

ANNUAL REPORT 2008-2009
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Communication Objective

As the primary reporting document within The Public Trustee of Queensland's corporate governance framework, the Annual Report for the year ended 30 June 2009 provides the Minister with an account of the activities and the financial and non-financial performance of the organisation as required by the *Financial Administration and Audit Act 1977*.

To assist in understanding the Financial Statements, a Financial Statements User Guide is included in this Annual Report. A Glossary of Terms is also included.

Our communication objective is to improve our Annual Report, so that it not only fulfils its statutory requirements, but also fulfils the needs of the people we serve. To assist us in achieving this objective, your comments and suggestions are welcomed and appreciated. Contact the Public Affairs Unit on 1300 360 044, or Public_Affairs@pt.qld.gov.au.

Interpreter Service Statement

The Public Trustee of Queensland is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on either (07) 3213 9409 or freecall 1300 360 044 and we will arrange an interpreter to effectively communicate the report to you.

Our Vision

Queenslanders' preferred trustee. We make a difference.

Our Mission

To deliver a full range of professional, accessible and reliable trustee, financial and related services in a supportive, compassionate and ethical manner.

Our Values

- We maintain the highest standards of ethical practices as trustees and administrators
- We treat our clients as individuals
- We promote independence and quality of life
- We actively encourage participation in planning and decision-making by clients, their families, carers and stakeholders
- We maintain accountability in our practices and procedures and strive for transparency in our decision-making
- We recognise and respond to diversity in all aspects of our operations
- We maintain a high level of knowledge, business systems and client service standards
- We foster and maintain alliances which add value, range and quality in the services available to our clients.

Our Ethics

The Public Trustee of Queensland complies with all laws and regulations, observing the highest standards of professional and business ethics.

A Code of Conduct applies to all employees and accords with the principles of the *Public Sector Ethics Act 1994*.

Performance Highlights

The Public Trustee of Queensland Corporate Plan 2007-2012 was formulated to set strategies and goals to deliver quality services to our clients and stakeholders in line with our vision, mission and values. The strategies revolve around 4 identified priorities:

- Our Clients & the Community
- Our People
- Communication
- Business Process Development & Review; Innovation & Change.

The financial year ending 30 June 2009 has seen the Office make significant progress in achieving the goals and implementing the strategies.



Corporate Goal	<p>Our Clients and the Community</p> <p>To provide quality services that are responsive to the identified needs of our customers and the community</p>
Highlights	<ul style="list-style-type: none"> • Appointed as the trustee of the Queensland Aboriginal and Torres Strait Islander Foundation with initial funds of \$27.1 million • Appointed as financial manager in approximately 68% of new appointments made by the Guardianship and Administration Tribunal • Reviewed the investment strategies to ensure that they meet clients' financial requirements • Completed approximately 3000 client tax returns in accordance with the ATO lodgement program • Conducted over 385 motor vehicles, properties and general auctions • Assisted the Department of Mines and Energy in relation to the mines subsidence at Collingwood Park
Corporate Goal	<p>Our People</p> <p>To recruit, select, induct and develop staff and to provide opportunities for career development and job satisfaction Through this, we will build and maintain a skilled, committed and ethical workforce that will deliver the corporate vision</p>
Highlights	<ul style="list-style-type: none"> • Specialised training courses on Wills and Enduring Powers of Attorney including marketing skills • Promoted lifelong learning through the facilitation of training • Provided rehabilitation services to staff to enable earlier return to work • Achieved a permanent staff retention rate of 89.15%



Corporate Goal	<p>Communication</p> <p>To ensure that all stakeholders have a forum to receive information and to comment on our undertakings. To enable and encourage staff to contribute to the future of the Public Trust Office and to make a difference for our customers</p>
Highlights	<ul style="list-style-type: none"> • Co-hosted the 2009 Australian Guardianship and Administration Conference which had the theme: <i>Social Inclusion: The Future of Ageing, Disability and Substituted Decision Making</i> • Delivered a wide range of presentations and seminars to community groups throughout the state on the services of the Office and on issues such as Wills, Enduring Powers of Attorney and Elder Abuse • Developed and implemented a communication plan, in consultation with QIC, to keep clients informed of the Office prudential investment management in response to the Global Financial Crisis • Achieved high compliance in the audit evaluation system conducted by the Queensland Ombudsman of our Complaints Management System
Corporate Goal	<p>Business Process Development and Review</p> <p>To develop and review our business and its processes to maximise quality and efficiency and ensure financial viability</p> <p>Innovation and Change</p> <p>To anticipate the future and be prepared for it</p>
Highlights	<ul style="list-style-type: none"> • Completed the workflow for the automation of the process for payment of client invoices • Enhancements made to our core computer system to improve the quality and efficiency of the capture of financial data to improve the quality of client financial statements • Reviewed the internal processes involved in the preparation of Statements of Advice for clients of the Office.



23 October 2009

The Honourable Cameron Dick, MP
Attorney-General
and Minister for Industrial Relations
18th Floor, State Law Building
50 Ann Street
Brisbane Qld 4000

Dear Attorney-General

I am pleased to present the Annual Report 2008-09 for the Public Trustee of Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability and Audit Act 1977* and the *Financial Management Standard 1997*, and
- the detailed requirements set out in the *Annual Reporting Guidelines for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be accessed at www.pt.qld.gov.au.

Yours sincerely

Peter Carne
The Public Trustee of Queensland

The Public Trustee's Report

- *The Public Trustee's Year in Review*
- *Organisational Chart*
- *The Executive Team*
- *Sustainability*



The Public Trustee's year in review

Peter Carne, Public Trustee

Introduction

I am pleased to present the Annual Report and Financial Statements of The Public Trustee of Queensland ("the Office") for the year ended 30 June 2009.

This is my first annual report as Public Trustee. I commenced in this role on 23 March 2009 and for the previous nine months of the financial year, the Office was under the responsible stewardship of Patrick Wedge as the acting Public Trustee. I acknowledge the dedication with which Patrick Wedge managed the Office during that time.

A change of Chief Executive Officer provides an opportunity for an organisation to review its operations. I can see opportunities for the Office to better serve our clients and the Government by building on the very long history of the Office in providing our core services and proudly serving Queenslanders during times of need.

The Year in Review

For any organisation with responsibility for managing funds, this financial year has been a challenging one and this has been the case for the Office.

Based on the best professional investment advice available, the Office has been able to manage the affairs of those for whom it is trustee and/or administrator, in a manner which has minimised the effects of the Global Financial Crisis (GFC).

While this year has been challenging it has also been an opportunity for the Office to strive to higher levels of effort and achievements. In reviewing Annual Reports for past years, I note the quality of the Office's staff is highly praised by my predecessors. From my own view, I see that this praise was not over-stated. In a year of external challenges the Public Trust Officers have again demonstrated their commitment to the Office and their clients.

The Public Trust Office like many public sector organisations is undergoing generational change, with many experienced long serving staff retiring and opportunities arising for new officers with fresh ideas.

Strategic Plan

I have committed the Office to setting a new strategic plan for the coming years. Building on the solid foundations of previous plans, the executive management will set realistic goals for the organisation to pursue.

A priority in the strategic plan is continued investment in our greatest asset – our staff. Training activity to improve client services in all areas of the Office is one of the most strategic investments we can make. We ensure the availability of development opportunities to improve staff knowledge, skills and ability to serve their clients at the highest possible standard.

Sustainability

The Office, as part of the Queensland Government, shares the ambitions set by Government in the policy document *Toward Q2: Tomorrow's Queensland*. One of these ambitions is *“Green: we want to protect our lifestyle and environment”*.

The Office continues to plan to meet the target 2020 *“Cut by one-third Queenslanders’ carbon footprint with reduced car and electricity use”*. The efforts made in pursuit of this target are recorded separately within this report.



Peter Carne and the Hon. Cameron Dick MP, Attorney-General and Minister for Industrial Relations.

Closing comments

As the new Public Trustee, I have relied on the professionalism of the Directors, Deputy Directors, Regional Managers and Business Unit Managers to ensure the highest principles of public administration are observed in management of the Office. I recognise those officers for their contributions.

The Office does not operate alone in providing services to many of our clients. We work closely with other Government agencies, community based organisations, and private sector agencies who all provide services to the same client groups. To these organisations and their staff, I offer my thanks and appreciation.

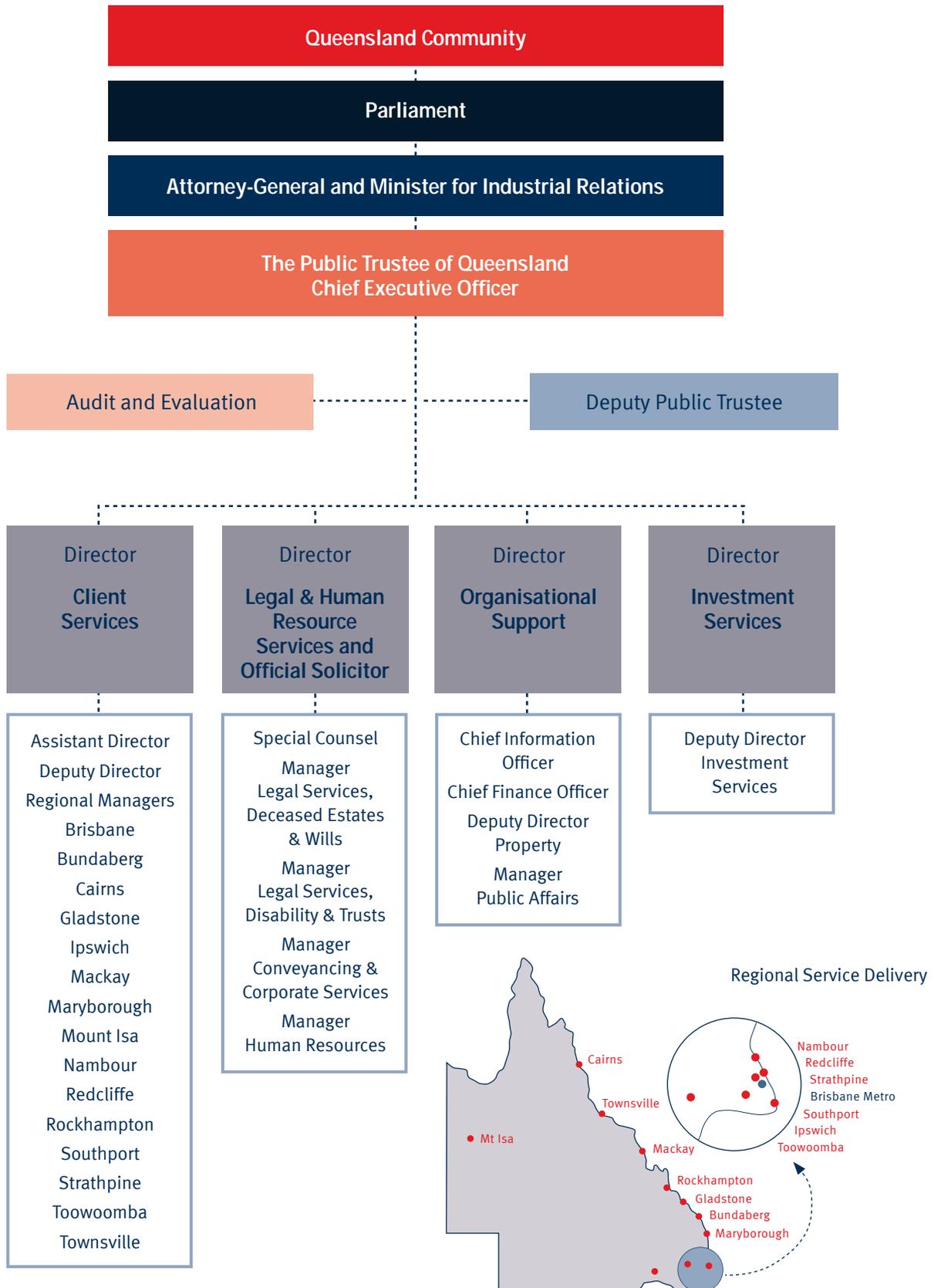
I would like to express my sincere thanks to the Hon. Cameron Dick MP, Attorney-General and Minister for Industrial Relations for his support for the Public Trust Office.

Like me, the Attorney-General only commenced his position in the latter part of this financial year. His predecessor, the Hon. Kerry Shine MP, Attorney-General, Minister for Justice and Minister assisting the Premier in Western Queensland was supportive of this Office for many years and we offer Mr Shine our gratitude for his support.



Peter Carne
Public Trustee

Organisation Chart



The Executive Team



Sustainability

Taking care of our environment, particularly our offices throughout the state, is of concern to the Office. As part of our community responsibility to present and future generations, we strive to reduce our environmental footprint and have a positive impact upon climate change issues.

This report provides information regarding our initiatives.

Water

During the year the Office completed the following water saving initiatives:

444 Queen Street and Regions

- flow restriction devices
- dual flush toilets
- waterless urinals and water reduction devices on urinals in regions
- new tap and shower rose fittings
- work completed provided a 16.74kL per day saving at Queen Street alone.

Vehicles

In line with the Government initiative in emissions reduction, the Office is only leasing motor vehicles from QFleet. In turn, QFleet only lease passenger vehicle with a minimum GVG Greenhouse rating of 5.5.

Waste Management

A waste reduction policy has existed in the Public Trust Office for some years. The measures undertaken are:

- reduction in paper waste
- all auction catalogues on the internet
- commencement of imaging
- weekly paper and cardboard recycling
- use of Planet Arc for disposal of used toner cartridges.

Savings

Approximately 40% in clean paper requirements.

Energy

The Public Trust Office has continued with the introduction of measures to reduce the energy consumption and greenhouse emissions for a sustainable future.

444 Queen Street

This building is in the process of having measures implemented which will raise the Australian Building Greenhouse Rating (ABGR) from 1.5 to an ABGR of 4 by the end of 2009.

The measures to achieve this rating are:

- installation of building management system
- lifts – replace existing drive system with more efficient alternatives including modernising lift compartments
- modernise air-conditioning controls to allow for control of all air-conditioning on a floor to floor basis
- modernise lighting controls.

Savings

The savings per annum have been calculated at:

- 1,919,267 kwh saving in power used
- \$142,510.38 saving on energy related expenses
- 624 CO₂-e reduction in greenhouse emissions which is equivalent to planting 782 trees each and every year.

However once the measures have been completed by the end of 2009 the savings will be measured over a 12 month period to determine the full effect of the energy and greenhouse emissions savings.

Corporate Governance

- *Deputy Public Trustee's Report*
- *Corporate Governance Framework*
- *Strategic Governance Group*
- *The Public Trust Office Investment Board*
- *Complaints Management System*
- *Audit Committee*
- *Audit & Evaluation Unit*
- *Committees*



Patrick Wedge, Deputy Public Trustee

Corporate Governance

The aim of the Public Trust Office corporate governance framework is to assist the Public Trustee and executive management to meet the objectives set in the organisation strategic plan. In line with legislation and best practice, the governance framework is a transparent methodology which ensures decisions made in the Office meet the highest level of probity. It is also an internal mechanism by which the Office confirms the integrity of its service delivery.

The standards under which the governance framework operates are grounded in legislation such as the *Financial Management Standard 1997* and the *Australian National Audit Office 2003 Public Sector Governance Better Practice Guide*.

The Office's corporate governance framework is delivered through the rigorous application of best practice in areas including:

- internal controls
- systems appraisal
- the Internal Audit function
- the risk management framework
- appropriate financial and administration delegations
- the effective use of internal Committees.

The framework is continually reviewed and evaluated to ensure it works effectively.

As trustee for clients' affairs and as a unit of public administration, the Office is aware of the need to act properly and to the highest standards in corporate governance matters.

The checks and balances in place as part of corporate governance ensures the Office meets both the standards imposed upon it as a unit of public administration and the standards required of it as trustee.

