established an Audit and Risk Management Committee with an independent chair and a majority of independent members to ensure transparent oversight of risk management and internal audit function in compliance with Treasury Policy TPP 09-05.
- Established charters for transparency and accountability of the internal audit function and oversight by the Audit and Risk Management Committee.
- Reviewed and further developed the control self-assessment program.
- Incorporated risk-specific awareness sessions in all new employee induction training and in technical training.
- Completed the planned audit program, including the trust account internal audit program and a number of special investigations and key corporate activity reviews to provide assurance of effective control of identified risks.
- Incorporated risk management to assess and control identified OH&S hazards, the risk rating determining the urgency of corrective action and appropriate level of control. All hazards were recorded.

IT disaster recovery

An IT disaster recovery program is maintained to ensure that, in the event of a disaster, all our critical business systems will continue to operate, thus enabling us to maintain our high level of service and reputation. The operational effectiveness of our computer centre is continually upgraded and tested.

Key statutory compliance programs

As a public sector organisation, we comply with government policies and reporting requirements. We meet external governance and compliance for business performance.

GST compliance

We met corporate and trustee responsibilities for GST compliance in 2009–10.

Privacy management

We took account of the privacy principles set out in *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002* in all areas of operation and prepared privacy information sheets for each of our services.

Records management

NSWTG continued implementation of the Records Management Improvement Plan, which includes conversion to TRIM records management. This electronic document management system will improve the capture, retention, retrieval and proper disposal of all our paper and electronic records.

Action Plan for Woman

NSW Trustee & Guardian is committed to the NSW Government Action Plan for Women and continued to identify and remove structural barriers to the employment of women at all levels. Details are in *Our People* on page 36.

Disability services

Our Disability Services Plan was written and lodged previously with the Department of Ageing, Disability and Home Care. Under the plan NSW Trustee & Guardian:

- undertook home visits to clients unable to get to a branch office
- provided interpreter and Auslan translator services to clients and staff as required
- made access available to enlarged text on the web for the visually impaired
- actively participated in the DJAG Staff with Disabilities Network.

Multiculturalism

We support and promote the four principles of multiculturalism enunciated by the Community Relations Commission and the *Principles of Multiculturalism Act 2000*. We are committed to achieving our Culturally Diverse Communities Action Plan obligations and continually promote and implement its principles. In the reporting year we:

- produced materials in key community languages which are accessible through the internet (see Appendix 2)
- at 30 June 2010 employed a number of staff who first spoke a language other than English (20 per cent of total staff)
- maintained a branch structure with representation in areas containing people from different ethnic groups
- provided guest speakers to address ethnic groups on the functions and operations of NSW Trustee & Guardian, with several presentations to each of the Arabic, Chinese and Vietnamese communities
- participated in a series of SBS Radio interviews for the Chinese community
- undertook accreditation for six additional staff members as interpreters under the Community Language Allowance Scheme
- provided bi-lingual staff and interpreters to clients
- placed 8 per cent of total press advertising and 6.4 per cent of electronic advertising in the ethnic media.

Occupational health and safety

A new Occupational Health and Safety Committee was formed and met regularly during the year to consult on and actively monitor workplace safety for clients and staff. The committee continued the schedule of workplace hazard identification visits and inspections of branches and head office.

Occupational health and safety performance indicators

Table 19: Injury and hazard statistics for 2009–10

Injuries reported	17
Hazards reported	1
Illness reported	1
Security reported	1
Total	20

A total of 20 incidents were reported. Of these, 17 resulted in injuries — 3 from motor vehicle accidents and 6 from muscular stress and repetitive movement.

Table 20: Injury management statistics for 2009–10

Claims submitted	16
Claims remaining open	10
Claims finalised	5
Claim notification only	1

Sixteen workers compensation claims were submitted. Five have been finalised and 10 remain open.

Waste reduction and purchasing policy and energy management

E-procurement

Trustee stores-online and print-online arrangements with Corporate Express continued to operate successfully. Together with general office stationery, all our envelopes, file covers, letterhead and other general corporate stationary items are ordered online, an efficient, cost-effective solution. Financial management and trustee staff are working together to create efficiencies in stationery arrangements across NSW TG.

Reducing generation of waste

We reduced the use of paper by:

- making brochures and other documents commonly available on our website
- developing and utilising an electronic knowledge management system across NSW TG and using the intranet to publish technical directions, policies, guidelines, procedures, forms and strategic plans
- setting up electronic self-service on the intranet to allow online applications for leave and training courses and online access to salary details
- using the intranet to communicate our key performance indicators to staff and provide access to our Business Information System and corporate reporting
- using email for public enquiries, staff newsletters, periodic reports, meeting minutes and other documents
- re-using redundant printed paper.

Resource recovery

Recycling is implemented throughout our offices with plastics, glass and aluminium kept separate and recycled. Paper waste is collected fortnightly by government contractors. Our larger central offices have specific co-mingled bins for the recycling of plastics, glass and aluminium. Other sites are encouraged to comply with the recycling policy but, as the quantity does not warrant specific arrangements, they use the local council bins through their contract cleaners. All sites recycled their toner cartridges. Where appropriate we re-used paper as note pads.

Use of recycled material

Under our online procurement program, we have control over the type of general stores and consumable products purchased across our office. We have defaults in place that ensure all our sites maximise purchasing of items either having recycled content or identified as recyclable, including paper products.

Energy performance

Our energy costs and consumption are now managed as part of the overall energy management program of the Department of Justice and Attorney General. NSW Trustee & Guardian sites are on state contracts 777 and 776 for the retail sale of electricity. All refurbishment projects included design layouts to improve the efficiency of lighting systems, air conditioning and general energy use.

Paper waste management

We joined with the Department of Justice and Attorney General in a state-wide contract for the secure destruction of paper documents. All our sites have a dedicated secure bin, which is collected either fortnightly or monthly and the contents securely destroyed. There is no need for documents to be shredded before disposal. Our data on waste management is included in the overall return by DJAG.

Works in progress

NSW TG now capitalises all the works in progress and progressively depreciates them on a quarterly basis.

Generic disclosures

Land disposal

There were no property disposals in 2009–10.

Consultants

We observed government policy on employment of consultants.

Freedom of information

The *Freedom of Information Act 1989* provides a formal mechanism for the public to access particular information about government bodies.

We have a general exemption under the *Freedom of Information Act 1989* for the operations of executor, administrator and trustee but, when enquiries are received in such matters, we deal with them as a general enquiry and assess release of information on a matter-by-matter basis. We received and dealt with three requests for trustee information in 2009–10.

A report of activities for NSW TG financial management and Public Guardian matters compared with the two previous reporting periods appears in Table 21.

Table 21: Freedom of information statistics for NSW TG and OPG for 2007–08 to 2009–10

Freedom of information (FOI) requests	2007–08	2008–09	2009–10
New (including transferred in)	38	44	37
Brought forward	1	Nil	Nil
Total to be processed	39	44	37
Completed	39	44	35
Withdrawn	Nil	Nil	Nil
Total processed	39	44	35
Unfinished	Nil	Nil	2
Result of FOI requests			
Granted in full	36	40	32
Granted in part	1	Nil	1
Ministerial certificates issued	Nil	Nil	Nil
Number of requests requiring formal consultation	Nil	Nil	Nil
Notation of personal records	Nil	Nil	Nil
FOI requests granted in part or refused	4	4	3
Basis of disallowing or restricting access	Documents not held	Documents not held	Documents not held
All completed requests – FOI fees received	\$780.00	\$375.00	\$495.00
Type of discount			
Financial hardship, pensioner, public interest	24	38	17
Days to process – elapsed time			
0-21 days	33	38	33
22-35 days	3	3	
Over 35 days	3	3	2
Total	39	44	35
Processing hours			
0-10 hours	39	42	32
11-20 hours		2	3
21-40 hours			
Over 40 hours			
Total	39	44	35

No requests for internal review of FOI decisions were made under the Act.

Industrial relations

There were no work stoppages during the financial year. The Joint Consultative Committee met regularly to resolve issues of concern.

Credit card certification

We certify that credit card usage by officers of NSW Trustee & Guardian was in accordance with appropriate government policy, Premier's Memoranda and Treasurer's Directions.

Annual report of the Public Guardian

Our organisation

The Public Guardian is a legally appointed guardian for people who lack capacity to make major health and personal decisions (but not financial or property-based decisions).

The Public Guardian is supported by staff of NSW Trustee & Guardian in the key areas of Operations and Advocacy and Policy. Additional support is provided in administration, registry and information technology.

Legislative framework

The Public Guardian is a statutory official under the *Guardianship Act 1987*. The Guardianship Tribunal or the Supreme Court appoints the Public Guardian as guardian for a person with impaired decision-making abilities when there is no other person able to take on the role and there is a current need to make decisions.

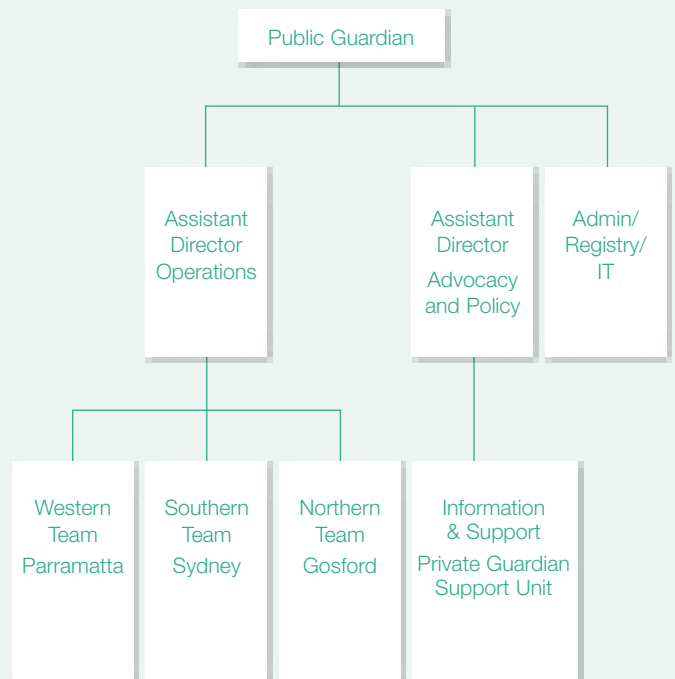
Decisions made by the Public Guardian for people under guardianship must be made in accord with the principles of the Act. The most important principle is that the welfare and interests of the person are paramount.

Our clients

We have a range of client groups, which includes:

- people for whom the Public Guardian has been appointed as a guardian because they lack decision-making capacity due to disabilities such as dementia, intellectual disability, brain injury or mental illness
- private guardians who act for a family member or friend lacking the capacity to make their own decisions
- people appointed as enduring guardians by those planning ahead for possible future incapacity.

Organisation chart of the Public Guardian



Performance highlights

The Public Guardian addressed many challenges this year:

- managing post-merger integration with NSW Trustee & Guardian
- developing a partnership agreement with Housing NSW and NSW Trustee & Guardian
- establishing an agreed set of national guardianship standards across all state jurisdictions in Australia
- managing increasing client numbers through enhanced electronic record keeping
- developing and reviewing a range of publications for clients and other stakeholders
- ensuring staff achieved benchmark training and development goals.

