

The Public Trustee of Queensland

2012–13 Annual Report



Communication Objective

This annual report provides information about The Public Trustee of Queensland's financial and corporate performance for 2012–13. It has been prepared in accordance with the *Financial Accountability Act 2009*.



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 1300 360 044 and we will arrange an interpreter to effectively communicate the report to you.

Copies of this publication can be obtained at www.pt.qld.gov.au/publications/corporate.html, by phoning 1300 360 044 or emailing clientenq@pt.qld.gov.au

ISSN 1839–1451

© The State of Queensland, The Public Trustee of Queensland 2013.

Published by The Public Trustee of Queensland, September 2013, 444 Queen Street, Brisbane Qld 4000.

Licence

This annual report is licensed by the State of Queensland, The Public Trustee of Queensland under a Creative Commons Attribution (CC BY) 3.0 Australia licence.



CC BY Licence Summary Statement

In essence, you are free to copy, communicate and adapt this annual report, as long as you attribute the work to the State of Queensland, The Public Trustee of Queensland.

To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/au/deed.en>

Attribution

Content from this annual report should be attributed as: The State of Queensland, The Public Trustee of Queensland, Annual Report 2012–13.

Contents

Letter of Compliance	1
Year in Review	2
About The Public Trustee of Queensland	3
Highlights	4
Strategic Direction	5
Future Priorities	6
Key Challenges	6
Non-Financial Performance	7
Objectives and Performance Indicators	7
Community Service Obligations	9
Service Areas, Service Standards and Other Measures	10
Philanthropic Charitable Trusts	11
Financial Performance	13
Statement of Financial Position	15
Chief Finance Officer Statement	16
Governance – Management and Structure	17
Organisational Structure	17
Executive Management	18
Senior Management Committees	19
Boards and Committees with External Membership	23
<i>Public Sector Ethics Act 1994</i> and Code of Conduct	25
Governance – Risk Management and Accountability	25
External Scrutiny	26
Governance – Human Resources	27
Workforce Planning, Attraction and Retention	27
Early Retirement, Redundancy, Retrenchment and Voluntary Separation Program	28
Open Data	28
Legislation	29
The Public Trustee of Queensland Financial Statements (FS 0 – FS 47)	30
The Public Trustee of Queensland Investment Funds Financial Statements (PTIF 0 – PTIF 31)	78
Glossary	110
Acronyms	113
Office Locations	



9 September 2013

The Honourable Jarrod Bleijie MP
Attorney-General and Minister for Justice
Level 18, State Law Building
50 Ann Street
BRISBANE QLD 4000

Dear Attorney-General

I am pleased to present the Annual Report 2012–13 and financial statements for The Public Trustee of Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*.

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

Yours Sincerely

Peter Carne
The Public Trustee of Queensland

Will making
Enduring Powers of Attorney

Executor Services
Estate Administration

Disability Services
Trust Administration

Real Estate Auctions and Sales
Charitable Trusts

Year in Review

Over the past twelve months, there has been continued growth in the appointment of the Public Trustee as financial administrator for Queenslanders with impaired capacity for decision making. Many of these appointments are the result of financial elder abuse. Sadly there is a growing prevalence of this kind of abuse in our community. I am pleased to be able to report that the Office has had success in recovering lost assets in relation to individual cases of elder abuse. We also have been able to contribute to raising awareness within the community to assist in the prevention of elder abuse.

During the current year, services were provided to in excess of 8,000 clients who otherwise would not have had the necessary assistance in dealing with their financial affairs. This trend is expected to continue as the population ages and the incidence of impaired capacity for decision making grows in the community.

As a self funding organisation it is particularly pleasing that we provided approximately \$26.9M Community Service Obligations (CSO) at no cost to the Queensland government. Our CSO include: rebate of fees for financially disadvantaged clients; provision of free Wills to Queenslanders; contributions to the Office of the Adult Guardian; and contributions and support to the Queensland Community Foundation and Civil Law Legal Aid.

A key area of focus has been improving frontline service delivery through:

- implementation of a central enquiry portal which has been fully integrated into our service delivery model,
- establishment of a new Client Service Centre in Brisbane specialising in residential care,
- establishment of an Intestacy Entitlement Unit to locate missing beneficiaries and certification of entitlement in intestate deceased estates,
- measuring the level of client satisfaction to confirm client expectations, drivers of satisfaction and identify opportunities for improvement, and
- implementation of a revised client investment strategy relevant to current financial market conditions.

The Public Trustee has continued to achieve strong cost control (including establishment management) in an environment of increased demand for our services. These outcomes were achieved whilst also investing in a number of strategic initiatives that will benefit the organisation in future years.

The past year has been one of significant development for the Public Trustee and staff have continued to show strong commitment to ensuring delivery of high quality services to clients. Staff have also contributed to the provision of services to the community more broadly through education and awareness programs as well as the ongoing development of the organisation through a range of strategic initiatives.

I acknowledge and thank all staff for their contribution. I would also like to thank the range of organisations we work with across the Public, Not-for-Profit and Private sectors to serve Queenslanders in achieving our objectives for the community.



Peter Carne
The Public Trustee of Queensland

About The Public Trustee of Queensland

PTQ has been serving Queenslanders since 1916 and is governed by the *Public Trustee Act 1978*. Operating as a corporation sole, we provide financial, trustee and legal services to the people of Queensland. This service is delivered through a network of sixteen regional offices in the following locations:

Brendale	Gladstone	Mount Isa	Southport
Brisbane	Ipswich	Nambour	Sunshine Coast
Bundaberg	Mackay	Redcliffe	Toowoomba
Cairns	Maryborough	Rockhampton	Townsville

For PTQ office locations and contact details please refer to the inside backcover.

Delivery of these services outside of the above regional locations is supported by the Queensland Government Agent Program (QGAP) and the local court networks as our agents.

Our Vision is to be Queensland's best provider of trustee and administration services. This is achieved through our purpose of providing professional and accessible services in:

- Deceased Estates
- Trusts
- Will making
- Financial Management for those with impaired capacity for decision making
- Facilitating philanthropy.

Our Values are:

Accountability

- we are responsible for our actions, decisions and performance
- we strive for transparency in decision-making and relevant timely disclosure to our clients and their carers.

Client Service

- striving for excellence in everything we do
- developing enduring, respectful and compassionate relationships with our clients
- responding to new and emerging client needs.

Integrity

- maintaining the highest standards of ethical practice as trustees and administrators.

Our services aim to:

- ensure prudent management of the financial assets of members of the community, with minimum recourse to the Queensland Civil and Administrative Tribunal (QCAT) or the Courts
- ensure an orderly succession of property between generations with minimum recourse to the Court system
- support the Queensland community by making Wills free of charge and Enduring Powers of Attorney at an affordable cost
- provide members of the community with the assurance that PTQ will act as their Attorney.

In addition to its core services, PTQ also provides the following services:

- trustee services for philanthropic foundations
- unclaimed moneys processing
- undertaking functions pursuant to various pieces of legislation, including the:
 - *Criminal Proceeds Confiscation Act 2002*;
 - *Associations Incorporation Act 1981*; and
 - *Trusts Act 1973*
- managing the financial affairs of prisoners that fall within Part 7 of the *Public Trustee Act 1978*.

Highlights

Key achievements during 2012–13 included:

- ongoing financial management of clients under a legal disability
- provision of a range of CSO with an approximate value of \$26.9M at no cost to Government including fees rebated for financially disadvantaged clients, provision of a free Will making service and public education in areas such as Wills and Enduring Powers of Attorney with an emphasis on planning for life and support for a range of community services such as the Adult Guardian and Legal Aid
- continued enhancements to frontline service delivery through the completion of the implementation of a central enquiry portal for clients and establishment of an Intestacy Entitlement Unit. A new Client Service Centre (CSC) was implemented in Brisbane specialising in residential care.
- promotion of community awareness surrounding financial elder abuse and successfully pursuing, through legal processes, the recovery of funds misappropriated in the course of financial elder abuse
- undertaking client surveys to measure the level of satisfaction with the current service and to identify opportunities for improvement
- ongoing review of property related services for clients to enhance service delivery and ensure alignment with Government priorities and objectives
- acting as trustee for philanthropic trusts and foundations with funds under management in excess of \$100M
- the successful sale of property, chattels and goods in a significant criminal confiscation matter. The net sale proceeds have been returned to Government
- maintained strong establishment management in an environment of increased demand for our services whilst meeting Government objectives
- continuous improvement in fraud awareness programs
- revised client investment strategy implemented appropriate for current financial market conditions
- continued business efficiency and effectiveness improvement through successful services contract renegotiation
- disposal of property surplus to operational requirements.

Strategic Direction

Our Clients

Meet the needs of current and future clients of The Public Trustee of Queensland in an ethical, professional and responsive way

Government objective: Revitalise frontline services for families

- continue to maintain our focus on frontline service delivery for our core purpose
- integrate demographic analysis into future service delivery planning and implementation
- provide professional and accessible services
- reassess our business model to meet growing demand for frontline services
- establish more effective and efficient delivery of resources to meet increasing stakeholder demand.

Our Services

Develop innovative services in a client responsive manner

Government objective: Lower the cost of living for families

- continue to meet the growing demand for the delivery of services that assist the community
- alleviate the cost to Queenslanders associated with administration of special purpose functions and Unclaimed Moneys
- ensure that investment strategies are prudent, competitive and ethical.

Our Business

Maintain a viable business model and develop our internal operations to fund a broad range of services at no cost to Government and inline with Government objectives

Government objective: Grow a four pillar economy (focusing on agriculture, tourism, resources and construction) and restoring accountability in Government

- review the future capacity of office resources to assist all Queenslanders
- develop opportunities to grow our business in areas that complement our core services
- manage the business model through an efficient use of resources
- investigate opportunities within existing business practices to guarantee the continued viability of the organisation
- raise the public image and profile of PTQ through sustained community engagement
- promote openness and transparency in our decision-making.

Our People

Develop and maintain a committed workforce

Government objective: Revitalise frontline services for families

- attract and retain key personnel in a competitive labour market
- enhance the skills of our people to promote higher levels of productivity
- ensure that job satisfaction levels remain a priority
- create opportunities for professional development within the office
- develop knowledge pathways to support future advancement of staff within the organisation.

Each of these elements is necessary to maintain our frontline service delivery commitment to the people of Queensland and to promote the initiatives of the Government.

Future Priorities

The key priorities 2013–14 include:

- ongoing financial management of clients under a legal disability
- continued provision of a range of CSO at no cost to Government
- delivering a budget surplus to ensure ongoing financial viability
- investment in the enhancement of technology and continual review of service delivery models and locations to better meet growing and changing demographic needs of Queenslanders
- further enhance frontline service delivery in light of client survey outcomes
- continued optimisation of frontline service delivery through the implementation of a CSC in Ipswich to manage the financial affairs of clients residing under the Group Housing Regime
- end to end review of the client service delivery model
- supporting Government initiatives including Unexplained Wealth Laws – *Criminal Proceeds Confiscation (Unexplained Wealth & Serious Drug Offender Order) Amendment Bill 2012*
- investigating options for greater collaboration with other agencies
- continued involvement in philanthropic sector
- further investment in upgrading facilities at regional offices to better service clients.

Key Challenges

The key challenges for 2013–14 include:

- improving efficiency and effectiveness of frontline service delivery to meet increasing client expectations
- if there is further tightening of the economic conditions it may impact PTQ ability to maintain the delivery of the CSO at the current rate of growth
- the growing reliance on our services to meet the demand resulting from the changing socioeconomic demographics
- the need to refine our business model to meet increasing complexity associated with client needs
- maintaining community confidence in the services we provide
- adapting our service delivery model to meet the priorities of the Queensland Law Reform Commission recommendations on Guardianship.

Non-Financial Performance

Objectives and Performance Indicators

Objectives for this reporting period relate to the 2012–16 Strategic Plan. PTQ Strategic Plan aligns with the Government's community objectives. The following is PTQ's progress towards achieving its objectives in the reporting period:

Our Clients

Meet the needs of current and future clients of The Public Trustee of Queensland in an ethical, professional and responsive way

Government objective: Revitalise frontline services for families

- made 25,309 Wills and 3,643 Enduring Powers of Attorney for Queenslanders
- provided financial administration services for 8,217 adults with impaired capacity for financial decision making as at 30 June 2013
- maintained and reviewed our outreach services to better provide access to Will and Power of Attorney document making services
- improved interaction and responsiveness to clients through the implementation of a central enquiry portal
- continued community engagement through education forums and information sessions delivered across Queensland on the importance of having a legally binding Will and Enduring Power of Attorney and awareness of the prevalence of elder abuse and prevention strategies
- integrated service delivery planning informed by independent demographic information
- reviewed client investment strategies appropriate to the prevailing market conditions
- paid approximately \$1.8M in Unclaimed Monies to Queenslanders as a result of heightened community awareness
- developed a Trust Officer Competency Framework
- developed and implemented surveys and indices to gauge client satisfaction, identify opportunities for improvement and to measure progress
- provided additional resources to support frontline service delivery whilst maintaining tight fiscal controls.

Our Services

Develop innovative services in a client responsive manner

Government objective: Lower the cost of living for families

- implemented a new CSC to provide more efficient and effective service delivery
- delivered approximately \$26.9M in CSO at no cost to the Queensland Government
- maintained our services through outreach visits and increased our presence in the community through attendance at court houses, QGAP agencies and selected Centrelink Offices
- realised property confiscated under the *Criminal Proceeds Confiscation Act 2002* and paid approximately \$15.49M to Government from the proceeds
- review of property related services for clients to enhance service delivery
- commissioning financial planning and asset insurance services to enhance support and mitigate risk for clients
- prepared 14,493 client tax returns within the agreed Australian Taxation Office lodgement timeline.

Our Business

Maintain a viable business model and develop our internal operations to fund a broad range of services at no cost to Government and inline with Government objectives

Government objective: Grow a four pillar and restoring accountability in Government

- delivered a strong financial performance whilst providing approximately \$26.9M in CSO at no cost to Government
- renegotiated contract for core information management systems realising significant savings and delivering improved contract management arrangements
- improved establishment management processes through the implementation of an Establishment Review Committee
- Human Resources (HR) metrics developed to assist in monitoring and improving workforce performance
- improved Information and Communication Technology (ICT) governance and system change management
- reviewed the management of client real estate and disposal to reduce the cost of service delivery
- implemented strategic asset management practices optimising the use of assets.

Our People

Develop and maintain a committed workforce

Government objective: Revitalise frontline services for families

- commenced implementation of a three year Workforce Plan
- implemented a comprehensive approach towards stabilising the staffing structure
- developed technical induction for Trust Officers
- developed mandatory training for all staff
- established a Workforce Planning and Development Committee
- developed a competency framework for Client Service staff
- achieved a significant reduction in HR case management.

The self-funded nature of the business is a primary driver in ensuring the efficiency and effectiveness of operations.

Community Service Obligations

PTQ is a self-funding organisation that receives no financial assistance from the Queensland Government. In 2012–13 we provided \$26.9M in CSO at no cost to the Government or the Queensland taxpayer.

CSO include works that the Queensland Government has directed PTQ to undertake which would be unlikely to occur on a commercial basis. This involves work for little or no fee.

PTQ undertakes a wide variety of CSO including:

- financial administration for adults with impaired decision making capacity where the cost of providing that service cannot be paid for in full from the adult's own funds
- a Will making service at no charge to Queenslanders (regardless of whether the PTQ is appointed Executor of the estate or not)
- public education to the community and advice to courts and tribunals in the areas in which PTQ has some expertise
- a cash contribution to the cost of the Office of the Adult Guardian
- financial assistance under the Civil Law Legal Aid Scheme to individuals who have civil actions (mostly personal injury cases), but where those people do not have sufficient funds to pay for the outlays involved in advancing that litigation (for example the cost of medical reports).

Community Service Obligations 2012–13	
Fees rebated for disadvantaged clients ⁽¹⁾	\$18,389,949
Fees rebated for principal residence and other	\$694,633
Management of prisoners' criminal compensation and civil actions	\$128,616
Public education to the community and advice to the courts and tribunals in the areas in which PTQ has expertise	\$1,195,133
Provision of free Will making service to Queenslanders (25,309 free Wills made)	\$5,044,133
Grant to the Office of the Adult Guardian	\$1,041,000
Contributions and services to Queensland Community Foundation and other philanthropic trusts	\$380,819
Civil Law Legal Aid – outlays written-off, administrative support	\$69,276
Total	\$26,943,559

⁽¹⁾ Fees rebated represented fees and charges for Disability Services clients that have been rebated (this relates to approximately 72.4% of all Disability Services clients)

CSO are reported in the Financial Statements in two areas:

- deduction from fee revenue (\$25.7M) where they are a rebate of fees or services provided at no charge
- expenditure (\$1.2M) as grants and contributions towards the other sector operations.