Custodian and Trusteeships

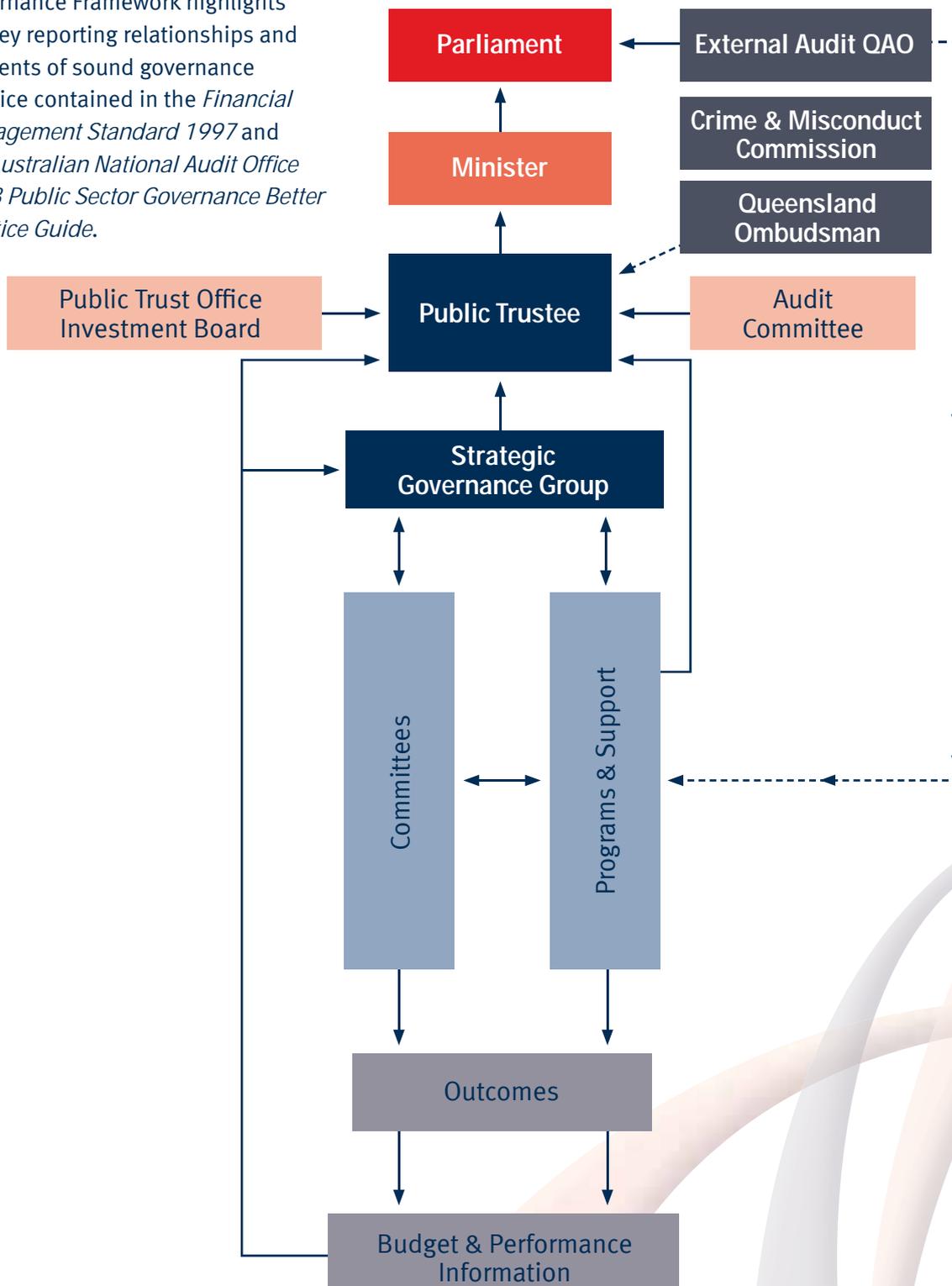
Over the last decade the Public Trustee has provided custodian services for a number of managed fund investment schemes and acted as trustee for a number of debenture and note issues by Companies, under Chapter 2L of the *Corporations Act 2001*.

Over the last year the Public Trustee has continued to face challenges where some of these debenture or note issues have failed.

The Public Trustee has decided not to pursue this line of business in the future and to exit from existing schemes. During the transition process the Public Trustee continues to diligently and assiduously discharge his obligations.

Corporate Governance Framework

This diagram of the Office's Corporate Governance Framework highlights the key reporting relationships and elements of sound governance practice contained in the *Financial Management Standard 1997* and the *Australian National Audit Office 2003 Public Sector Governance Better Practice Guide*.



Strategic Governance Group (SGG)

The Office's corporate governance framework has, as the focal point of its reporting strategy, a Strategic Governance Group (SGG). This group is chaired by the Public Trustee and has as its members the Deputy Public Trustee, Directors and senior staff who represent the major programs within the organisation.

The role of members is to participate in debate and contribute to the development of policy arising from the business of the SGG. Members of the SGG play a key role in communicating decision-making to the staff. It is a major challenge for this group to ensure that Corporate Governance principles are well understood and applied throughout the organisation.

The SGG is supported by the Corporate Planning Cycle and by a board and committee structure that covers all aspects of the management of the Office. These committees include the:

- Public Trust Office Investment Board
- Audit Committee
- Agency Consultative Committee
- Building Committee
- Human Resource Management Committee
- Information Steering Committee

- Public Affairs Committee
- Risk Management Committee
- Training Committee
- Workplace Health and Safety Committee.

Key issues considered by the SGG this year included:

- strategy for developing the agreed future direction of the Office
- monthly review of performance against budget and other performance indicators
- the Service Delivery Statement
- analysis of performance of each business activity by way of a rolling program
- monthly review of the performance of investments
- review of the internal control environment
- review of the integrated suite of disaster emergency response plans.

The SGG met 12 times in the year ended 30 June 2009.



Back row: Clinton Miles, Ray Bowers, Tim Feely, Mark Crofton, Caroline Hannigan, Glenn Dickson, Andrew Grima
Front Row: Frank Prostamo, Peter Carne, Patrick Wedge

The Public Trust Office Investment Board

The Public Trust Office Investment Board ('the Investment Board') is established under Section 21(1) of the *Public Trustee Act 1978*. The Investment Board is responsible for the management and control of the investments of the Public Trustee Common Fund and makes recommendations to the Public Trustee in relation to investment strategies of the Public Trustee Investment Funds.

The Investment Board members were:

- Public Trustee (Chair)
- Walter Ivessa, Assistant Under Treasurer
- Molly Robson, Community Representative
- Henry Smerdon, Consultant and former Under Treasurer.

The Investment Board, which met 5 times during the financial year, has considerable experience in finance, government and private enterprise. During the year the Investment Board considered a number of strategic investment issues relating to the investments of the Public Trustee. The issues covered matters relating to the Public Trustee Common Fund and the Public Trustee Investment Funds (PTIF).

Monitoring of Investment Performance

The monitoring of investment performance this year included the impact of the Global Financial Crisis. The Office has not been immune from the global economic slowdown with investment performance being adversely affected. The widening of credit margins to levels not seen since the Great Depression had a negative impact on the performance of the cash and fixed interest sectors.

The Office in consultation with QIC have employed their expertise and skill to the situation, with diligent risk evaluation and the development of strategies to take advantage of the market conditions and the positioning of the investment portfolio for strong performance going forward.

A comprehensive review of the performance of the Funds is undertaken on a quarterly basis. The review includes the performance relative to benchmarks, competitors and returns on a risk-adjusted basis. The investment strategy of the Funds was closely monitored by the Investment Board to ensure the Office maintained a prudent approach to risk management.

Strategic Review of the Investment Management of the Public Trustee Investment Funds

The Office, in consultation with QIC, completed a strategic review of the investment management of the Funds that takes into consideration beta (market risk) and alpha (active returns). The risk/return outcomes of the Funds are expected to be enhanced with the introduction of Dynamic Asset Allocation later this calendar year.

Public Trustee Common Fund – Review of Investment Strategy

The level of client funds in the Public Trustee Common Fund continues to exhibit strong growth. The investment objectives and investment strategy of the Public Trustee Common Fund are being reviewed to ensure the required financial outcomes for clients and the Office are optimised in terms of return and minimised in terms of risk.

During the 2007/2008 year the Investment Board decided to cease investing directly in the commercial loan market. The loans in the portfolio have now been repaid and the Office no longer has any direct exposure to commercial loans.



The Public Trust Office Investment Board Walter Ivessa, Assistant Under Treasurer; Molly Robson, Community Representative; Henry Smerdon, Consultant and former Under Treasurer; Peter Carne, Public Trustee.

Complaints Management System

The Office is committed to delivering quality services, responsive to the needs of clients and the people of Queensland.

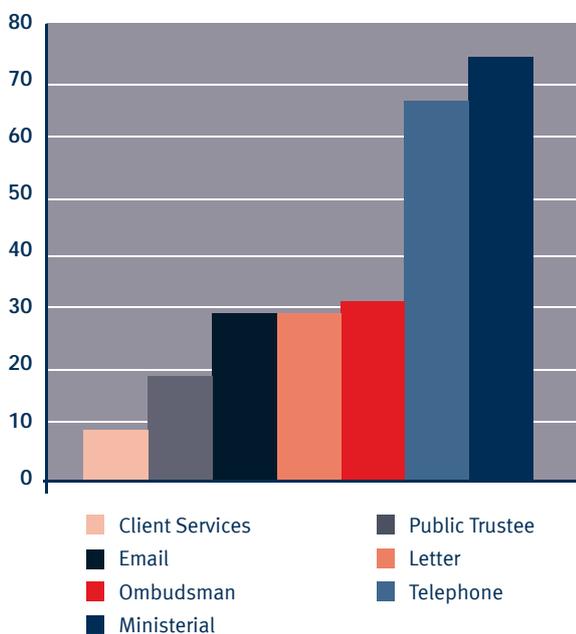
Complaints are a valuable source of feedback and an important tool for business and staff development. Diligent and prompt attention to complaints helps us identify the needs of our clients and stakeholders, understand our business shortcomings, increase client satisfaction and improve overall performance.

The Office Complaints Management System (CMS) is used, however, only as a last resort. Our clients' issues and concerns are addressed, whenever possible, at the point of contact.

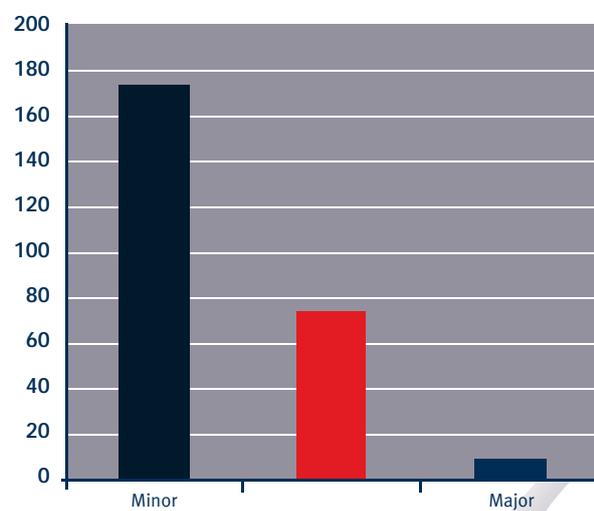
The objectives of the CMS are to:

- improve the capacity of staff to manage and resolve client complaints in a fair, efficient and consistent manner
- increase community confidence in our commitment to service delivery and effective complaint handling
- identify opportunities to improve performance through the collection and analysis of complaint information
- provide a single framework for complaint management across the Office.

Source of Complaints



Category



Audit Committee

The Audit Committee assists the Public Trustee to fulfil his responsibilities as the Accountable Officer under the *Financial Administration and Audit Act 1977* by advising on the appropriateness of internal controls, significant issues facing the Office and overseeing and evaluating the quality of audits conducted by our Audit and Evaluation Unit. The Audit Committee also reviews reports generated by the Queensland Audit Office (QAO) and the Audit and Evaluation Unit. The Audit Committee has observed the terms of its charter and the Audit Committee Guidelines from Queensland Treasury.

Key activities of the Audit Committee in the year ended 30 June 2009 included:

- reviewing and endorsing the Annual Internal Audit Plan to confirm the adequacy of planned coverage and work priorities
- reviewing the performance and effectiveness of the Internal Audit function by perusing reports and ensuring they are consistent with the approved plans and Audit Charter
- identifying whether the findings and reports of the Internal Audit function have been satisfactorily resolved in a timely manner
- identifying mechanisms to ensure that action is taken by Internal Audit to keep abreast of new developments and that modern audit methodologies and techniques are used to perform the audit function
- identifying whether the matters raised by the QAO have been satisfactorily resolved in a timely manner
- reviewing the financial statements of the Office and recommending the certification of the financial statements
- reviewing and endorsing the QAO Client Strategy
- reviewing the effect of any changes in accounting policies and reporting practices, and advising on the appropriateness of the financial policies that have been adopted.

During the year ended 30 June 2009 members of the committee were:

- Public Trustee (Ex-officio Chair)
- Mr Len Scanlan, Independent Member
- Mr Ian Warren, Director Financial Services, Department of Justice and Attorney-General, Independent Member.

Committee meetings were also attended by:

- Manager, Audit and Evaluation
- QAO Representatives
- Director Organisational Support
- Chief Finance Officer
- Other senior managers of the Public Trust Office attend meetings as required.

The Committee met 4 times in the year ended 30 June 2009.



Audit Committee Len Scanlan, Peter Carne and Ian Warren.

Audit and Evaluation Unit



Caroline Hannigan, Manager Audit & Evaluation Unit

The purpose of the Audit and Evaluation Unit (Internal Audit) is to provide independent, objective, assurance and consulting activity to add value and improve the operation of the Office. It aims to assist the Office in accomplishing its vision of “*Queenslanders’ preferred trustee. We make a difference*” by bringing a systematic, disciplined approach to evaluation and improvement of the effectiveness of risk management, control and governance processes. Internal Audit also ascertains whether the Office’s operations provide reasonable assurance that business requirements will be effectively achieved in an efficient and economical manner.

Internal Audit is a function established to assist the Public Trustee, under the *Financial Administration and Audit Act 1977*. Its basic function is to conduct independent audits as a service to management. Modern auditing methodologies and practices are used in the performance of all audits. These incorporate computer-assisted audit techniques, operational and efficiency reviews on a risk based audit approach and structured analysis. The methodology used is dependent on the nature of the area or system under review and the objectives set for the audit.

Internal Audit conducted a range of audits throughout the year including:

- financial and compliance audits
- information systems reviews covering technology systems, systems development and implementation reviews
- special investigations as required.

Internal Audit utilised co-sourcing arrangements with PriceWaterhouseCoopers and KPMG. These providers were used to complete complex specialist audit assignments within Investments and Information Services.

During the year ended 30 June 2009, Internal Audit provided audit coverage of all areas of the Office. Internal Audit worked collaboratively and professionally with the Queensland Audit Office during the year to enhance the effectiveness of the total audit coverage and to minimise duplication.

Internal Audit is proud of its contribution to the Office’s governance process through its active involvement in the Audit Committee, Risk Management Committee and the Strategic Governance Group and the support provided to the Queensland Audit Office.

Committees

Agency Consultative Committee

As required by the State Government Departments Certified Agreement 2006, the Office has an Agency Consultative Committee (ACC).

Membership of the ACC comprises:

- Director Client Services (Chair)
- Management representatives
- Representatives from the Queensland Public Sector Union (QPSU)

The issues considered by the ACC included:

- training
- sustainability issues
- dispute resolution
- consultation on industrial relation and employee relation issues
- review of the use of temporary and casual employment and use of labour hire firms
- salary packaging
- workforce action plan project (WAPP)
- hours of work arrangement
- task management system issues.

The Committee met 8 times during the year ended 30 June 2009.

Buildings Committee

The Buildings Committee was formed in 2006 to provide strategic advice to the Public Trustee on the management of office buildings. The key objective of the Committee is to balance the achievement of optimal financial returns on funds invested with the operational requirements of the Office.

The Committee comprises:-

- Director Investment Services (Chair)
- Deputy Public Trustee
- Director Client Services
- Director Organisational Support
- Director Legal and Human Resource Services and Official Solicitor
- Special Counsel
- Deputy Director Investment Services
- Deputy Director Property.

The disability access for Southport and Gladstone Offices were reviewed and modifications made to the buildings to allow for the creation of disability access.

During the year, in consultation with the Department of Works, the Office commenced a building review of three regions, namely Brisbane North, Gold Coast and the Sunshine Coast.

The review of office locations and accommodation requirements will be completed following the development of the Public Trustee's Strategic Plan and service delivery model.

Andrew Grima, Patrick Wedge, Caroline Hannigan, Glenn Dickson, Peter Carne.



Information Steering Committee

The role of the Office Information Steering Committee (ISC) includes:

- reviewing business cases involving use of information technology or acquisition of major capital equipment and software
- reviewing the strategic and operational Information Technology (IT) plans
- reviewing and monitoring the Office's security policy and practices
- promoting and evaluating end user computing initiatives and other innovation.