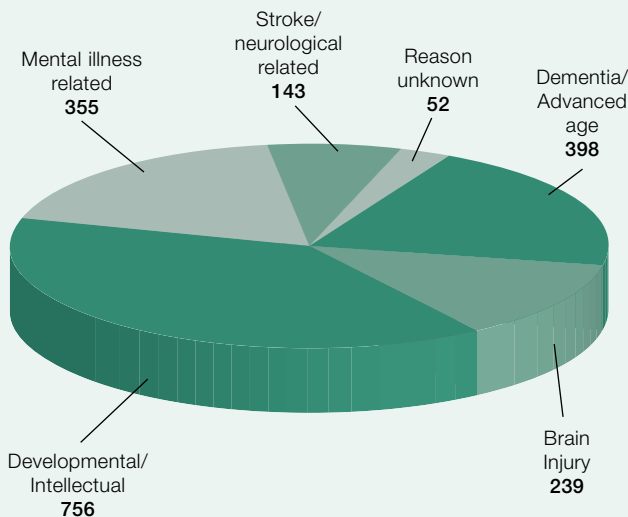
Services to people under guardianship

The Public Guardian makes health and personal decisions for clients and advocates on their behalf to ensure that the best decisions are made. Our services are guided by the *Guardianship Standards* and the principles of the *NSW Guardianship Act 1987*. The standards are national benchmarks for effective and professional service delivery to people under guardianship.

Because guardianship limits a person's right to make decisions themselves, it is imperative that a guardian is only appointed when it is clear that the person will be deprived of basic human rights by not having a guardian, such as the right to accommodation and health care. When submitting reports to the Guardianship Tribunal at review hearings, we include information about the need for a guardian and any possible alternative guardian who could take on the role.

A person under guardianship can sometimes make decisions for themselves, for example, when their disability fluctuates or when a decision is within their decision-making ability. It is therefore necessary for us and others to assess a person's capacity to participate in decision-making when making decisions for them. In addition, the Public Guardian can only make decisions for a person in the areas that the Guardianship Tribunal has included in the person's guardianship order.

Primary disability by type at 30 June 2010

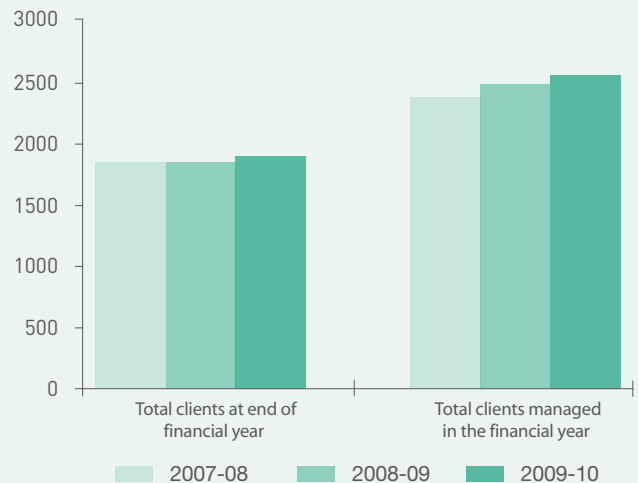


¹ These broad disability categories include sub-groups of specific disabilities such as autism, eating disorders, alcohol-related brain injury and HIV/AIDS dementia.

At the end of the financial year the Public Guardian had 1943 clients under guardianship, an increase of 3 per cent over three years. As shown below, at 30 June 2010 our clients had a range of disabilities¹.

There was a small increase across all of the major disability types on the previous year, which is in line with the overall increase in client numbers.

Total clients at end of financial year and clients managed through the financial year for 2007-08 to 2009-10



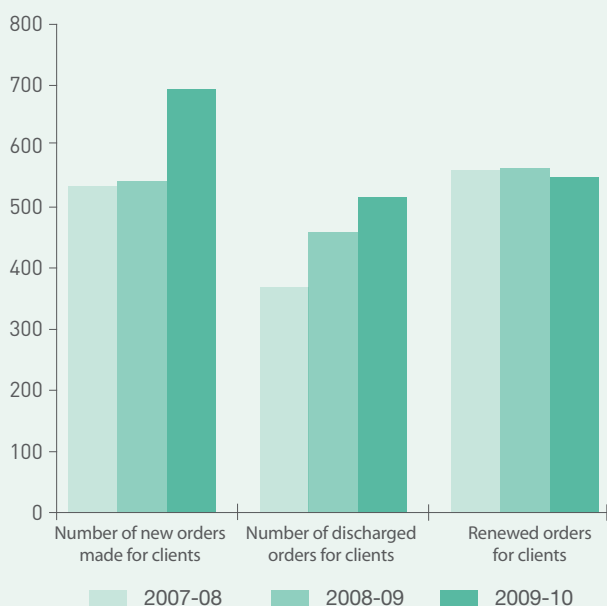
To demonstrate the actual workload of the Public Guardian, we have developed an index that measures the turnover of people under public guardianship each year. The turnover index includes the number of clients (including new clients) at the end of the financial year, plus discharged and deceased clients. The total number of clients managed this financial year was 2617. This represents an 8 per cent increase over three years (see the bar chart above).

The number of new guardianship orders made each year has increased significantly over the last three years. The total number of new orders made this financial year was 694, an increase of 158 (29 per cent) over the previous three years (see the bar chart following).

There was also a significant change in the number of clients who were discharged from guardianship because they no longer needed a guardian or had a private guardian appointed. This year 517 clients were discharged from public guardianship, compared with 459 and 371 in the previous two years. This represents a 25 per cent increase in discharges over the past three years. No trend is discernible in the number of deaths of people under guardianship.

The increase in discharges partly reflects greater attention from us when we make recommendations to the Guardianship Tribunal about clients whose orders are being reviewed. Consistent with the *United Nations Convention on the Rights of Persons with Disabilities*, we only recommend that orders be renewed when there is a need. This ensures that limited guardianship resources are channelled to the clients who most need them.

Public Guardian clients by new, discharged and renewed order for 2007–8 to 2009–10



The Guardianship Tribunal renewed 550 orders this financial year, which is 15 (3 per cent) fewer than the previous year and shows a slight downward trend over the past three years (see the bar chart above).

During 2009–10 the Public Guardian gave evidence at 1076 Guardianship Tribunal hearings, 4 per cent more than in the previous year.

The most common decision-making areas included in guardianship orders were services, accommodation, health care and medical and dental consents.

Case study — Ms T

Ms T was an inpatient at Concord Hospital and was being treated for HIV and progressive multifocal leukoencephalopathy but was not expected to live more than a few weeks. She was refusing all medications. During her hospitalisation, it was discovered that Ms T had no legal status in Australia and was not able to pay for her treatment. Her treating doctor thought that the most humane approach would be to return her to Vietnam where she could die in the care of her family.

Due to Ms T’s condition, she was not able to make her own decisions, so the doctor made an application to the Guardianship Tribunal to have a guardian appointed. In the meantime, he started to make arrangements for Ms T to return to Vietnam.

The Public Guardian was appointed to make decisions about Ms T’s accommodation, health care, medical and dental treatment, passport, travel and immigration status.

Following three years of advocacy and decision-making by the Public Guardian, Ms T has returned to Vietnam but, instead of going to die, went for a two-month holiday to visit her family. Ms T is now on daily medication and is mentally and physically well, with a dramatically improved life expectancy. After a long period in a hospice Ms T participated in a rehabilitation program and has recovered to such an extent that her holiday and a return to independent living became possible.

The Public Guardian successfully advocated for Ms T to be granted a protection visa to stay permanently in Australia. When she comes back from her holiday the Public Guardian will consider a proposal that she move into her own flat and live independently in the community with drop-in services. This is something she has always wanted but never thought possible.

Ms T’s case above demonstrates how the Public Guardian is often appointed to make decisions in highly complex situations or where there is a lack of services and support for the person with a disability.

Case study — Ms A

Ms A is young woman with a complex history of mental illness, intellectual disability, substance abuse and self-harm. At the time the guardianship order was made, Ms A lived in social housing in inner Sydney. In this environment, Ms A faced a very high level of personal danger as she had poor awareness of the risks her lifestyle posed. Ms A had a number of criminal convictions and frequent admissions to mental health facilities.

Ms A had several support services in place, both to provide immediate support and to work toward a living situation that improved her quality of life and reduced her extreme vulnerability. Ms A's chaotic lifestyle and her inability to make basic self-protective decisions meant that the level of community-based supports, despite being high, remained inadequate for her needs. Her situation was exacerbated by the fact that she did not clearly meet the criteria for treatment under the Mental Health Act 2007 or the Ageing, Disability and Home Care eligibility criteria for group home placement.

Mental health services would often provide acute inpatient care for Ms A but then discharge her back into the community or not admit her in the first instance. They began to question Ms A's psychiatric diagnosis and began to see her illness as 'behavioural' or 'drug-related'.

Ms A was in crisis but her options were limited. The Public Guardian initiated a successful application, supported by the other agencies involved, to the Integrated Services Project (ISP). The ISP provides very high levels of support to people who are identified as having complex needs and at risk of homelessness.

Though initially somewhat resistant to involvement in the ISP, Ms A is now relatively happy and has achieved a remarkable degree of stability and a greatly improved quality of life. She lives in a suburban group home where she receives 24-hour support. The ultimate aim is for Ms A to live in the community with adequate supports, which will maximise her independence. The Public Guardian and the ISP continue to work together to achieve this aim.

Public guardianship

The role of our guardianship staff includes:

- visiting people under guardianship and other stakeholders
- requesting specialist reports to inform decision-making
- writing letters and reports to stakeholders
- preparing for and attending guardianship hearings
- creating and implementing guardianship plans
- making decisions according to delegated authority.

The core work of guardians is to make substitute decisions and advocate for people under the public guardianship. The majority of decisions for the year, excluding medical consents, were about services (829), followed by accommodation (747), health care (265), access (102) and restrictive practices (39).

While over 2000 decisions and 1500 medical consents were made for clients, a raw figure does not convey the degree of complexity of each decision or consent. Some decisions require a great deal of investigation and advocacy as the case study opposite shows.

Improved service delivery and decision-making

Our service delivery, accountability and decision-making improved over the year through the implementation of conflict resolution training for most guardianship staff. All staff completed at least five days training in 2009–10, which was our target.

Consistent with ongoing priorities, we developed or reviewed 14 practice directions to improve service delivery and decision-making for clients. Work included:



Left to Right: Graeme Smith, Public Guardian; Imelda Dodds, A/Chief Executive Officer, NSW Trustee & Guardian; and Ken Bone, A/Executive Director, Housing Services, Housing NSW sign the housing partnership agreement.

- development of the checklist, *Palliative care plans – What do we need to know?*, to advise health care professionals about the information the Public Guardian needs when considering palliative treatment
- review of our internal guidelines for managing complaints, reviews and appeals. Improvements were subsequently made in the recording and follow-up of issues raised by stakeholders
- review and update of procedures to ensure that, when the Public Guardian communicates with the Guardianship Tribunal, we follow the procedures applicable to all parties to the Tribunal.