Service Areas, Service Standards and Other Measures

Client Services is the frontline interface with our clients and the community. We strive to make a positive difference in the lives of our clients while ensuring we fulfil our responsibilities.

During 2012–13 we continued enhancements to our frontline service delivery through the completion of the implementation of a central enquiry portal and a centralised CSC in Brisbane relating to residential care and the establishment of an Intestacy Entitlement Unit.

During the period the following service standards were achieved:

Service standards and other measures for 2012–13	2012–13 Target/est	2012–13 Actual
Number of deceased estate matters received for administration	2,390	2,328
Number of disability client matters under administration	8,024	8,217
Number of commercially uneconomical affairs of people with a disability managed at no cost to government	8,558	8,196
Total cost of managing the commercially uneconomical affairs of people with a disability	\$18.460M	\$18.390M
Number of Enduring Powers of Attorney prepared ⁽¹⁾	4,697	3,643
Number of Wills prepared ⁽¹⁾	28,112	25,309

⁽¹⁾ Inline with the new direction adopted during the financial year, The Public Trustee has redirected funds from advertising and promotion to other priority areas in frontline service delivery. This has had an impact on the public awareness of the availability of these services which is reflected in the lower figures for 2012–13 compared to target.

In addition PTQ:

- received 689 new trusts for administration with 4,271 trusts under administration as at 30 June 2013
- paid criminal confiscation proceeds of approximately \$15.49M to Queensland Treasury
- administered Unclaimed Moneys Fund and remitted \$3.6M to Queensland Treasury.

Inline with the Government's guidelines for whole of Government as part of the 2013–14 State Budget process, PTQ Service Delivery Statement now only discloses service measures that relate to the efficiency or effectiveness of services. Accordingly, four new service measures were introduced by The Public Trustee for 2013–14 as outlined in the following table.

Service standards for 2013–14	2013–14 Target/est
Overall client satisfaction with deceased estate administration service as measured by client satisfaction index ⁽¹⁾	65%
Overall client satisfaction with Will preparation service as measured by client satisfaction index ⁽¹⁾	90%
Percentage of complex estates administered within target timeframe ^{(2), (3)}	70%
Percentage of simple estates administered within target timeframe ^{(2), (4)}	70%

Notes:

⁽¹⁾ These new service standards have been introduced to measure the effectiveness of two of The Public Trustee's key services: Estate Administration and Will preparation.

⁽²⁾ These new service standards have been introduced to measure the efficiency of The Public Trustee in delivering its Estate Administration service.

⁽³⁾ The 2013–14 target timeframe for complex estates is 10 months.

⁽⁴⁾ The 2013–14 target timeframe for simple estates is eight months.

Philanthropic Charitable Trusts

PTQ is Trustee for the following leading philanthropic charitable trusts in Queensland:

Queensland Community Foundation (QCF)

QCF was established in 1997 to provide a permanent source of philanthropic funding for charitable organisations to enable them to respond to the current and emerging community needs of Queenslanders.

The Foundation continued to grow in 2012–13 and now has funds under management exceeding \$55M with pledged bequests through Queenslanders' Wills estimated to be more than \$775M. Distributions to charitable organisations during the financial year totalled \$1.87M.

For further information visit www.qcf.org.au

Queensland Aboriginal and Torres Strait Islander Foundation

The Foundation was established in 2008 and provides a secure, independent and perpetual funding source to advance the education and life opportunities of Aboriginal and Torres Strait Islander children and young people in Queensland through provision and promotion of scholarships.

Scholarships of \$1.85M for 817 Indigenous students from 118 Queensland schools were approved in 2012–13 to assist them to complete their Queensland Certificate of Education.

For further information visit www.qatsif.org.au

Lady Bowen Trust

Established in 2006, the Lady Bowen Trust aims to re-engage people experiencing chronic homelessness so they achieve genuine, positive and lasting outcomes. The Trust continued to support Mission Australia which maintains Roma House, a facility to enhance clients' life skills, confidence and resilience while assisting them to find secure accommodation.

During 2012–13 the Trust supported a number of charitable organisations through grant funding totalling more than \$117,000.

For further information visit www.ladybowentrust.org.au

Forde Foundation

The Forde Foundation was established in August 2000 in response to the findings of the “Commission of Inquiry into Abuse of Children in Queensland Institutions”. The Foundation supports former residents of Queensland Institutions through providing funding to individuals for specific purposes such as dental care, education, training and personal development opportunities. Funding was also provided to organisations that provide support services to groups of former residents.

For further information visit www.fordefoundation.org.au

Gladstone Foundation

Established in early 2011, the Foundation allows for industry funds to be channelled into a perpetual Trust to provide social infrastructure and service needs in the Gladstone Region.

The specific purposes of the Trust are relieving poverty, assisting the aged, relieving sickness or distress, advancing religion and education, providing child care services on a non-profit basis and other purposes, which benefit the Gladstone Region. The Foundation received \$13.5M from three industry sources in June 2012. The total funds under management at 30 June 2013 are approximately \$14M.

After a number of board member resignations, the Gladstone Foundation Board of Advice was without a quorum between September 2012 and April 2013. Accordingly the Board of Advice was unable to recommend grant distributions to the PTQ during this time. The Trust Deed requires the PTQ to make appointments to the Board of Advice after taking into account the views of the Minister.

After additional board members were appointed in May 2013, the Board of Advice commenced the inaugural grant round. The grant round sought applications for projects of over \$2M, with total funding of \$5M available for distribution. The PTQ anticipates that funding for successful applications from the inaugural grant round will be made in the first quarter of 2013–14.

For further information visit www.gladstonefoundation.org.au

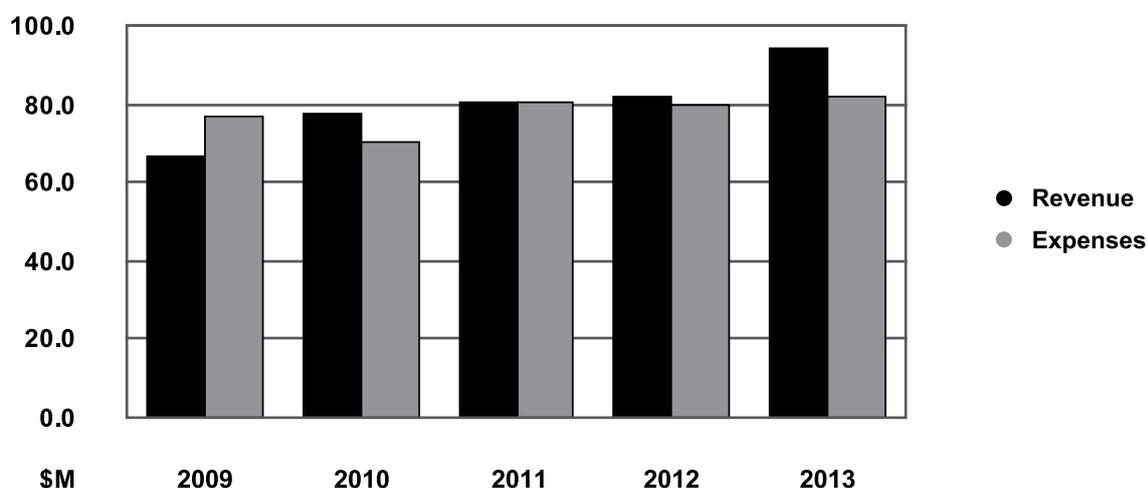
Financial Performance

The PTQ Financial Statements are included from page 30.

PTQ has achieved a strong financial result for 2012–13 recording an operating surplus of \$12.4M. This result was driven by a combination of significant business growth and the one-off recovery of outstanding balances relating to a corporate trustee client (legal costs). Additionally PTQ was able to maintain prudent cost control during the year and maintained total expenditure broadly inline with the previous year. These outcomes were achieved whilst also investing in a number of strategic initiatives which will benefit the organisation in future years.

A summary of our revenue and expenditure over the last five years is as follows. Of note, while revenue has grown significantly, expenditure has broadly been kept inline with previous years.

Revenue and Expenditure



Revenue Sources	2011–12	2012–13
Fees and Charges	58%	56%
Investment Income	35%	32%
Other Revenue	7%	12%
Total	100%	100%

Net revenue is derived by deducting CSO from gross fees and charges in the financial statements. This year, we provided a total of \$26.9M in approved CSO at no cost to the Queensland taxpayer. As PTQ is self funded, these obligations were met from our own source revenue.

Investment income increased by 5% as a result of growth in amounts held for clients in the Common Fund.

Expenditure

Expenditure	2011–12	2012–13
Employee Expenses	56%	55%
Supplies and Services	21%	23%
Interest Expense	15%	15%
Depreciation and Amortisation	3%	3%
Grants and Contributions	2%	1%
Other Expenses	3%	3%
Total	100%	100%

Total expenditure included for the first time notional expense of \$2.4M relating to storage of records received below fair value from National Archives inline with whole of Government accounting practice (an equivalent amount is also included in other revenue). Excluding the impact of this notional allocation, total expenses were broadly inline with the previous year due to prudent cost control whilst also enabling investment in the organisation through strategic initiatives. Non-employee expenses (excluding notional expense from National Archives) decreased by 2.8%, primarily resulting from lower interest expense on amounts held on behalf of clients. Supplies and services were maintained at the previous year's levels.

Employee expenses increased by a modest 2.0% during the year despite the growth in community demand for services.

Other Comprehensive Income

PTQ holds interests in financial assets and various land and buildings located throughout the State, from which its offices operate. These assets are recorded at market value and are revalued periodically in accordance with Australian Accounting Standards. The gains and losses that result from these revaluations are recorded as other comprehensive income in the statement of comprehensive income.

PTQ's accounting policy is to comprehensively revalue land and buildings every three years. Inline with this policy, during 2012–13 all land and buildings in the Common Fund were revalued resulting in a decrease in value of \$2.5M, reflective of the current property market conditions.

The market value of PTQ's financial assets recorded unrealised losses of \$0.4M. These factors resulted in total other comprehensive income being recorded at a \$2.9M deficit for 2012–13, which combined with the operating surplus, resulted in total comprehensive income of \$9.5M for 2012–13.

Statement of Financial Position

Total Assets

Total assets comprise:

- financial instruments (mainly short to medium term investments)
- cash
- property, plant and equipment.

As at 30 June 2013, PTQ held \$718.9M in assets, an increase of \$100.8M from 2012, mainly due to an increase in amounts held on behalf of clients in the Common Fund.

New physical assets commissioned in 2012–13

Given the significant volatility in financial markets in the early part of the financial year, a cautious approach to capital expenditure was adopted in the first half of 2012–13. As the outlook improved capital initiatives were commenced in the second half of the year and resulted in new physical assets comprising:

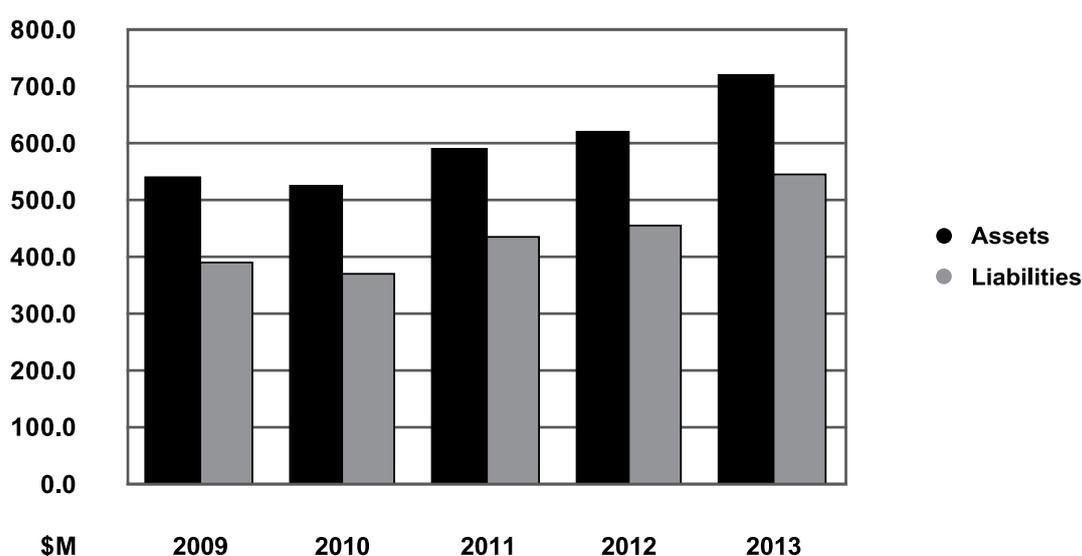
- refurbishments of offices \$0.8M
- computer hardware, plant and equipment \$0.6M

Total Liabilities

PTQ's liabilities include amounts held for clients, amounts owing to employees for leave entitlements and amounts owed to suppliers. Total liabilities were \$547.0M as at 30 June 2013, an increase of \$91.3M since the previous year primarily due to an increase in amounts held for clients.

A summary of our assets and liabilities over the last five years is as follows.

Assets and Liabilities



Statement of changes in Common Fund reserves

Total Common Fund reserves are \$171.9M as at 30 June 2013, which is an increase of \$9.5M from the prior year.

Prospective Outlook

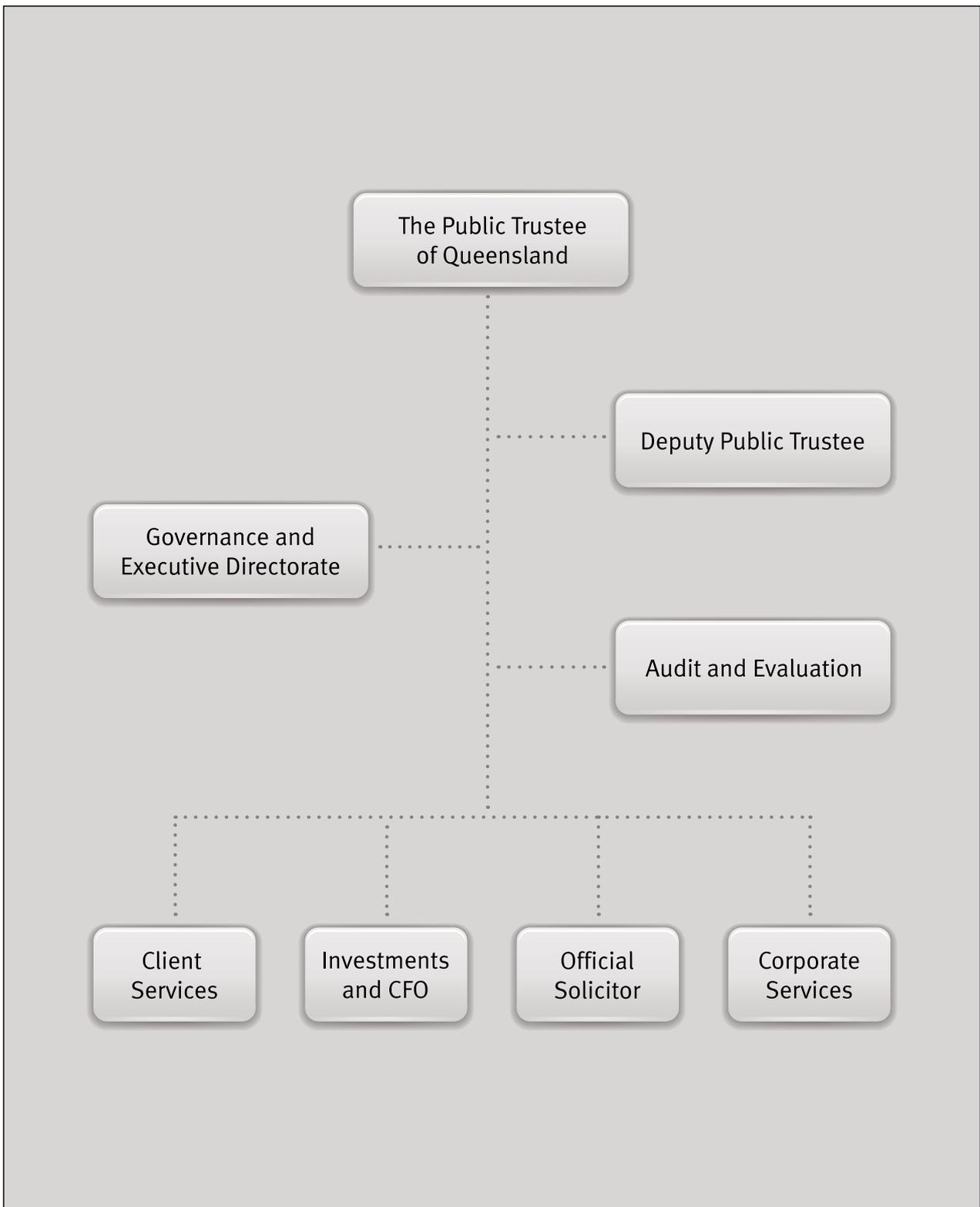
A small budgetary surplus is forecast for 2013–14 financial year. This accommodates increasing frontline services to meet growing demand for client services.