The ISC comprises:

- Director Organisational Support (Chair)
- Director Client Services
- Director Investment Services
- Director Legal & Human Resource Services and Official Solicitor
- Corporate Counsel
- Chief Information Officer
- Assistant Director Client Services
- Deputy Director Client Services
- Chief Finance Officer
- Deputy Director Investment Services
- Manager Audit and Evaluation
- Manager IT Services

- Representative, Department of Queensland Transport
- Representative, Department of Justice and Attorney-General

The ISC met 6 times during the year ended 30 June 2009 and considered a number of strategic issues, including:

- the purchase of an eDRMS solution
- upgrade of the LINC Software to Agile Business Suite
- major enhancements to Core Business Applications
- review of the Information Services (IS) Organisation
- security and access audit
- reviewing IT Priorities
- implementation of the solution for storage of data.

A number of future priorities have been identified including:

- implementation of the eDRMS solution
- implementation of the major enhancements to the Core Business applications.



Mark Crofton, Ray Bowers, Clinton Miles,
Frank Prostamo, Tim Feely.

Human Resource Management Committee

The primary function of the Human Resource Management Committee is to assess, prioritise and facilitate the implementation of human resource policies, practices and initiatives.

The Committee comprises:

- Director, Legal and Human Resource Services (Chair)
- Deputy Public Trustee
- Director Client Services
- Director Investment Services
- Director Organisational Support
- Manager Human Resources
- Human Resource Team Leader

The Committee met 10 times in the year ended 30 June 2009 to review and recommend a range of initiatives, policies and information sharing issues including:

- Job Description Review project initiated
- discussion about the results of the staff survey initiative
- information disseminated about updated and new directives
- Hours of Work Arrangements Policy and Completion of Timesheet and Leave Application Policy
- commenced reviews of Employment Separation Policy, protocol, checklist Forms
- commenced reviews of Long Service Leave Policy
- commenced reviews of Employment Screening (Criminal History Checks) Policy, procedures and consent form
- reviewed and updated Exit Questionnaire
- initiated Code of Conduct Review project
- circulated salary packaging information
- distributed Queensland Public Service Capability and Leadership Framework
- disseminated information on changes to the *Public Service Act 2008* and Regulations
- implemented Aurion Security Policy
- introduced Pecuniary Interests Policy and Register.

Workplace Health and Safety Committee

The primary function of the Committee is to ensure Workplace Health and Safety by developing and carrying out safety measures that meet relevant standards. The Committee helps ensure workplace health and safety in the Office's various workplaces. The Committee also provides information and advice to the Public Trustee about workplace health and safety. The Committee met 6 times during the financial year ended 30 June 2009.

The Committee comprises:

- Manager, Human Resources (Chair)
- Principal Human Resource Officer (Workplace Health and Safety)
- Principal Human Resource Officer (Rehabilitation)
- Property Representative
- Workplace Health and Safety representatives from each floor of the Brisbane Office
- Workplace Health and Safety representatives & officers from each Regional Office
- A Queensland Public Sector Union representative.

The Office communicates on a regular basis with Regional WH&S representatives to ensure their Workplace Health and Safety concerns are raised and actioned with the Committee's support.

Major initiatives or discussion during the year included:

- Workplace Health and Safety Audits
- Fire Warden training
- renovation and building issues
- influenza (flu) vaccination program
- updating Workplace Health and Safety staff details
- recruitment of Fire/Floor Wardens, First Aid Officers and Workplace Health and Safety Representatives
- file batching protocols
- updates on Workplace Health and Safety legislative changes and pandemic alerts/information.

Risk Management Committee

The Risk Management Committee was established in 1994 with a charter to formulate, direct and supervise the Risk Management policies of the Office. The Committee continues to abide by this charter.

A structured reporting process ensures that risks are identified, monitored and appropriate policies put in place to minimise the risk exposure. A review of the Committee's role is currently underway. The Committee met 11 times during the year ended 30 June 2009.

The Committee comprises:

- Public Trustee (Chair)
- Deputy Public Trustee
- Director Investment Services
- Director Organisational Support
- Director Client Services
- Director Legal & Human Resource Services and Official Solicitor
- Chief Information Officer
- Special Counsel
- Assistant Director Client Services
- Deputy Director Client Services
- Deputy Director Property
- Chief Finance Officer
- Manager Audit and Evaluation
- Manager Human Resources.

Major considerations in the year ended 30 June 2009, were:

- Fraud Management Strategy
- review of Internal Controls
- IS40 Compliance Audit
- Anti-Money Laundering Legislation
- Risk Assessment Review
- new legislative requirements.

Training Committee

The Committee consists of 10 permanent members and a rolling membership of self-nominated staff from a cross section of classification levels and programs within the Office. The prime responsibility of the Committee is to provide staff with the opportunity to gain the knowledge and skills to be active, informed and productive and to access high quality training that raises the achievement of staff and strengthens the culture of working together.

During 2008-2009 the Committee's title was changed from the Workforce Planning & Development Committee to Training Committee to ensure its purpose was easily identifiable by staff.

The Committee managed a budget of \$564,200 for the year ended 30 June 2009 and the Committee met 10 times during the year.

The Committee comprises:

- Director Client Services (Chair)
- Director Organisational Support
- Director Legal and Human Resource Services & Official Solicitor
- Corporate Counsel
- Manager Human Resources
- Director Investment Services
- Deputy Director Investment Services
- Chief Information Officer
- Deputy Director Client Services
- Principal Human Resource Officer (Learning and Development)
- Client Service Managers (Training and Compliance)
- Regional Representatives.

Training in 2009-10 will focus on the continuing development of supervisors and managers in the areas of leadership and people management skills.

Public Affairs Committee

The Public Affairs Committee provides advice to the Public Trustee on client relations, internal and external communications, strategic marketing and media relations issues.

The Committee comprises:

- Director Organisational Support (Chair)
- Public Trustee
- Deputy Public Trustee
- Director Client Services
- Director Investment Services
- Director Legal & Human Resource Services and Official Solicitor
- Assistant Director Client Services
- Deputy Director Client Services
- Chief Information Officer
- Manager Public Affairs
- Wills Development Manager.

The Committee met 10 times during the year ended 30 June 2009.

Key initiatives considered by the Public Affairs Committee include:

- review and update of the Office Complaints Management Policy, procedures and database requirements to comply with relevant Government directives
- development, assessment and implementation of brand recognition projects
- assessment of sponsorship opportunities aligned with industry and community groups in the ageing and disability sector
- review of Government priorities and ways in which the Office upholds and supports such priorities
- review of Office participation in events such as the Ekka, Ageing and Disability Exhibitions
- participation in State wide Seniors' Week celebrations

- coordination of Law Week activities in conjunction with the Department of Justice and Attorney-General
- developing internal communications strategies to support a range of corporate and program initiatives
- sponsorship of a booklet which raises the awareness of Abuse of Older People
- participation in Disability Awareness Week.

Priorities for the Public Affairs Committee in the coming year include to:

- continue improvement and development of Complaints Management System
- develop relationships with Community Relations, Public Affairs and Marketing personnel from other state's Trustee Offices to share information and initiatives
- research areas in the community where the Office can make valuable contributions
- seek opportunities to develop good community relationships
- continue development of internal and external communications.



Members of the Past Employees Network meet the Public Trustee.

Financial Highlights

- *Income Statement*
- *Balance Sheet*
- *Statement of Changes in Equity*
- *Client Fees & Charges*



Income Statement

The Office returned an operating loss of \$9.6m after providing Community Service Obligations (CSO), at no cost to Government, totalling \$20.3m.

The contribution by the Office to Government through CSO is shown in the revenue line items of the Income Statement and in further detail in the notes to the Financial Statements. Additional information on CSO services provided is located elsewhere in this report.

Total income fell from \$67.1m in the year ended 30 June 2008 to \$66.9m in the year ended 30 June 2009. Expenses grew from \$62.5m to \$76.5m in the comparative periods. Actual revenue increased by \$0.6m, however this increase was offset by market revaluations of financial assets.

The decrease in market valuation of financial assets represents a book loss and is not a realised cash loss. Generally investments in the portfolio are held to maturity which will have the effect of reversing the book losses.



Balance Sheet

Assets increased from \$453.6m in the year ended 30 June 2008 to \$538.9m in the year ended 30 June 2009. Liabilities increased from \$307.2m to \$390.7m in the comparative periods.

The \$85m increase in the assets and corresponding increase in liabilities arose mainly due to the continuing increase in client funds being placed in the Public Trust Office Term Investment Account.

The values shown for assets include the operating profit for the year, the indexed revaluation of all land and the market revaluation of other financial assets that are held available-for-sale consistent with accounting standards.

Statement of Changes in Equity

In the year ended 30 June 2009, the equity of the Office increased from \$146.3m to \$148.2m. This increase includes the operating profit for the year and the market revaluation of other financial assets that are held available-for-sale, consistent with accounting standards.

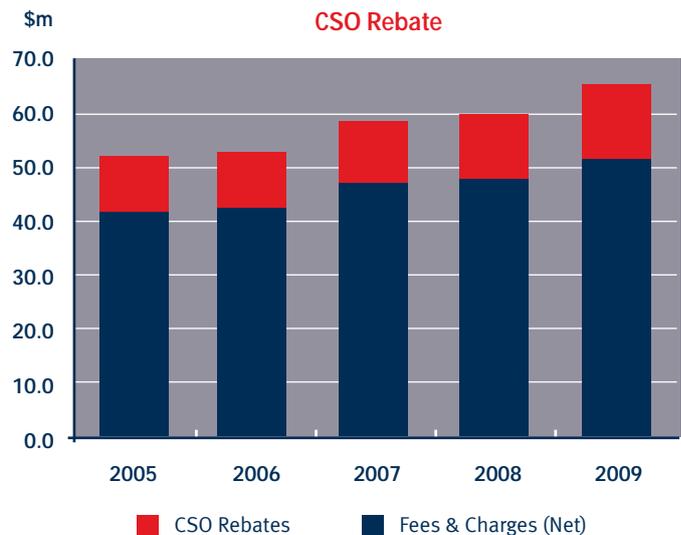


Client Fees and Charges

The scale of fees used by the Office is designed to reflect a fair charge for the services provided. The Government has approved the interests of disadvantaged clients be protected by way of a scheme of CSO subsidies for these fees. The subsidies are applied by way of direct rebates at the time of charging the fees, placing no obligation upon clients to pay and seek reimbursement. During the year ended 30 June 2009, the direct rebates increased to \$14.0m, the major part of the \$20.3m of CSO services provided by the Office.

The amount of the CSO rebates continues to increase each year, rising by 16.5% in the year ended 30 June 2009. This is in line with the increase in the number of clients who are adults with impaired capacity for decision-making, who comprise the highest proportion of clients receiving CSO funded services.

A priority continues to be the close and careful management of the services provided to all clients to ensure the financial viability of this Office. Gross Fees and Charges income, before CSO rebates, in the year ended 30 June 2009 was \$65.4m, an increase of 9.4% over the year ended 30 June 2008.



Output Highlights

- Disability Service Clients*
- Disability & Trust Services CSO Matters*
- Wills & Enduring Powers of Attorney prepared*
- Funds Under Management*

Our mission is to deliver a full range of professional and reliable trustee, financial and related services in a supportive compassionate and ethical manner.

The Office major outputs are the:

- administration of the financial affairs of adults with impaired capacity for decision-making
- preparation of Wills and Enduring Powers of Attorney
- administration of deceased estates
- management of a person's affairs when appointed Attorney under an Enduring Power of Attorney
- acting as a trustee when appointed trustee by operation of law
- delivery of a range of CSO at no cost to Government.

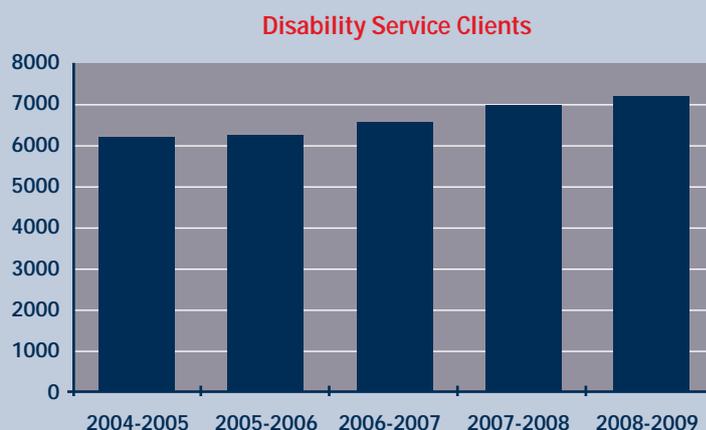
The Office output measure is the:

- number of disability service client matters under administration
- number of other trust matters under administration
- number of Wills prepared
- number of Enduring Powers of Attorney prepared
- number of deceased estate matters received for administration
- number of commercially uneconomical disability service and trust matters managed at no cost to Government
- value of CSO delivered on behalf of Government.

Disability Service Clients

The number of matters where the Public Trustee is appointed as financial administrator for adults with impaired capacity for decision-making pursuant to the *Guardianship and Administration Act 2000*, increased from 6,784 in the year ended 30 June 2008 to 7,142 in the year ended 30 June 2009 an increase of 5.3%.

The current and projected demographics of an increasing and ageing Queensland population indicate strongly that this trend will continue. A growing client group is the number of clients with dementia and related illness.





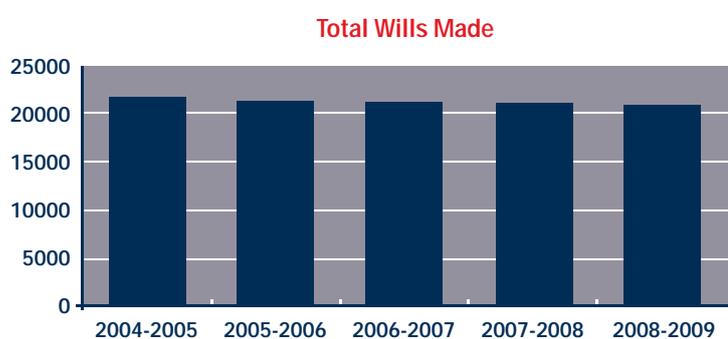
Disability & Trust Services CSO Matters

The Queensland Government has developed a scheme of assistance, CSO, for the disadvantaged in our community who, because of limited means, are unable to afford professional administration and trustee services.

CSO assistance was received by a total of 10,151 disability and trust clients. The cost increased from \$11.9m in the year ended 30 June 2008 to \$13.9m in the year ended 30 June 2009 an increase of 16.8%.

The number of disability service clients who received CSO assistance continues to increase.

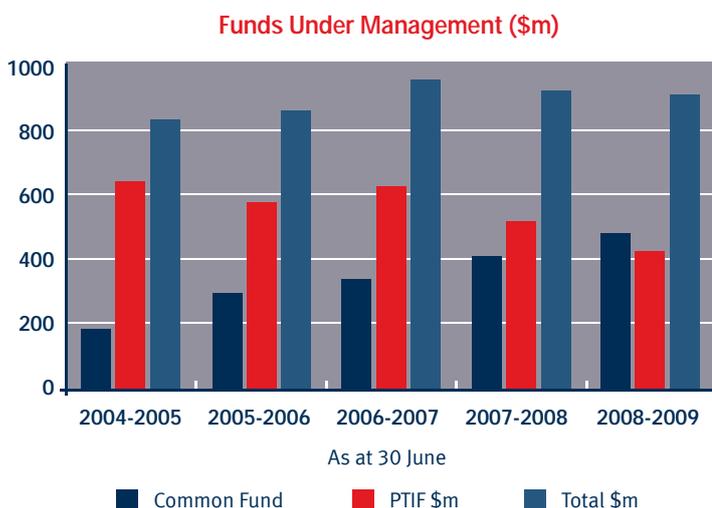
In the year ended 30 June 2009, 5,988 clients received CSO assistance, a 7.5% increase over the year ended 30 June 2008.



Wills & Enduring Powers of Attorney prepared

In the year ended 30 June 2009, a total of 20,879 Queenslanders had their Will prepared by the Public Trust Office. The provision of the Will-making service, at no cost to the individual, reduces the incidence of intestacy throughout the community.

In addition to the Will-making service, Queenslanders are encouraged to make an Enduring Power of Attorney (EPA) and 3,323 clients took advantage of this service. Combined, the Will-making and EPA services provide peace of mind for clients and their families.



Funds Under Management

Funds under Management have decreased from \$909.9m as at 30 June 2008 to \$901.3m as at 30 June 2009. This 1% decrease is due to the decline in value of Public Trustee Investment Funds in line with the wider financial markets.