Advocacy and policy

Our advocacy and policy work includes:

- research and analysis of issues for people under guardianship
- systemic advocacy on behalf of our clients
- development of links with other agencies and advocacy groups
- state-wide community education
- provision of support and advice to private and enduring guardians.

The rights of people with disabilities

Australia is a signatory to the *United Nations Convention on the Rights of Persons with Disabilities* (UNCRPD). The Public Guardian undertook a range of activities related to the UNCRPD, in particular Article 12 which states that people with disabilities should have equal recognition before the law.

In September 2009 the Public Guardian was one of the sponsors of and participants in a three-day roundtable discussion on Article 12. The roundtable identified ongoing challenges such as:

- ensuring that decisions made for people under guardianship promote the person's independence and freedom of action
- treating people with mental health issues fairly given the lack of rigour in decisions to treat people against their expressed wishes under the *Mental Health Act 2007*.

Australian National Public Guardianship Standards

One of the outcomes from the recent Australian Guardianship and Administrative Council meetings was the endorsement of *National Public Guardianship Standards*. This year we revised and updated the *NSW Guardianship Standards* to bring them into line with the national standards and include references to the UNCRPD.

Decision-making model reform

We enhanced our decision-making approach in light of the UNCRPD to place an even greater emphasis on the individual autonomy and independence of people with cognitive disabilities. The updated model ensures greater emphasis is given to their expressed wishes and provides a consistent decision-making approach for staff to use.

Inquiry into substitute decision-making

The Legislative Council's 2009 *Inquiry into substitute decision-making for people lacking capacity* provided an opportunity for us to put forward a vision for guardianship in NSW. In formulating our submission, the Public Guardian consulted a range of key stakeholders, including the NSW Disability Council, People with Disabilities, the NSW Ombudsman and University of NSW Disability and Research Centre.

We advocated a shift away from a welfare-based to a rights-based response when making decisions on behalf of people with cognitive incapacity. A copy of the submission is available on our website.

Housing partnership

The Public Guardian, NSW Trustee & Guardian and Housing NSW signed a partnership agreement in November 2009. The aim of the agreement is to develop interagency protocols that enable people with complex needs to sustain their social housing tenancies or private rental.

Domestic squalor

The Public Guardian is frequently appointed for people deemed to be living in severe domestic squalor. In November 2009 Catholic Community Services hosted the *National Squalor Conference: Pathways through the Maze*. The Public Guardian was represented on a panel session that discussed capacity and the role of guardianship in assisting people seen as living in chronic squalor.

One of the conference outcomes was an agreement by the agencies involved to develop a formal network, possibly through a national website, for those working with people who hoard or live in squalor. Internally, we held a staff forum so that our staff could work with squalor specialists in developing practice guidelines for decision-making when the Public Guardian is appointed as guardian for someone deemed to be living in severe domestic squalor.

Joint research

The Public Guardian, the Guardianship Tribunal and St Vincent's Hospital took part in a joint six-month project that arose out of concerns by the St Vincent's Social Work Department about patients who were medically fit for discharge but lacked capacity to make their own accommodation decisions. Specifically, St Vincent's staff felt that, when they submitted applications to the Guardianship Tribunal on behalf of patients, it took too long for the Tribunal to hold hearings and for the Public Guardian to then make decisions. The study showed that, in the majority of cases, the Public Guardian's staff visited patients in hospital and made decisions within 14 days of being appointed.

Young people leaving care

In 2009 the Public Guardian reviewed the circumstances of 28 people under guardianship who were moving at the age of 18 from case management by Community Services (formerly the Department of Community Services) to case management by Ageing, Disability and Home Care (ADHC). The findings were that 21 were experiencing poor transition and only 7 could be identified as having a successful transition to the care of ADHC.

To address the concerns about the transition arrangements for this group, the Public Guardian requested a meeting with the NSW Ombudsman, who was reviewing the agreements between Community Services and ADHC and the leaving care entitlements of young people in this group.

The meeting led to the following agreements:

- guardianship applications should commence after a young person turns 16 when it appears likely that they will require ongoing substitute decision-making after leaving care at age 18
- the primary responsibility for making applications for guardianship to the Guardianship Tribunal should remain with Community Services, exercising their parental responsibility function

- when appointed as a guardian for a young person aged between 16 to 18, the Public Guardian should take an advocacy role only to ensure a smooth transition to after-care services and supports.

Community information

As part of our advocacy and policy work, we provide a free information service to the general community, service providers and legally appointed guardians. Information is available in response to requests by telephone, website, email, fax and mail, with telephone requests the most common. This year we responded to 2125 requests for information, a slight increase on last year. Enduring guardianship was the most frequently raised issue (60 per cent of requests) followed by the processes of guardianship and the roles of the Guardianship Tribunal and the Public Guardian.

Over the year we held more free community information sessions, with 65 sessions held in Sydney and NSW regional areas. These covered topics such as enduring guardianship and planning ahead, the role and function of the Public Guardian, capacity and substitute consent to medical and dental treatment. There were also sessions for service providers and allied health professionals, medical and legal practitioners, carers and people with disabilities. Five sessions specifically targeted culturally and linguistically diverse communities and one session indigenous service providers.

The Public Guardian's website provides information to the community about all aspects of our work and continues to be an important education tool. *Enduring Guardianship in NSW: Your way to plan ahead* and the enduring guardianship appointment forms were the most frequently downloaded items from the website.

Support for private and enduring guardians

When the Guardianship Tribunal considers appointing a guardian, their first step is to decide whether a relative or friend of the person with a disability could be appointed. The Tribunal can then make a guardianship order, giving the guardian the legal authority to make decisions on behalf of that person.

Anyone who has the capacity to make their own decisions can appoint an enduring guardian as a way of planning ahead for possible future incapacity.

We assist private and enduring guardians by talking with them over the phone or in person and by providing information, ideas or support with this often challenging role. In 2009–10, 305 guardians contacted us for support. There were 693 guardians appointed by the Guardianship Tribunal registered with us.

Case study — Mr W

Mr W is a 46-year-old single man who has been diagnosed with Wernicke's encephalopathy, a condition caused by excessive alcohol use. He has also been diagnosed with obsessive compulsive disorder and mental health conditions. Mr W was living alone in extreme squalor despite significant support from his mother.

Mr W was admitted to a detoxification unit for treatment of complications of his condition, including temporary loss of sight. It was clear he could not return home without significant risk to his health and wellbeing and he had alienated all family supports. Mr W was transferred to a mental health unit and an application for guardianship was made by the social worker. The Public Guardian was appointed as Mr W's guardian with authority to make decisions about his accommodation, health care and services.

A guardian visited Mr W in hospital to discuss his discharge options. Mr W stated that he did not want to undertake rehabilitation and wanted to return home. It was clear to his guardian that if Mr W returned home he would be at significant risk, but no other accommodation options were proposed by the hospital social worker.

After successfully advocating for case management from community mental health, Ms W's guardian agreed to his discharge back into the community, though to a different home. Mr W was then discharged and made several unsuccessful attempts at community-based independent living. He was unable to stop drinking, which ultimately led his placement in Housing NSW emergency accommodation.

Mr W's guardian and mental health case manager met with Mr W to discuss his options. Mr W eventually agreed to admit himself to a rehabilitation program, which marked a turning point in his life. Following considerable advocacy from the Public Guardian, in cooperation with a range of other service providers, Mr W secured social housing tenancy and case management through an organisation that assists people to develop life skills. A home care service is also available but is not currently required.

A Joint Guarantee of Service Agreement was made between Housing NSW and the service provider involved in Mr W's care. This agreement will strengthen Mr W's receipt of long-term, community-based supports.

While under the guardianship order, Mr W's circumstances improved to the extent that, at review of the order, the Public Guardian recommended that he no longer required guardianship. The Guardianship Tribunal accepted the recommendation. Mr W is now managing very well in the community and has begun to re-establish contact with family members.

Guardians can choose to receive the quarterly newsletter, *Onguard*, as well as the comprehensive handbook, *Now You're the Guardian*.

Complaint management and reviews of decisions

Consumer and client feedback

The Public Guardian gives stakeholders information about their right to make complaints or to request internal review of decisions. In addition to feedback through complaints and review requests, we receive ministerials, requests for reasons for decisions and compliments.

This year we received 25 compliments, half of which were about the quality of decision-making and the support of our staff for people under guardianship and their families.

There were 30 complaints from clients and stakeholders, slightly fewer than last year. We also responded to 32 ministerial inquiries, a significant increase on 2008–09 due partly to a number of people who made repeated representations to members of parliament. The majority of complaints came from relatives of the person under guardianship and concerned service quality from the Public Guardian.

We responded to most complaints within our standard timeframe of 10 working days, with the exception of four complaints. In two cases the complainants agreed to allow extra time due to the complexity of the matter or provision of additional information by themselves.

As a result of the complaints received, we revised our fact sheets on complaints and review of decisions and uploaded them to our website. Other service improvements included a review and update of processes for contacting newly appointed clients to ensure better communication about the role of the Public Guardian. Staff received refresher training regarding communication of decisions to people under guardianship and other stakeholders.

Review of decisions

If an interested party disagrees with a decision by the Public Guardian they can request an internal review. This year we received 19 requests for internal review of decisions, 4 fewer than last year. The majority of these decisions (16) related to accommodation. Fifteen decisions were affirmed after review, two were set aside and two decisions varied.

If a person is still unhappy with the decision after internal review, they can apply to the Administrative Decisions Tribunal for an external review. This year the Tribunal heard nine matters involving the Public Guardian, five of which were appeals of Guardianship Tribunal decisions to appoint the Public Guardian. Of the four matters relating to the Public Guardian's decisions, one was withdrawn and one affirmed. Two are still to be finalised.

Client and stakeholder surveys

The Public Guardian evaluated community education by asking participants in education sessions to complete feedback forms. The majority of the feedback indicated that participants had found the session useful and increased their understanding of the topic.

Public Guardian staff training and development

Internal training

The Public Guardian achieved a 100 per cent success rate in meeting its target for staff undertaking 30 hours or more of training this year. We held three all-day forums with presentations and events across a range of guardianship and disability-related themes, including guardianship and law, development of a new decision-making model and lack of services for people with intellectual and mental health diagnoses.

In March 2010 we trained guardianship staff interested in presenting community education seminars. Our presenters subsequently assisted community education staff in co-presenting sessions and also led sessions in regional areas.

External training

Staff had the opportunity to attend courses organised by DJAG (e-learning and face-to-face) and external organisations. Four staff received departmental study assistance to undertake higher education qualifications. Many more staff undertook short courses and other training across a wide range of areas, including human rights, CALD awareness, OH&S, disabilities, drugs and alcohol, negotiation skills, homelessness and people management.

To improve the quality of supervision practice in the organisation, we engaged an external consultant to train principal guardians and managers in supervision and negotiation skills. Training was completed this financial year.

Student placements

The Public Guardian provided placements for three social work students as part of our ongoing commitment to offering student training opportunities and encouraging interest in guardianship as a career.

The Public Guardian continues to support an indigenous legal cadet who will be working with us during her university breaks while studying law at the University of Sydney.