Chief Finance Officer Statement

Our Chief Finance Officer (CFO) has fulfilled the responsibility as required by the *Financial Accountability Act 2009*. The CFO has provided The Public Trustee of Queensland with a statement about financial controls, in accordance with Section 57 of the *Financial and Performance Management Standard 2009*. This statement was noted by the Audit and Risk Management Committee.

Governance – Management and Structure

Organisational Structure



Executive Management

Peter Carne The Public Trustee of Queensland

Peter Carne brings over 30 years of legal expertise to his statutory appointment as the Public Trustee of Queensland. In addition to managing his own legal practice, Peter has held a number of roles including Chief Executive Officer of the Queensland Law Society, Commissioner of the Queensland Legal Aid Commission, Director of the College of Law (QLD) and Director of Lexon Insurance Pte Ltd. In 2003, he was awarded the Centenary Medal for his contribution to the legal profession.

Peter has a Bachelor of Arts and a Bachelor of Laws from the University of Queensland and is a Fellow of the Australian Institute of Company Directors and the Australian Institute of Management.

Peter is committed to ensuring the future sustainability of PTQ and achieving our vision – *To be Queensland's best provider of trustee and administration services.*

Mark Crofton Deputy Public Trustee and Official Solicitor

Mark Crofton is both Deputy Public Trustee, and the Official Solicitor. In the latter role he heads our in-house Legal Practice that provides legal support to PTQ and our clients. Mark has a Bachelor of Arts and a Bachelor of Laws (Hons) from the University of Queensland and a Masters of Laws from Queensland University of Technology and was a 2011 Churchill Fellow. He has extensive experience practising law in both the private and public sectors and has spent a large part of his career undertaking legal work in relation to succession, trusts and clients with a disability.

Tony Steinmetz Executive Director Client Services

Tony Steinmetz has been working in the Trustee field for over 35 years firstly with the Public Trustee NSW where he was Deputy Public Trustee and General Manager Client Services and now at PTQ where he is Executive Director Client Services. He brings a wealth of experience in the personal trustee field including investment management. He also holds tertiary qualifications in Law and Management.

In his current role, he directs the delivery of PTQ Client Services across Queensland through a network of sixteen regional offices together with associated agent representatives. Tony strongly supports the vital role trustees play in ensuring that the interests of clients are protected.

Tim Murphy Executive Director Investment Services and Chief Finance Officer

Tim Murphy commenced in June 2012 as Executive Director Investment Services and Chief Finance Officer, and is responsible for the Financial Management and Investment frameworks of PTQ.

Tim is a Chartered Accountant and has extensive experience in the financial services industry in leadership and management roles including audit, finance, investment management, financial planning and risk and compliance. Tim also has previous specific experience working in the trustee industry. During this time he held a number of senior management positions in finance, risk and compliance, investment management and general management.

Christina Murdoch
Executive Director Corporate Services

Christina Murdoch commenced in September 2011 as the Executive Director Corporate Services and is responsible for the Human Resources, Information Services, Property and Marketing and Communications functions of the Office. Christina contributes to the strategic direction of the Office and supports the operational objectives through leadership and management of those functions.

Christina has a Bachelor of Commerce from the University of Newcastle and a Graduate Diploma of Psychology from Charles Sturt University. Christina is also a Chartered Accountant.

With extensive experience in both the public and private sectors across a broad range of industries, including higher education, health, engineering, retail and chartered accounting, Christina brings considerable commercial experience to the organisation along with an appreciation and understanding of the public service context.

Caroline Hannigan
A/Director Governance and Executive Directorate

Caroline Hannigan is the Acting Director Governance and Executive Directorate and is responsible for all matters relating to internal governance and external conformance of the organisation. Caroline provides direction to support the strategic and operational objectives of the organisation through risk, planning and performance monitoring. In her role, she ensures that the ongoing accountability and necessary compliance framework is delivered within PTQ.

Caroline is a Certified Practising Accountant with experience in financial management and external and internal audit. Caroline is committed to achieving better practice in governance within the organisation.

Senior Management Committees

Executive Management Team

The role of the Executive Management Team (EMT) is to provide leadership to PTQ by:

- ensuring that the organisation continues to make a difference to the lives of Queenslanders and supports Government community objectives
- determining the corporate vision and strategic direction
- building organisational capability
- ensuring the future sustainability of the organisation
- being responsible for organisational governance including risk management.

Membership of the EMT is determined by The Public Trustee of Queensland.

The members of the group are:

- The Public Trustee of Queensland (Chair)
- The Deputy Public Trustee and Official Solicitor
- Executive Director Client Services
- Executive Director Corporate Services
- Executive Director Investment Services and Chief Finance Officer
- Director Governance and Executive Directorate

The EMT met 47 times during 2012–13.

Organisational Performance Group

The role of the Organisational Performance Group (OPG) is to coordinate the development and review of the strategic plan and to monitor ongoing organisational performance. The members provide advice and recommendations to the OPG Chair and the Group reports to EMT.

The core functions of OPG include to:

- monitor and review organisational performance against delivery of existing priorities and ensure appropriate action is being undertaken to address any performance issues
- contribute to the ongoing development and implementation of the strategic plan
- undertake information gathering for future developments that may impact on the strategic direction to inform future priorities
- promote and maintain links with other organisational committees to ensure the alignment of planning activities.

Membership of OPG is determined by The Public Trustee of Queensland and comprised:

- The Public Trustee of Queensland (Chair)
- The Deputy Public Trustee and Official Solicitor
- Executive Director Client Services
- Executive Director Corporate Services
- Executive Director Investment Services and Chief Finance Officer
- Director Governance and Executive Directorate
- Director Finance
- Director Investment Services
- Director Property
- Chief Information Officer
- Director Client Services, Estate and Trust Management
- Director Client Services, Disability Services
- Director Client Services, Capability and Performance
- Director HR
- Director Marketing and Communication
- Deputy Official Solicitor

OPG met eight times during 2012–13.

Information Steering Committee

The Information Steering Committee (ISC) is responsible for providing:

- whole-of-agency leadership, strategic direction and oversight in the planning and delivery of ICT related initiatives
- assurance that information management and ICT is being appropriately governed to ensure return on investment through effective delivery of approved initiatives.

Members of the committee are:

- Executive Director Corporate Services (Chair)
- Chief Information Officer
- EMT members
- Client Services nominee
- Finance and Investment Services nominee
- Project Management Office nominee

The ISC met four times during 2012–2013.

Marketing and Communication Committee

The Marketing and Communication Committee provides advice on client relations, internal and external communications, marketing and media issues.

Members of the committee are:

- Executive Director Corporate Services (Chair)
- The Public Trustee of Queensland
- Director Property
- Director Marketing and Communication
- Executive Director Investment Services and Chief Finance Officer
- Executive Director Client Services
- Deputy Official Solicitor
- Director Client Services, Estate and Trust Management
- Director Client Services, Capability and Performance
- Director Client Services, Disability Services
- Service Delivery Manager
- Manager Workplace Environment and Business Support

The committee met ten times during 2012–13.

Workplace Health and Safety Committee

The primary function of the committee is to ensure appropriate workplace health and safety and compliance with legislative obligations. The *Work Health and Safety Act 2011* commenced on 1 January 2012.

Members of the committee are:

- Director HR (Chair)
- Manager Workplace Environment and Business Support
- Senior HR Business Advisor
- Workplace Health and Safety Officer
- Rehabilitation and Return to Work Co-ordinator
- Property Representative
- Workplace Health and Safety Representatives (from each location)

The committee met five times during 2012–13.

Establishment Review Committee

The primary function of the committee is to strategically review recruitment strategies and to ensure they adhere to Government objectives.

Members of the committee are:

- Executive Director Corporate Services (Chair)
- Executive Director Client Services
- Executive Director Investment Services and Chief Finance Officer
- Director HR
- Manager Workplace Environment and Business Support (Secretariat)
- Senior HR Officer (Secretariat)

The committee met 50 times during 2012–13.

Workforce Planning and Development Committee

The Workforce Planning and Development Committee (WP&DC) was established in February 2013.

The purpose of the committee is to:

- guide the development, prioritisation, monitoring and evaluation of the learning and development, culture and workforce capability initiatives
- ensure resources adequately support project/service expectations associated with culture, workforce planning and development initiatives
- assist in the development of a positive workforce culture aligned to organisational values and goals
- mitigate workforce related risks.

The core function of the WP&DC is to provide strategic advice and monitor workforce related matters affecting the Office to:

- identify current and future capability needs based on business and strategic priorities
- provide direction for workforce capability development
- ensure approaches are appropriate and aligned with current and future business and strategic objectives
- prioritise development activities across the organisation
- make workforce related recommendations to support the delivery of high quality services to clients.

Members of the committee are:

- Director HR
- Director Property
- Manager Information Services
- Director Capability and Performance
- Regional Manager – Cairns Office
- Regional Manager – Brisbane Office
- Office of the Official Solicitor
- Deputy Official Solicitor
- Director Finance
- Director Governance and Executive Directorate

The WP&DC met four times during 2012–2013.

Strategic Asset Management Committee

During the financial year, revised terms of reference were approved for the Building Committee which was reconstituted as the Strategic Asset Management Committee (SAMC) which broadened its responsibility for the strategic management of all corporate non-financial assets.

Members of the committee are:

- Executive Director Investment Services and Chief Finance Officer (Chair)
- Executive Director Corporate Services
- Executive Director Client Services
- Director Property
- Director Client Services, Capability and Performance
- Chief Information Officer
- Director Investment Services

- Director Finance
- Director Governance and Executive Directorate
- Managing Lawyer

The committee met eleven times during 2012–13.

During the financial year, an Insurance Sub-committee was established to support SAMC through the provision of strategic and risk management advice in relation to the management of insurances. Members of the Insurance Sub-committee are:

- Executive Director Investment Services and Chief Finance Officer (Chair)
- Executive Director Corporate Services
- Executive Director Client Services
- Director Property
- Director Governance and Executive Directorate
- Managing Lawyer

The Insurance Sub-committee met three times during 2012–13.

Boards and Committees with External Membership

Public Trust Office Investment Board

The Public Trust Office Investment Board (PTOIB) is responsible for controlling and managing the investments of the Common Fund, in terms of Section 21(1) of the *Public Trustee Act 1978*. PTOIB also provides advice to the Public Trustee on the investment management of the Public Trustee of Queensland Investment Funds.

During the year PTOIB:

- monitored the credit policy to take into consideration the credit risks in the global financial environment
- approved and monitored the investment strategy taking into consideration the historically low yield environment
- approved a governance framework for the property investments of the Common Fund
- provided advice to The Public Trustee on the strategic review of the Public Trustee of Queensland Investment Funds.

During the year the members of the PTOIB were:

- Mr Peter Carne, The Public Trustee of Queensland (Chair)
- Mr Walter Ivessa, Assistant Under Treasurer, Queensland Treasury (term expired June 2013)
- Mr Henry Smerdon, Consultant and former Under Treasurer (term expired June 2013)
- Ms Helen Davis, Consultant (term expired December 2012)

New appointments to the Board are in the process of being confirmed by the Minister.

In terms of the *Public Trustee Act 1978*, PTOIB will consist of at least three members one of who is The Public Trustee of Queensland and one of who is an officer of the department administered by the Treasurer.

Remuneration payments to committee members	2012–13
Helen Davis	\$522
Strategic and Financial Consulting Services (Henry Smerdon)	\$1,795
Total	\$2,317

The PTOIB met five times during 2012–13.

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) is an independent advisory body to The Public Trustee of Queensland to assist him to fulfil his responsibilities as the Accountable Officer under the *Financial Accountability Act 2009*.

The committee operates under terms of reference established according to Queensland Treasury's best practice guidelines. The committee has assisted with reviewing:

- financial statement preparation processes and oversight
- the risk management framework
- corporate insurance coverage
- internal audit plans for endorsement
- actions from internal and external audit reviews.

Voting members of the committee are:

- Mr Stephen Maitland, OAM, RFD (External Chair)
- Ms Lisa Dalton (External Representative)
- Mr Len Scanlan (Maximum period of appointment reached in August 2012)
- Mr Glenn Poole (External Representative appointed in March 2013)
- Mr Mark Crofton, Deputy Public Trustee and Official Solicitor

Standing invitees of the committee are:

- The Public Trustee of Queensland
- Executive Director Investment Services and Chief Finance Officer
- Director Governance and Executive Directorate
- Manager Audit and Evaluation
- Queensland Audit Office

Remuneration payments to committee members	2012–13
Delphin Associates (Stephen Maitland)	\$12,000.00
Lisa Dalton	\$876.00
Glenn Poole	\$4,712.50
Scanlan Consulting Services (Len Scanlan)	\$3,750.00
Total	\$21,338.50

The committee met four times in 2012–13.

Agency Consultative Committee

The purpose of the Agency Consultative Committee is to facilitate consultation with relevant unions regarding industrial issues.

Members of the committee are:

- Executive Director Corporate Services (Chair)
- Executive Director Client Services
- Director HR
- Manager Workplace Environment and Business Support (Secretariat)
- Union Delegates
- Union Organiser

The committee met three times during 2012–13.

Public Sector Ethics Act 1994 and Code of Conduct

PTQ formally adopted the *Code of Conduct for the Queensland Public Service* following an approval process by the Public Service Commission.

PTQ maintains the high ethical standards required by legislation and training has been provided to staff on the requirements of the *Public Sector Ethics Act 1994*.

HR undertook a systematic implementation of Code of Conduct and ethical decision making training throughout the organisation which are now included in mandatory training modules.

HR policies and procedures are aligned to the values of the *Code of Conduct for the Queensland Public Service* and are available to all staff through the office intranet.

The values of PTQ included in the strategic plan align with the public sector ethics principles and the Code. PTQ's values are a cornerstone of our organisation and are embedded in the Strategic Plan 2012–16, operational plans, individual performance plans, policies and procedures.

Governance – Risk Management and Accountability

Governance and Executive Directorate

The Directorate has responsibility for the essential components of effective governance within the organisation. The core elements of the unit are premised upon the following objectives:

- reviewing and evaluating governance arrangements
- co-ordinating information and decision support
- ensuring internal conformance and accountability
- overall responsibility for assisting in planning and performance monitoring
- co-ordinating external compliance and accountability
- holding the responsibility for risk management and the project management office.

The Directorate has overall responsibility for the effective implementation of particular legislative imperatives within PTQ. These include:

- *Right to Information Act 2009*
- *Information Privacy Act 2009*
- *Public Interest Disclosure Act 2010.*

External Scrutiny

In 2012–13, PTQ was one of three entities reviewed by the Queensland Audit Office (QAO) in relation to Fraud Risk Management. The results of the Fraud Risk Management Review were included in the *Auditor-General of Queensland's Report to Parliament No.9 for 2012–13*, tabled in March 2013. PTQ considered the findings and recommendations contained in that report and has taken action to implement all recommendations.

Audit and Evaluation Unit

The Audit and Evaluation Unit (AEU) provides independent, objective assurance and consulting advice to improve operational performance.

The role of the Unit is defined in the Audit and Evaluation Charter, endorsed by the ARMC and approved by The Public Trustee of Queensland. The Unit operates in accordance with the *Audit Committee Guidelines: Improving Accountability and Performance (Queensland Treasury)*. The charter has regard to the *Financial and Performance Management Standard 2009* and the standards of auditing as promulgated by the Institute of Internal Auditors.

AEU is autonomous and reports directly to The Public Trustee of Queensland. Our strong links with the QAO provide the foundation for a collaborative audit approach to ensure optimal audit coverage across all facets of the organisation.

During the year AEU conducted independent reviews and audits of internal controls, business processes and management practices. A Strategic and Annual Internal Audit Plan is developed in consultation with key stakeholders and takes account of significant risks identified in the Risk Management Framework.

Operations of Audit and Evaluation are considered by the ARMC.

Key achievements for 2012–13:

- an independent quality review of the Unit concluded that there are general conformances (i.e. the highest conformance an organisation can achieve) to the International Standards for the Professional Practice of Internal Auditing and the IIA Code of Ethics
- the Strategic and Annual Internal Audit Plan was redeveloped and provides greater audit coverage
- the Audit and Evaluation Risk Matrix (which is utilised to determine risk exposure for all audit findings) was redeveloped and aligned to the Risk Management Framework
- the Unit's data analytical capability was enhanced with the acquisition and implementation of a dedicated computer-aided audit tool.

Information Systems & Recordkeeping

PTQ continues to progress its maturity in relation to Recordkeeping aligned with the *Public Records Act 2002*, and the principles of *Information Standard 40: Recordkeeping*.