Community Service Obligations

- *Administration of Commercially Uneconomical Deceased Estates*
- *Adult Guardian*
- *Free Advice to the Public*
- *Managing the Commercially Uneconomical Affairs of Adults with Impaired Capacity for Decision making*
- *Prisoners*
- *Wills and Enduring Powers of Attorney*

The Office provides services to the Queensland community particularly to those who are disadvantaged. Where a client, because of financial circumstances cannot pay the full amount of the fee, they may be given an immediate rebate for all or part of the fee levied. This CSO assistance is made from the surplus generated by non-CSO business and investment activities. CSO assistance is

given at no cost to Government, as the Office is a self-funded organisation. The Office provides this assistance in accordance with arrangements as determined by Government. The Office allows for these growing subsidies as part of the annual budget process. For the year ended 30 June 2009 the cost of delivering CSO services amounted to \$20.3m.

Administration of Commercially Uneconomical Deceased Estates

The Office administers deceased estates. Although many of these estates are commercially viable, for some beneficiaries the cost of administration, if fully charged, would be onerous. In cases where beneficiaries have limited financial means the Government has approved that some of the costs will be rebated. The cost of administering these estates in the year ended 30 June 2009 was \$37,854.

Adult Guardian

The *Powers of Attorney Act 1998* came into effect on 1 June 1998. The Act gave the Adult Guardian the responsibility of protecting the rights of adults with impaired capacity for decisionmaking. Under the *Public Trustee Act 1978*, the Public Trustee assists in the resourcing necessary for the Office of the Adult Guardian to conduct its activities. This assistance is specified in a budget approved by the Minister, which for the year ended 30 June 2009 was \$949,936.

Free Advice to the Public

The Office provides free advice to members of the community and to Courts and Tribunals in areas in which the Office has expertise, including the following:

- Adults with impaired capacity for decision making
- Deceased Estates
- Trust administration
- Attorneys and Enduring Powers of Attorney.

The total cost of providing advice in the year ended 30 June 2009 was \$2.1m.

Managing the Commercially Uneconomical Affairs of Adults with Impaired Capacity for Decision making

When appointed as Administrator under the *Guardianship and Administration Act 2000*, the Public Trustee is the financial decision maker for clients whose decision-making capability is impaired. While management of the financial affairs of some clients is commercially viable, there are many for whom the cost of administration and legal services exceeds their ability to pay.

The Public Trustee's management for these clients' affairs extends to their financial affairs, facilitating meetings and information sharing between the family, care providers, Government and non-government agencies. This support allows the client to enjoy a standard of living that provides dignity as a person and valued member of the community.

The cost of providing these services in the year ended 30 June 2009 was \$14.0m.

Prisoners

In addition, under section 91 of the *Public Trustee Act 1978*, the Public Trustee is the manager of the estate of prisoners who are convicted of an indictable offence and are serving a sentence of three years or more.

Such prisoners must obtain the consent of the Public Trustee prior to defending or instituting civil proceedings. The cost of providing this service in the year ended 30 June 2009 was \$50,952.

Wills and Enduring Powers of Attorney

The Will-making service encompasses the provision of both Wills and EPA's. The Office provides Wills at no charge irrespective of whether the testator chooses to appoint the Public Trustee as executor. Where the Public Trustee is not appointed as principal attorney in the EPA a charge is levied for this work.

The objectives of this service are to:

- assist disadvantaged members of the Queensland community by making their Will and EPA
- meet the general requirement of Government to ensure an orderly succession of property between generations with a minimum of recourse to the Court system
- replace Legal Aid funding for Will-making services which was discontinued in 1990
- provide members of the community with the assurance that the Public Trustee will act as their Attorney
- facilitate individual members of the community being able to specify who will manage their assets rather than have that determined by the Guardianship and Administration Tribunal
- meet a requirement of a general nature by Government to ensure the correct management of the assets of members of the community with a minimum of recourse to the Guardianship and Administration Tribunal or Courts system.

In the year ended 30 June 2009, a total of 20,879 Wills and 3,323 EPAs were made. CSO assistance of \$3.0m was provided at no cost to Government.

Client Services

- *Director's Report*
- *Client Satisfaction*
- *Regional Activities*
- *Community Engagement*
- *Philanthropic Trusts*



Glenn Dickson, Acting Director Client Services

Director's Report

The global financial crisis which caused reduced market interest rates and investment returns had a significant effect on many of our disability services clients. The challenge has been to carefully manage client budgets while adjusting short term investment strategies to achieve the best possible outcome for those clients.

The economic uncertainty also generated a significant increase in communications received from our clients. A communication strategy was developed to inform our clients of the reasons for the reduced income and of the details of information received from QIC and our financial planning advisers. While there is increasing optimism the worst of the crisis is behind us, we need to continue to closely monitor market movements and ensure that our clients are informed about the effects of market fluctuations.

A number of key projects were commenced during the year, which will shape the future operations of Client Services.

Review of Fees and Charges

On 1 December 2001, the Public Trust Office introduced a new fee charging regime based on a "fee for service" structure instead of the traditional trustee "commission" based charges.

Since 2001 the fees have been adjusted annually in line with the increase in the Consumer Price Index. In late 2008 a project to review and validate the "fee for service" structure was commenced.

The scope of the project includes:

- reviewing the scope and level of services provided to clients
- reviewing the hourly charge out rate against the full cost of providing services
- evaluating the level of effort resulting from changes in the scope and level of services since 2001
- undertaking appropriate consultation on the effect of proposed changes
- identifying changes that maintain fair and equitable fees and charges for clients ensuring the Office is able to fund those services.

Review of Service Delivery Model

The mission statement for the Office is to deliver a full range of professional, accessible and reliable trustee, financial and related services in a supportive, compassionate and ethical manner. Service delivery is provided by the Client Services program and a core demographic for the Disability Services, Deceased Estate and Estate Planning streams is ageing Queenslanders.

The *Queensland Government Population Projections to 2056: 3rd Edition 2008* report provides insights into the projected number of ageing Queenslanders and the projected geographic location of the Queensland population. That report notes that “(t)here will be major changes to the age structure of the population, with ageing one of the most significant demographic trends currently shaping our world.” The report also notes in part that “the number of deaths is expected to double over the next 30 years”.

As the Queensland population changes, the Office needs to adapt to meet the new demographics. Nowhere are these changes clearer than in the southeast Queensland region. Source: Annual Report 2008-2009

In order for the Office to meet this demographic challenge and other pressures such as staff succession planning, a review of our service delivery model was commenced in May 2009.

A proposal has been developed to establish Client Service Centres (CSCs) to improve the structure of service delivery. CSCs are streamlined processing centres located in larger regional offices. The purpose of CSCs is to administer non-complex deceased estates, minors trusts, general trusts, testamentary trusts and disability services matters using a standard service delivery model.

The proposal identifies systemic areas for improvement which will benefit service delivery

in both Regional Offices as well as CSCs. Creation of CSCs should also improve Regional Offices capacity to address workload issues.

The proposal will be refined and implementation is planned for the second quarter of 2009-2010.

Technical Training & System Development

During the year there was increased emphasis on the delivery of technical training for new staff as well as training in reoccurring operational issues for existing staff. Training topics included:

- statements
- internal checking procedures
- data capture
- Wills and Enduring Powers of Attorney documents.

Office online training packages, which allow induction and offer training courses to be offered to staff on a self-paced learning basis were expanded.

Improved procedures for the preparation of statements of advice for management of our clients’ financial affairs were implemented.

A workflow process for automation of payment of client invoices was successfully completed to ensure that invoices are paid promptly and efficiently.

An integrated computer system for managing information about hearings held by the Guardianship and Administration Tribunal has been implemented.

Our staff continue to demonstrate an extraordinary dedication to our clients and to the high ethical standards that define our Office.

Disability Services

Since 1916, the Office has played an important role in assisting in the management of the financial affairs of Queenslanders who through age, a psychiatric or intellectual disability or acquired brain injury are unable to do so themselves.

The State of Queensland is experiencing an increase in the age of its population. The Office recognises, and is responding to, the anticipated increase in the number of adults with impaired capacity for decision-making. The Public Trustee is committed to developing and providing accessible services to this growing segment of Queensland's population.

The Public Trustee acts on behalf of adults with impaired capacity for decision-making, under either an Order of the Court or by Order of the Guardianship and Administration Tribunal. The Public Trustee is an independent and

impartial Financial Administrator for the people of Queensland, providing economical financial management with access to investment, legal, property and associated services to provide client focussed outcomes.

The Public Trustee acts in accordance with the General Principles as set out in the *Guardianship and Administration Act 2000*. The Public Trustee's Disability Service Standards are to:

- promote participation in planning and decision making by clients, their families and other key people
- ensure that clients are treated as individuals
- recognise and respond to diversity
- promote independence and quality of life
- provide accountability in practices and procedures.

Disability Service	2004-05	2005-06	2006-07	2007-08	2008-09
New Clients	866	760	866	849	1023
Current Clients	6,156	6,277	6,535	6,784	7142
Value of assets under management	\$657,891,927	\$709,391,426	\$808,579,023	\$820,713,694	\$822,422,039

Trusts

The Public Trustee acts as trustee in trusts arising in a variety of ways including damages for

personal injuries for minors, deceased estates, inter vivos and superannuation matters.

Trust Management	2004-05	2005-06	2006-07	2007-08	2008-09
Number of new Minors Trusts	809	740	619	518	552
Number of Minors Trusts on hand	4,936	4,801	4,491	4,269	4493
Value of assets under management	\$133,070,740	\$139,573,714	\$151,781,278	\$135,011,225	\$115,946,380
Number of sundry new matters	166	106	207	364	288
Number of sundry matters on hand	734	710	753	923	1,155
Value of sundry trusts assets under management	\$83,129,974	\$105,970,204	\$136,916,265	\$131,614,163	\$163,166,837

Wills

The Office provided a free Willmaking service for 20,879 Queenslanders in the year ended 30 June 2009. The Will-making service is available to the community whether or not the Public Trustee is appointed executor. The Will-making service is provided by:

- 15 Regional Offices throughout the state
- Regional Court Houses
- Queensland Government Agencies Program (QGAP)

- a visiting Will-making service to the sick and the elderly, including all major hospitals, institutions and home visits.

There have been delays in providing the document making service in some regions, with appointment schedules out several weeks in advance due to the demand. Strategies are being developed to meet the expectations of our clients.

The cost of the Will-making service for the year ended 30 June 2009 was \$3,011,076.

Wills	2004-05	2005-06	2006-07	2007-08	2008-09
New Clients	11,267	10,819	11,038	11,278	10,736
Existing Clients	10,528	10,492	10,399	9,882	10,143
Total Wills made	21,795	21,311	21,437	21,160	20,879
Number appointing Public Trustee as executor	14,365	12,241	11,261	11,447	10,350

Proceeds of Crime

The *Criminal Proceeds Confiscation Act 2002* provides the Office may be asked to take control of property possibly related to illegal activity.

The Office received property related to 43 matters since 1 July 2007. Property held includes cash, jewellery, real property, motor vehicles, motor bikes, trucks and boats.

In the 2008/2009 financial year we paid \$1,348,384.39 to Consolidated Revenue from the Criminal Proceeds Confiscation matters.

Deceased Estates Administration

The Office administers the estates of deceased persons in a timely fashion at a reasonable price. The Office administers an estate when:

- there is a Will appointing the Public Trustee as executor
- the executor renounces their appointment and next of kin, or the beneficiaries, request the Public Trustee act as executor on their behalf
- the executor has died, is unable to act or is absent from Queensland
- there is no Will and the Public Trustee is requested by the next of kin to administer the estate
- appointed by the Supreme Court
- there is no next of kin.

The Office administers the highest number of deceased estates in Queensland with 2,394 matters reported in the year ended 30 June 2009. The value of estates on hand increased by 58.6% over the last 5 years.

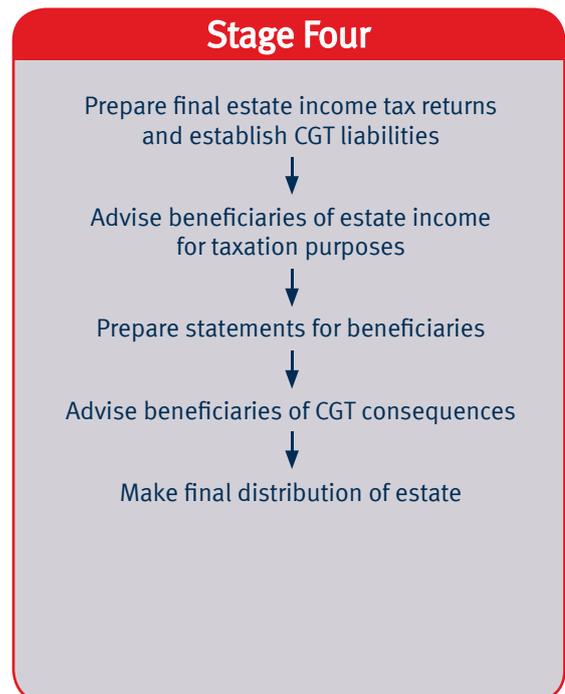
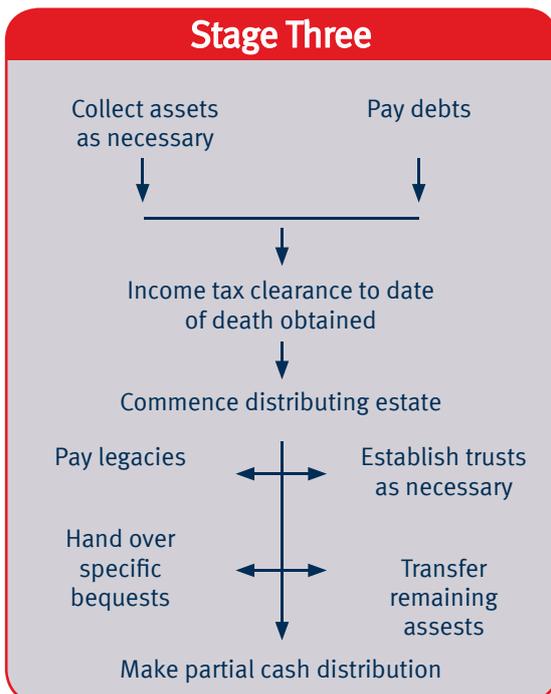
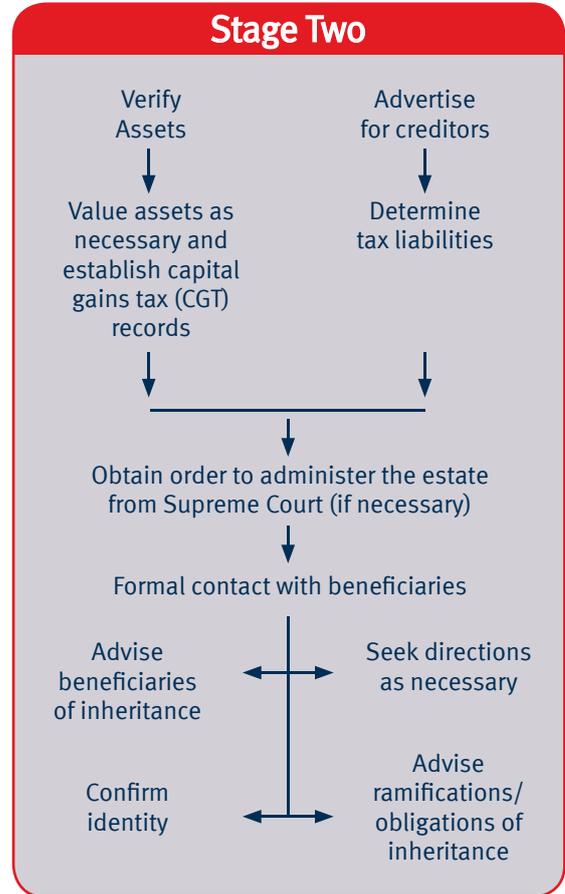
In response to client demand, a private probate and executor service is provided. The response has been very encouraging with 249 executors requesting the Office to obtain probate on their behalf in the year ended 30 June 2009.

The role of an executor includes:

- locating and examining the Will
- determining, protecting and investing the assets
- determining debts and liabilities
- attending to legal requirements eg. Probate
- dealing with applications to contest a Will
- establishing lawful beneficiaries
- establishing trusts and paying legacies
- distributing assets to beneficiaries
- ongoing management, e.g. trust under Will, life tenancy.