Participation in external committees

Public Guardian staff were members of a number of significant committees in 2009–10, including the:

- Australian Guardianship and Administration Council
- Boarding House Expert Advisory Group
- Criminal Justice Program External Reference Group
- Disability and Domestic Violence in Residential Settings Project
- End of Life Decisions Policy Advisory Group
- NSW Homelessness Interagency Committee
- Planning for Later Life Forum.

Table 22: OPG trends in the representation of EEO groups #

EEO Group	% of total staff				
	Benchmark or target	2007	2008	2009	2010
Women	50%	78%	74%	73%	71%
Aboriginal people and Torres Strait Islanders	2%	0%	0%	1%	0.8%
People whose first language was not English	20%	8%	9.2%	9%	11.2%
People with a disability	12%	9%	9.2%	10%	11.7%
People with a disability requiring work-related adjustment	7%	5%	5.3%	8%	6.8%

Figures reflect full-time equivalency

Table 23: Number of employees by category at 30 June for 2007 to 2010 in the OPG

		June 2007			June 2008			June 2009			June 2010		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	full-time	10	36	46	10	30	40	13	33	46	12	34	46
	part-time	5	19	24	4	18	22	5	17	22	6	17	23
Temporary	full-time	1	6	7	3	5	8	0	4	4	1	0	1
	part-time	0	1	1	1	2	3	2	3	5	2	2	4
Contract	SES	1	0	1	1	0	1	1	0	1	1	0	1
	non-SES	0	0	0	0	0	0	0	0	0	0	0	0
Training		0	0	0	0	0	0	0	0	0	0	0	0
Casual		0	0	0	0	0	0	0	0	0	0	0	0
Total		17	62	79	19	55	74	21	57	78	22	53	75

Figures reflect head count

Guarantee of service

This year the Public Guardian updated the *Guardianship Standards*, which are based on nationally endorsed public guardianship standards. The standards outline the minimum expectations of guardianship staff when making substitute decisions on behalf of people under the guardianship of the Public Guardian. Information regarding the standards is available in the brochure, *NSW Guardianship Standards*, which can be downloaded from our website.

The standards cover such activities as:

- providing information about the role of the Public Guardian to people under guardianship and those significantly involved in their lives
- seeking the views of people under guardianship and those involved in their lives before making decisions
- recording the detail of decisions made and other significant detail that relates to each person under guardianship
- making decisions for people under guardianship that are lawful and in line with the Public Guardian's policies and procedures
- participating in reviews of guardianship orders and providing relevant information to assist the Tribunal members to decide about a person's guardianship needs
- ensuring that staff undertake professional development to enable a high standard of service provision.

The Public Guardian welcomes feedback regarding implementation of the standards in our daily work.

The year ahead

This year's annual report has highlighted our involvement in a number of emerging issues in the context of increasing demand for services across all areas of our work. The number of people under the guardianship of the Public Guardian, the number of private guardians and the number of enquiries and requests for community education have grown each year for the past few years. These trends should continue next year in light of the projected ageing of the population and the expected increase in the number of people in NSW living with dementia. Managing the increased demands for services and information within existing resources will continue to be a major challenge for us in the year ahead.

Planning ahead was a major theme for us in the 2009–10 financial year. In the coming year we will continue to promote enduring guardianship as part of a package of planning ahead tools including wills, powers of attorney and advance care plans. We will be working collaboratively with stakeholders including NSW Health, the Guardianship Tribunal, the Planning for Later Life Forum and NSW Trustee & Guardian to promote a consistent message and easily accessible information on these topics.

Last year we made submissions to the NSW Upper House Standing Committee on Social Issues *Inquiry into substitute decision-making for people lacking capacity*. The Standing Committee released their report in February 2010 and we are currently awaiting the NSW Government's response to their recommendations. Several of these recommendations have the potential to impact significantly on our work, including recommendations that the Public Guardian be given the authority to proactively investigate the need for guardianship for people with disabilities and assist people with disabilities without the need for a formal order and the recommendation that a proposal be developed regarding establishment of a Public Advocate in NSW.

One of the important changes outlined in the Standing Committee's report is the paradigm shift highlighted by the *United Nations Convention on the Rights of Persons with Disabilities* (UNCRPD). The changing focus from a welfare-based view of people with disabilities to a rights-based focus has led to the adoption of key concepts such as the presumption of capacity, the principle of least restriction and an emphasis on assisted decision-making to complement substitute decision-making.

The principles of the UNCRPD have been reflected in the recent revision of our *Guardianship Standards*. This theme will continue in the year ahead as the Public Guardian is involved in a number of initiatives, including the development and implementation of a new decision-making model that gives the views of the person under guardianship a central focus in all aspects of our substitute decision-making.

We will also be exploring the possibility of working with Ageing, Disability and Home Care to investigate ways in which people with disabilities can be assisted in decision-making without the need for formal guardianship. One of our staff members will be conducting research in the United Kingdom and Alberta, Canada where assisted decision-making is already incorporated in guardianship legislation. This research takes up the issues raised by the *Inquiry into substitute decision-making for people lacking capacity* and will provide information about ways in which the community can better support decisions made by people with disabilities.

Systemic advocacy is a major focus of our work. In the coming year we will continue to build links with universities and other government and non-government agencies to address the broader issues facing people with disabilities. By working collaboratively with other organisations within the disability field, the Public Guardian will be able to more effectively advocate for and meet the needs of people under guardianship.

Last year saw the appointment of Professor Patrick McGorry, an expert in mental health, as Australian of the Year. His appointment led to extensive public discussion about the difficulties faced by people with mental illness and psychiatric disabilities. This has been very relevant to our work, as almost 20 per cent of people under the guardianship of the Public Guardian have mental health problems.

It can be difficult for people presenting with symptoms of mental illness to be admitted to mental health facilities and to stay there until suitable community accommodation and support can be arranged. While there are some very good social housing and support packages available, they do not provide the level of support that many people with mental health problems require. In the coming year we will be working with our stakeholders to develop a better understanding of the issues facing the mental health sector and how to achieve better outcomes for people with mental health problems.

The central themes for the year ahead concern empowering individuals within the community to participate in decision-making through the use of planning ahead tools or by participation in assisted decision-making processes. In line with principles of the UNCRPD, this will ensure that guardianship operates as a last resort for people who require a substitute decision-maker. Our work for people under the guardianship of the Public Guardian will focus on addressing systemic issues, aiming to enhance options, partnerships and outcomes for people with disabilities.

Graeme Smith
Public Guardian

Contact details

Hours: 9am – 5pm

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160 Marsden Street, Parramatta NSW 2150

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Urgent decisions after hours (02) 8688 2650

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Information & Support (02) 8688 6070

Private Guardian Support Unit (02) 8688 6060

Email: informationssupport@opg.nsw.gov.au

www.lawlink.nsw.gov.au/opg

Financial Statements

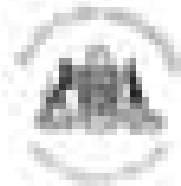
NSW TRUSTEE AND GUARDIAN FINANCIAL STATEMENTS

For the year ended 30 June 2010

NSW TRUSTEE AND GUARDIAN FINANCIAL STATEMENTS

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NSW TRUSTEE & GUARDIAN
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INDEPENDENT AUDITOR'S REPORT

NSW TRUSTEE AND GUARDIAN

To members of the New South Wales Parliament

I have audited the accompanying financial statements of NSW Trustee and Guardian, which comprise the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a statement of significant accounting policies and other supplementary notes.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the NSW Trustee and Guardian as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 103 of the Public Finance and Audit Act 1989 and the PFAG Act and the Public Finance and Audit Regulation 2010.

My opinion should be read in connection with the rest of this report.

The Chief Executive Officer's Responsibility for the Financial Statements

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PFAG Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted the audit in accordance with Australian Auditing Standards. These auditing standards require that I comply with certain ethical requirements relating to audit engagements and also perform the audit in strict accordance with the Public Finance and Audit Regulation 2010.

the audit, various performing processes in order that various audit the financial and operations of the business. The procedure should depend on the auditor's opinion, including the existence of the risk of control weaknesses in the financial statements, whether there is fraud or error. In testing these risk assessments, the auditor should have control assessed to the risk factor and whether's preparation and the assessment of the financial statements is not to design audit procedures that are designed to the weaknesses, but not to the purpose of reporting an opinion on the effectiveness of the risk factor and whether's control system, as well as other factors including the assessment of internal control, the nature and the characteristics of accounting systems used by the client (control system), as well as evaluating the impact assessment of the financial statements.

It should also be noted that the audit process is not a linear process and is not a one-time process.

Key objectives of the audit process

1. Obtain the highest quality of the financial statements.
2. Test if the financial statements are prepared in accordance with the accounting standards.
3. Obtain the effectiveness of the internal control.

Importance

In conducting the audit, the audit office or the audit firm has to comply with the professional requirements of the American Institute of Certified Public Accountants (AICPA) and the International Board of Standards and Practices for Certified Public Accountants (IBCFPA) to ensure the highest quality.

1. Ensuring that the financial statements are prepared in accordance with the accounting standards.
2. Ensuring that the financial statements are prepared in accordance with the accounting standards, that ensuring the quality of the financial statements, and the audit office of the client. There are the consequences of audit that is the quality of the financial statements.

Source:
Muller, Thomas (2010)
The audit process
[2010]

NSW TRUSTEE AND GUARDIAN

STATEMENT IN ACCORDANCE WITH SECTION 41C PUBLIC FINANCE AND ACCOUNTS ACT 1983

Pursuant to Section 41C of the Public Finance and Accounts Act 1983, I declare that as:

- (a) The accompanying financial statements reflect a true and fair view of the financial position and transactions for the year ended 30 June 2010;
- (b) The financial statements have been prepared in accordance with the provisions of the Public Finance and Accounts Act 1983 and the Public Finance and Accounts Regulations 2003 and the Trustee's Directives; and
- (c) I am not aware of any circumstances, which would render any particulars specified in the financial statements to be misleading or inaccurate.