A recordkeeping maturity model and roadmap identified the current recordkeeping maturity, and has been endorsed by the EMT and is being progressed.

Some of the areas identified that have, or are being implemented include:

- developing the Recordkeeping Strategic Plan
- conversion of past record tracking systems into the office eDRMS system (TRIM)
- disposal of Public Records in accordance with the office approved Retention and Disposal Schedule (QAN 651)
- recordkeeping policies updated
- ongoing training of key staff in recordkeeping
- recordkeeping is now incorporated into the induction program which ensures all staff are aware of their recordkeeping responsibilities.

PTQ will continue to ensure ongoing initiatives are put in place to progress recordkeeping compliance, and identify efficiencies that can be gained to support our clients.

Governance – Human Resources

Workforce Planning, Attraction and Retention

Through the management of workforce planning and performance and development programs, HR contributed to ensuring an appropriate resource management model and accountability framework.

Employees are employed under the *Public Service Act 2008* and related industrial instruments. HR policies and procedures align with Public Service Commission policies and directives.

Full-time equivalent (FTE) staff is 551.21 (as per MOHRI Report for the quarter ending 30 June 2013). The following table provides a comparison between actual and budget FTEs for the current period and an estimate for the following year.

Staffing	2012–13 Budget	2012–13 Actual	2013–14 Budget
Total FTEs ⁽¹⁾	549	551	558

⁽¹⁾ The total staff profile is fully funded by PTQ at no cost to Government.

For 2012–13 the permanent retention rate was 87.02% and the permanent separation rate was 12.98%.

A Workforce Plan is being implemented. As part of this program of work, a number of strategic initiatives have been identified to attract and retain a skilled and capable workforce including:

- Learning and Development Strategic Plan
- implementation of a Learning Management System
- induction policy and programs
- development of a competency framework
- leadership development for Managers

- technical training and development
- talent and succession planning
- performance planning and development
- reward and recognition strategy.

Emphasis has been placed on recruitment to frontline service delivery roles to align resources with demand.

Part-time and job share opportunities are available where mutually agreed between the employee and PTQ, along with flexible work arrangements.

Early Retirement, Redundancy, Retrenchment and Voluntary Separation Program

Early retirement, redundancy and retrenchment

During the period, one employee received redundancy package at a cost of \$36,391. During the period, no employees received a retrenchment package.

Open Data

The Queensland Premier at the 2012 Parliamentary Estimates Committee Hearings announced a new initiative for publishing of Government information entitled 'Open Data Reform'.

The principles are that Government Data will be:

- available for open use
- available free of charge
- in accessible formats and easy to find
- released within set standards and accountabilities.

A number of reporting requirements are to be addressed through publication of information through Queensland Government Open Data website (www.qld.gov.au/data) in lieu of inclusion in the annual report.

PTQ must report the following information requirements online:

- consultancies
- overseas travel.

PTQ is currently developing an Open Data Strategy Plan to identify datasets that can easily be made available to the general public.

Legislation

PTQ has a wide range of powers and functions and operates under many Acts including the following:

Acquisition of Land Act 1967
Acts Interpretation Act 1954
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
Financial Accountability Act 2009
Gaming Machine Act 1991
Guardianship and Administration Act 2000
Information Privacy Act 2009
Land Sales Act 1984
Legal Profession Act 2007
Local Government Act 2009
Manufactured Homes (Residential Parks) Act 2003
Mineral Resources Act 1989
Mixed Use Development Act 1993
Motor Accident Insurance Act 1994
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 Interest Disclosure Act 2010
Public Officers Superannuation Benefits Recovery Act 1988
Public Records Act 2002
Public Sector Ethics Act 1994
Public Service Act 2008
Public Trustee Act 1978
Relationships Act 2011
Residential Services (Accreditation) Act 2002
Residential Tenancies and Rooming Accommodation Act 2008
Retirement Villages Act 1999
Right to Information Act 2009
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
Work Health & Safety Act 2011
Youth Justice Act 1992

The Public Trustee of Queensland

Financial Statements

2012-13

Contents

- 1 Statement of comprehensive income
- 2 Statement of financial position
- 3 Statement of changes in equity
- 4 Statement of cash flows
- 5 Notes to and forming part of the financial statements
- 45 Certification of The Public Trustee of Queensland
- 46 Independent Auditor's Report

General Information

The Public Trustee of Queensland is a corporation sole constituted under the *Public Trustee Act 1978*, and reports to Queensland Parliament through the Attorney-General. The Public Trustee of Queensland is an Accountable Officer pursuant to section 65(2) of the *Financial Accountability Act 2009*.

For the purpose of this report, The Public Trustee of Queensland refers to the independent statutory individual and The Public Trustee refers to the organisation as a whole.

Amounts shown in these financial statements may not correctly add to the correct sub-totals or totals due to rounding.

The principal address of The Public Trustee is:

Trustee House
444 Queen Street
Brisbane QLD 4000

For information in relation to The Public Trustee's financial statements please call (07) 3213 9288, email clientenq@pt.qld.gov.au or visit the internet site at www.pt.qld.gov.au.

The Public Trustee of Queensland
Statement of comprehensive income
for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
Revenue			
Fees	3	52,839	47,920
Investment revenue		29,983	28,583
Other revenue	4	11,594	5,470
Total revenue		94,416	81,973
Expenses			
Employee expenses	5	45,287	44,401
Supplies and services	6	19,079	16,677
Other expenses	7	2,478	2,783
Depreciation and amortisation	8	2,048	2,075
Interest expense	9	11,950	12,376
Grants and contributions	10	1,187	1,428
Total expenses		82,029	79,740
Operating result		12,387	2,233
Other comprehensive income			
<u>Items that will not be reclassified subsequently to operating result</u>			
Increase / (decrease) in asset revaluation reserve		(2,468)	(1,026)
<u>Items that will be reclassified subsequently to operating result when certain conditions are met</u>			
Net gain / (loss) on available-for-sale financial assets		(388)	5,919
Total other comprehensive income		(2,856)	4,893
Total comprehensive income		9,531	7,126

The above statement should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland
Statement of financial position
for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
Assets			
Current assets			
Cash and cash equivalents	11	169,478	113,444
Receivables	12	24,567	16,960
Other financial assets	13	245,237	339,222
Prepayments		685	947
		439,967	470,573
Non current assets classified as held for sale	14	2,350	3,056
Total current assets		442,317	473,629
Non current assets			
Other financial assets	13	232,500	97,194
Property, plant and equipment	15	43,701	46,791
Intangible assets	16	392	476
Total non current assets		276,593	144,461
Total assets		718,910	618,090
Liabilities			
Current liabilities			
Payables	17	6,223	4,690
Deposits held in trust	18	527,503	438,293
Accrued employee benefits	19	5,572	5,160
Total current liabilities		539,298	448,143
Non current liabilities			
Accrued employee benefits	19	7,665	7,531
Total non current liabilities		7,665	7,531
Total liabilities		546,963	455,674
Net assets		171,947	162,416
Equity			
Asset revaluation reserve		28,682	31,296
Retained earnings		143,265	131,120
Total equity		171,947	162,416

The above statement should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland
Statement of changes in equity
for the year ended 30 June 2013

	Retained earnings*	Asset revaluation reserve	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2011	122,968	32,322	155,290
Operating result	2,233	-	2,233
Other comprehensive income			
- increase/(decrease) in asset revaluation reserve	-	(1,026)	(1,026)
- net gain/(loss) on available-for-sale financial assets	5,919	-	5,919
Balance as at 30 June 2012	131,120	31,296	162,416
Operating result	12,387	-	12,387
Transfer between reserves	146	(146)	-
Other comprehensive income			
- increase/(decrease) in asset revaluation reserve	-	(2,468)	(2,468)
- net gain/(loss) on available-for-sale financial assets	(388)	-	(388)
Balance as at 30 June 2013	143,265	28,682	171,947

The above statement should be read in conjunction with the accompanying notes.

*Please refer to note 2(o) for amendments to retained earnings.

The Public Trustee of Queensland
Statement of cash flows
for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
Cash flows from operating activities			
Fees received		52,027	48,288
Interest revenue		30,613	28,654
Other revenue received		693	797
GST collected from customers		7,985	8,389
GST input tax credits received		518	-
Net amount accepted/(advanced) of deposits held in trust		89,105	27,138
Payments to suppliers and employees		(63,277)	(61,936)
GST paid to suppliers		(4,784)	(6,199)
GST remitted to ATO		(3,227)	(2,887)
Interest expense		(11,950)	(14,364)
Net cash provided by / (used in) operating activities	20	97,703	27,880
Cash flows from investing activities			
Sale of other financial assets		139,757	136,755
Sale of property, plant and equipment		466	970
Payments for other financial assets		(180,488)	(159,543)
Payments for property, plant and equipment		(1,404)	(4,682)
Net cash flow provided by / (used in) investing activities		(41,669)	(26,500)
Net increase / (decrease) in cash and cash equivalents		56,034	1,380
Cash and cash equivalents at beginning of the financial year		113,444	112,064
Cash and cash equivalents at end of the financial year	11	169,478	113,444

The above statement should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

Contents

Objectives and principal activities of The Public Trustee.....	FS 6
Notes:	
1. Authorisation date	FS 6
2. Summary of significant accounting policies.....	FS 6
3. Fees	FS 18
4. Other revenue	FS 18
5. Employee expenses.....	FS 19
6. Supplies and services	FS 22
7. Other expenses.....	FS 23
8. Depreciation and amortisation.....	FS 23
9. Interest expense.....	FS 23
10. Grants and contributions	FS 23
11. Cash and cash equivalents	FS 23
12. Receivables.....	FS 24
13. Other financial assets.....	FS 24
14. Non current assets classified as held for sale	FS 24
15. Property, plant and equipment	FS 25
16. Intangible assets	FS 27
17. Payables	FS 28
18. Deposits held in trust.....	FS 28
19. Accrued employee benefits.....	FS 28
20. Reconciliation of operating result to net cash from operating activities	FS 29
21. Commitments for expenditure	FS 29
22. Contingent liabilities	FS 30
23. Administered unclaimed monies	FS 31
24. Other funds managed by The Public Trustee.....	FS 33
25. Financial instruments	FS 34
26. Events occurring after the reporting period	FS 44

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

Objectives and principal activities of The Public Trustee

The Public Trustee provides professional, accessible and reliable, trustee, financial and related services to Queenslanders.

The *Public Trustee Act 1978* (the Act) grants The Public Trustee broad and general powers in relation to the financial operations of The Public Trustee and its funds, particularly the Common Fund. The Act requires all moneys vested in or coming into the hands of The Public Trustee to be held in one or more Common Funds. All dealings that are transacted through the Common Fund are controlled by The Public Trustee and are not administered on behalf of the Government.

The Public Trustee is a self-funded organisation which provides its full range of services to the community at no cost to the Government.

1. Authorisation date

The financial statements for the year ended 30 June 2013 were authorised for issue by The Public Trustee of Queensland, and the Executive Director Investment Services & CFO, at the date of signing the certification of the Public Trustee of Queensland.

2. Summary of significant accounting policies

(a) Reporting entity

The financial statements include the value of all assets, liabilities, equities, revenues and expenses controlled by The Public Trustee.

The Public Trustee has a one third interest in the QCF Management Co. Ltd. Because the transactions and balances of this entity are immaterial, it has not been included in these accounts.

(b) Basis of preparation

The financial statements are general purpose financial statements and have been prepared on an accruals basis in accordance with:

- Australian Accounting Standards and Interpretations;
- The requirements of the *Public Trustee Act 1978* and section 42 of the *Financial and Performance Management Standard 2009*; and
- Queensland Treasury and Trade's Minimum Reporting Requirements.

The Public Trustee is deemed to be a not-for-profit entity as profit is not its principal objective.

Except where stated, the historical cost convention is used.

(c) Administered transactions and balances

Unclaimed Monies Fund

The Public Trustee administers, but does not control, the Unclaimed Monies Fund on behalf of the Government. In doing so, The Public Trustee has responsibility and is accountable for administering related transactions and items but does not have the discretion to deploy these resources for the achievement of The Public Trustee's objectives. Unclaimed monies transactions and balances are disclosed in note 23.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

(d) Other funds managed by The Public Trustee

The Public Trustee has responsibility for the management of a range of client assets, such as property and investments, which are held in specie and do not form part of the Common Fund. These assets are reported in note 24.

(i) Public Trustee of Queensland Investment Funds

The Public Trustee has established a range of investment funds that have been designed to provide clients with investment options to better meet their individual financial requirements.

The *Trusts (Investments) Amendment Act 1999* enables trustees to move away from a defined list of authorised trustee investments to an investment philosophy invoking the "*Prudent Person Rule*". The Public Trustee, through the operation of The Public Trustee of Queensland Investment Funds, has ensured that clients have access to tailored financial and investment plans to meet their lifestyle requirements.

As at 30 June 2013 the total amount of client funds held in The Public Trustee of Queensland Investment Funds was \$427 million (2012: \$436 million). Financial results of The Public Trustee of Queensland Investment Funds do not form part of these financial statements, consistent with the treatment of all clients' assets held outside the Common Fund (refer note 24a).

(ii) Agency Funds

The Public Trustee previously managed a number of Auctions and in this capacity held deposits on behalf of individuals and external organisations. The Public Trustee ceased its involvement in these types of auctions in May 2013. These are reported in note 24(b).

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

The Public Trustee recognises revenue when the amount of revenue can be reliably measured, if it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of The Public Trustee's major activities as described below:

(i) Fees

Fees for trust matters are recognised at the time the charges are levied. The rates and timing of charges are governed by the *Public Trustee Act 1978*.

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

Where due to financial circumstances a client is unable to pay the full amount of the fee, a rebate for all or part of the fee may be given in accordance with Community Service Obligation (CSOs) arrangements as determined by the Queensland Government. These CSOs are shown as an offset against revenue. Refer to note 3.

The Public Trustee also receives trustee fees for acting as trustee of The Public Trustee of Queensland Investment Funds. The fee is set as a percentage of funds under management and is outlined in the Product Information Statement for each of the trusts. The trustee fee is recognised at the time the service is provided.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

(ii) *Investment revenue*

Interest income is recognised using the effective interest method. When a receivable is impaired, The Public Trustee reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

(iii) *Other revenue*

Trust distributions are recognised on an entitlements basis.

(iv) *Services provided free of charge*

The Public Trustee also provides administrative services to the Queensland Community Foundation, Queensland Aboriginal and Torres Strait Islander Foundation, Lady Bowen Trust, Gladstone Foundation and the Forde Foundation, free of charge. The cost of providing these services cannot be reliably measured.

(f) Taxation

The Public Trustee is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth Taxation with the exception of Fringe Benefits Tax and Goods and Services Tax (GST). GST credits receivable from, and GST payable to, the Australian Taxation Office (ATO) are recognised in the accounts.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of financial position and statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash.

(h) Receivables

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is usually required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off as at 30 June.

Other debtors generally arise from transactions outside the usual operating activities of the department and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security obtained.

(i) Other financial assets

Classification

The Public Trustee classifies its other financial assets in the following categories: financial assets at fair value through profit or loss, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting date.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling within 12 months. Unit trust investments in QIC Limited are included in this classification.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that The Public Trustee management has the positive intention and ability to hold to maturity. If The Public Trustee were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Term deposits are categorised under this category. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the other categories. All available-for-sale assets are classified as current assets. Available for sale financial assets include bonds and floating rate notes.

Recognition and de-recognition

The Public Trustee recognises financial assets on the date they become party to the contractual agreement (trade date).

Financial assets are derecognised when the right to receive cash flows from the investments have expired or The Public Trustee has transferred substantially all risks and rewards of ownership.

Measurement

At initial recognition The Public Trustee measures a financial asset at its fair value.

Subsequent recognition of financial assets is as follows:

i. Financial assets at fair value through profit or loss

These instruments are measured at fair value with changes in their fair value recognised in the profit or loss. Interest income from financial assets at fair value through profit or loss is recognised in profit or loss using effective interest method.

ii. Held-to-maturity investments

Held-to-maturity investments are carried at amortised cost using the effective interest method, less impairment losses, if any. Interest income from held-to-maturity investments is recognised in profit or loss using effective interest method.

iii. Available-for-sale financial assets

Available-for-sale financial assets are carried at fair value with changes in their fair value recognised in equity. Realised gains/losses recognised in equity are transferred to the profit or loss on de-recognition of the asset. Interest income from these financial assets is included in the profit or loss using effective interest rate method.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

Impairment

The Public Trustee assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(j) Property, plant and equipment

Recognition thresholds and useful life bases are detailed in the table below.

Class	Land	Buildings	Plant and Equipment
Recognition Threshold	\$1	\$10,000	\$5,000
Useful Life	Unlimited Useful Life	20 – 60 years	5 – 39 years

Acquisition

Property, plant and equipment with a cost greater than the recognition threshold above are capitalised. Items with a lesser value are expensed in the year of acquisition.