Deceased Estate Administration	2004-05	2005-06	2006-07	2007-08	2008-09
New deceased estates received	2535	2336	2293	2398	2394
Number of estates on hand	2267	2132	2057	2179	2385
Value of those estates on hand	\$285,617,870	\$308,210,048	\$327,395,765	\$383,533,797	\$432,874,447
% completed within 9 months	63.49%	64.35%	64.12%	64.35%	66.41%
% completed within 12 months	73.99%	73.82%	74.76%	74.99%	78.20%
New testamentary trusts received	94	159	168	101	116
Number of testamentary trusts on hand	844	919	975	989	968
Value of testamentary trusts on hand	\$108,833,338	\$140,655,223	\$158,277,434	\$161,561,324	\$165,031,809

The process of administering a deceased estate



Agency Services

The Office prepares EPA documents for Queenslanders and accepts appointment as Attorney for financial matters. This service is designed to provide peace of mind to the members of our community who recognise the value in the security and expertise offered by the Office in this area.

It is unfortunate that the incidence of elder abuse, particularly financial abuse, is increasing in our community. Predominantly, financial abuse is occasioned by the misuse of the EPA by the appointed Attorney. It is perhaps significant that when the Guardianship and Administration Tribunal appoints an administrator there is significantly less abuse due to the scrutiny of the financial administration.

When concerns are raised, the Adult Guardian can suspend an Attorney if it is suspected that the Attorney is acting inappropriately. In such matters, the Public Trustee is appointed to act

until the Adult Guardian's investigations are finalised.

It is imperative the decision as to who will act as a person's Attorney is made after due consideration. This is the most critical decision a person completing an EPA will make. What powers will be given to the Attorney in the document are also critical. The Office provides impartial and professional advice to assist the person in making those decisions. There are clauses that can be inserted in the document to enhance transparency and accountability.

The Public Trustee can act as Attorney. The Agency Service of the Public Trust Office provides impartial and professional personal financial administration services. The service includes managing income, paying accounts, protecting and insuring assets, property services, taxation, budgeting, financial planning and investment services.

Enduring Powers of Attorney	2004-05	2005-06	2006-07	2007-08	2008-09
Numbers prepared for clients	4422	3483	3239	3429	3323
Public Trustee as first Attorney	907	568	417	437	419
Public Trustee as substitute Attorney	399	262	217	231	214
Number of new agency clients	194	192	140	147	137
Number of agency clients matters on hand	1191	1080	1013	973	874
Value of agency clients assets under management	\$147,975,505	\$133,624,180	\$147,251,969	\$141,977,394	\$133,408,471

Client Satisfaction Survey 2009

For the third consecutive year, the Office distributed a Client Satisfaction Survey to people who made a Will and/or Enduring Power of Attorney (EPA) in June 2009.

The rationale for 3 consecutive surveys, identical in scope, is primarily to better understand our clients.

Our major objectives are to ascertain and/or confirm:

- client satisfaction with the services offered

- whether our clients are aware of all services offered by the Office
- those areas needing improvement.

The questions in the survey were framed by the Office and submitted for “fairness” assessment to an expert in conducting surveys.

In the 2009 financial year 634 surveys were returned by our clients across 15 branches with the following results:

Demographic of clients	2007	2008	2009
Number of Surveys returned	901	1,457	634
Data expressed as a percentage of the number surveyed			
Female	57.7	57.6	53.7
Male	42.3	42.4	46.3
Married	59.6	59.7	54.4
Service Usage			
Will	82.3	82.7	82.7
EPA	5.2	5.7	4.0
Will & EPA	12.4	11.7	13.3
Will clients offered EPA	70.0	76.2	72.9
PTQ appointed executor	55.2	60.0	65.0
Service Outcomes			
Document conformed to client wishes	96.5	97.6	96.8
Staff Listened	97.8	98.3	98.5
Satisfied with advice offered	97.3	97.9	97.5
Awareness of Services			
EPA	83.5	82.0	76.0
Deceased Estates Administration	71.6	76.4	68.1
Trustee services	67.5	71.1	60.9
Financial administrator	37.6	40.0	34.2
Auctions	36.3	33.6	22.9
Unclaimed money	24.4	24.7	20.0

Statistical results in the table above are produced from a 4 week survey period and accordingly some figures may not agree with numbers for the full year as reported elsewhere in this Annual Report.

Regional Activities



Clinton Miles, Acting Assistant Director Client Services

With 15 Regional Offices throughout the State staffed by over 320 employees the Office engages in a variety of information sharing, education and service delivery activities within the communities it serves. Regional access to these services is enhanced by long standing relationships with the Queensland Government Agency Program (QGAP) offices and Clerks of the Court across the State. The Office continues to work closely with these providers to ensure the technology that facilitates the processing of Wills, Enduring Powers of Attorney, Estate administration and other services from regional areas meets the needs of clients. For example, the Office provides all QGAP offices with an on-line manual that details step-by-step procedures for the delivery of services. We also continue assistance to Smart Services Queensland with the e-learning training package. In association with Smart Service Queensland, staff from the Office participate in training and supporting QGAP agents.

While Queenslanders in regional areas can access our services through their local QGAP office or Clerk of the Court, because of the high demand in some areas the Office has developed and maintained regular visiting services to Court Houses and other venues to meet this need.

Public Trust Regional Office	Venue	Frequency
Brisbane	Cleveland	Fortnightly
	Wynnum	Fortnightly
	Holland Park	Weekly
	Mitchelton	Monthly
	Chermside	Monthly
	Nundah	Monthly
	Toowong	Monthly
Cairns	Atherton*	Monthly
	Mareeba*	Monthly
Ipswich	Beaudesert	Monthly
	Gatton	Monthly
	Richlands	Monthly
Maryborough	Gympie	Fortnightly
	Hervey Bay	Twice weekly
	Tin Can Bay*	Monthly
Nambour	Caloundra	Fortnightly
	Maroochydore	Weekly
	Noosa	Monthly
Redcliffe	Caboolture	Weekly
Rockhampton	Yeppoon	Fortnightly
Southport	Beenleigh	Weekly
Toowoomba	Warwick*	As required

* Venue is used on a demand basis.

Other activities supporting Queenslanders in rural or regional communities include:

- providing a visiting Will-making service for clients who are frail, ill or immobile at either their homes or in hospital
- ongoing support and involvement with the Queensland Community Foundation and its activities across the State
- the provision of motor vehicle auctioning services in regional Queensland
- the Public Affairs Unit and Regional Offices ensure that community groups have supplies of relevant brochures and information to assist them in their role in the community
- the Office publications include a 1300/1800 number that directs calls to the nearest Regional Office for the price of a local call
- advertisements placed by the Office in publications distributed across Queensland, include an 1800 number that directs the call to the Public Affairs Unit at no charge.

Gold Coast Storm

A severe storm hit the Gold Coast region early on the evening of Wednesday 20 May 2009 resulting in the Office sustaining damage. Many external aluminium window batons/slats were “blown” from the building in the strong winds causing surrounding roads to be closed by authorities. These batons ranged in length up to 9 metres.

Several of the batons struck the power lines entering the building causing power failure, which required Energex to cut the power to the building until the dangerous batons could be removed.

Overnight the storm continued with torrential rain and high winds. The power outage resulted in several follow-on difficulties with back up power supplies, security lighting and security services, being affected.

The office was closed the next day until it was safe for repairs to be made and for power to be restored to the building.

Several staff returned to the office to provide service to our clients and to ensure that all systems were adequately restored. Full services resumed on the Friday morning.



Community Engagement



Tim Feely, Deputy Director Client Services

In order to effectively deliver its services to the people of Queensland, the Office engages with other parts of Government, the non-profit and philanthropic sector, research institutions, and the Queensland community generally on a statewide basis.

The Public Trust Office aims to provide information on our services to the Queensland community and how those services can be accessed. To achieve this aim, the Office:

- delivered education and information sessions to community groups throughout Queensland
- has a regular information session on 4EB Ethnic Radio
- joined with the University of Queensland – School of Social Work and Human Services Unit in supporting its innovative research into “*Financing and Management of Lifetime Care of Adults with Acquired Disability and High Care Needs*”
- is represented on a number of Government and non-government committees including:
 - Department of Justice and Attorney General – Victims Financial Assistance and Reference Group

- Child Safety Stakeholders Group
- Residential Hostels and Boarding Houses Reference Group
- Queensland Law Society – Succession Law Section
- Government Lawyers Committee
- the Elder Abuse Prevention Unit Reference Group
- the Australian Guardianship and Administration Committee.

The Office co hosted the 2009 Australian Guardianship and Administration Conference with the Guardianship and Administration Committee, Office of the Adult Guardian and Public Advocate. The topic of the Conference was *Social Inclusion: The Future of Ageing, Disability and Substituted Decision Making*. The Conference and Workshop was attended by approximately 420 delegates.

The Office also attends and sponsors events to engage with the Queensland community and provide information and advice on our services.

In the year ended 30 June 2009 we have attended community based events, some of which have been sponsored by the Office. Events attended and sponsorship this year have included:

- Seniors Week
- Ekka
- Law Week
- Law Savvy Seniors
- Australian Centre on Ageing
- Aged Care Conference
- Queensland Government Lawyers Conference
- Family Support Group Australia
- “Stop Abuse of Older People” booklet
- Retirement & Lifestyle Expo
- Collaborative information forum with the Adult Guardian, the Public Advocate and the Community Visitor Program.

Community Forums/ NGO Information Sessions

In 2009, the Office hosted a number of Non-Government Organisations (NGO) at information sessions in Brisbane to build upon existing relationships between the Office and non-government service providers.

These forums allowed the Office the opportunity to provide more information about a range of our services, as well as obtain essential feedback from our stakeholders as a part of continuous improvement of quality service delivery to our clients.

The sessions also focused on reviewing the Management Agreements that exists between many NGO’s and the Office for clients who live in group homes. The sessions provided a forum for sharing of ideas on how to make these agreements better.

The sessions also gave an opportunity to those non government organisations attending to discuss, and clarify any concerns.



Philanthropic Trusts



Queensland Community Foundation

Queensland Community Foundation (QCF) was established in 1997, under the trusteeship of the Public Trustee to:

- establish a basis for a major capital fund to guarantee a permanent source of income for philanthropic endeavour in Queensland
- provide leadership for the philanthropic sector through cooperative initiatives
- provide a cost effective, flexible, accountable and financially secure mechanism for people and charitable organisations.

The Trustee is advised by a Board of Governors consisting of community representatives with an interest in philanthropy. Presently the Board is chaired by Dr John de Groot. The Hon Mike Ahern AO, previous Chair of the Board of Governors, is Patron of the QCF.

QCF is a unique partnership, in Queensland and Australia, between the Government and private sector. The Public Trustee of Queensland, QIC and Anglo Coal Australia Pty Ltd are committed to the success of the Foundation and in partnership sponsor the administrative costs of



the QCF. The Queensland Audit Office conducts the annual audit of the Foundation.

QCF is currently managing approximately \$26 million (2008: \$26 million) in charitable funds with approximately \$345 million (2008: \$319 million) in known future bequests pledged to QCF in Wills made by the citizens of Queensland. There are currently 143 (2008: 141) established sub funds.

QCF has embarked on its grant-making round from the General Fund of the Foundation designed to address improving the efficiencies of charities in their administration. This round focused on charitable and non profit organisations in rural and remote areas and provided \$99,700 for this purpose to be shared by a number of organisations. Presentations are set to occur early in the new financial year.

Thanks are extended to our co-sponsors, QIC and Anglo Coal Australia Pty Ltd, for their financial support, the staff of those organisations who freely give their time and the volunteers who make up the Board of Governors and

Management Committee, all of whom have ensured the current and future growth of the QCF.

Website: www.qcf.org.au

Email: enquiries@qcf.org.au

W A Lee Equity Lecture – 2009

The W A Lee Equity Lecture was given by The Honourable Justice Kirby AC CMG to an audience of more than 240 guests. The topic for the night was *Equity's Australian Isolationism*.

As in previous years, the QCF was pleased to be one of the sponsors for the lecture.

Dr John de Groot, Chair of Queensland Community Foundation, Board of Governors, addressed the audience following the lecture and made all aware of the growth and necessity of the QCF in today's world.

A post lecture dinner provided an opportunity to raise the profile of the QCF amongst the legal community especially those focusing on estate planning and equity.





The Forde Foundation

In August 2000, the Queensland Government responded to the findings of the Commission of Inquiry into Abuse of Children in Queensland Institutions. One of the Government's commitments was to establish the Forde Foundation, named after the Chair of the Inquiry, Leneen Forde AC, to support former residents of these institutions.

The Public Trustee was appointed Trustee of the Foundation. The Trust also established a Board of Advice to make appropriate recommendations to the Trustee on the disbursement of funds in response to applications for assistance from those affected by the Inquiry. Mrs Forde was appointed as initial Chair of the Board of Advice.

On her retirement as Chair, Mrs Forde was appointed Patron of the Foundation.

Since its inception, the Foundation has made grants to assist former residents in such matters as health, education, training, personal development and social support.

After broad consultation with stakeholders, the Foundation has completed a review of its operations. The recommendations are currently being considered by the Foundation and Government.

Website: www.fordefoundation.org.au

Email: forde@merivale.org.au



Queensland Aboriginal and Torres Strait Islander Foundation

The Foundation was established, by the Queensland Government, on the 25 November 2008.

The Public Trustee is the Trustee of the Foundation.

The Objects of the Foundation are to provide a secure, independent and perpetual funding source for the public benefit to advance the education and life opportunities of Aboriginal and Torres Islander children and young people in Queensland through the provision and promotion of scholarships.

A Board of Advice has been established consisting of a majority of Aboriginal and Torres Strait Islander members. A Secretariat has also been established to assist the Trustee and Board of Advice.

The Foundation has initiated its inaugural grants round by calling for applications for scholarships to commence in the 2010/11 year.



Lady Bowen Trust

Established by the Queensland Government in August 2006, the Lady Bowen Trust aims to re-engage people who are experiencing chronic homelessness to achieve genuine, positive and lasting outcomes.

Through targeted financial support, the Trust aims to provide homeless people with assistance, relief, personal and social support. Support is offered to homeless people to transition to, and sustain, stable housing.

The Public Trustee is the Trustee of the Trust. A Board of Advice, comprising individuals from the public, community and business sectors, has been established to recommend to the Trustee, the application of funds to meet the objectives of the Trust.

The Lady Bowen Trust has continued to demonstrate its commitment to assisting Queenslanders who are homeless and in necessitous circumstances to transition to more stable housing arrangements.

The practical support provided by the Lady Bowen Trust is intended to complement the very important work of other charities by tailoring help to people who have complex, individual needs.

The Trust continues to provide support to clients exiting Roma House in Spring Hill in inner Brisbane with over \$40,000 being provided to assist them to stabilise their lives.

In 2008, the Lady Bowen Trust also held its inaugural grant round which enabled the Trust to distribute a total of \$63,000 to Queensland charities which provide assistance and support to Queenslanders experiencing, or at risk of, homelessness.

During the financial year ended 30 June 2009, the Lady Bowen Trust also undertook a range of activities to raise the awareness of the general community to issues associated with homelessness by:

- conducting an information booth at the Open Day at Government House held in celebration of Queensland's 150th celebrations
- developing a relationship with Queenie's Tea House to launch the Lady Bowen Tea, with a proportion of sales being donated to the Trust
- sponsoring the Lady Bowen lectures which took place during the Paniyiri Festival.

Website: www.ladybowentrust.org.au

Email: enquiries@ladybowentrust.org.au



Peter Carne, The Public Trustee of Queensland, Her Excellency the Governor of Queensland, Ms Penelope Wensley, AO and Darryl Seccombe, Chair Board of Advice, Lady Bowen Trust.

Investment Services

- *Director's Report*
- *Financial Services*
- *Funds Management*
- *Year in Review – QIC*



Frank Probst Director Investment Services

Director's Report

The Investment Services Program provides advice and investment options for the Office and its clients. Investment opportunities are closely monitored with regard to risk and returns.

The primary role of the Program is the prudential management of funds held in trust on behalf of clients of the Office through the provision of professional investment services.

The major challenge this year has been the investment management of client funds during one of the most difficult financial and economic environments since the Great Depression. During the year, the Public Trustee has closely monitored investment strategies to ensure that client funds continued to be managed in a cautious and prudent manner. Throughout the year, the Office has been in regular communication with clients to ensure they remain aware of the Public Trustee's prudent approach to managing their funds during this difficult period.