David Pagan
Chief Executive Officer

14 April 11 (Friday) 2010

Start Of Audited Financial Statements

Statement of comprehensive income for the year ended 30 June 2010

	Notes	2010 \$'000
Revenue		
NSW Government contributions	2(d)(i)	7,344
Commission and fees	3	62,271
Investment revenue	4	4,235
Other revenue	5	3,874
Total revenue		77,724
Expenses		
Personnel service expenses	2(e), 6	56,748
Lease expense	7(a)	3,487
Other operating expenses	7(b)	10,898
Depreciation and amortisation	8	3,764
Total expenses		74,897
Loss on disposals	9	(21)
SURPLUS FOR THE YEAR		2,806
Other comprehensive income		
Net increase in property, plant and equipment asset revaluation reserve	13	427
Total other comprehensive income for the year		427
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,233

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2010

	Notes	2010 \$'000
ASSETS		
Current assets		
Cash and cash equivalents	10	28,545
Receivables	11	17,852
Total current assets		46,397
Non-current assets		
Financial assets at fair value	12	30,805
Property, plant and equipment	13	24,945
Intangible assets	14	2,029
Total non-current assets		57,779
TOTAL ASSETS		104,176
LIABILITIES		
Current liabilities		
Payables	15	2,816
Provisions	16(a)	18,994
Total current liabilities		21,810
Non-current liabilities		
Provisions	16(b)	37,675
Total non-current liabilities		37,675
TOTAL LIABILITIES		59,485
NET ASSETS		44,691
EQUITY		
Accumulated funds		44,264
Asset revaluation reserve		427
TOTAL EQUITY		44,691

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2010

	Notes	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total \$'000
Balance at 1 July 2009		0	0	0
Surplus for the year		2,806	0	2,806
Other comprehensive income				
Net increase in property, plant and equipment		0	427	427
Total other comprehensive income		0	427	427
Total comprehensive income for the year		2,806	427	3,233
Transactions with owners in their capacity as owners				
Increase in net assets from equity transfers	17(b)	41,458	0	41,458
Balance at 30 June 2010		44,264	427	44,691

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2010

	Notes	2010 \$'000
Cash flows from operating activities		
Receipts from customers		61,684
Receipts from government		12,460
Interest received		2,095
Other receipts		1,378
Payments to suppliers and employees		(67,487)
Other payments		(3,765)
Income tax paid	17(b)	(1,201)
Net cash flows from operating activities	20	5,164
Cash flows from investing activities		
Purchase of financial assets		(989)
Purchase for property, plant and equipment		(642)
Purchase for intangible assets		(1,059)
Net cash flow from investing activities		(2,690)
Cash flows from investing activities		
Dividend Paid	17(b)	(1,801)
Net cash flow from investing activities		(1,801)
Net increase/(decrease) in cash		673
Opening cash and cash equivalents		0
Cash transferred in as a result of administrative restructuring	17(b)	27,872
Closing cash and cash equivalents	10	28,545

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2010

1. Authorisation Date

The financial statements of NSW Trustee and Guardian for the year ended 30 June 2010 was authorised for issue by Imelda Dodds, Chief Executive Officer on 14 October 2010 pursuant to Section 41C(1B) of the Public Finance and Audit Act 1983.

2. Summary of Significant Accounting Policies

(a) Reporting Entity

NSW Trustee and Guardian (NSWTG) as a reporting entity, comprises all the operating activities under its control. NSW Trustee and Guardian includes the financial results of the operations of the Public Guardian. The Public Guardian is an independent statutory official separate in its functions but reports to the Chief Executive Officer of NSW Trustee and Guardian.

NSW Trustee and Guardian is deemed to be a not-for-profit entity as profit is not its principal objective and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

(b) Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with:

- applicable Australian Accounting Standards including Australian Accounting Interpretations,
- the requirements of the *Public Finance & Audit Act 1983*, and *Public Finance and Audit Regulation 2010*, and
- NSW Treasurer's Directions.

Except for certain assets and liabilities which are measured at fair value as noted, the financial statements have been prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The financial statements comply with the Australian Accounting Standards which include Australian Accounting Interpretations.

At the reporting date, a number of Accounting Standards/ Interpretations adopted by the AASB had been issued but are not yet operative and have not been early adopted by NSW Trustee and Guardian. The following is a list of these standards/interpretations:

		Date of Effect
AASB 2010-1	Amendments to financial instruments: Disclosure.	01 July 2010
AASB 2009-5	Amendments consistent with AASB 101: Presentation of financial statements.	01 January 2010
AASB 2009-12	Amendments consistent with AASB 139: Financial Instrument: Recognition and Measurement.	01 January 2011

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration or contribution received or receivable, net of GST. Amounts disclosed as revenue where applicable are net of returns, allowances, duties and taxes. Revenue is recognised for each of NSW Trustee and Guardian's major activities as follows:

i) NSW Government contributions

The contribution from the Government of NSW is used to fund the Public Guardian's personnel services and other operating expenses for Guardianship functions. This is recognised as revenue in the year it is received.

ii) Commissions and fees

Commissions and fees for trust matters are recognised at the time the charges are levied. The rates and timing of charges are governed by the *NSW Trustee and Guardian Regulation 2008*.

Fees from clients are recognised on an accrual basis, when service is provided.

NSW Trustee and Guardian charges a percentage value of the total value of chargeable assets in a client's estate for the financial management of that estate. Fees include management fees, investment fees, and other fees while retaining the NSW Trustee and Guardian's power to recover additional costs incurred, where applicable, from the Common Fund, refer note 22.

The Common Fund management fee is recognised at the time the service is provided. The fee is set by regulation as a percentage of funds under management.

Community service obligation – NSW Trustee and Guardian receives a grant from Treasury to enable access by the community to professional executor or will services, professional services in management of non-commercial trusts and professional financial management services for those with low-income or limited assets. The grant is recognised as revenue at the time it is received.

iii) Transfers under Section 109 of the *NSW Trustee and Guardian Act 2009*

Transfers under Section 109 Reserve fund are recognised in the period in which they are determined by the NSW Trustee and Guardian.

iv) Common fund interest suspense account

Transfers from the Common Fund Interest Suspense Account are recognised in the period in which they are determined to be receivable by the NSW Trustee and Guardian, (refer to note 5).

v) Gain or loss on disposal of assets

The gain or loss on disposal or retirement of an asset is recognised in the Statement of comprehensive income in the period in which the contract for sale occurs. The amount is determined as the difference between the sale proceeds and the carrying amount of the asset.

vi) Investment revenue

Investment revenue is recognised as it accrues. Investment revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

(e) Personnel Service Expenses

The Department of Justice and Attorney General provides employees to NSW Trustee and Guardian entity to enable it to carry out functions under the *NSW Trustee and Guardian Act 2009*. Personnel service expenses include salaries and wages and related costs for these services.

(f) Depreciation and Amortisation

Depreciation is provided for on a straight-line basis over the estimated useful life of the asset to the entity. All material separately identifiable component assets are recognised and depreciated over their shorter useful lives.

Assets residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than the recoverable amount.

The estimated useful lives of the major classes of assets are as follows:

	2010 Years
Building	17-40
Computer equipment	3-5
Leasehold Improvements and office refurbishments	2-10
Plant and equipment	4-15
Intangible Assets	3-16

Leasehold improvements are amortised over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of goods and services tax (GST), except where:

- the GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are recognised on a gross basis in the Statement of cash flow. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(h) Assets

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash in banks and investments in short term money market instruments.

ii) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less an allowance for impairment. Receivables are reviewed on an ongoing basis and debts which are known to be uncollectible are written off. An allowance for impairment is made when collection of the full amount is no longer considered probable. Debtors are required to be settled within thirty days.

iii) Financial assets

Financial instruments give rise to positions that are either a financial asset or a financial liability of NSW Trustee and Guardian and a financial liability (or equity instrument) or a financial asset of the other party. For NSW Trustee and Guardian these include cash at bank, receivables and financial assets at fair value.

In accordance with AASB 7 *Financial Instruments: Disclosures*, information is disclosed in Note 21 in respect of the credit risk and interest rate risk of financial instruments. All such amounts are carried in the accounts at net fair value unless otherwise stated.

Investments are carried at fair value through profit and loss.

iv) Other Assets

Other assets including prepayments are recognised on a cost basis.

(i) Property, Plant and Equipment

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the NSW Trustee and Guardian. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction, or where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

i) Property

Subsequent to initial recognition, property is carried at fair value based on valuation methods described in paragraph (i)(iv) below.

ii) Plant and equipment

Subsequent to initial recognition, plant and equipment is carried at cost less accumulated depreciation and any accumulated impairment losses, which is considered to equal fair value.

iii) Capitalisation thresholds

Individual items of plant, equipment, furniture and fittings costing \$5,000 and above and computer hardware costing \$1,000 and above with an estimated useful life to the entity in excess of 12 months are capitalised.

iv) Revaluation of physical non-current assets

Property including Land and Buildings are measured at fair value and they have been valued in accordance with Treasury Policy and Guidelines Paper (TPP 07-01) *Valuation of Physical Non-Current Assets at fair value*. This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Land and Buildings are re-valued every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last full revaluation was carried out on 30 June 2009 on the land and buildings of the former NSW Public Trustee (PT NSW).

For periods between full valuations, the valuer advises of any changes in the market price index, and any material movements are recognised. An asset valuation update of NSW Trustee and Guardian's land and buildings, was carried out on 30 June 2010.

v) Impairment of property, plant and equipment

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is recognised in the Surplus/(Deficit) for the year when impaired.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell.

(j) Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are recognised at cost, the threshold being \$1,000.

Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to NSW Trustee and Guardian.

Intangible assets with finite useful lives are amortised on a straight-line basis over the asset's useful life. The useful life of intangible assets is from three to sixteen years.

Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortisation period and the amortisation method for an

intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period.

An assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired.

(k) Leased Assets

Operating lease payments are charged to Statement of comprehensive income in the periods in which they are incurred.

(l) Liabilities

i) Payables

Payables represent liabilities for goods and services provided to NSW Trustee and Guardian. They are recognised initially at fair value usually based on the transaction cost or face value.

Short term payables with no stated interest rate are measured at the original invoice amount where the effective discounting is immaterial. They are unsecured and usually paid within 30 days of recognition.

The expense and liabilities due to the Department of Justice and Attorney General's are classified as "Personnel service expenses" in the Statement of comprehensive income and "Provisions" in the Statement of financial position.

ii) Provisions

This comprises NSW Trustee and Guardian's liability to the Department of Justice and Attorney General for costs arising from personnel services rendered by the Department of Justice and Attorney General to balance date. This also includes superannuation for personnel services provided by the Department of Justice and Attorney General.

Costs payable within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

(m) Insurance

NSW Trustee & Guardian's insurance is conducted through the NSW Treasury Managed Fund Scheme. The expense (premium) is determined by the Fund Manager.

(n) Administrative Restructure

On 1 July 2009, NSW Trustee and Guardian was created by the merger of the former Office of the Protective Commissioner (OPC) and the PTNSW, following the enactment of the *NSW Trustee and Guardian Act 2009*.

Comparative information is not provided, given that this is the first financial year for NSW Trustee and Guardian. Note 17 discloses the assets and liabilities transferred from the former OPC and PTNSW. The transfers are recognised at the amount at which the assets and liabilities were recognised by the transferors immediately prior to the restructure, which approximates fair value to NSW Trustee and Guardian.

3. Commission and Fees

	2010 \$'000
Commission	22,142
Community service obligation	5,116
Trustee fees	5,316
Private management fees/Court directions and supervision fees	1,362
Common Fund management fees	28,335
Total commission and fees	62,271

4. Investment Revenue

	2010 \$'000
Interest revenue	1,112
Investment revenue from TCORP Hour-Glass Investment Facility designated at fair value through profit or loss ¹	3,123
Total investment revenue	4,235

¹ Includes unrealised gain of \$2,133,593.

5. Other Revenue

	2010 \$'000
Car Hire	37
Inspection fees	83
Refund of working expenses from clients – <i>NSW Trustee and Guardian Regulation 26</i>	378
Transfer from the Common Fund Interest Suspense Account	3,345
Other	31
Total other revenue	3,874

Other Revenue includes transfers from the Interest Suspense

Account. Under the *NSW Trustee and Guardian Act 2009*, the Interest Suspense Account may be applied for the current and future costs incurred by NSW Trustee and Guardian in the exercise of its functions under the Act. This includes functions of NSW Trustee and Guardian that was previously the work of the Protective Commissioner.