Cost is used for the initial recording of all property, plant and equipment acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees.

Depreciation

Land is not depreciated as it has unlimited useful life. Buildings and plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or re-valued amount of each asset, less its estimated residual value, progressively over its estimated useful life to The Public Trustee.

Assets under construction (work-in-progress) are capitalised progressively. These assets are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to The Public Trustee.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

Revaluations

Land and buildings are measured at fair value in accordance with *AASB116 – Property, Plant and Equipment* and Queensland Treasury and Trade's Non-Current Assets Accounting Policies for the Queensland Public Sector (NCAP).

Land and buildings are comprehensively re-valued at least once every three years. Separately identified components of assets are measured on the same basis as the assets to which they relate. Indices are applied annually between comprehensive revaluations where there has been a material variation in the index. The Public Trustee ensures that the application of such indices would result in a valid estimation of the asset's fair value at reporting date.

Any revaluation increment arising on the revaluation of an asset class is credited to the asset revaluation reserve of the appropriate class, except to the extent that it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that asset class. On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimated remaining useful life.

All plant and equipment are measured at cost in accordance with Queensland Treasury and Trade's Non-Current Asset Policies.

Disposals and gains

When property, plant and equipment are disposed of, any difference between the consideration received and written down value of the asset at the time of disposal is recognised in profit or loss.

Non current assets classified as held for sale

Non current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, and for which their sale is highly probable within the next twelve months.

These assets are measured at the lower of the assets' carrying amounts and their fair values less costs to sell. These assets are no longer depreciated upon being classified as held for sale.

Impairment

All non current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, The Public Trustee determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss and recognised immediately in the statement of comprehensive income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and asset's value in use.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

(k) Intangibles

Information Technology development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised (subject to the threshold of \$100,000) include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods ranging from 4 to 8 years.

Information Technology development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the entity has an intention and ability to use the asset.

(l) Payables

These amounts represent liabilities for goods and services provided to The Public Trustee, prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(m) Deposits held in trust

These amounts represent the value of cash and other financial assets held for clients. Amounts held for clients are categorised for financial instrument purposes as financial liabilities not through profit or loss. Other client assets held outside the Common Fund are also disclosed in note 24 which outlines the broad asset categories and valuation policies which have been adopted.

(n) Accrued employee benefits

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, Salaries and Sick Leave

Wages and salaries due but unpaid at reporting date are recognised in the statement of financial position at the current salary rates.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

i) Short term employee benefit obligations

Liabilities for wages and salaries and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised and measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the accrued employee benefits.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

ii) Long term employee benefit obligations

Long service leave expected to be utilised with 12 months is recorded as a current liability.

The liability for long service leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in accrued employee benefits, as a non current liability, and measured as the present value of expected future payments to be made. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

iii) Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable. The Public Trustee's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to *AASB1049 Whole of Government and General Government Sector Financial Reporting*.

Key executive management personnel and remuneration

Key executive management personnel and remuneration disclosures are made in accordance with section 5 of the *Financial Reporting Requirements* for Queensland Government Agencies issued by Queensland Treasury and Trade. Refer to note 5 for the disclosures on key executive management personnel and remuneration.

(o) Reserves

Whilst The Public Trustee does not formally account for additional reserves, internal allocations are provided for Capital support, Income stabilisation and Revenue maintenance. In previous years these allocations were disclosed as separate reserves. These allocations are held within retained earnings and the funds invested in line with The Public Trustee's approved investment strategy, and are recorded across cash, financial assets and property. The basis for these allocations is as follows:

Capital support allocation

As the capital within The Public Trustee's Common Fund carries a Government Guarantee, a *Capital Support* allocation has been established to support the capital guarantee on the liabilities of The Public Trustee. The allocation is calculated based on a 2% movement in interest rates across the yield curve for all maturities, assuming a maximum modified duration of 3%. Current allocation \$31.3M (2012: \$25.1M).

Income stabilisation allocation

In order to minimise the mismatch between yield on the investment portfolio of the Common Fund and the return paid to clients during the periods of interest volatility, an *Income Stabilisation allocation* has been established. The allocation is based on an increase of 3% movement in interest rates based on current liabilities over a two year period. Current allocation \$31.3M (2012: \$25.1M).

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

Revenue maintenance allocation

As funds are transferred from the Common Fund to the Public Trustee of Queensland Investment Funds, The Public Trustee's revenue stream will be dependent on a funds management fee based on market value. To protect this revenue stream against adverse effects of significant negative movements in financial markets, a *Revenue Maintenance allocation* has been established. The allocation is based on an assumed 5% decrease in the Public Trustee of Queensland Investment Funds for a duration of five years. Current allocation \$1.1M (2012: \$1.2M).

Investment revaluation reserve

In previous years the Public Trustee separately disclosed the value of unrealised capital gains on available-for-sale financial assets within the statement of changes in equity. In line with changes to the reporting of gains and losses which will subsequently be reported through comprehensive income, this disclosure is no longer considered relevant. The cumulative value of unrealised gains and losses is \$8.6M (2012: \$9.0M).

(p) Services received free of charge or for nominal value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

(q) Rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest thousand dollars or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. The statement of cash flow has been restated to correctly reflect fees, deposits held in trust and payment to suppliers and employees in line with current year disclosures.

(r) Accounting estimates and judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amount of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Financial statement notes where estimates and assumptions may have a potential significant effect are:

- Allowance for impairment – note 12;
- Valuation of property, plant and equipment – note 15;
- Valuation of accrued employee benefits – note 19;
- Contingent liabilities – note 22; and
- Financial risk management – note 25.

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

(s) New and revised accounting standards

The Public Trustee did not change any of its accounting policies during 2012-13. Australian Accounting Standard changes applicable for the first time for 2012-13 have had minimal effect on The Public Trustee financial statements, as explained below.

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] became effective from reporting periods beginning on or after 1 July 2012. The only impact for The Public Trustee is that, in the statement of comprehensive income, items within the 'other comprehensive income' section are now presented in different subsections, according to whether or not they are subsequently classifiable to the operating result. Whether subsequent reclassification is possible depends on the requirements or criteria in the accounting standard/interpretation that relates to the item concerned.

The Public Trustee is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from Queensland Treasury and Trade. Consequently, The Public Trustee has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. The Public Trustee applies standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards with future commencement dates are as set out below.

AASB 13 Fair Value Measurement applies from reporting periods beginning on or after 1 January 2013. AASB 13 sets out a new definition of 'fair value' as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of The Public Trustee's assets and liabilities (excluding leases) that are measured and/or disclosed at fair value or another measurement based on fair value. The potential impacts of AASB 13 relate to the fair value measurement methodologies used and financial statement disclosures made in respect of such assets and liabilities.

The Public Trustee has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don't comply, changes will be necessary. While The Public Trustee is yet to complete this review, no substantial changes are anticipated, based on the fair value methodologies presently used. Therefore, at this stage, no consequential material impacts are expected for The Public Trustee's property, plant and equipment as from 2013-14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. To the extent that any fair value measurement for an asset or liability uses data that is not 'observable' outside the organisation the amount of information to be disclosed will be relatively greater.

A revised version of *AASB 119 Employee Benefits* applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively. Given The Public Trustee's circumstances, the only implications for the organisation are that the revised standard clarifies the concept of 'termination benefits', and the recognition criteria for liabilities for termination benefits will be different. If termination benefits meet the timeframe criterion for 'short-term employee benefits', they will be measured according to the AASB 119 requirements for 'short-term employee benefits'. Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for 'other long-term employee benefits'. Under the revised standard, the recognition and measurement of

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

employer obligations for 'other long-term employee benefits' will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 includes changed criteria for accounting for employee benefits as 'short-term employee benefits'. The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. The Public Trustee makes employer superannuation contributions only to the QSuper defined benefit plan, and the corresponding QSuper employer benefit obligation is held by the State. Therefore, those changes to AASB 119 will have no impact on The Public Trustee.

AASB 1053 Application of Tiers of Australian Accounting Standards applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements – Australian Accounting Standards (commonly referred to as 'Tier 1'), and Australian Accounting Standards – Reduced Disclosure Requirements (commonly referred to as 'Tier 2'). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Details of which disclosures in standards and interpretations are not required under Tier 2 reporting are set out in amending standards AASB 2010-2, AASB 2011-2, AASB 2011-6, AASB 2011-11, AASB 2012-1, AASB 2012-7 and AASB 2012-11 (which also apply from reporting periods beginning on or after 1 July 2013). However, Queensland Treasury and Trade's Financial Reporting Requirements effectively do not allow application of AASB 2011-6 in respect of controlled entities, associates or interests in jointly controlled entities.

Pursuant to AASB 1053, public sector entities like The Public Trustee may adopt Tier 2 requirements for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the Tier 1 requirements. In the case of The Public Trustee, Queensland Treasury and Trade is the regulator. Queensland Treasury and Trade has advised that its policy decision is to require adoption of Tier 1 reporting by all Queensland Government departments and statutory bodies that are consolidated into the whole-of-Government financial statements. Therefore, the release of AASB 1053 and associated amending standards will have no impact on The Public Trustee.

The following new and revised standards apply as from reporting periods beginning on or after 1 January 2014 –

- *AASB 10 Consolidated Financial Statements*;
- *AASB 11 Joint Arrangements* ;
- *AASB 12 Disclosure of Interests in Other Entities*;
- *AASB 127 (revised) Separate Financial Statements*;
- *AASB 128 (revised) Investments in Associates and Joint Ventures*; and
- *AASB 2011 -7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17].

The AASB is planning to amend AASB 10. Such amendments are expected to clarify how the IASB's principles about control of entities should be applied by not-for-profit entities in an Australian context.

Hence, The Public Trustee is not yet in a position to reliably determine the future implications of these new and revised standards for The Public Trustee's financial statements.

AASB 10 redefines and clarifies the concept of control of another entity, and is the basis for determining which entities should be consolidated into an entity's financial statements. Therefore, once the AASB

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

finalises its not-for-profit amendments to AASB 10, The Public Trustee will need to reassess the nature of its relationships with other entities, including entities that aren't currently consolidated.

AASB 11 deals with the concept of joint control and sets out new principles for determining the type of joint arrangement that exists, which in turn dictates the accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement. Subject to any not-for-profit amendments to be made to AASB 11, The Public Trustee will need to assess the nature of any arrangements with other entities to determine whether a joint arrangement exists in terms of AASB 11. If a joint arrangement does exist, The Public Trustee will need to follow the relevant accounting treatment specified in either AASB 11 or the revised AASB 128, depending on the nature of the joint arrangement.

AASB 1055 Budgetary Reporting applies from reporting periods beginning on or after 1 July 2014. From that date, based on what is currently published in the Queensland Government's Budgetary Service Delivery Statements, this means The Public Trustee will need to include in these financial statements the original budgeted statements for the statement of comprehensive income, statement of financial position, statement of changes in equity, and statement of cash flows. These budgeted statements will need to be presented consistently with the corresponding (actuals) financial statements, and will be accompanied by explanations of major variances between the actual amounts and the corresponding budgeted financial statement.

In addition, based on what is currently published in the Queensland Government's Service Delivery Statements, The Public Trustee will need to include in these financial statements the original budgeted information for major classes of administered income and expenses, and major classes of administered assets and liabilities. This budgeted information will need to be presented consistently with the corresponding (actuals) administered information, and will be accompanied by explanations of major variances between the actual amounts and the corresponding budgeted financial information.

AASB 9 Financial Instruments (December 2010) and *AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] become effective from reporting periods beginning on or after 1 January 2015. The main impacts of these standards on The Public Trustee are that they will change the requirements for the classification, measurement and disclosures associated with The Public Trustee's financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Public Trustee has commenced reviewing the measurement of its financial assets against the new AASB 9 classification and measurement requirements. However, as the classification of financial assets at the date of initial application of AASB 9 will depend on the facts and circumstances existing at that date, The Public Trustee's conclusions will not be confirmed until closer to that time. At this stage, and assuming no change in the types of transactions The Public Trustee enters into, it is not expected that any of the organisation's financial assets will meet the criteria in AASB 9 to be measured at amortised cost. Therefore, as from the 2015-16 financial statements, all of The Public Trustee's financial assets are expected to be required to be measured at fair value, and classified accordingly (instead of the measurement classifications presently used in notes 2(i) and 25. The same classification will be used for net gains/losses recognised in the statement of comprehensive income in respect of those financial assets. In the case of The Public Trustee's current receivables, as they are short-term in nature, the carrying amount is expected to be a reasonable approximation of fair value.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

The most significant impact of the new measurement requirements on The Public Trustee is that the 'held to maturity' investment described in notes 2(i), 13 and 25 will need to be measured at fair value. In addition, that investment will no longer be classified as 'held to maturity'. The Public Trustee is not yet able to reliably estimate what the fair value of this investment will be at the date of initial application of AASB 9. The difference between the carrying amount of this investment and its initial fair value will be recognised as an adjustment to the balance of Accumulated Surplus on initial application of AASB 9. AASB 9 allows an entity to make an irrevocable election at the date of initial recognition to present in 'other comprehensive income' subsequent changes in the fair value of such an asset. Queensland Treasury and Trade is currently considering mandating this accounting treatment when AASB 9 becomes effective.

The Public Trustee will not need to restate comparative figures for financial instruments on adopting AASB 9 as from 2015-16. However, changed disclosure requirements will apply from that time. A number of one-off disclosures will be required in the 2015-16 financial statements to explain the impact of adopting AASB 9. Assuming no change in the types of financial instruments that The Public Trustee enters into, the most significant ongoing disclosure impacts are expected to relate to investments in debt securities measured at fair value through other comprehensive income (e.g. the 'held to maturity' investment described in Note 2(i)) and de-recognition of these.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to The Public Trustee's activities, or have no material impact on the organisation.

	2013	2012
	\$'000	\$'000
3. Fees		
Administration of estates and trusts and other professional fees	67,893	62,579
Trust fees	7,266	6,987
Auctions revenue	3,436	4,153
Community service obligations	(25,756)	(25,798)
	52,839	47,920

4. Other revenue

Property rental	1,158	1,153
Other commissions	62	203
Sundry revenue	318	314
Corporate trustee client recoveries	6,601	3,432
Archival Services received below fair value*	2,389	-
Gain / (loss) on sale of property, plant and equipment	7	(14)
Gain / (loss) on revaluation of other financial assets held at fair value	-	(751)
Gain / (loss) on sale of available for sale financial assets	975	1,214
Gain / (loss) on revaluation of unit based cash fund	84	(81)
	11,594	5,470

*2012-13 was the first year that The Public Trustee has been advised by the Department of Science, Information Technology, Innovation and the Arts of archival services provided below fair value.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
5. Employee expenses		
Salaries and wages	33,640	32,507
Annual leave	3,485	3,512
Superannuation contributions	4,536	4,385
Long service leave	636	989
Worker's compensation insurance	107	174
Payroll tax	2,070	1,978
Other	813	856
	45,287	44,401

Based on the Minimum Obligatory Human Resource Information (MOHRI) definition as provided by the Queensland Public Service Commission, the number of FTEs as at reporting date is 551 (2012: 558).

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis as at 30 June.

	2013	2012
Number of employees	569	584

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

(a) Key executive management personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of The Public Trustee during 2012-13, as set out in the table below.

Position	Responsibilities	Current incumbents	
		Contract classification & appointment authority	Date appointed to position (Date resigned from position)
Public Trustee of Queensland	The Public Trustee of Queensland is responsible for the efficient, effective and economic administration of the agency.	Public Trustee Act 1978	11/12/2008
Deputy Public Trustee of Queensland and Official Solicitor	The Deputy Public Trustee of Queensland and Official Solicitor is responsible for driving the strategic operational planning process and performing the duties of Official Solicitor.	S 122 contract Public Service Act 2008 SES3.4 equivalent	20/12/2011
Executive Director, Corporate Services	The Executive Director, Corporate Services is responsible for leading the Corporate Services Program to achieve financial viability and support key internal functions.	Public Service Act 2008 SES 2.2	12/09/2011
Executive Director, Client Services	The Executive Director, Client Services is responsible for leading the Client Services Program to achieve financial viability and support the community and clients.	Public Service Act 2008 SES 2.4	04/10/2011
Executive Director, Investment Services and Chief Finance Officer	The Executive Director, Investment Services and Chief Finance Officer is responsible for leading the Finance and Investments Program including responsibility for financial planning.	Public Service Act 2008 SES 2.5	04/06/2012

The Public Trustee of Queensland was originally appointed by Executive Minute on 11/12/2008 and commenced duties on 23/03/2009. His contract was further extended on 23/03/2012 for an additional 2 years in accordance with the *Public Trustee Act 1978*.