The volume of financial assets under management exceeded \$1.1 billion. The Common Fund and the Public Trustee Investment Funds performed within product design in volatile market conditions.

The challenge for Investments Services for the future is to continue to perform in a low

return environment and being able to respond accordingly. In response to the uncertainty in global markets over the financial year, the Office in partnership with the QIC has been developing further investment strategies for both the Common Fund and the Public Trustee Investment Funds that will lead to enhanced risk-adjusted returns. These initiatives will further diversify the investment portfolio, reduce risk and enhance our ability to meet performance objectives in a risk controlled environment.

The staff of the Investment Services Program have a high level of commitment in servicing the needs and expectations of clients and stakeholders. We are committed to ongoing staff development to ensure that we continue to be equipped to respond to the issues that arise in the financial services industry. Our positive performance this year is due to the skills and dedication of our staff.

A role of Investment Services is to facilitate the provision of financial planning and investment related services to the Office clients. The provision of these services is assisted through arrangements with a number of key partners in the financial services industry.

Core Services

The Core Services of this program include:

- to provide technical investment and financial planning support to the Office, Trust Officers and clients
- the management of the Public Trustee Investment Fund which comprises five separate unit trusts offering a range of investment strategies to meet clients' risk and return objectives
- the asset and liability management of the Common Fund, including the investment management and corporate treasury functions
- the administration of information systems, policies and procedures related to the provision of financial planning and

investment services, including equities administration and reconstructing records for capital gains tax purposes.

The Financial Planning and Technical Services Unit within Investment Services consists of a number of staff with financial planning qualifications who are available to assist Trust Officers and clients with investment and financial planning related issues. The costs of these services are borne by the Office, and not charged separately to clients.

The focus for the year ahead will be the review of the delivery of financial planning services to clients of the Office to ensure that they continue to meet clients' short and long term financial requirements.

Financial Services

The Office financial planning services are provided through arrangements with a panel of licensed service providers. By this arrangement, our clients have access to a wider range of investment and financial services.

The long-term management of clients' large holdings of listed equities is assisted by ABN AMRO Morgans through their managed portfolio service. During the Global Financial Crisis the Public Trustee has been liaising closely with ABN AMRO Morgans to ensure that clients' holdings of direct equities continue to be managed in a prudent manner in a difficult financial environment.

The administration of listed equities in estate matters is assisted by a range of services provided by the stockbroking firm Wilson HTM Limited.

The Investment Services Program is responsible for providing advice to the Office on the investment management on a wide range of private and public sector funds.

The investments team has implemented a number of strategies and have managed numerous projects during the past year. Staff have responded to these challenges whilst continuing to deliver quality service for the community and clients we serve.



Brian Sharp, Acting Deputy Director
Investment Services

Funds Management

The Office is responsible for \$1.1 billion of funds under management. As at 30 June 2009 the volume of funds invested in the Public Trustee Investment Fund (PTIF) was \$421 million. The investment management of the PTIF is carried out by QIC. QIC is a Government owned corporation with over \$65 billion of funds under management. The PTIF comprises five unit trusts each with its own investment strategy.

In consultation with QIC, the Office continues to research opportunities to increase the

performance of the Funds and in particular through the development of uncorrelated sources of active return.

In consultation with QIC and the Investment Board, the Public Trustee is reviewing the investment strategy of the PTIF to ensure the long-term objectives continue to be met. For the period ended 30 June 2009, the performance of the Funds gross of taxes and fees was as follows:

Public Trustee Australian Fixed Interest Fund

	1 Year p.a.	3 Years p.a.	5 Years p.a.	7 years p.a.
Fund	9.12%	5.61%	5.91%	6.01%
Benchmark	10.82%	6.35%	6.04%	6.03%

Public Trustee Australian Equities Fund

	1 Year p.a.	3 Years p.a.	5 Years p.a.	7 years p.a.
Fund	-18.34%	-3.41%	7.41%	7.76%
Benchmark	-20.14%	-3.81%	6.85%	7.55%

Public Trustee Conservative Fund

	1 Year p.a.	3 Years p.a.	5 Years p.a.	7 years p.a.
Fund	-5.37%	0.16%	4.29%	5.33%
Benchmark	-1.71%	1.87%	4.93%	5.57%

Public Trustee Growth Fund

	1 Year p.a.	3 Years p.a.	5 Years p.a.	7 years p.a.
Fund	-12.69%	-3.17%	3.78%	4.97%
Benchmark	-9.33%	-1.60%	4.35%	5.24%

Public Trustee Higher Growth Fund

	1 Year p.a.	3 Years p.a.	5 Years p.a.	7 years p.a.
Fund	-17.96%	-5.36%	3.34%	4.70%
Benchmark	-15.01%	-3.83%	3.91%	5.06%

The year ended 30 June 2009 was a difficult year for the Funds as many economies and investment markets performed poorly as outlined in the following commentary by QIC.

The Public Trustee Cash Fund was terminated during the year following a decision made to manage clients' cash requirements through the Common Fund. The investments of the Common Fund consist primarily of investments in the cash and fixed interest markets. The active return strategies are sourced by making investments in a range of QIC's absolute return funds. As at 30 June 2009, the market value of the financial assets of the Common Fund was \$469 million.

The Common Fund's allocation to cash and fixed interest resulted in sound investment performance with a return of 7.29% for the year, the highest since 2005. All interest rates payable on funds held in the Common Fund are reviewed on a monthly basis by the Investment Board and the Public Trustee is advised accordingly. Any changes to interest rates are actioned through amendments to the *Public Trustee Regulation 2001*.

The investment objectives and the investment strategy of the Common Fund are being reviewed in consultation with QIC. This is to ensure the continuance of a prudent approach to the asset/liability management.

Year in Review Prepared for the Public Trustee by QIC July 2009

Financial Year Returns by Asset Classes

Cash	5.5%
Australian Equities	-20.1%
International Equities (hedged)	-27.45%
Global Fixed Interest (40% UBSA, 60% BCGA)	10.34%
Australian Listed Real Estate	-42.1%
Currency (IE unhedged – IE hedged)	11.4%

Australian equities

The 2008-2009 Financial Year was a tumultuous year for the domestic equity market. The ASX 200 declined by 10.4% over the first quarter which was marked by a ferocious sell-off in the Materials Sector. The December 2008 quarter saw global markets go into freefall in the aftermath of the Lehman Brothers collapse. Over this period the ASX 200 fell by 18.3%. The world at the time was staring down both a financial crisis and a shock to

global growth, which saw commodity prices plummet, and from a sector perspective, Materials, Energy, Financials, Industrials, and Consumer Discretionary all underperform. The March quarter saw the market post its third consecutive quarter of negative returns with the ASX 200 declining by 2% over this period. Heading into the final quarter of the Financial Year the ASX 200 had declined by 28.2%. On the back of a rally in global equity markets,

spurred by perceptions that the worst of the financial crisis and economic downturn may be behind us, and better than expected domestic GDP and employment prints, the ASX 200 rebounded by 11.3% over this period; finishing the 2008-2009 Financial Year down 20.1%.

International Equities

The Financial Year ending 30 June 2009 was one of the most challenging on record with global equity markets experiencing a series of sustained sell offs over the course of the year as the financial system deteriorated and the global recession took hold. Global markets started the 2009 Financial Year in negative territory, the MSCI World Ex Aus declined over the first quarter by 11.4%, and the MSCI Emerging Markets by 20.9%. The sell-off in global markets was even more ferocious in the second quarter following the collapse of global investment bank, Lehman Brothers. Confidence in the global financial system was rocked over this period, with a flight to quality seeing risk assets sold aggressively. Over this period the MSCI World Ex Australia fell by 20.8% and the MSCI Emerging Markets by 22%. The third quarter saw mixed movements across global markets. Emerging markets stabilised with the MSCI Emerging Market Index posting a 4.1% return over this period. However, developed markets still finished in negative territory for the third consecutive quarter, with the MSCI World Ex Australia declining by 10.3%.

Heading into the final quarter of the financial year International Equity Markets were down over 35% Financial Year to Date. The fourth quarter saw the emergence of “green shoots” as economic data exceeded expectations – still falling, but with the rate of descent slowing. With optimism returning to global markets Global Equities staged a strong recovery with MSCI Emerging Markets rallying 24.5% and the MSCI World Ex Aus by 16.6%. The end of June saw the close on what had been a treacherous year for

equity markets. At the close of the Financial Year the MSCI World Ex Australia has returned -26.6%, and MSCI Emerging Markets -20.0%.

Australia Listed Property

It has been a turbulent year for real estate. The global financial crisis has seen slowing rental growth, rising vacancy rates and constrained capital. Australia has not been immune, with major unlisted real estate indices posting their first negative returns since 1993. The ASX 300 Property Trusts Index delivered 4.9% in June, ending the year at -42.1%. The outlook for listed property continues to be dominated by concerns around rental growth, vacancy rates and tenant defaults, and refinancing risk and the extent to which these risks are already reflected in the price.

Fixed Interest

Nominal (Sovereign Debt)

The 2008-2009 financial year was a year of two halves for global bond markets. The first half of the year saw global bonds stage a tremendous rally as investors sought the safety and liquidity of government bonds. The Federal Reserve aggressively moved to a zero interest rate policy which pulled the short end of the curve down. The bond rally concluded in December with US 10yr bonds yielding 2%, German 10Yr Bonds yielding 2.9% and Australian 10yr's yielding 3.9%. In response to the deterioration in the economy and financial system, governments around the world implemented an unprecedented fiscal and monetary policy response. This set the stage for bonds to sell off in the second half of the year as the pace of economic contraction slowed. Quantitative Easing raised investors' expectations of inflation while the enormous borrowing programs by governments placed additional upward pressure on the long end of the yield curve. The 10Yr US bond finished the year at 3.55% and the Australian 10Yr finished at 5.6%.

Credit (Corporate Debt)

Credit spreads on investment grade corporate debt reached their widest levels since the Great Depression in December. The Moody's BAA spread to US 10Yr bonds reached 621bps. As equity markets rallied and investors saw signs of "green shoots" in the economy, investment grade spreads rallied and finished the financial year at 363bps. As with other credit markets the past year has been a poor one for High Yield debt. Spread volatility remained high, and spreads widened sharply. The 2009 financial year saw default rates surge above 10% for high yield bonds with recovery rates under 15%. High yield spreads reached 2000bps mid-year and recovered to finish the year at 1124bps. The return of the Merrill Lynch Global High Yield Index for the year was -3.1%.

Cash

Economic growth and credit growth within the Australian economy slowed sharply over the year. In response, the Reserve Bank of Australia eased the cash rate aggressively, cutting the overnight rate six times throughout the year from 7.25% to 3%. The RBA still expects that there is enough spare capacity within the Australian economy to alleviate inflation pressures and suggests that it still has scope to lower rates further if the recovery struggles to take hold. The UBSA Bank Bill index returned 5.47% over the year.

Currency

Currency movements over the year were largely symptomatic of the developing financial crisis. The Lehman Brother bankruptcy in September spooked the market and currencies wore the consequences as investors and banks fled from risky assets.

Over the year the US dollar confirmed its status as the world's reserve currency and appreciated more than 11% against its trade weighted index. It almost reversed its prior year decline of 13% but its apparent strength belies an undercurrent of concern regarding the sustainability of its reserve currency status. A topic rumoured to be on the Agenda for the next G8 meeting.

The Japanese Yen had another strong year (up 9.3% against the US) as the Yen carry trade was deserted. The Euro, the major trading partner of the US, declined almost 11% to close at 1.40USD.

Significant increases in volatility and equity market correlations following the Lehmann Brother bankruptcy caused stress in many Australian dollar hedging programs. The Australian dollar fell from a high of 98 US cents in mid July to a low of 60cents in October, before recovering to close the year at 81US cents, declining 15.6% over the year.

Foreign currency returns were +11.4% for the year based on the MSCI All Countries (Ex Aust) index.

Outlook

Following negative growth in the second quarter of 2009, the QIC Economics team expects positive growth in US real GDP in the September quarter, followed by solid growth in the fourth quarter. The US recovery is seen to be led by sustained growth in consumer spending as fiscal stimulus offsets the impact of rising unemployment and falling labour income. The manufacturing sector is expected to benefit from the resilience in consumer spending and from government assistance to the US auto industry and the stabilisation in inventories. In contrast to the US, where the Economics team see recovery being driven by domestic demand, recovery in the Japanese economy will be driven by net exports. The resurgence in Asian growth generated by the expansion in Chinese domestic demand will provide a major source of stimulus to the Japanese economy.

Although the Economics team expect Euro area GDP growth rates to improve, growth is likely to remain negative over the second and third quarter of 2009 and be barely positive by fourth quarter. Fiscal and monetary stimulus in the Euro area has been more limited than in the US and Asia region.

The Australian economy continues to outperform its advanced-economy counterparts due largely to the impact of early and sizeable macroeconomic policy stimulus and currency

devaluation. However, the quarterly path of Australian real GDP growth for the remainder of 2009 will be strongly influenced by the timing of government fiscal initiatives and the response of net exports to the recent retracement in the AUD, and fluctuations in the demand for commodities by China and Japan.

Despite the recent performance of the market there is still enormous uncertainty surrounding the sustainability of global equity market performance.

Highest on the list of contributors to the cloudy outlook is the unprecedented level of monetary stimulus pumped into the economy globally. We've seen a globally co-ordinated injection of liquidity and industry support beyond anything seen by current market participants and whilst it has succeeded in averting a meltdown of the financial system its long term impact on the broader economy is unknown.

A recent spate of economic statistics is indicating a fragile and subdued economy and we expect that this will continue to be the case for the next couple of years. Thus we do not expect near term economic support for continued rising equity prices. We acknowledge though that markets appear more focussed on the rate of change of news than the absolute level.

Legal and Human Resource Services

- *Legal Services*
 - *The Official Solicitor*
 - *The Particular Areas of Advice*
- *Human Resource Services*
 - *Manager's Statement*

The Official Solicitor



Mark Crofton, Director Legal & Human Resources Services and Official Solicitor

The Official Solicitor is the Public Trustee’s in-house counsel. That role is a statutory one provided for in section 16 of the *Public Trustee Act 1978*.

The Official Solicitor in order to provide effective legal support to the Office and importantly its clients has a staff of some 21 lawyers and 14 support staff.

This practice provides legal advice, conveyancing and litigation services to the Public Trustee in all of the Public Trustee’s roles.

The Amount of Work

The table below identifies the number of matters referred to the Official Solicitor by the Office for the financial year ended 30 June 2009, contrasted with previous years.

A total of 2,346 matters were referred to the Official Solicitor for advice or legal action.

As is reflected by the work generally conducted in the Office an increasing number of matters are referred to the Official Solicitor flowing from the Public Trustee’s role as administrator for adults with impaired capacity for decision making.

Type of Work	2005 – 2006	2006 – 2007	2007 – 2008	2008 – 2009
Family Provisions Applications	57	101	99	81
Sanctions – s.59 Public Trustee Act 1978	364	290	285	277
Advices and Other Matters	975	990	1,018	1,029
Total Number of New Matters	1,396	1,381	1,402	1,387

Additional Matters:	2007 – 2008	2008 – 2009
Regional Legal Matters	62	25
Probate Files	760	913
Freedom of Information Files	12	21
Total Number of New Legal Matters	2,236	2,346

Our Aim

The Official Solicitor exists to provide comprehensive, accurate timely and cost effective legal services to the Public Trustee.

The practice operates not unlike a private legal practice. There are however particular areas of speciality which are reflected in the skills of the staff who provide legal advice.

The Official Solicitor seeks to adopt the highest ethical and professional approach to all matters including legal matters. Lawyers within the program have particular areas of expertise in respect of succession law (deceased estates),

laws relating to disability and commercial property matters.

The Official Solicitor also acts as legal adviser to the Public Trustee in his corporate capacity. This role is varied and deals with such matters as employee related matters, property matters (the Public Trustee owning the majority of buildings from which the Office operates throughout Queensland) and investments related advice.

Perhaps the most significant undertaking for the staff of the Official Solicitor however is the daily advice offered to other staff of the Office, often on an informal basis.

The Particular Areas of Advice

Executor and Trustee: The Public Trustee has always acted as executor in deceased estate matters and as trustee.

The majority of work referred to the Official Solicitor in respect to this area of activity remains advising on probate applications, preparing them and acting as a solicitor for the Public Trustee in respect of family provisions applications.

Pleasing and no doubt as a consequence of the Court's approach to family provisions applications, the majority – perhaps exceeding 99% of these types of applications, settle or are compromised before a trial is required.