6. Personnel Service Expenses

	2010 \$'000
Salaries and related expenditure (including recreation leave)	42,564
Superannuation – defined benefit plans	7,051
Superannuation – defined contribution plans	2,543
Worker's compensation insurance	201
Payroll tax and fringe benefits tax	2,578
Long service leave	1,811
Total personnel services expenses	56,748

These relate to expenses for personnel services provided by the Department of Justice and Attorney General.

7. Other Operating Expenses

(a) Lease Expenses

	2010 \$'000
Computer hardware & equipment leasing	23
Motor Vehicle Cost including lease	201
Rent expense – NSW Government buildings	2,047
Rent expense – non-government buildings	1,216
Total lease expense	3,487

(b) Other Operating Expenses

	2010 \$'000
Advertising	1,307
Audit Office of NSW- audit of financial statements:	
- NSW Trustee and Guardian	179
- Common Fund	115
Internal audit fees	283
Consultancy fees	90
Fees for services rendered	4,978
Gas and electricity	337
Maintenance contract	1,060
Insurance	208
Office supplies	474
Postal and telephone	1,166
Travel expenses	187
Training and development	279
Other expenses	235
Total other operating expenses	10,898

8. Depreciation and Amortisation

	2010 \$'000
Depreciation	
Buildings	427
Leasehold improvements	195
Plant and equipment	948
Total depreciation	1,570
Amortisation	
Intangible assets	2,194
Total amortisation	2,194
Total depreciation and amortisation	3,764

9. Loss on disposal of assets

Assets with net book value of \$21,411 and having no useful

life were disposed during the year.

	Plant and Equipment \$'000	Computer Hardware \$'000	Computer Software \$'000	Total \$'000
2009/2010				
Opening fair value	8	5	52	65
Accumulated depreciation	0	0	(44)	(44)
Net book value	8	5	8	21

10. Cash and Cash Equivalents

	2010 \$'000
Cash on hand and at bank	3,977
Short term deposits	24,568
Total cash and cash equivalents	28,545

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and at bank, cash deposits on call 11am with Westpac and short term 11am money market investments with NSW Treasury Corporation.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

	2010 \$'000
Cash and cash equivalent (per statement of financial position)	28,545
Closing cash and cash equivalent (per statement of cash flows)	28,545

Refer to Note 21 for details regarding interest rate risk, credit risk and other risks arising from risk management and financial instruments.

11. Receivables

	2010 \$'000
Trade debtors	202
Less: Impairment allowance	(22)
Other debtors	3,646
Accrued income	2,138
Personnel services	11,328
Prepaid expenses	560
Total receivables	17,852

12. Financial Assets at Fair Value

	2010 \$'000
TCorp Long Term Growth facility	30,805
Total other financial assets	30,805

This includes unrealised gain of \$2,133,593. Details regarding interest rate risk, credit risk and other risks are disclosed in Note 21.

13. Property, Plant and Equipment

	Land & Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Computer Hardware \$'000	WIP \$'000	TOTAL \$'000
At 30 June 2010 – fair value						
Gross carrying amounts	20,857	514	3,266	1,451	0	26,088
Less: Accumulated depreciation and impairment	0	(195)	(387)	(561)	0	(1,143)
Net carrying amount	20,857	319	2,879	890	0	24,945

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land & Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Computer Hardware \$'000	WIP \$'000	TOTAL \$'000
Movement in assets						
Year ended 30 June 2010						
Net carrying amount at start of year	0	0	0	0	0	0
Acquisitions through administrative restructures	20,857	391	2,498	1,080	408	25,234
Revaluation Increment	427	0	0	0	0	427
Additions	0	22	60	319	466	867
Transfers	0	101	716	57	(874)	0
Disposals (net book value)	0	0	(8)	(5)	0	(13)
Depreciation expense	(427)	(195)	(387)	(561)	0	(1,570)
Net carrying amount at end of year	20,857	319	2,879	890	0	24,945

(a) The values of land and buildings stated at cost on transfer would have been:

	2010 \$'000
Land	9,640
Gross value of buildings	11,217
Accumulated depreciation	(427)
Written down value of buildings	10,790

14. Intangible Assets

	Computer Software \$'000	Work in progress \$'000	Total \$'000
At 30 June 2010 – fair value			
Gross carrying amounts	3,912	267	4,179
Less: accumulated amortisation and impairment	(2,150)	0	(2,150)
Net carrying amount	1,762	267	2,029

A reconciliation of the carrying amount of each class of intangibles at the beginning and end of the current reporting period is set out below.

Movement in intangibles	Computer Software \$'000	Work in progress \$'000	Total \$'000
Year ended 30 June 2010			
Net carrying amount at start of year	0	0	0
Acquisitions through administrative restructures	2,903	270	3,173
Additions	51	1,008	1,059
Transfers	1,011	(1,011)	0
Disposals (net book value)	(9)	0	(9)
Amortisation expense	(2,194)	0	(2,194)
Net carrying amount at end of year	1,762	267	2,029

15. Payables

This relates to accrued cost of goods and services provided to the NSW Trustee and Guardian.

	2010 \$'000
Creditors	2,466
GST payable	121
Accrued capital expenditure	229
	2,816

Details regarding interest rate risk, credit risk and other risks are disclosed in Note 21.

16. Provisions

These relate to accrued salaries and wages, recreation leave, long service leave and superannuation for personnel services provided by the Department of Justice and Attorney General.

(a) Current

	2010 \$'000
Personnel services	18,994
Total current provisions	18,994

(b) Non-current

	2010 \$'000
Personnel services	37,675
Total non-current provisions	37,675

Superannuation liability for the former Public Trustee has been transferred from the former PT NSW to the NSW Trustee and Guardian. This is currently fully funded based on statement issued by Pillar Administration on 30 June 2010.

17. Increase in Net Assets from Equity Transfers

(a) Statement of comprehensive income for the former PT NSW and OPC for the year ended 30 June 2009:

	Former OPC \$'000	Former PT NSW \$'000	Total \$'000
Revenue			
NSW Government contributions	10,018	2,390	12,408
Commission and fees	22,970	33,913	56,883
Investment revenue	1,083	1,617	2,700
Other revenue	21	498	519
Total revenue	34,092	38,418	72,510
Expenses			
Employee related expenses	0	294	294
Personnel service expenses	32,842	48,410	81,252
Unrealised loss on investment	0	5,067	5,067
Lease expense	2,315	931	3,246
Other operating expenses	4,377	6,175	10,552
Depreciation and amortisation	1,655	2,114	3,769
Total expenses	41,189	62,991	104,180
Loss on disposal	14	7	21
Surplus/(Deficit) before income tax equivalent	(7,111)	(24,580)	(31,691)
Income tax equivalent	0	1,019	1,019
Surplus/(Deficit) after income tax equivalent	(7,111)	(25,599)	(32,710)
Other Comprehensive Income			
Increase on asset revaluation reserve	0	803	803
Other net decrease in equity:			
Superannuation actuarial losses	0	(579)	(579)
Total Other Comprehensive income for the year	0	224	224
Total Comprehensive income/(loss) for the year	(7,111)	(25,375)	(32,486)

(b) The following assets and liabilities were transferred from former OPC and PT NSW as at 1 July 2009:

	Former OPC \$'000	Former PT NSW \$'000	Total \$'000
Assets			
Current assets			
Cash and cash equivalents	21,057	6,815	27,872
Financial assets at fair value	0	11,359	11,359
Receivables	1,469	2,012	3,481
Total current assets	22,526	20,186	42,712
Non-current assets			
Financial assets at fair value	0	16,324	16,324
Property, plant and equipment	572	24,662	25,234
Intangible assets	2,026	1,147	3,173
Total non-current assets	2,598	42,133	44,731
Total Assets	25,124	62,319	87,443
Liabilities			
Current liabilities			
Payables	1,295	924	2,219
Provision for personnel services	3,430	5,419	8,849
Other provision	0	3,009	3,009
Total current liabilities	4,725	9,352	14,077
Non-current liabilities			
Provision for personnel services	2,960	28,948	31,908
Total non-current liabilities	2,960	28,948	31,908
Total Liabilities	7,685	38,300	45,985
Net Assets	17,439	24,019	41,458
Increase in net assets from equity transfers			41,458

Other provision includes Dividend payable and Tax Equivalent payable by the former PT NSW.

18. Commitments for Expenditure

(a) Capital commitments

Aggregate capital expenditure contracted for at balance date but not provided for:

	2010 \$'000
Commitments inclusive of GST	
Not later than one year	128
Later than one and not later than 5 years	0
Later than 5 years	0
Total inclusive of GST	128

(b) Operating lease commitments

Future non cancellable operating leases not provided for and payable.

	2010 \$'000
Commitments inclusive of GST	
Not later than one year	1,328
Later than one and not later than 5 years	1,622
Later than 5 years	0
Total inclusive of GST	2,950

Operating lease commitments relate to leases currently held in relation to the occupancy of premises by the NSW Trustee and Guardian in Sydney and regional offices. They also include operating leases of motor vehicles.

Operating lease commitments do not include the occupancy of premises at the Justice Precinct Offices (JPO) in Parramatta at a rate of \$166,572 a month. There is no lease agreement currently in place.

(c) Other commitments

Aggregate other expenditures contracted for but not provided for at balance date:

	2010 \$'000
Commitments inclusive of GST	
Not later than one year	20
Later than one and not later than 5 years	0
Later than 5 years	0
Total inclusive of GST	20

Total commitments include GST receivable from the Australian Taxation Office of \$281,605.

19. Contingent Liabilities

Legal Matters

NSW Trustee and Guardian may bear a cost risk of some proceedings which have been concluded on behalf of clients due to adverse verdicts or other court orders transferred from the former OPC and PTNSW. The total estimated cost to NSW Trustee and Guardian is approximately \$3,756,000 which will be recovered from the Treasury Managed Funds.

20. Reconciliation of Cash Flows

	2010 \$'000
Net Cash from Operating Activities	5,164
Depreciation	(3,764)
Revaluation on TCorp LTGF investment	2,134
(Increase)/Decrease in provisions	(14,705)
Increase/(Decrease) in prepayments and other assets	14,481
(Increase)/Decrease in creditors	(483)
Net Gain/(Loss) on sale of plant and equipment	(21)
Surplus for the Year	2,806

21. Financial Instruments

NSW Trustee and Guardian's financial instruments are outlined below. These financial instruments arise directly from NSW Trustee and Guardian's operations. NSW Trustee and Guardian does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NSW Trustee and Guardian's main risks arising from financial instruments are outlined below, together with NSW Trustee and Guardian's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive Officer has overall responsibility for the establishment and oversight of risk management, reviews and agrees policies for managing each of these risks. Risks management policies are established to identify and analyse the risks faced by the NSW Trustee and Guardian entity, to set risks limits and controls and to monitor risks. Compliance with policies is reviewed by NSW Trustee and Guardian's Audit and Risks Management Committee and internal auditors on a continuous basis.