(b) Remuneration

Remuneration policy for The Public Trustee's key executive management personnel is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts. These include amounts received or receivable in relation to leave accruals including, industry allowances, leave loading and fringe benefits such as private use of a motor vehicle and employer superannuation contributions.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

For the 2012-2013 year, remuneration of key executive management personnel (including The Public Trustee of Queensland) increased by 2.2% in accordance with government policy.

Remuneration packages for key executive personnel comprise the following components:-

- Short term employee benefits including:
 - Base – consisting of base salary (effectively equating to 52 weeks salary)
 - Vehicle allowance (cash) and movement in annual leave – includes a car allowance (where no vehicle or one of a lesser value is taken), the movement in annual leave entitlements during the financial year and leave loading
 - Non-monetary benefits – consisting of the option of the private use component of a Government owned motor vehicle together with fringe benefits tax applicable to the benefit
- Long term employee benefits representing the movement of long service leave entitlements.
- Post employment benefits include amounts expensed in respect of employer superannuation obligations.
- Termination provisions are specified within individual contracts of employment. Contracts of employment provide for notice periods, service and separation payments and a repayment clause. No reason needs to be given for a contract termination.
- The Public Trustee of Queensland is employed under *The Public Trustee Act 1978* and is not eligible for consideration for a performance bonus. Other key management personnel are also not eligible for performance bonuses.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post employment benefits, as set out in the following tables.

July 2012 – 30 June 2013

Position (date resigned if applicable)	Short Term Employee Benefits			Long Term Employee Benefits	Post Employment Benefits	Total Remuneration
	Base	Vehicle Allowance (cash) & Movement in Annual Leave	Non-Monetary			
	\$'000	\$'000	\$'000			
Public Trustee of Queensland	274.1	0.7	30.0	-	35.0	339.8
Deputy Public Trustee of Queensland and Official Solicitor	178.3	16.8	13.5	6.3	22.2	237.1
Executive Director, Corporate Services	134.3	4.4	25.0	3.7	17.1	184.5
Executive Director, Client Services	146.3	3.0	24.0	3.7	18.7	195.7
Executive Director, Investment Services and Chief Finance Officer	152.8	34.6	-	-	19.5	206.9
Total Remuneration	885.8	59.5	92.5	13.7	112.5	1,164.0

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

1 July 2011 – 30 June 2012

Position (date resigned if applicable)	Short Term Employee Benefits			Long Term Employee Benefits	Post Employment Benefits	Total Remuneration
	Base	Vehicle Allowance (cash) & Movement in Annual Leave	Non-Monetary			
	\$'000	\$'000	\$'000			
Public Trustee of Queensland	247.2	23.1	24.7	-	31.5	326.5
Deputy Public Trustee of Queensland and Official Solicitor	164.8	18.0	12.3	12.2	20.3	227.6
Executive Director, Corporate Services	106.1	4.1	19.7	6.2	13.5	149.6
Executive Director, Client Services	106.8	9.2	17.4	2.7	13.6	149.7
Acting Executive Director, Client Services	35.9	0.5	5.2	-	4.6	46.2
Acting Executive Director, Investment Services and Chief Finance Officer	131.2	(10.9)	23.7	2.4	16.1	162.5
Executive Director, Investment Services and Chief Finance Officer	11.5	2.8	-	-	1.5	15.8
Total Remuneration	803.5	46.8	103.0	23.5	101.1	1,077.9

2013 **2012**
\$'000 **\$'000**

6. Supplies and services

Advertising and promotion	241	560
Auction expenses	345	708
Computer expenses	4,420	4,636
Investment and registry fees	2,303	2,398
Fixed assets repairs and expenses	1,431	816
Motor vehicles and travel	332	488
Rates, utilities and cleaning	1,461	1,366
Office expenses	2,212	2,092
Operating lease expense	538	625
Professional and management fees	1,476	1,142
Consultants, contractors and agency temporary staff	1,931	1,846
Archival Services received below fair value*	2,389	-
	19,079	16,677

*2012-13 was the first year that The Public Trustee has been advised by the Department of Science, Information Technology, Innovation and the Arts of archival services provided below fair value.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
7. Other expenses		
Bad debts expense and write-offs*	1,269	2,012
Insurance premiums - QGIF	422	336
Insurance premiums - other	113	45
External audit fees**	362	379
Entertainment and hosting	3	11
Impairment of held for sale assets	309	-
	2,478	2,783

*Includes The Public Trustee's reimbursement/write-off relating to client matters 2013: \$246,372 (2012: \$263,772).

**Total audit fees paid to the Queensland Audit Office relating to the 2012-13 financial statements are estimated to be \$360,000 (2012: \$379,605) composed of PTQ \$300,000 (2012: \$317,800) and PTIF \$60,000 (2012: \$61,662). There are no non-audit services included in this amount.

8. Depreciation and amortisation

Depreciation	1,924	1,962
Amortisation	124	113
	2,048	2,075

9. Interest expense

Interest paid to clients	11,362	10,960
Interest on unclaimed monies	588	1,416
	11,950	12,376

10. Grants and contributions

Grant to the Office of Adult Guardian	1,041	1,021
Contribution to Queensland Community Foundation	74	73
Civil Law Legal Aid Scheme outlays	72	334
	1,187	1,428

11. Cash and cash equivalents

Cash on hand	13	14
Cash at bank	2,070	(2,953)
11am at call deposits	123,499	72,358
Unit based cash fund	43,896	44,025
	169,478	113,444

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
12. Receivables		
General receivables	299	209
Accrued revenue	9,027	6,381
Client receivables	17,440	18,039
Taxation receivable (including GST)	11	506
Civil Law Legal Aid Scheme Advances	1,779	2,003
	28,556	27,138
Less: Allowance for impairment	(3,989)	(10,178)
	24,567	16,960
Impairment		
Allowance for impairment as at 1 July	(10,178)	(11,632)
Decrease / (increase) in allowance for impairment recognised within statement of comprehensive income	6,189	1,454
Allowance for impairment as at 30 June	(3,989)	(10,178)
13. Other financial assets		
Other financial assets - current		
Financial assets at fair value through profit or loss	-	10,557
Available-for-sale financial assets	213,457	278,272
Held-to-maturity investments	31,780	50,393
	245,237	339,222
Other financial assets - non current		
Held-to-maturity investments	232,500	97,194
	232,500	97,194
14. Non current assets classified as held for sale		
Land	2,120	2,616
Commercial buildings	230	440
Total	2,350	3,056

The Public Trustee holds land and buildings which are surplus to requirements and are expected to be sold within the next 12 months. In relation to properties reported in 2012, one property has been sold and a contract has now been signed on one other property, which will settle in 2013-14 financial year.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
15. Property, plant and equipment		
Land:		
At fair value	14,908	17,002
	<u>14,908</u>	<u>17,002</u>
Buildings:		
At fair value	60,787	53,189
At cost	-	6,080
Less: Accumulated depreciation	(35,067)	(31,385)
	<u>25,721</u>	<u>27,884</u>
Plant and equipment		
At cost	5,535	2,793
Less: Accumulated depreciation	(2,890)	(1,844)
	<u>2,645</u>	<u>949</u>
Work in progress		
At cost	428	956
Total Property, plant and equipment	<u>43,701</u>	<u>46,791</u>

The Public Trustee has property, plant and equipment with a gross cost of \$23,939 (2012:\$23,939) which are still in use but have been fully depreciated with a carrying value of nil.

An independent valuation of The Public Trustee's land and buildings was carried out as at 30 June 2013. The valuations were undertaken by Australian Valuers Pty Ltd and CBRE Valuations Pty Ltd. The valuations provided were based on the Capitalisation and Direct Comparison approach utilising publicly available data in relation to recent sales and rental information relating to similar properties in the surrounding area with the exception of specific purpose built buildings which, as there is no currently active market, are valued at depreciated replacement cost.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

Property, Plant and Equipment

	Land	Buildings	Plant and Equipment	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount at 1 July 2012	17,002	27,884	949	956	46,791
Acquisitions	-	-	205	1,108	1,313
Disposals	-	(1)	(9)	-	(10)
Transfers between classes	-	(970)	2,607	(1,637)	-
Revaluation	(2,094)	(375)	-	-	(2,469)
Depreciation	-	(817)	(1,107)	-	(1,924)
Carrying amount at 30 June 2013	14,908	25,721	2,645	427	43,701
Carrying Amount at 1 July 2011	20,623	26,189	1,111	1,387	49,310
Acquisitions	-	14	66	3,577	3,657
Transfers between classes	-	3,606	270	(3,876)	-
Assets reclassified as held for sale	(2,616)	(440)	-	-	(3,057)
Revaluation	(1,006)	(20)	-	-	(1,026)
Depreciation	-	(1,465)	(497)	-	(1,962)
Adjustment*	-	-	-	(132)	(132)
Carrying amount at 30 June 2012	17,002	27,884	949	956	46,791

*Adjustment in 2012 relates to change in classification and transfer to Intangibles (see note 16).

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013 \$'000	2012 \$'000
16. Intangible assets		
Software Purchased		
At cost	1,988	1,988
Less: Accumulated amortisation	(1,636)	(1,512)
	352	476
Software Internally Generated		
At cost	3,447	3,447
Less: Accumulated amortisation	(3,447)	(3,447)
	-	-
Software WIP		
At cost	40	-
	40	-
Total Intangibles	392	476

The Public Trustee has intangible assets with a gross cost of \$3,447,056 (2012:\$3,447,056) which are still in use but have been fully depreciated with a carrying value of nil. This includes \$3.45 million for the Client Information Management System (CIMS) which has been fully amortised but is still in use. The Public Trustee is currently investigating future options with regards to the system.

	Software		WIP	Total
	Internally Generated	Purchased		
	\$'000	\$'000	\$'000	\$'000
Carrying Amount at 1 July 2012	-	476	-	476
Acquisitions	-	-	40	40
Disposals	-	-	-	-
Transfers between classes	-	-	-	-
Amortisation	-	(124)	-	(124)
Carrying amount at 30 June 2013	-	352	40	392
Carrying Amount at 1 July 2011	24	377	15	416
Acquisitions	-	-	55	55
Disposals	(14)	-	-	(14)
Transfers between classes	-	202	(202)	-
Amortisation	(10)	(103)	-	(113)
Adjustment*	-	-	132	132
Carrying amount at 30 June 2012	-	476	-	476

*Adjustment in 2012 relates to change in classification and transfer from Property, plant and equipment (see note 15).

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013 \$'000	2012 \$'000
17. Payables		
General payables	3,679	2,670
Accrued expenses	2,544	2,020
	6,223	4,690
18. Deposits held in trust		
Deceased estates	159,880	135,045
Protective management	203,468	156,076
Minors, general and testamentary trusts	133,815	118,479
Other	30,340	28,693
	527,503	438,293
19. Accrued employee benefits		
Salary and wages outstanding	628	27
Recreation leave	4,217	4,157
Paid parental leave	10	3
Long service leave - current	717	972
Current accrued employee benefits	5,572	5,160
Long service leave - non current	7,665	7,531
Non current accrued employee benefits	7,665	7,531
Total accrued employee benefits	13,237	12,691

Long service leave

Long service leave expected to be paid within 12 months is recognised at its undiscounted value and disclosed as current.

Long service leave expected to be paid beyond 12 months is disclosed as non current and recognised as follows:

A liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. When assessing expected future payments consideration is given to potential future wage and salary increases and experience of employee departures and periods of service. An assumption of 2.5% (2012: 3.0%) per annum has been utilised for this purpose, noting that negotiations are currently still underway at this point.

Expected future payments are discounted using rates attaching, as at the reporting date, to Commonwealth Government guaranteed securities with terms to maturity (7 years). Related on-costs have also been included in the liability.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013 \$'000	2012 \$'000
20. Reconciliation of operating result to net cash from operating activities		
Operating result	12,387	2,233
Depreciation expense	1,924	1,962
Amortisation expense	124	113
Net loss/(gain) on sale of plant and equipment and other financial assets	(983)	(449)
Archival Services received below fair value (Revenue)	(2,389)	-
Archival Services received below fair value (Expense)	2,389	-
Impairment of held for sale assets	309	-
Change in assets and liabilities		
(Increase)/decrease in receivables	(7,607)	1,579
(Increase)/decrease in prepayments	261	(292)
Increase/(decrease) in payables	1,533	(5,333)
Increase/(decrease) in employee benefits	546	527
Increase/(decrease) in assets held for clients	89,209	27,540
Net cash from operations	97,703	27,880

21. Commitments for expenditure

Material expenditure commitments (inclusive of GST other than grants which are GST exclusive) contracted for but not recognised as payable include:

a. Operational expenditure commitments

Commitments for operational expenditure as at reporting date, are payable as follows:

Not later than 1 year	5,877	3,923
Later than 1 year and not later than 5 years	3,728	1,482
	9,605	5,405

Operational expenditure commitments are recorded and reported based on the Treasurer's Financial Reporting Requirements. The amounts reported above include contracts and agreements where The Public Trustee, at its own discretion, is able to cancel, amend or reduce services required without incurring any financial penalty.

b. Non – cancellable operating lease commitments

Commitments under operating leases as at reporting date, are payable as follows:

Not later than 1 year	1,042	499
Later than 1 year and not later than 5 years	681	787
	1,723	1,286

Operating leases are entered into as a means to enable The Public Trustee to acquire the necessary motor vehicle fleet facility and office space where required. Lease payments are generally fixed but with inflation escalation clauses.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
c. Grant commitments		
Grant commitments not later than 1 year at reporting date are payable as follows:		
Commitment for funding the Office of the Adult Guardian	1,070	1,028
Commitments for contributions to the Queensland Community Foundation	87	81
	1,157	1,109

d. Capital expenditure commitments

Commitments for capital expenditure at reporting date are payable as follows:

Not later than 1 year	3,747	610
Later than 1 year and not later than 5 years	1,871	-
	5,618	610

The amounts above include projects where The Public Trustee has committed to progress, even though a signed contract has not yet been completed. Additionally the amounts also include agreements for capital expenditure where The Public Trustee, at it's own discretion is able to cancel, amend or reduce the quantum of services/or products without incurring a financial penalty.

22. Contingent liabilities

	2013	2012
	Cases	Cases
a. Litigation in progress		
The following cases were filed in the courts:		
Supreme Court	5	1
District Court	2	1
Magistrates Court	-	2
Queensland Civil and Administrative Tribunal	-	1
	7	5

As at balance date, The Public Trustee has received notification of 27 other cases (2012: 34) that are not yet subject to court action. These cases may result in subsequent litigation. The Public Trustee is insured in relation to claims of negligence and only liable to a maximum of \$100,000 per claim.

The Public Trustee's legal advisers and management believe that it would be misleading to estimate the final amounts payable (if any) in relation to these claims at this time.

b. Financial guarantees

As at balance date, The Public Trustee had provided 2 bank guarantees totalling \$125,000, issued by the Commonwealth Bank of Australia, to the Supreme Court in relation to a legal matter on behalf of a client. In July 2013, the Supreme Court returned the guarantees and advised that they were no longer required.

As it was unlikely for these guarantees to be called upon, they were not recorded in the accounts as at 30 June 2013.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

23. Administered unclaimed monies

The Public Trustee administers but does not control the Unclaimed Moneys Fund on behalf of the Queensland Government. In doing so, The Public Trustee has responsibility and is accountable for administering related transactions and items but does not have the discretion to deploy these resources for the achievement of The Public Trustee's objectives. Consequently these transactions and balances are not recognised in the financial statements but are disclosed in these notes for the information of users.

From 1 July 2010, unclaimed monies formerly payable to the Treasury's Unclaimed Monies Fund under the repealed *Financial Administration and Audit Act 1977* are now payable into the Unclaimed Monies Fund held by The Public Trustee on behalf of Treasury, pursuant to the *Public Trustee Act 1978*.