As with any significant deceased estates practice there also arises from time to time complex claims and litigation in respect of these estates.

The Public Trustee also frequently seeks the advice of the Official Solicitor in respect of the many trusts for which the Public Trustee is appointed. Those types of requests vary in nature from interpreting relevant trust instruments to advising on the powers, duties and rights of a trustee.

Acting for Adults with Impaired Capacity for Decision Making: The Public Trustee is often appointed administrator for adults with impaired capacity for decision-making and for whom there is a need for a substitute decision-maker.

The Official Solicitor is often called upon to advise the Public Trustee in respect of these types of matters.

The Official Solicitor, through his staff, frequently advises the Public Trustee in respect of the way in which he should approach the administration of financial matters on behalf of adults with impaired capacity for decision making. This type of advice particularly takes account of the *Guardianship and Administration Act 2000* and the need to ensure that investments on behalf of adult with impaired capacity for decision making are prudent.

In addition there are often particular matters facing adults which require legal assistance.

Most difficult amongst these matters are those in which there has been a misappropriation of property or money from the adult by family members or others.

These are particularly difficult matters because usually the person who has benefited denies any wrongdoing and often does not have any assets in respect of which funds or property might be returned.

Commercial Property: The Official Solicitor also has a workgroup which attends to commercial property legal work.

There are 3 areas of activity in that regard. First the Public Trustee as the owner of a number of buildings has responsibilities which have a legal dimension – including the leasing of areas within those buildings to others. Second, matters undertaken by the Public Trustee as either trustee, administrator or as executor of deceased estates, often have (real) property. That property might need to be sold or leased and sometimes property needs to be purchased.

The workgroup advises and assists the Property sub-program of the Office in these regards.

Third, the Official Solicitor also provides commercial property legal services to the rest of Government, particularly the Department of Public Works, Queensland Health and the Department of Community Safety.

All of that activity is appropriately attended to by the Commercial Conveyancing workgroup within the Official Solicitor.



Peter Megson, Acting Special Counsel,
Office of the Official Solicitor

Our People

The Legal Program continues to provide quality legal services in a cost efficient way to the Public Trustee. This can only be possible if there are highly skilled and motivated staff.

The legal staff are committed to a professional development program which is essentially the same as that which applies to lawyers in private practice.

It is largely due to the efforts and dedication of the staff of the program that the Public Trustee continues to enjoy responsive and accurate legal services.

The Systems

A new legal practice management system was largely implemented in the financial year 2008-2009.

This system will provide for not only accurate time recording of legal work, but also will, in the near future, facilitate more effective precedents and knowledge management.

The focus for the future in this regard is to “task flow” routine legal work as well as ensure that work is completed more efficiently, consistently and effectively.

The Future

The focus for the Official Solicitor and lawyers who work within the Program continues to be providing the highest quality legal advice in efficient, effective and timely way.

The volume and complexity of work is increasing and in many areas of work within the office the work does not necessarily fall evenly across the year. Staff through their dedication and commitment however have and no doubt will continue to meet the challenges of working in a complex and rewarding legal practice.

Human Resource Management



Rhonda Mayer, Manager Human Resources

The Human Resource Management sub-program supports the Office with a range of human resources responsibilities to help the Office achieve its business outcomes.

Core Services

The Core Services include:

- provision of Payroll and Personnel Services
- Industrial Relations and Enterprise Bargaining initiatives
- Workplace Health and Safety, Rehabilitation and Employee Assistance Coordination
- recruitment and selection and induction
- employment conditions and workplace consultation
- learning and development coordination
- human resource policy.

Human Resource Management's central focus is on developing our people to deliver a quality service to the people of Queensland.

We network with central agencies such as the Public Service Commission and the Public Sector Industrial & Employee Relations Unit to keep up to date on government priorities and

legislative changes relevant to our workplace and to prioritise our human resource management initiatives to meet these requirements.

Staff and managers are provided with internal and external learning opportunities to assist in providing better customer service. Our human resource framework identifies expected work values and management behaviour to meet our needs as well as our community's service needs. A greater emphasis this year has been on becoming a more flexible workforce and Human Resource Officers have assisted managers and staff with this organisational change.

Workforce Profile

Category		Gender		
		Female	Male	Total
Casual	Casual	2	2	4
Casual Total		2	2	4
Permanent	Full Time	296	180	476
	Part Time	32	4	36
Permanent Total		330	184	514
Secondment (out of office)		3	5	8
Secondment Total		3	5	8
Temporary	Full Time	18	10	28
	Part Time	2		2
Temporary Total		20	10	30
Grand Total		353	201	554

Workforce Profile of Target Groups – Public Service Act 2008

Category	Staff
Aboriginal and Torres Strait Islander	5
Non English-Speaking Background	34
People with a Disability	46
Women	353

Women's Initiatives

The Public Trust Office supports initiatives that assist women to compete for promotion equitably within the Office. These initiatives include:

- attendance at Springboard training
- sponsorship in the Public Sector Management Program
- encouragement in gaining tertiary qualifications with support through SARAS provisions
- identification of opportunities for women to gain experience in a variety of roles.

The table provides a breakdown of the number of women at each employment classification level within The Public Trust Office.

Classification	Total
A02	102
A03	129
A04	66
A05	25
A06	13
A07	4
A08	1
P03	4
P04	7
P05	1
P06	1
Grand Total	353

International Women's Day 2009

International Women's Day 2009 was celebrated in all branches of the Office with a morning tea on the 6th of March. The Brisbane Office invited 3 successful and inspirational women to share their stories of their own professional and personal lives. Themed 'Our Women, Our State', International Women's Day 2009 celebrated 150 years of amazing women and reflected on the achievements of the many pioneering and inspirational women who have contributed to making Queensland the State we have become.

In launching the event, Glenn Dickson, welcomed staff and noted over 63% of staff at the Office are female.

"The balancing of gender ratios is important in the Office. As we all know the only constant in life is change and female staff in this Office

have championed and led many of the positive changes that have occurred within the Office."

Special guest speakers were Dr Marianne Doyle, Lien Yeomans and Bev Ryan.

Marianne spoke of her achievements which included being awarded a Doctor of Astrophysics and her much loved hobby – driving her 750cc BMW motorcycle. Bev reflected on her achievements which included launching her own magazine *Honestly Woman* and co-founding a not-for-profit organisation, 'WomenRace4'. Lien spoke of opening her own restaurant and publishing her book *Green Papaya: New Fruit From Old Seeds*. Hearing their stories and achievements we learn that women have never been scared of change or making adjustments along the road to their present careers.



What you won't find in *Honestly Woman* magazine.



International Woman's Day, Rhonda Mayer.



Dr Marianne Doyle, Lien Yeomans, Bev Ryan, Glenn Dickson and Rhonda Mayer.



Southport Office International Woman's Day morning tea.

Training and Development

In the financial year ended 30 June 2009, the Office maintained the culture of continuous improvement as evidenced by the breadth and complexity of training courses provided in the year. An important goal was to shape training specifically to the needs of the various programs within the Office. This training and development included:

- online Induction for all new employees
- financial and leave assistance through the Study and Research Assistance Scheme (SARAS). 26 staff received assistance for their vocational studies
- participation in the Public Sector Management Program, with (2) staff attending the program which is aimed at tertiary level management education and focused on strengthening practical skills
- the Public Service Training Package, an accredited program for employees at AO2 and AO3 classifications, or equivalent and diploma level training for employees at AO4 classification or equivalent. (19) staff enrolled in one of the qualifications being offered which includes:

- Certification IV in Financial Services (Personal Trust Administration)
- Certificate IV in Government
- Diploma in Financial Planning
- maintaining technical and professional skills and qualifications by providing standard and tailor made courses which are designed to meet Office requirements in a wide range of areas, delivered by internal trainers and external service providers.

Some major training initiatives included:

- Practical People Management Program
- Springboard Program
- DORIS Decision Making
- Disability Services Communication
- Prosocial Behaviour Workshops
- Document Maker Training
- Client Services Technical Training which encompasses development and maintenance of computer based training and information packages as well as training delivery specifically for our Client Services staff.



Client Services Training

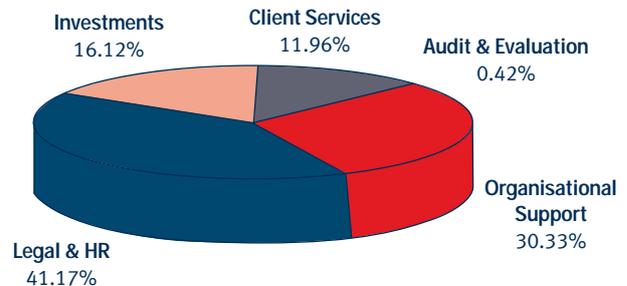
The financial year ended 30 June 2009 saw the continuing development of a number of training packages to complement the existing Minors and General Trusts, Deceased Estates and Disability Services modules, as well as revision of existing modules and development of a revised training environment for Disability Services. This was supported by regional office training provided by three Technical Training Officers. The packages now comprise:

- Initial Minors and General Trusts Training
- Initial Disability Services Staff Training
- Disability Services Communication Training
- Client Service Plan Training
- Initial Deceased Estates Staff Training
- Deceased Estates Additional Training – Entitlements and Distributions
- Testamentary Trust Training
- Taxation Training Modules
- Statements Training
- Client Equities Training Module
- Property Management Training Module.

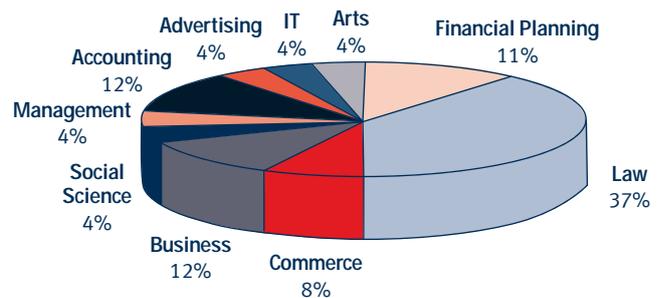
Training in the year ended 30 June 2009 focused on the development of supervisors, managers, leadership and people management skills, as well as developing the communication and client service skills of our staff to ensure that we provide an effective service to our clients.

The Office remains committed to a ‘balanced’ approach with attention focused on increasing the overall professional development of staff. There is also a focus on training as a response to the issue of an ageing workforce.

External Training Course attendance according to Program



SARAS Assistance Study Disciplines



Staff Recognition

The Office as a business has benefited from a workforce of loyal, professional, long-term staff who are a very important resource.

Rewards play an important role in the management process, and because work is an integral part of the life of many staff, recognising the value of their contribution cannot be underestimated. Rewards not only contribute to the self-esteem of staff, they are powerful drivers in creating a connection to the Office. Rewarding staff is critical in keeping employees motivated in today's challenging business world.

Within the Office, a total of 8 staff received long service medallions in recognition of their dedication and service.



Michelle Hulme, Michael Browne, Pamela Riseley and Patrick Wedge.

Years of Service	Number of Recipients
50 Years	1
40 Years	1
30 Years	1
20 Years	5

Australia Day Award

Brian Kilmartin was the recipient of the Public Trust Office Australia Day Award 2009.

The Australia Day Medallion recognises officers who have made a noteworthy contribution to the work of the Office during the past and/or given outstanding service over a number of years. Brian has over forty years service in the Public Trust Office and has consistently demonstrated an outstanding contribution and commitment to our clients and the Office.



Public Sector Ethics Act 1994

The Public Trustee has a Code of Conduct that complies with the requirements of Section(s) 15, 19, 20, 21 and 22 of the *Public Sector Ethics Act 1994*. The Code of Conduct is available to all staff. Through the online induction program, officers receive an overview of the Office's Code of Conduct. Training courses offered by the Office contain relevant references to the Code of Conduct and the public sector ethical principles.

Employee Retention Rate

The permanent retention rate is 89.15%. The percentage represents the number of permanent employees employed as at 30 June 2008 and still employed as at 30 June 2009.

Employee Separation Rate

The separation rate for the 2008-2009 financial year is 9.37% meaning that 9.37% of PTO's permanent employees left the Qld Public Service in the annual period from 1 July 2008 to 30 June 2009.

Organisational Support

- *Director's Report*
- *Finance & Accounting Services*
- *Information Services*
- *Property*
- *Public Affairs*



Ray Bowers, Acting Director Organisational Support

Director's Report

The Organisational Support Program provides services to the Public Trustee, the executive leadership team and staff to support decision-making, advance accountability and deliver high quality services. These services include:

- corporate planning and reporting
- Public Affairs Services
- accounting and financial services
- decision support services
- taxation services for the Office and clients
- trust accounting expertise and review
- information services
- client and corporate record keeping
- system support development
- property services for the corporation and clients.

The delivery of these services are planned and integrated to maximise the support to the other business areas of the Office and to ensure the service experience of our clients in the community is of the highest standard.

Corporate planning and reporting

The corporate planning process provides the framework for managing the performance of the Office through a planning, budgeting, reporting and review strategy so that the organisation can be effectively led and managed to allow the Accountable Officer to discharge his obligations under the *Financial Administration and Audit Act 1977*.

The *Public Trustee's Corporate Plan 2007–2012* focuses on 4 key result areas:

- Our Clients & the Community
- Our People
- Communication
- Business Process Development & Review; Innovation & Change.

The strategies developed as part of *The Corporate Plan 2007–2012* flow down through the budget and reporting process for each program, to the roles and development of individuals, and ultimately to organisational performance.

Key performance indicators and general performance indicators have been developed across the Office.

Finance & Accounting Services



Andrew Grima, Chief Finance Officer

The Finance Program consists of four sub-programs that provide key organisational support to all areas of the office. The 4 teams that comprise the Finance program are:

- Financial Accounting
- Decision Support Services
- Taxation
- Trust Accounting.

Financial Accounting Services

Finance provides business services to both core operations and various external parties of the Office. This includes the provision of expert financial advice, administrative processing and the preparation of annual financial statements.

Business services provided to core operations include:

- cashiering service at Brisbane auctions
- receipting on behalf of clients and the Office
- payment processing via EFT and cheques
- accounting reconciliations and reporting
- production of Annual Financial Statements
- compliance monitoring in relation to the Common Fund as approved by the Investment Board.

Services were also provided to the following charitable trusts:

- Queensland Community Foundation
- Forde Foundation
- Disaster Appeals Trust Fund
- Lady Bowen Trust
- Queensland Aboriginal and Torres Strait Islander Foundation.

These services include receipting and payment processing, preparation of GST returns and the production of monthly and annual financial reports.

In addition, financial and administrative services were provided to the Department of Communities for caravan park administration. The Public Trustee provides trustee administration services for the following caravan parks:

- Monte Carlo Caravan Park Trust
- Lazy Acres Caravan Park
- Woombye Gardens Caravan Park.

Whilst the caravan parks each have their own manager, the Office provides financial accounting services on behalf of the Department of Communities which includes:

- provision and maintenance of financial controls over the collection of rents and other incidental income
- paying accounts
- opening and operating bank accounts
- maintaining financial systems for each caravan park
- bank reconciliations
- asset management and GST returns.

Monthly and annual general purpose financial reports are also prepared as required, for all of these entities.

Other services provided by Finance include:

- preparation of the annual special purpose financial report for the Funds
- administration of corporate custodian and corporate trustee transactions
- operation of numerous bank accounts on behalf of our corporate custodian and trustee clients.

Decision Support Services

Decision Support Services provides quality business reporting and forecast data to senior management to enable strategic decision making through the following services:

- integrated business reporting
- monthly performance reporting including actual to budget and forecast results
- activity based costing by product and centres
- systems accounting support and systems development
- budget development, including briefing papers for the Estimates Process
- Whole of Government and Treasury reporting
- GST and annual FBT returns.

During the year, the Decision Support team project managed the upgrade of our Finance One accounting package from version 11.1 to version 11.4. The upgrade was successful and resulted in enhancements to authorisations, alerts, workflow and component charts.

The Office is currently undertaking a review of its fees and charges. Decision Support staff are providing expert assistance to this project.

Taxation Services for the Office and clients

The Tax Accounting team operates an Australian Taxation Office lodgement program, under a registered tax agent. This team is responsible for providing taxation accounting services for our clients and advice to Trust Officers who are responsible for our client's financial affairs. The Tax Accounting team prepares approximately 3000 tax returns per annum.

The Taxation Enhancements Project is continuing with the objectives of:

- improving/automating the data collection process
- collecting information electronically
- improving the quality of data entered by Trust Officers
- automating the transfer of data from the Client Information Management System to the Taxation package.