(a) Financial Instrument categories:

	Note	Category	Carrying amount 2010 \$'000
Financial assets			
Cash and cash equivalents	10	N/A	28,545
Receivables ¹	11	Receivables measured at amortised costs	5,964
Financial assets at fair value	12	At fair value through profit and loss	30,805
Total financial assets			65,314
Financial liabilities			
Payables ²	15	Financial liabilities measured at amortised cost	2,695
Total financial liabilities			2,695
Net financial assets/ (financial liabilities)			62,619

Notes:

¹ Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).**(b) Credit Risk**

Credit risk arises when there is the possibility of NSW Trustee and Guardian's debtors defaulting on their contractual obligations resulting in a financial loss to NSW Trustee and Guardian.

Credit risk arises from the financial assets of NSW Trustee and Guardian including cash, receivables and authority deposits. No collateral is held by NSW Trustee and Guardian. NSW Trustee and Guardian has not granted any financial guarantees.

Credit risk associated with NSW Trustee and Guardian's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW Treasury Corporation (TCorp) are guaranteed by the State. NSW Trustee and Guardian's investment committee considers that as credit has already been determined by Treasury, there is no requirement to establish independent credit risk policies.

NSW Trustee and Guardian's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the statement of financial position as detailed below:

2010	Government \$'000	Banks \$'000	Other \$'000	Total \$'000
Financial Assets				
Cash and cash equivalents	11,739	16,799	7	28,545
Receivables	0	0	5,964	5,964
Financial assets at fair value	30,805	0	0	30,805
Total financial assets	42,544	16,799	5,971	65,314
Financial liabilities				
Payables	0	0	2,695	2,695
Total financial liabilities	0	0	2,695	2,695

Cash

Cash comprises cash on hand and cash in banks within Westpac and ANZ Bank. Interest is earned on daily bank balances at rates published by the banks from time to time.

Authority Deposits

NSW Trustee and Guardian has placed funds on deposit with Treasury Corporation (TCorp), which has been rated "AAA" by Standard and Poor's. This deposit is similar to money market or bank deposits and have been placed "at call" in the TCorp 11am facility.

The deposits at balance date with TCorp were earning an interest rate of 4.45% while the weighted average interest rate over the year was 3.74% on a weighted average balance during the year of \$10,045,773. None of these assets are past due or impaired.

Receivables

Receivables are recognised as amounts receivable at the end of each reporting period. Receivables include trade debtors and other receivables, comprising:

- Commissions and fees; and
- Sundry debtors.

NSW Trustee and Guardian is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

	Total \$'000	Past due but not impaired \$'000	Impairment \$'000
2010			
<3 months overdue	84	84	0
>3 months <6 months overdue	20	20	0
>6 months overdue	98	76	22
	202	180	22

(c) Liquidity Risk

Liquidity risk is the risk that NSW Trustee and Guardian will be unable to meet its payment obligations when they fall due. NSW Trustee and Guardian continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

During the current year, there were no loans payable. No assets have been pledged as collateral. NSW Trustee and Guardian's exposure to liquidity risk is deemed insignificant based on current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in the *Public Finance and Audit Regulation 2010* Clause 15 "Payment of Accounts" ("PF&A Reg"). If payment terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. The PF&A Reg allows the Trustee and Guardian to award interest for late payment.

The liquidity risk is managed by the preparation of cash flow projections on a regular basis for current liabilities. The table below summarises the maturity profile of NSW Trustee and Guardian's financial liabilities, together with the interest rate exposure.

2010	Weighted average effective interest rate %	Interest Rate Exposure				Maturity		
		Nominal Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest bearing \$'000	<1 Year \$'000	1-5 Years \$'000	>5 Year \$'000
Payables								
Creditors	N/A	2,466	0	0	2,466	0	0	0
GST payable		Statutory Liability						
Accrued Capital	N/A	229	0	0	229	0	0	0
Total	0	2,695	0	0	2,695	0	0	0

NSW Trustee and Guardian does not have, and does not intend to have, any Finance leases or any other form of financial liabilities to which AASB 7 *Financial Instruments: Disclosures* applies.

(d) 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. The only financial assets that are subject to market risk are the units held in the Long Term Growth Facility with TCorp. This investment is made in compliance with NSW Treasurer's Directions and is a permitted asset class under the *Public Authorities (Financial Arrangements) Act 1987*. The exposure is primarily through interest rate risk on the price movements of the units issued in Hour Glass Investment facilities. NSW Trustee and Guardian has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which NSW Trustee and Guardian operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the end of each reporting period.

(i) Interest rate risk

Exposure to interest rate risk arises primarily through NSW Trustee and Guardian's 11am deposits at TCorp and with financial institutions. However, the risks are minimised as the deposits are at call. There are no interests bearing liabilities. A reasonable possible change of interest of +1/-1% is used, consistent with current trends in interest rate. The basis will be reviewed annually and amended where there is a structural change in the level of interest volatility.

The effect on operating performance and equity due to a reasonably possible change in interest rate of +/- 1% is outlined below.

2010	Carrying Amount \$'000	-1%		+1%	
		Surplus \$'000	Equity \$'000	Surplus \$'000	Equity \$'000
Financial assets					
Cash and cash equivalents	28,545	(285)	(285)	285	285
Receivables	5,964	0	0	0	0
Financial assets at fair value	30,805	(308)	(308)	308	308
Total financial assets	65,314	(593)	(593)	593	593
Financial liabilities					
Payables	2,695	0	0	0	0
Total financial liabilities	2,695	0	0	0	0
Net financial assets/ (financial liabilities)	62,619	(593)	(593)	593	593

(ii) Other price risk – NSW TCorp Hour Glass facility

Exposure to 'other price risk' primarily arises through the investment in the NSW TCorp Hour Glass Investment facilities, which are held for strategic rather than trading purposes. NSW Trustee and Guardian has no direct equity investments. NSW Trustee and Guardian holds units in:

Facility	Investment Sectors	Investment Horizon	2010 \$'000
Long Term Growth Facility	Cash, money market instruments, Australian and international bonds, listed property, Australian and international shares.	7 Years and over	30,805

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp as trustee for each of the above facilities is required to act in the best interest of the unit-holders and to administer the trusts in accordance with the trust deeds. As trustee, NSW TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. A significant portion of the administration of the facility is outsourced to an external custodian.

Investment in the Hour Glass facility limits NSW Trustee and Guardian's exposure to risk, as it allows diversification across a pool of funds, with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the facilities, using historically based volatility information. The NSW TCorp Hour Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity).

A reasonable possible change is based on the percentage change in unit price multiplied by the redemption price as at 30 June each year for each facility (as advised by NSW TCorp).

Facility	Impact on Result	
	Change in Unit Price	2010 \$'000
Hour Glass Investment – Long Term Growth Facility	+15%	4,621
Hour Glass Investment – Long Term Growth Facility	-15%	-4,621

(e) Fair value compared to carrying amount

Financial instruments are generally carried at cost, with the exception of the NSW TCorp Hour Glass Facilities which are carried at fair value. The value of the Hour Glass investments is based on NSW Trustee and Guardian's share of the value of the underlying assets of the facility, based on the market value.

The amortised cost of financial instruments recognized in the Statement of financial position approximates the fair value, because of the short term nature of many of the financial instruments.

(f) Fair value recognised in the Statement of financial position

NSW Trustee and Guardian uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

- Level 1 – Derived from quoted prices in active markets for identical assets/liabilities.
- Level 2 – Derived from inputs other than quoted prices that are observable directly or indirectly.
- Level 3 – Derived from valuation techniques that include inputs for the asset/liability not based on observable market data (unobservable inputs).

NSW Trustee and Guardian's financial assets are classified as follows:

	Level 2 \$000
Financial assets at fair value	
TCorp Hour Glass Investment Facility	30,805
Total financial assets at fair value	30,805

Prices for the TCorp Hour Glass Investment Facility are observable; however no active market exists for these facilities as they are only accessible to government agencies. There were no transfers between level 1 and 2 during the period ended 30 June 2010.

(g) Committees

The Executive Management Committee has ultimate responsibility for risk management and governance, including ensuring an appropriate risk framework is in place and is operating effectively. There are, however other committees and individuals within NSW Trustee and Guardian that manage and monitor financial risks.

The Audit and Risk Committee assists NSW Trustee and Guardian to achieve its corporate and fiduciary objectives by providing advice and ensuring that a sound and efficient system of internal control is maintained by sound risk management practices and effective internal and external audit review.

The responsibilities of the Committee encompass the following areas:

- Risk Management
- Internal Control framework (governance)
- Legislative compliance
- Internal audit
- External audit
- Initiate investigations into any matter deemed appropriate.

The Investment Committee has the following responsibilities:

- the management of Client asset portfolios in accordance with Prudent Person principles
- the management of a common fund, and its portfolios
- the management of its corporate investment portfolio

The role of the Investment Committee is to set policies and oversee the management of investment assets of clients, investments made by the trustee, and investments of NSW Trustee and Guardian. As part of this process, the Investment Committee determines strategies for the various portfolios in accordance with the investment policies and legislative direction.

22. Common Fund Assets

NSW Trustee and Guardian manages the assets of clients under the *NSW Trustee and Guardian Act 2009*. These assets are not included in the financial statements of NSW Trustee and Guardian, but are separately reported in the financial statements of NSW Trustee and Guardian – Common Funds.

Under Section 104 (5) of the *NSW Trustee and Guardian Act 2009*, amounts credited to a common fund are held on trust by NSW TG. Details are summarised below:

	2010 \$'000
Common Fund – Trustee	1,365,332
Common Fund – Financial Management	1,177,206
Total assets	2,542,538

23. Related Party Disclosures

The following are key management personnel of the Department of Justice and Attorney General who are attached to NSW Trustee and Guardian to perform its functions under the *NSW Trustee and Guardian Act 2009*.

NSW Trustee and Guardian reimburses the Department of Justice and Attorney General for their salaries and related on-costs.

Key management personnel

Name	Position
I Dodds	Chief Executive Officer
C McNamara	Acting Director, Client Services Central
A Steinmetz	Acting Director, Client Services Regional
A Lentini	Acting Director, Specialist Services
B Farrell	Director, Finance and Client Funds Management
G Smith	Public Guardian

24. Subsequent Events

No events have occurred since the end of the financial year which significantly affects/may significantly affect the operations/results of operations of the NSW Trustee and Guardian.

END OF AUDITED FINANCIAL STATEMENTS

Appendices

Appendix 1: Employment reporting

Table 24: NSW TG merged workforce distribution June 2010

		Jun-10		
		Men	Women	Total
Permanent	full-time	174	276	450
	part-time	9	42	51
Temporary	full-time	14	15	29
	part-time	1	5	6
Contract	SES	2	2	4
	non-SES	0	0	0
Training		0	0	0
Casual		0	0	0
Total		198	340	538

Table 25: Number of employees by category at 30 June for 2007 to 2009 in the former Office of the Protective Commissioner

		June 2007			June 2008			June 2009		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	full-time	101	113	214	87	106	193	90	118	208
	part-time	4	13	17	5	10	15	8	11	19
Temporary	full-time	8	11	19	7	10	17	8	15	23
	part-time	0	3	3	1	3	4	0	3	3
Contract	SES	1	0	1	0	1	1	0	2	2
	non-SES	0	0	0	0	0	0	0	0	0
Training		0	0	0	0	0	0	0	0	0
Casual		0	0	0	0	0	0	0	0	0
Total		114	140	254	100	130	230	106	149	255

Table 26: Number of employees by category at 30 June for 2007-09 in the former Public Trustee NSW

	2007			2008			2009		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
SES	3	0	3	3	0	3	3	0	3
Professional	18	13	31	16	13	29	16	15	31
Clerical	89	156	245	101	164	265	83	182	265
General	2	0	2	2	0	2	2	0	2
TOTAL	109	169	278	119	177	296	101	197	298

Figures reflect head count

Movement in salaries during 2009–10

A 4 per cent public sector award salary increase came into effect in July 2009.