The Unclaimed Monies Fund was restructured on 1 July 2010, with the investments of the Fund now being managed through The Public Trustee Common Fund which has a capital guarantee and a regulated rate of interest.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
Administered income		
Interest from investing activities	589	1,418
Unclaimed moneys recognised as Consolidated Revenue	2,657	4,000
Total	3,246	5,418
Administered expenses		
Management fees	-	340
Revenue transferable to government	3,246	2,733
Total	3,246	3,073
Net surplus / (deficit)	-	2,345
Administered assets		
Current assets		
Cash at bank	-	41
Receivables	588	340
Other financial assets	20,829	19,333
Total	21,417	19,714
Administered liabilities		
Other payables	3,273	4,288
Total	3,273	4,288
Non current liabilities		
Unclaimed moneys fund balance	18,144	15,426
Total	18,144	15,426
Net assets	-	-
Equity		
General reserves	-	-

During 2012-13 funds totalling \$3.622 million (2011-12 \$38.521 million) were transferred to the Consolidated Fund in accordance with the provision of *The Public Trustee Act 1978*.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

24. Other funds managed by The Public Trustee

(a) Client assets held outside the Common Fund

The Public Trustee has responsibility for the control and management of clients' assets such as property and investments which do not form part of the Common Fund. These clients also include the Queensland Community Foundation, QCF Management Co. Pty Ltd., the Queensland Aboriginal & Torres Strait Islander Foundation, the Lady Bowen Trust, the Forde Foundation and the Gladstone Foundation. Values attributed to these assets are as follows:

Clients assets held outside the Common Fund - 2013	Deposits At Call	Other Investments	Pre and post retirement products	Realty	Other	PTIF	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Protective Management (including assisted living)	54,516	58,777	78,769	278,125	78,666	196,478	745,331
Deceased Estates	47,377	26,728	10,423	286,040	15,538	3,596	389,702
Minor, general and testamentary trusts	36,490	19,622	3,418	143,038	11,218	203,894	417,680
Other	9,985	14,234	1,923	18,275	40,132	22,588	107,137
Total	148,368	119,361	94,533	725,478	145,554	426,556	1,659,850

Clients assets held outside the Common Fund - 2012	Deposits At Call	Other Investments	Pre and post retirement products	Realty	Other	PTIF	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Protective Management (including assisted living)	57,512	58,646	63,232	291,094	74,685	207,424	752,593
Deceased Estates	42,309	22,291	11,891	268,737	15,939	8,089	369,256
Minor, general and testamentary trusts	34,548	19,047	2,248	150,953	9,413	197,324	413,533
Other	7,168	6,862	2,211	20,296	37,465	23,491	97,493
Total	141,537	106,846	79,582	731,080	137,502	436,328	1,632,875

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

Deposits at call

Deposits at call represent balances held in bank accounts and other short term deposits at commencement of the file.

Other investments

Other investments represent listed equities, unit trusts, fixed interest rate investments, unlisted shares and unlisted unit trust investments. Listed equities are valued at fair value (market value). Other investments are valued by reference to written advice from the relevant financial institution, company or share registry and are recorded based on the latest available information.

Pre and post retirement products

Pre and post retirement products represent funds held in superannuation, account based pensions, life insurance policies, annuities and pension accounts. Assets are valued annually based on the latest product statement.

Realty

Realty comprises land and buildings. Generally, property values are provided by The Public Trustee valuers or external valuers upon commencement of the file. Different valuation rules and review dates apply depending on the type of client (e.g. deceased estate, disability service, trust) and the services provided by The Public Trustee. Detailed valuation rules are contained in relevant operating manuals of The Public Trustee.

Other Assets

Other assets include all assets not separately included above. This category includes jewellery, valuables, furniture and effects, goods and chattels, farm machinery, motor vehicles, watercraft and any other motorised vehicles and livestock. Different valuation rules and review dates apply to each separate type of asset. Detailed valuation rules are contained in relevant operating manuals of The Public Trustee.

Public Trustee of Queensland Investment Funds

Financial assets are invested in QIC General Investment Funds and are valued at fair value (market value) as at 30 June each year. For further information, refer to The Public Trustee of Queensland Investment Funds' ("PTIFs") General Purpose Financial Report as at 30 June each year. The financial report of the PTIFs is independently audited by the Queensland Audit Office.

(b) Agency funds

The Public Trustee manages a number of Auctions and holds deposits on behalf of clients. The value of deposits held as at 30 June 2013 is Nil (30 June 2012: \$977,930).

25. Financial instruments

The Public Trustee's activities expose it to a variety of financial risks including market risk (including interest rate risk and price risk), credit risk and liquidity risk.

This note presents information about exposure to each of the above risks, as well as The Public Trustee's objectives, policies and processes for measuring and managing the risks. The disclosures are prepared on the basis of direct investments and not on a look-through basis to the underlying investments of the unlisted unit trusts that The Public Trustee also holds within its investment portfolio.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

(a) Risk management framework

The Public Trustee maintains positions in a variety of fixed interest type securities, debt securities and unlisted unit trusts in accordance with The Public Trustee's investment strategy.

The Public Trustee's overall risk management program focuses on ensuring compliance with the overall risk management framework set by The Public Trust Office Investment Board (Investment Board) and seeks to maximise the returns derived for prudent levels of risk.

The Public Trustee's Investment team (Investment team) has been given a discretionary authority to manage the assets in line with The Public Trustee's investment objectives and employs a disciplined approach to the management of risk. The Public Trustee's portfolios are constructed utilising investments that provide exposure to different fixed interest type instruments and counterparties, so as to strengthen diversification and consequently reduce the overall effect on asset specific risk.

The Public Trustee's investment portfolio, compliance with the specific policies covering areas such as interest rate risk, credit risk and liquidity risk, the portfolio positioning and the performance of the investments is monitored by the Investment Board on a monthly basis. In instances where the portfolio diverges from authorised limits and ranges, The Public Trustee is obliged to take actions to rebalance the portfolio in line with the authorised limits and ranges, within prescribed time limits.

The Investment Board monitors a variety of methods that measure different types of risk to which the Common Fund is exposed. These methods include sensitivity analysis, monitoring of counterparty credit ratings, maturity analysis, monitoring the duration and continual assessments of current and expected changes in economic conditions.

The Public Trustee holds the following financial instruments:

	Notes	2013 \$'000	2012 \$'000
Financial assets			
Cash and cash equivalents	11	169,478	113,444
Receivables	12	24,567	16,960
Financial assets held at fair value through profit or loss	13	-	10,557
Available-for-sale financial assets:			
<i>Debt securities</i>	13	213,457	278,272
Held-to-maturity investments:			
<i>Term deposits</i>	13	264,280	147,587
		671,782	566,820
Financial liabilities			
Payables	17	6,223	4,690
Deposits held in trust	18	527,503	438,293
		533,726	442,983

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

(b) Market risk

i) Price risk

The Public Trustee is exposed to securities price risk, in particular The Public Trustee's holdings in unlisted unit trusts. The exposure offered by these unlisted unit trusts is predominantly fixed interest and accordingly the price risk represented by the change in the value of unit prices of the unlisted unit trusts will largely be representative of changes in interest rates and/or foreign exchange rates. However, as the disclosures have been prepared on the basis of The Public Trustee's direct investments and not on a look-through basis to the investments of the unlisted unit trusts, the change in value or unit prices of the unlisted unit trusts is being represented here rather than in the interest rate risk and/or foreign exchange risk disclosures.

As outlined above, The Public Trustee mitigates price risk through diversification, a careful selection of unlisted unit trusts in which it may invest, continued monitoring of the funds and investment managers and limiting exposure to the funds and managers to the ranges and limits set by the Investment Board. Compliance with the above is reported to the Investment Board on a monthly basis.

The table below summarises the impact on The Public Trustee's operating result for the year and on equity of an increase/decrease of the value of unit prices of the unlisted unit trusts. The analysis is based on the assumption that the value of unit prices of the unlisted unit trusts increased by 7.5% (2012: 7.5%) and decreased by 7.5% (2012: 7.5%) with all other variables held constant. During the financial year ended 30 June 2013, The Public Trustee redeemed its investment in the QIC Global Fixed Interest Alpha Fund (2012 carrying value \$10.557 million) and therefore at 30 June 2013 there is no exposure to price risk.

	Impact on operating result		Impact on other components of equity	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Increase in value by 7.5%	-	792	-	792
Decrease in value by 7.5%	-	(792)	-	(792)

The sensitivity analysis presented is based upon The Public Trustee's exposures as at 30 June. The composition of The Public Trustee's investment portfolio is expected to change over time. The sensitivity analysis prepared as at 30 June is not necessarily indicative of the effect on The Public Trustee's profit or equity of future movements in the value of the investments in unlisted unit trusts.

The 7.5% change in unlisted unit trust net asset values has been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in the net asset values of the unlisted unit trust.

Actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performances of economies, markets and securities in which the Funds have exposure. As a result, historic variations in risk variables should not be used to predict future variations in risk variables.

ii) Cashflow and fair value interest rate risk

The Public Trustee is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose The Public Trustee to fair value interest rate risk.

The Public Trustee of Queensland

Notes to and forming part of the financial statements

for the year ended 30 June 2013

The Public Trustee's interest bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

As outlined above, The Public Trustee mitigates interest rate risk through a range of prudent measures including diversification and selection of instruments, frequent assessments of current and expected changes in economic conditions, monitoring the duration of the portfolio and limiting exposure to within the ranges set by the Investment Board. Compliance with the above is reported to the Investment Board on a monthly basis.

The Public Trustee has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets namely the holdings in cash and cash equivalents, deposits, debt securities and deposits held in trust, and liabilities.

The table below summarises The Public Trustee's exposure to interest rate risks. It includes The Public Trustee's assets and liabilities at fair values, categorised by the earlier of contractual repricing or maturity dates.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2013				
Financial assets				
Cash and cash equivalents	169,478	-	-	169,478
Receivables	-	-	24,567	24,567
Financial assets held at fair value through profit or loss	-	-	-	-
Available-for-sale financial assets:				
Debt securities	106,436	107,021	-	213,457
Held-to-maturity investments:				
Term deposits	55,639	208,641	-	264,280
	331,553	315,662	24,567	671,782
Financial liabilities				
Payables	-	-	6,223	6,223
Deposits held in trust	527,503	-	-	527,503
	527,503	-	6,223	533,726
Net financial assets	(195,950)	315,662	18,344	138,056
30 June 2012				
Cash and cash equivalents	113,444	-	-	113,444
Receivables	-	-	16,960	16,960
Financial assets held at fair value through profit or loss	-	-	10,557	10,557
Available-for-sale financial assets:				
Debt securities	150,882	127,390	-	278,272
Held-to-maturity investments:				
Term deposits	-	147,587	-	147,587
	264,326	274,977	27,517	566,820
Financial liabilities				
Payables	-	-	4,690	4,690
Deposits held in trust	438,293	-	-	438,293
	438,293	-	4,690	442,983
Net financial assets	(173,967)	274,977	22,827	123,837

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

The table below summarises the impact on The Public Trustee's operating result for the year and on equity through changes in fair value or changes in future cash flows. The analysis is based on the assumption that interest rates changes by +/- 100 basis points (2012: +/-100 basis points) based on the modified duration of the relevant financial assets at the end of the reporting period with all other variables held constant. The impact mainly arises from changes in the fair value of debt securities and deposits held in trust.

	Investment impact on comprehensive income		Investment impact on other components of equity	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Interest rate change +100 basis points	(3,850)	(4,803)	(3,850)	(4,803)
Interest rate change -100 basis points	3,850	4,803	3,850	4,803

The sensitivity analysis presented is based upon The Public Trustee's exposures as at 30 June. The composition of The Public Trustee's investment portfolio is expected to change over time. The sensitivity analysis prepared as at 30 June is not necessarily indicative of the effect on The Public Trustee's profit or equity of future movements in interest rates.

The 100 basis points change in interest rates has been determined based on management's best estimate, having regard to a number of factors, including historical movements of changes in interest rates.

Actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performances of economies, markets and securities in which The Public Trustee has exposure. As a result, historic variations in risk variables should not be used to predict future variations in risk variables.

The Public Trustee may also be indirectly affected for example, by the impact of interest rates changes on the investments held by the unlisted unit trusts in which The Public Trustee invests. Please refer to Note 25(b)(i) for further details pertaining to the sensitivity of the investments in unlisted unit trusts.

iii) Foreign exchange risk

Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

While The Public Trustee does not have direct exposure to foreign exchange rate changes, The Public Trustee may be indirectly affected for example, by the impact of foreign exchange rate changes on the investments held by the unlisted unit trusts in which The Public Trustee invests. No sensitivity analysis has been prepared, however this may not necessarily indicate the total effect on the operating profit for the year or equity of future movements in foreign exchange rates. Please refer to Note 25(b)(i) for further details pertaining to the sensitivity of the investments in unlisted unit trusts.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

(c) Credit risk

The Public Trustee is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets.

The Public Trustee is exposed to credit risk through debt securities, unlisted unit trusts, term deposits, cash and cash equivalents and receivables.

The Public Trustee seeks to mitigate credit risk through diversification and a careful selection of securities and counterparties within specified limits set by the Investment Board. Compliance with The Public Trustee's policy is reported to the Investment Board on a monthly basis. The Public Trustee seeks to adopt prudent financial risk management practices which incorporate ongoing assessments of earnings at risk, current and expected changes in economic conditions and sensitivity analysis.

(i) Debt securities

An analysis of The Public Trustee's exposure to debt securities is set out in the table below:

Debt Securities	2013 \$'000	2012 \$'000
Semi government bonds		
'AAA' credit rating*	57,508	72,355
'AA+' credit rating*	28,185	33,485
Corporate bonds		
'AAA' credit rating*	-	-
'AA+' credit rating*	3,024	3,026
'AA' credit rating*	-	4,929
'AA-' credit rating*	115,618	155,451
'A+' credit rating*	9,122	4,041
'A' credit rating*	-	4,985
	213,457	278,272

*As determined by Standard and Poor's.

(ii) Unlisted unit trusts

The credit risk arising on investments in unlisted unit trusts is mitigated by investing with managers who are well recognised and have a proven track record of delivering on their stated investment objectives. The Investment Manager at the unlisted unit trust level carries out extensive due diligence on any proposed manager prior to making an investment and continual monitoring of the Investment Manager by The Public Trustee is also carried out on an ongoing basis.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

(iii) *Term Deposits*

An analysis of The Public Trustee's exposure to term deposits by counterparty rating is set out in the table below:

Term Deposits	2013 \$'000	2012 \$'000
'AA' credit rating*	-	8,299
'AA-' credit rating*	234,115	134,160
'A+' credit rating*	25,225	5,128
'A-' credit rating*	4,940	-
	264,280	147,587

* as determined by Standard and Poor's.

(iv) *Cash and cash equivalents*

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of 'A' (as determined by Standard and Poor's) or higher.

In accordance with The Public Trustee's policy, the credit position is monitored on a daily basis and the Investment Board reviews it on a monthly basis.

(v) *Receivables*

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired. Financial assets are stated at the carrying amount as indicated. Funds received after balance date relating to previously fully impaired debt (refer Note 26) resulted in the reassessment and elimination of \$7.311M of impairment relating to this debt at 30 June 2013. This debt is therefore past due but not impaired and is not included in the 2013 amounts reported in the table below.

2013 Individually impaired financial assets					
	Less than 30 Days	30 - 60 Days	61 - 90 Days	More than 90 Days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables (gross)	174	52	34	3,323	3,583
Allowance for impairment	(137)	(28)	(6)	(3,323)	(3,494)
Carry amount	37	24	28	0	89
2012 Individually impaired financial assets					
	Less than 30 Days	30 - 60 Days	61 - 90 Days	More than 90 Days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables (gross)	-	37	428	10,780	11,245
Allowance for impairment	-	(33)	(310)	(9,266)	(9,609)
Carry amount	-	4	118	1,514	1,636

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

(vi) *Other*

The Public Trustee is not materially exposed to credit risk on other financial assets.

(d) Liquidity risk

Liquidity risk is the risk that The Public Trustee may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Public Trustee is exposed to liquidity risk through its management and administration of amounts held on behalf of clients.

Liquidity risk is managed through strategic portfolio positioning by The Public Trustee and overseen by the Investment Board. The portfolio positioning is generally matched to the expected duration of the amounts held on behalf of clients and there is no significant exposure to illiquid or thinly traded financial instruments. Limits are also applied to ensure that there is no concentration of liquidity risk to a particular counterparty or instrument. The Investment Board has a policy on having a minimum of 10% of assets in a form able to be liquidated in 24 hours.

The majority of The Public Trustee's investments are generally considered readily realisable, as they are instruments that are traded in active markets.

The table below analyses The Public Trustee's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the table are the contractual undiscounted cash flows.

30 June 2013	< 1 year \$'000	1 – 4 years \$'000	4 – 7 years \$'000	> 7 years \$'000	Total \$'000
Deposits held in trust	102,473	151,235	100,614	173,181	527,503
Payables	6,223	-	-	-	6,223
Total	108,696	151,235	100,614	173,181	533,726

30 June 2012					
Deposits held in trust	89,953	126,217	82,330	139,793	438,293
Payables	4,690	-	-	-	4,690
Total	94,643	126,217	82,330	139,793	442,983

The Public Trustee of Queensland

Notes to and forming part of the financial statements for the year ended 30 June 2013

(e) Fair value estimation

The carrying amounts of The Public Trustee's assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in profit or loss.

(i) Fair value estimation

The fair value of financial assets traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Public Trustee values its investments in accordance with the accounting policies set out in note 2(i).

The quoted market price used for financial assets held by The Public Trustee is the current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds.