Trust Accounting

The Trust Accounting team fulfils 2 major roles. The first is a quality control process of reviewing client statements for completeness and accuracy. An annual cyclical review program is conducted across all regions resulting in the review of Deceased Estate and Trust activities.

The team's reports are relied upon by internal and external audit and the Audit Committee, as a source of assurance over compliance with internal policy and procedures and accuracy of data within the Client Information Management System.

Accurate technical reporting allows management to develop strategies for the training and development of staff and minimisation of transactional risks. The team also provides an advisory role for Trust Officers where unusual transactions occur. In these situations, the Trust Accounting team's depth and breadth of experience is used to assist in the completion of the activity and ensure correct trust accounting treatment. The Trust Accounting team is also involved in the delivery of training where recurrent technical issues are identified.

Information Services



Geoff Rayner, Acting Chief Information Officer

The role of Information Services is to support office information systems and to engineer greater system's efficiency.

The priorities for the development of our IT systems are determined by the Information Steering Committee (ISC). All proposals brought to the ISC are examined in light of 4 criteria:

- reducing costs
- increasing revenue
- increasing productivity
- complying with legislation.

Significant IT projects must meet at least one of these criteria to gain ISC endorsement and priority allocation.

Core Services

- network services, including servers, personal computers, printers and other hardware and software
- development and maintenance of the organisation's core client IT system the Client Information Management System (CIMS)
- Service Desk support services for desktop systems, Finance One and CIMS
- records, mail and document management systems
- Web development and maintenance.

Client and Office Recordkeeping

The Public Trust Office is aware of its obligation under the *Public Records Act 2002* and the principles contained in Information Standard 40: Recordkeeping.

The State Archivist has endorsed the Office Strategic Recordkeeping Implementation Plan and has granted an extension of time for compliance with Information Standard 40.

During 2008-2009 the Office made considerable progress towards achieving compliance with IS 40 through the selection and purchase of an eDRMS solution and this progress will continue through 2009-2010 with the implementation of a pilot site as its initial implementation.

The Office has made a significant investment towards improved recordkeeping practices through the:

- appointment of a Records Manager
- implementing a Corporate Record Keeping Policy
- the endorsement of the retention and disposal schedule by the State Archivist
- updating of all job descriptions to include record keeping as one of the responsibilities
- running of record keeping awareness sessions for staff.

Record keeping has been enhanced by the introduction of and on-going training of, Records staff in records management practices.

Property



Mark Scanlan, Deputy Director Property

The Property Sub-program supports Trust Officers who deliver deceased estate, trust, disability and ageing services to clients. The Property Sub-program manages the Office's corporate property assets across Queensland.

Core Services

- property management
- property valuation
- house, motor vehicle and furniture auctions
- management of corporate property assets.

In the year ended 30 June 2009, the Property Sub-program provided auction services throughout Queensland, with house and motor vehicle auctions regularly conducted in most major centres. The Sub-program conducted over 385 auctions and even though the economic climate did impact on auction results, there were some highlights. There was an increase of 19% in the number of items of furniture and computers sold over the year and the clearance rate for motor vehicles was maintained at the same rate as the previous year.

The Property Sub-program sold 172 houses, 5612 motor vehicles and 17,084 lots of furniture and computers in the year ended 30 June 2009. Additionally 1,385 valuations were arranged on behalf of deceased estate and trust clients representing a 8% increase in valuations over the prior year.

Services to the Queensland Government in the year ended 30 June 2009 include:

- selling Gaming Machine Operating Authorities by tender
- selling surplus vehicles in most major centres throughout Queensland
- assisting the Department of Mines and Energy in relation to the 2008 mines subsidence at Collingwood Park
- selling assets acquired from the proceeds of crime.

Public Affairs



Karen O'Brien-Hall, Acting Manager Public Affairs

The Public Affairs Sub-program provides strategic client relations, internal and external communications, promotional and media advice to the Public Trustee, executive leadership team and Regional Managers.

Core Services

The Core Services include:

- client relations
- complaints management
- external and internal communications
- media relations
- promotion initiatives
- event coordination and management
- publication design, production and distribution, including Annual Report.

The continuing aim of the Public Affairs Unit is to strengthen public awareness of the Office's core services. To achieve this aim, the Public Affairs Unit engages with our community by

- supporting Seniors Sunday Funday (major supporter)
- Senior Superstar (partner)
- Law Week 2009
- Brisbane Retirement & Lifestyle expo
- MND Carers workshop

- “Living with Memory Loss” Workshops organised by Alzheimers Australia (statewide)
- Post School Options Expo for students with Disability & Special Needs
- numerous Regional Health and Ageing Seminars.



Other Reporting

- *Consultants*
- *Voluntary Early Retirement*
- *Redundancies*
- *Whistleblowers*
- *Costs of Boards & Committees*
- *Overseas Travel*
- *Freedom of Information*

Consultants

Fourteen (14) consultancy firms were engaged during the 2009 financial year to conduct fourteen (14) different consultancies. The total amount paid to these firms was \$101,655.07.

- Deloitte were engaged to provide professional services and a review of the management fees for PTIF's (\$34,000)
- Unisys Australia Pty Limited were engaged to undertake a record keeping audit (\$25,000)
- Griffith University were engaged to provide advice in regards to Common Fund management strategies (\$9,991.35)
- Hawker Britton were engaged to provide professional advice in relation to communication strategies (\$8,660)
- Scanlan Consulting were engaged for the provision of advice, preparation and participation in regards to the Audit Committee (\$4,550)
- Technology One were engaged to provide systems administration training and resolution of work flow issues (\$3,900)
- Ernst & Young were engaged to provide professional advice in regards to the accounting policy (\$3,275.40)
- Mercer (Australia) Pty Ltd were engaged to supply work value assessments (\$3,150)
- Lambda Financial Solutions Pty Ltd were engaged to provide professional advice in regards to legislative changes (\$2,700)
- Locus Pty Limited were engaged for the implementation of the Locus Affinity and Oracle software (\$1,920)
- Aurion Consultancy were engaged to provide professional advice in regards to the Masterfile Audit Report (\$1,500)
- Brumfield Bird and Sandford Pty Ltd were engaged to provide public relations professional advice (\$1,392.10)
- Directory Concepts were engaged to provide professional advice in regards to the user database management system (\$1,200)
- Latemore & Associates were engaged for the provision of advice in regards to the Directors Forum (\$426.22).

Category	Expenditure \$
Deloitte	34,000.00
Unisys Australia Pty Limited	25,000.00
Griffith University	9,991.35
Hawker Britton	8,660.00
Scanlan Consulting Solutions	4,550.00
Technology One	3,900.00
Ernst & Young	3,275.40
Mercer (Australia) Pty Ltd	3,150.00
Lambda Financial Solutions Pty Ltd	2,700.00
Locus Pty Ltd	1,920.00
Aurion Consultancy	1,500.00
Brumfield Bird and Sandford Pty Ltd	1,392.10
Directory Concepts	1,200.00
Latemore & Associates	426.22
TOTAL	\$101,655.07

Voluntary Early Retirement (VER)

There were no Voluntary Early Retirement payments during 2008-2009.

Redundancies

There were no redundancy payments during 2008-2009.

Whistleblowers

There were no disclosures as required under Sections 29(2), 29(3) and 30(1) of the *Whistleblowers Protection Act 1994* during the year ended 30 June 2009.

Cost of Boards & Committees

Name	Amount
The Public Trust Office Investment Board	\$3,163
Audit Committee	\$4,095

Overseas Travel

No official overseas travel was undertaken by any employees in the 2008-09 financial year.

Freedom of Information (FOI)

Twenty-two applications for access to documents pursuant to the provisions of the *Freedom of Information Act 1992* were received during the financial year ended 30 June 2009.

Applications for access were received from clients, relatives of clients of the Office and members of the public. Sixteen applications

were made by persons seeking access to documents which did not relate to their personal affairs [73%]. Six applications [27%] were made by persons seeking access to documents relating to their personal affairs.

The following table breaks down the results of FOI applications received in the 2009 financial year.

A decision made in the financial year ended 30 June 2009, is the subject of an Internal Review and is yet to be decided.

The cost of compliance with the *Freedom of Information Act 1992* is not covered by the fees charged for applications. FOI fees received totalled \$264. However, the costs associated with dealing with FOI applications, internal reviews, administration and training were calculated at \$34,070.

Result of Application	Number
Full Release	6
Partial Release	3
Refused	1
Fee Not Paid [non personal]	6
Lapsed – section 25(2)(b)	1
Section 51 consultation	2
Section 19	1
Dealt with administratively	2
Awaiting determination	0
Total	22
Applications for Internal Review	1
Applications for External Review	0

Our Legislation

The history of the Public Trust Office and its predecessor, the Office of the Public Curator dates back to 1916.

The current *Public Trustee Act 1978* was assented to on 8 December 1978 and commenced 1 January 1979. It is now in its thirtieth year.

The Public Trustee of Queensland is a corporation sole. The Attorney-General and Minister for Industrial Relations is responsible for the *Public Trustee Act 1978*.

For the last 93 years the Office has provided services including:

- making wills
- administration of deceased estates
- the management of trust matters.

The service to the community reflects not only the statutory responsibilities under the *Public Trustee Act 1978* but also the objectives from our strategic plan.

The Office has a wide range of powers and functions under many Acts including the following:

Acquisition of Land Act 1967

Adoption Act 2009

Associations Incorporation Act 1981

Charitable Funds Act 1958

Child Protection Act 1999

Child Protection (International Measures) Act 2003

Collections Act 1966

Companies (Acquisition of Shares) (Application of Laws) Act 1981

Corrective Services Act 2006

Criminal Proceeds Confiscation Act 2002

Disposal of Uncollected Goods Act 1967

Drugs Misuse Act 1986

Gaming Machine Regulation 2002

Guardianship and Administration Act 2000

Juvenile Justice Act 1992

Land Sales Act 1984

Local Government Act 1993

Manufactured Homes (Residential Parks) Act 2003

Mineral Resources Act 1989

Mixed Use Development Act 1993

Motor Accident Insurance Regulation 2004

Personal Injuries Proceedings Act 2002

Police Powers and Responsibilities Act 2000

Powers of Attorney Act 1998

Property Agents and Motor Dealers Act 2000

Property Law Act 1974

Public Officers Superannuation Benefits Recovery Act 1988

Public Trustee Act 1978

Residential Services (Accreditation) Act 2002

Residential Tenancies and Rooming Accommodation Act 2008

Retirement Villages Act 1999

Second-hand Dealers and Pawnbrokers Act 2003

Storage Liens Act 1973

Succession Act 1981

Trust Accounts Act 1973

Trusts Act 1973

Water Act 2000

Workers Compensation and Rehabilitation Act 2003

Victims of Crime Assistance Act 2009

Glossary of Terms

Accountable officer

The chief executive of a department of Government declared under the *Public Service Act 2008*, section 14(1), is the accountable officer of the department. (*Financial Administration and Audit Act 1977*, S 34(1)).

activity

Any work performed on a project or as part of a program. It may be a task or a set of tasks to be completed. An activity has a finite duration and will result in one or more deliverables. An activity will generally have cost and resource requirements. Some activities are operational in nature and are often ongoing.

agency objective

The effects or impacts that an agency seeks to have on its clients, stakeholders, or the broader community.

Annual Report

A written report on the operations of the agency during the financial year, as prescribed by the *Financial Administration and Audit Act 1977*, S 39.

Budget

An outline of Office's priorities and plans for the coming year, expressed in terms of financial and non-financial performance information.

Client Service Centres (CSC)

CSCs are streamlined processing centres located in larger regional offices.

Community Service Obligations (CSO)

Services to the Queensland community performed by the Office which are provided at no cost to Government.

Complaints Management System (CMS)

The policy and procedures employed by the Office to manage the concerns of clients and stakeholders.

fiscal objectives

Detail the Office's commitment to maintaining a strong fiscal position and asset base to support the current and future service delivery needs.

Freedom of Information (FOI)

The legislation enabling citizens to access documents held by government agencies under the *Freedom of Information Act 1992*.

Government targets

Set specific, observable and measurable goals for improvement in key policy areas. Achievement of Government targets is likely to require collaboration between multiple government agencies.

Toward Q2: Tomorrow's Queensland is the Government's blueprint for the state to the year 2020. Toward Q2: Tomorrow's Queensland includes 10 specific whole-of-Government targets.

initiative

'Initiatives' could occur at any level within the performance management framework as ways that an agency intends to enhance, expand, or change its objectives or the way that it achieves them. An 'initiative' could relate to a small process improvement within the agency, or a major policy shift.

Machinery of Government (MoG) change

From time to time, the Premier will re-align responsibilities across government agencies. These re-alignments are known as Machinery of Government (or MoG) changes.

Non-Government Organisation (NGO)

An association based on the common interests of its members, individuals, or institutions. It has no government status or function and is not created by, nor is its agenda set or implemented by, a government. Their work is devoted to the enhancement of welfare amongst the socially disadvantaged.

NGOs work at the national or local community level and often work cooperatively with governments.

output

Services that are provided by agencies for clients (including policy advice provided to Ministers). Output details are provided in the Budget documentation (Service Delivery Statements).

output performance measure

Units of measurement used to determine and assess the delivery of outputs (services). They measure the quantity, quality, cost, timeliness and location of services. Full details of each agency's performance are provided in the Budget documentation (Service Delivery Statements).

performance improvement strategy

A strategy established where risks or opportunities relating to the achievement of whole-of-Government targets are identified.

performance indicator

Measure the extent to which the Office achieves its objectives.

performance information

A generic term used to describe information about the performance of an agency or Government at any level of the performance management framework.

performance management

Considered to be the system, which integrates organisational strategic management, performance information, evaluation, performance measurement, monitoring, assessment and reporting.

Performance Management Framework

The Performance Management Framework is designed to improve the analysis and application of performance information to identify and address risks and opportunities for agencies, Government and the community.

The Queensland Government approved that the Managing for Outcomes framework be replaced with a new Performance Management Framework in August 2008.

public service office

An entity stated as a public service office in Schedule 1 to the *Public Service Act 2008*, or subject to section 23, another designated entity, or part of a designated entity, declared under a regulation to be a public service office.

Service Delivery Statement (SDS)

Budget papers prepared on a portfolio basis by agencies reporting to each Minister and the Speaker. The SDS set out the priorities, plans and financial statements of agencies.

service standard

Describes the standards of efficiency and effectiveness to which the agency will deliver services within its fiscal limit. Standards are set with the aim of defining a level of performance that is appropriate for the service and is expected to be achieved.

services

Services are the deliverables that will help the agency to achieve its objectives. They describe the areas in which an agency delivers services to its clients at a level appropriate to the agency.

strategic plan

Each Accountable officer and statutory body must develop a strategic plan for the agency to cover a period of at least 4 years.

Strategic Governance Group (SGG)

The focal point of the corporate governance framework reporting strategy of the Office. The key challenge of the SGG is ensuring corporate governance principles are well understood and applied throughout the Office.

strategy

The way in which an agency intends to pursue its objectives and deliver its services, and assist in achieving the Government's objectives for the community.

Strategies can occur at various levels within an agency.

the Office

Abbreviation in this report of the name of the agency known as the Public Trustee of Queensland.

the Public Trustee

The term used in this report to reference the person (CEO) of the Public Trustee of Queensland.

The Public Trustee of Queensland

Both the title of a person and the name of the agency. For clarity in the 2009 Annual Report the person is abbreviated to "the Public Trustee" and the agency is abbreviated to "the Office".

The Public Trustee of Queensland

The Chief Executive Officer (CEO) of The Public Trustee of Queensland.

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* IFC – Inside front cover

* IBC – Inside back cover

Future Priorities

The Office is currently developing the Strategic Plan 2009-2013 to be implemented in the financial year ended 30 June 2010.

Incorporated into the Strategic Plan, are the following priorities:

- deliver responsive client services by developing service standards which reflect the evolving expectations of our clients
- improve productivity and reduce costs to achieve targeted commercial returns for all service categories ensuring that the Office can continue to provide services to the people of Queensland at no cost to the Government
- enhance revenue from existing service categories, by increasing both client numbers and the value of estates
- explore and develop services complementary to core services of the Office
- review the Office fee schedule and CSO obligations to ensure fee levels for all services are fair, commercially competitive and reflect the service delivery costs
- ensure investment strategies for clients and for the Office assets are robust, competitive and ethical
- raise the public image and profile of the Office and develop an active marketing program for core services
- enhance the capabilities of our people and ensure our work places are conducive to achieve high levels of productivity and job satisfaction for staff.

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Queensland Government

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