Personnel policies and practices

NSWTG staff are employed under the provisions of the *Public Sector Employment and Management Act 2002* and the Crown Employees (Public Service Conditions of Employment) Award 2006. NSWTG staff are employees of the Department of Justice and Attorney General (DJAG).

Staff have online access via an intranet to a comprehensive range of personnel policies provided to all administrative units of DJAG. Staff can access a range of flexible working arrangements to accommodate disabilities or work/life balance.

The Employee Assistance Program offers a confidential counselling and trauma debriefing service to staff.

Senior Executive Service positions

As at 30 June 2010, there were four Senior Executive Service positions within NSWTG.

Acting CEO, SES Level 5

Imelda Dodds BSocSc (Social Work), MA Public Policy, Accredited Social Worker, Adjunct Professor of Social Work, University of Sydney

Acting Director Client Services Regional, SES Level 3

Anthony Steinmetz DipLaw (SAB), GAICD, AIMM

Acting Director Client Services Central, SES Level 2

Clare McNamara BA (Communications); GradCert Dispute Resolution, GradDip Public Admin, Masters in Social Work

Acting Director Specialist Services, SES Level 2

Anthony Lentini BEc, LLB, TEP

There was one Senior Executive Service position in the Public Guardian:

Public Guardian, SES Level 1

Graeme Smith BSocSc, BLegSt is the Public Guardian, an independent statutory officer. The Public Guardian is part of the Department of Justice and Attorney General and is supported administratively by NSW Trustee & Guardian.

Appendix 2: Publications

Publication	Format
Protective Commissioner and Public Guardian 2008–09 Annual Report	Report
OPC 2008–09 Annual Report Highlights	Brochure
NSWTG News (client newsletter – re-branded and revised, 2 editions)	Newsletter
Managing (private management newsletter – re-branded and revised, 2 editions)	Newsletter
Fact Sheets 1–19 (re-branded and revised) <ul style="list-style-type: none"> 01 – What is a Management Order? 02 – What are Substitute Decisions? 03 – Reasons for Substitute Decisions 04 – Facts on Fees 05 – Have Your Say – Complaints/Feedback 06 – Review of Decisions – Administrative Decisions Tribunal 07 – How to seek Review or Revocation of a Financial Management Order 08 – Financial Planning and Investments 09 – Claims for Past Care 10 – Sale or Lease of Property 11 – Purchase of Real Estate 12 – Banker Arrangements 13 – Your Rights as a Victim of Crime 14 – Deceased Estates 15 – Managing the Financial Affairs of a Missing Person 16 – Privacy 17 – Authorised Visitor 18 – Requests for Aids and Equipment for NSWTG Clients 19 – What is a Section 71? 	Fact sheets

<p>Fact Sheets Private Management 1–8 (re-branded and revised)</p> <p>01 – Functions of NSW TG – Financial Management Orders</p> <p>02 – Why become a Manager?</p> <p>03 – Responsibilities of a Manager</p> <p>04 – Fees and Charges</p> <p>05 – The Authorised Visitor</p> <p>06 – Power of Attorney, Wills and Estates</p> <p>07 – Review of Decisions – Administrative Decisions Tribunal</p> <p>08 – More Sources of Help and Information</p>	Fact sheets
Manager’s Handbook (re-branded and revised)	Booklet
NSWTG Corporate Brochure – Financial and Asset Management Services & Private Management Support Services for people with decision-making disabilities (re-branded and revised)	Brochure
A Guide for Beneficiaries	Booklet
A Guide for Trust Clients	Booklet
A Guide for Wills	Booklet
A Guide for Powers of Attorney	Booklet
Client Feedback – re-branded	Brochure
Annual Report 2008–09	Report
Facts on Fees – re-branded	Brochure
Privacy and NSW Trustee and Guardian – re-branded	Brochure
Wills and Appointing an Executor – re-branded	Brochure
Trusts – re-branded	Brochure
Powers of Attorney – re-branded	Brochure
Your Funds and NSW Trustee and Guardian – re-branded	Brochure
Superannuation Trusts – re-branded	Brochure
Employee Entitlement Trusts – re-branded	Brochure
TAGconnect – external client newsletter (bi-annual)	Newsletter
TAGlines – internal staff newsletter (bi-monthly)	Newsletter
NSW Trustee & Guardian brochures on trustee products and services are also printed in: Arabic, Chinese, Croatian, Hindi, Italian, Korean, Spanish, Tagalog/Filipino and Vietnamese.	Brochures
2009 Good Will Week website	Campaign website
Suite of postcards for direct marketing activity	Postcards
Enduring Guardianship – your way to plan ahead	Booklet
Now You’re the Guardian – an information guide for people appointed as guardians under the NSW Guardianship Act 1987.	Booklet

Making Decisions for You – answers to your questions	Booklet
Information for Family Friends and Service Providers	Booklet
Substitute Consent	Booklet
An Information and Support Service for Guardians appointed in NSW	Brochure
Guardianship Standards	Brochure
Onguard – 3 editions of the newsletter for private and enduring guardians	Newsletter
<p>The appointment of the Public Guardian</p> <p>Does someone you support have a legal guardian?</p> <p>Enduring guardianship (includes forms)</p> <p>How does the Public Guardian make decisions?</p> <p>Information for family, friends and service providers</p> <p>Making decisions for you – Information for family, friends and service providers</p> <p>Person responsible</p> <p>What does a guardian do?</p> <p>What is a guardian?</p> <p>Your rights to make a complaint</p> <p>Your rights to request a review of decision</p>	Fact sheets
<p>Annual reports</p> <p>NSW Trustee & Guardian booklets and brochures</p>	Website

Appendix 3: Payment performance indicators 1 July 2009 to 30 June 2010

Table 27: Payment performance

Schedule of accounts payable	Qtr Ended Sept 09 \$,000	Qtr Ended Dec 09 \$,000	Qtr Ended Mar 10 \$,000	Qtr Ended June 10 \$,000
Current	-	-	-	1,347
Less than 30 days	-	-	-	-
Overdue 30-60 days	-	-	-	-
Overdue 60-90 days	-	-	-	-
Overdue more than 90 days	-	-	-	-
Totals				1,347*

* Represents accruals at the end of the financial year; invoices received after cut-off date for payment of invoices

Schedule of accounts paid on time	Qtr Ended Sept 09 \$,000	Qtr Ended Dec 09 \$,000	Qtr Ended Mar 10 \$,000	Qtr Ended June 10 \$,000
Accounts paid on time	3,456	3,387	3,318	4,780
Total accounts paid	3,464	3,396	3,319	4,786
	%	%	%	%
Accounts paid on time	99.77	99.73	99.97	99.87
Target paid on time	99.95	99.95	99.95	99.95

Accounts payment

The Public Guardian

During 2009–10, 662 relevant corporate payments were made with a total value of \$1,021,668. The policy of the Public Guardian is that all claims for payment of accounts are paid within the timeframe set out in suppliers' contracts. If no terms are set, payment is made by the end of the month following the month in which the invoice is received.

Interest on late payments

There was nil interest paid due to late payments by NSWTCG and the Public Guardian.

Appendix 4: Overseas visits

There were no overseas visits in 2009–10.

Appendix 5: Significant committees

Table 28: Representation on significant committees

The Australian Guardianship and Administration Council	Member	Imelda Dodds	NSW Trustee & Guardian
Planning for Later Life Forum	Member	Imelda Dodds Barbara Cromie Melanie Oxenham	NSW Trustee & Guardian
Towards 2030: Planning for Our Changing Population	Member	Imelda Dodds	NSW Trustee & Guardian
Trustee Corporations Association	Member	Imelda Dodds	NSW Trustee & Guardian
Probate Users Group, Supreme Court of NSW	Member	Anthony Lentini	NSW Trustee & Guardian
NSW Government Advertising Peer Review Panel	Member	Barbara Cromie	NSW Trustee & Guardian
Edith Cavell Trust	Member	Anthony Steinmetz	NSW Trustee & Guardian
Upper Hunter Aboriginal Heritage Trust	Member	Anthony Steinmetz Anthony Lentini Carol Coombes	NSW Trustee & Guardian

Appendix 6: Client access to services

For information on NSW TG trustee services contact www.tag.nsw.gov.au, 1300 364 103 or branch network or registrars of the Local Court at courthouses in rural and regional NSW.

NSW Trustee & Guardian Branch network contact details

Open for business 9.00am to 5.00pm Monday to Friday, except public holidays (appointment preferred).

Sydney Metropolitan

Sydney Central

Level 2, 19 O'Connell Street, Sydney 2000
(02) 9252 0523

Clarence Street

144 Clarence Street, Sydney 2000
(02) 8688 2600

Trust Service Centre Sydney

GPO Box 7 Sydney 2001
1300 135 966

Bankstown

58 Kitchener Parade, Bankstown 2200
(02) 9709 6922

Blacktown

Level 1, 30 Campbell Street, Blacktown 2148
(02) 9621 3344

Burwood

Level 1, 116 Burwood Road, Burwood 2134
(02) 9744 0347

Chatswood

Level 7, 13 Spring Street, Chatswood 2067
(02) 9411 4355

Dee Why

Suite 1, 874 Pittwater Road, Dee Why 2099
(02) 9981 2555

Hurstville

Suite 2, Level 5, 12 Butler Road, Hurstville 2220
(02) 9579 6477

Liverpool

112 Moore Street, Liverpool 2170
(02) 9602 1885

Trust Service Centre, Liverpool

PO Box 309, Liverpool 2170
1300 787 807

Miranda

Shop 3, 629 The Kingsway, Miranda 2228
(02) 9526 2466

Parramatta

Level 3, 60 Macquarie Street, Parramatta 2150
(02) 9635 4033

Parramatta Justice Precinct

160 Marsden Street, Parramatta 2150
(02) 8688 2600

Other locations

Armidale

Shop 10-11, Beardy Street, Armidale 2350
(02) 6772 7333

Bathurst

230 Howick Street, Bathurst
(02) 6324 5000

Broken Hill

Courthouse, Argent Street, Broken Hill 2880
(08) 8087 2631

Gosford

1 Watt Street, Gosford 2250
(02) 4323 3523

Lismore

6 Zadoc Street, Lismore 2480
(02) 6621 8677

Newcastle

158 King Street, Newcastle 2300
(02) 4926 4000

Trust Service Centre Newcastle

PO Box 660, Newcastle 2300
1300 725 412

Port Macquarie

Shop 2, Centreport, 114 William Street
Port Macquarie 2444
(02) 6584 0741

Wollongong

59 Market Street, Wollongong 2500
(02) 4229 6511

Rural and regional NSW

There is an agent for NSW TG at every local courthouse.

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**NSW Trustee
& Guardian**
Justice & Attorney General