(f) Fair value hierarchy

(i) Classification of financial assets and financial liabilities

The Public Trustee classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The Public Trustee of Queensland
Notes to and forming part of the financial statements
for the year ended 30 June 2013

The tables below sets out The Public Trustee's financial assets (by class) measured at fair value according to the fair value hierarchy at 30 June 2013 and 30 June 2012.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2013				
Financial assets				
Financial assets held at fair value through profit or loss	-	-	-	-
Available-for-sale financial assets:				
Debt securities	213,457	-	-	213,457
Held-to-maturity investments:				
Term deposits	-	264,280	-	264,280
	213,457	264,280	-	477,737
30 June 2012				
Financial assets				
Financial assets held at fair value through profit or loss	-	10,557	-	10,557
Available-for-sale financial assets:				
Debt securities	278,272	-	-	278,272
Term deposits	-	147,587	-	147,587
	278,272	158,144	-	436,416

Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include government and semi government bonds.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds, floating rate notes and unlisted unit trusts. As level 2 investments include positions that are not traded in active markets, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

26. Events occurring after the reporting period

In July 2013, The Public Trustee received funds owed in relation to a corporate trustee matter, which had been fully impaired as the entity is currently in liquidation. In light of this new information, the impairment provision was revised and reflected in the financial statements for 30 June 2013. In addition certain trustee fees and interest revenues which had not previously been recorded, due to uncertainty of recovery, were subsequently brought to account due to the receipt of the funds.

The Public Trustee has provided the liquidators with a total claim for outstanding fees, recoveries and interest, of which \$1.99 million remains outstanding. Due to continued uncertainty of future receipts these amounts have not been brought to account and will be recognised if and when these funds are received.

Certification of The Public Trustee of Queensland for the year ended 30 June 2013

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of The Public Trustee of Queensland for the financial year ended 30 June 2013 and of the financial position as at the end of that year.



Tim Murphy, BBus, CA, F Fin
Executive Director Investment
Services & Chief Finance Officer

Date: 28 AUGUST 2013



Peter Carne, BA LLB FAICD FAIM
The Public Trustee of
Queensland

Date: 28 August 2013

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of The Public Trustee of Queensland

Report on the Financial Report

I have audited the accompanying financial report of The Public Trustee of Queensland, which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificates given by The Public Trustee of Queensland and the Executive Director Investment Services and Chief Finance Officer.

The Accountable Officer's Responsibility for the Financial Report

The Accountable Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Accountable Officer's responsibility also includes such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of The Public Trustee of Queensland for the financial year 1 July 2012 to 30 June 2013 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



K JOHNSON FCA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

The Public Trustee of Queensland Investment Funds

Financial Statements

2012-13

Contents

- 1 Statements of comprehensive income
- 3 Statements of financial position
- 4 Statements of changes in equity
- 5 Statements of cash flows
- 7 Notes to the financial statements
- 29 The Public Trustee of Queensland's Declaration
- 30 Independent Auditor's Report

General Information

These financial statements cover:

- Public Trustee of Queensland Conservative Fund ('Conservative Fund') (ABN 70 028 144 156)
- Public Trustee of Queensland Growth Trust ('Growth Trust') (ABN 95 792 610 481)
- Public Trustee of Queensland Higher Growth Trust ('Higher Growth Trust') (ABN 22 212 802 486)
- Public Trustee of Queensland Australian Equities Fund ('Australian Equities Fund')
(ABN 12 953 438 146)

as individual entities. Collectively these funds are referred to as The Public Trustee of Queensland Investment Funds ('Funds').

The trustee of the Funds is The Public Trustee of Queensland (ABN 12 676 939 467).

For the purpose of this report 'The Public Trustee of Queensland' refers to the independent statutory individual and 'The Public Trustee' comprises all the operating activities under its control.

The principal address of The Public Trustee is:

Trustee House
444 Queen Street
Brisbane Qld 4000

For information in relation to The Public Trustee of Queensland Investment Funds' financial statements, please call (07) 3213 9288, email clientenq@pt.qld.gov.au or visit The Public Trustee's internet site at www.pt.qld.gov.au.

The Public Trustee of Queensland Investment Funds

Statements of comprehensive income

For year ended 30 June 2013

	Notes	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Investment income					
Interest income		5	12	8	7
Net gains/(losses) on financial instruments held at fair value through profit or loss	5	3,538	14,974	12,428	6,560
Distributions		4,551	14,096	8,604	5,349
Other income		-	-	-	-
Total net investment income/(loss)		8,094	29,082	21,040	11,916
Expenses					
Trustee fees	13 (c)	(1,048)	(2,935)	(1,840)	(888)
Total operating expenses		(1,048)	(2,935)	(1,840)	(888)
Profit/(loss) from ordinary activities		7,046	26,147	19,200	11,028
Finance costs					
Distributions to unitholders	7	(3,527)	(11,175)	(6,776)	(4,471)
Change in net assets attributable to unitholders (total comprehensive income)	6	3,519	14,972	12,424	6,557

The above statements should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland Investment Funds

Statements of comprehensive income

For year ended 30 June 2012

	Notes	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Investment income					
Interest income		16	24	15	10
Net gains/(losses) on financial instruments held at fair value through profit or loss	5	(905)	(7,063)	(7,913)	(7,990)
Distributions		4,346	6,383	3,631	2,588
Other income		7	21	19	23
Total net investment income/(loss)		3,464	(635)	(4,248)	(5,369)
Expenses					
Trustee fees	13 (c)	(1,433)	(2,666)	(1,875)	(826)
Total operating expenses		(1,433)	(2,666)	(1,875)	(826)
Profit/(loss) from ordinary activities		2,031	(3,301)	(6,123)	(6,195)
Finance costs					
Distributions to unitholders	7	(2,910)	(3,738)	(1,766)	(1,768)
Change in net assets attributable to unitholders (total comprehensive income)	6	(879)	(7,039)	(7,889)	(7,963)

The above statements should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland Investment Funds

Statements of financial position

As at 30 June 2013

	Notes	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Assets					
Cash and cash equivalents	8	98	204	71	83
Receivables	9	1,473	4,494	3,847	1,527
Financial assets held at fair value through profit or loss	10	69,240	194,080	113,321	58,422
Total assets		70,811	198,778	117,239	60,032
Liabilities					
Distributions payable	7	2,303	8,850	5,627	2,507
Payables	11	156	469	227	164
Total liabilities (excluding net assets attributable to unitholders)		2,459	9,319	5,854	2,671
Net assets attributable to unitholders – liability	6	68,352	189,459	111,385	57,361

As at 30 June 2012

	Notes	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Assets					
Cash and cash equivalents	8	4	4	5	4
Receivables	9	697	1,543	1,110	644
Financial assets held at fair value through profit or loss	10	82,878	182,574	114,859	55,604
Total assets		83,579	184,121	115,974	56,252
Liabilities					
Distributions payable	7	621	1,165	765	443
Payables	11	134	247	155	68
Total liabilities (excluding net assets attributable to unitholders)		755	1,412	920	511
Net assets attributable to unitholders – liability	6	82,824	182,709	115,054	55,741

The above statements should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland Investment Funds

Statements of changes in equity

For the year ended 30 June 2013

The Funds' net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments Presentation*. As such the Funds have no equity and no items of changes in equity have been presented for the current or comparative year.

Changes in net assets attributable to unitholders are disclosed in Note 6.

The above statements should be read in conjunction with the accompanying notes.

The Public Trustee of Queensland Investment Funds

Statements of cash flows

For year ended 30 June 2013

	Notes	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Cash flows from operating activities					
Interest received		5	12	8	7
Reduced input tax credit - received		61	160	102	48
Distributions received		2,551	7,433	4,639	4,525
Trustee fees paid		(1,117)	(3,069)	(1,936)	(929)
Proceeds from sale of financial instruments held at fair value through profit or loss		23,530	20,135	22,354	9,154
Purchase of financial instruments held at fair value through profit or loss		(5,137)	(12,962)	(7,166)	(5,472)
Net cash flows from/(used in) operating activities	12	19,893	11,709	18,001	7,333
Cash flows from financing activities					
Proceeds from applications of units by unitholders		6,707	15,917	7,787	5,642
Payments for redemptions of units by unitholders		(24,661)	(23,935)	(23,808)	(10,489)
Distributions paid		(1,845)	(3,491)	(1,914)	(2,407)
Net cash flows from/(used in) financing activities		(19,799)	(11,509)	(17,935)	(7,254)
Net increase/(decrease) in cash and cash equivalents		94	200	66	79
Cash and cash equivalents at the beginning of the year		4	4	5	4
Cash and cash equivalents at the end of the year	8	98	204	71	83

The above statements should be read with the accompanying notes.

The Public Trustee of Queensland Investment Funds

Statements of cash flows

For year ended 30 June 2012

	Notes	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Cash flows from operating activities					
Interest received		16	24	15	10
Reduced input tax credit - received		110	196	141	63
Distributions received		5,742	10,444	7,816	3,599
Trustee fees paid		(1,584)	(2,863)	(2,037)	(904)
Proceeds from sale of financial instruments held at fair value through profit or loss		35,331	17,482	19,278	10,380
Purchase of financial instruments held at fair value through profit or loss		(8,326)	(20,810)	(7,678)	(6,151)
Net cash flows from/(used in) operating activities	12	31,289	4,473	17,535	6,997
Cash flows from financing activities					
Proceeds from applications of units by unitholders		12,499	27,451	11,458	7,892
Payments for redemptions of units by unitholders		(38,170)	(22,098)	(22,162)	(11,907)
Distributions paid		(5,618)	(9,826)	(6,831)	(2,983)
Net cash flows from/(used in) financing activities		(31,289)	(4,473)	(17,535)	(6,998)
Net increase/(decrease) in cash and cash equivalents		-	-	-	(1)
Cash and cash equivalents at the beginning of the year		4	4	5	5
Cash and cash equivalents at the end of the year	8	4	4	5	4

The above statements should be read with the accompanying notes.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

Contents of the notes to the financial statements

1	General information	PTIF 8
2	Summary of significant accounting policies	PTIF 9
3	Financial risk management	PTIF 12
4	Remuneration of auditors	PTIF 18
5	Net gains/(losses) on financial instruments held at fair value through profit or loss.....	PTIF 19
6	Net assets attributable to unitholders	PTIF 20
7	Distribution summary	PTIF 22
8	Cash and cash equivalents	PTIF 23
9	Receivables	PTIF 23
10	Financial assets held at fair value through profit or loss.....	PTIF 24
11	Payables	PTIF 25
12	Reconciliation of cash flows from operating activities	PTIF 25
13	Related party transactions	PTIF 26
14	Events occurring after the reporting period	PTIF 28
15	Contingent assets and liabilities and commitments.....	PTIF 28

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

1 General information

These financial statements cover:

- Public Trustee of Queensland Conservative Fund ('Conservative Fund')
- Public Trustee of Queensland Growth Trust ('Growth Trust')
- Public Trustee of Queensland Higher Growth Trust ('Higher Growth Trust')
- Public Trustee of Queensland Australian Equities Fund ('Australian Equities Fund')

as individual entities. Collectively these funds are referred to as The Public Trustee of Queensland Investment Funds ('Funds').

The Funds were constituted by a Trust Deed Poll or Supplemental Trust Deed Polls as follows:

- Australian Equities Fund 05 Mar 1998
- Higher Growth Trust 14 Sep 1999
- Conservative Fund 10 July 1996
- Growth Trust 10 July 1996

The Funds will terminate on 10 July 2076 unless terminated earlier in accordance with the provisions of the Trust Deed.

The trustee of the Funds is The Public Trustee of Queensland.

The Public Trustee's principal address is:

Trustee House
444 Queen Street
Brisbane Qld 4000

The Fund Administrator and Registry provider is BDO (Qld) Pty Ltd ACN 134 242 434.

The Investment Manager is QIC Limited ACN 130 539 123.

The financial statements were authorised for issue by The Public Trustee as at the date of signing The Public Trustee of Queensland declaration.

The Funds were established by The Public Trustee to provide clients of The Public Trustee with a wider range of investment options than are currently available through the Common Fund to better meet clients' longer-term financial goals.

Effective 1 January 2013, The Public Trustee determined to no longer allow investments into the Funds by the general public. The Funds are only available for investment by The Public Trustee on behalf of clients whose estates are under administration by The Public Trustee.

The investment objective of each of the individual Funds is as follows:

Conservative Fund

The objective of the Conservative Fund is to protect the value of an investor's capital while achieving a higher return in the medium to longer term than could be achieved by solely investing in interest bearing securities. The investment objective of the Fund is to generate average returns (net of fees and costs) of CPI + 1.6% per annum over rolling five year periods.

Growth Trust

The objective of the Growth Trust is to provide a fully diversified investment strategy for those seeking long - term income and capital growth. The investment objective of the Fund is to generate average returns (net of fees and costs) of CPI + 1.9% per annum over rolling ten year periods.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

Higher Growth Trust

The objective of the Higher Growth Trust is to provide a fully diversified investment strategy for those investors seeking income and long-term capital growth. The investment objective of the Fund is to generate average returns (net of fees and costs) of CPI + 2.4% per annum over rolling ten year periods.

Australian Equities Fund

The objective of the Australian Equities Fund is to capture the performance of the Australian share market for those investors seeking income and long-term capital growth by investing in securities listed or about to be listed on the Australian Stock Exchange. The investment objective of the Fund is to generate average returns (net of fees and costs) of CPI + 3.8% per annum over rolling ten year periods.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

2.1 Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board in Australia. The Funds are for-profit entities for the purpose of preparing the financial statements.

All amounts are presented in Australian dollars and have been rounded to the nearest thousand dollars unless otherwise indicated.

These financial statements were prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unitholders. The amount expected to be recovered or settled within twelve months after the end of each reporting period cannot be reliably determined.

2.2 Financial instruments

2.2.1 Classification

The Funds' investments are classified as at fair value through profit or loss. They are comprised of financial instruments designated at fair value through profit or loss upon initial recognition.

These include financial assets that are not held for trading purposes and which may be sold. These are the Funds' investments in unlisted unit trusts.

Financial assets designated at fair value through profit or loss upon initial recognition are those that are managed and their performance evaluated on a fair value basis in accordance with the Funds' documented investment strategies. The Funds' policy is for The Public Trustee to evaluate the information about these financial instruments on a fair value basis together with other related financial information.

Financial assets that are classified as receivables and measured at amortised cost include accounts receivable.

2.2.2 Recognition / derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets and financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Funds have transferred substantially all risks and rewards of ownership.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

2.2.3 Measurement

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of comprehensive income.

The fair value of financial instruments is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at the current bid prices.

Investments in unlisted unit trusts are recorded at the exit price as reported by the managers of the trusts.

Financial assets classified as receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities are measured at amortised cost using the effective interest rate.

Financial liabilities arising from the redeemable units issued by the Funds are carried at the redemption amount representing the investors' right to a residual interest in the Funds' assets, effectively at fair value at the reporting date.

2.3 Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are classified as financial liabilities as the Funds are required to distribute their taxable income. The units can be put back to the Funds at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if unitholders exercised their right to redeem units in the Funds.

2.4 Cash and cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activities.

2.5 Investment income

Interest income is recognised in profit or loss for all financial instruments that are not held at fair value through profit or loss using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the net gain/(losses) on financial instruments. Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2.2.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a short period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Funds' estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but do not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Trust distributions are recognised on an entitlement basis.

2.6 Expenses

All expenses, including The Public Trustee's fees, are recognised in profit or loss on an accruals basis.

2.7 Income tax

Under current legislation, the Funds are not subject to income tax as unitholders are presently entitled to the income of the Funds.

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

2.8 Distributions

In accordance with the Trust Deeds, the Funds distribute income to unitholders by cash. Where unitholders chose to do so, these distributions may be reinvested into the Fund at the applicable application price. The distributions are recognised in profit or loss as finance costs attributable to unitholders.

2.9 Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in profit or loss.

2.10 Receivables

Receivables may include amounts for interest and Trust distributions. Trust distributions are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of the last payment in accordance with the policy set out in Note 2.5. Amounts are generally received within 30 days of being recorded as receivables.

2.11 Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately in the Statements of financial position when unitholders are presently entitled to the distributable income under the Trust Deeds.

2.12 Applications and redemptions

The Funds utilise a buy-sell spread methodology to ensure that investors joining or leaving the Funds contribute to the transactions costs incurred by the Funds buying or selling assets within the Fund. The buy-sell spread is retained by the Funds (it is not a fee paid to The Public Trustee) to ensure equity among investors is maintained.

Application requests are processed utilising the application price to determine the number of units in the Funds to be issued. Redemption requests are processed utilising the redemption price to determine the number of units in the Funds to be cancelled.

2.13 Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as trustee fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of 55% (2012:75%); hence expenses have been recognised in profit or loss net of the amount of GST recoverable from the Australian Taxation Office (ATO). Payables are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statements of financial position. Cash flows relating to GST are included in the Statement of cash flows on a gross basis.

2.14 Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Funds' financial investments, quoted market prices are readily available.

The Funds individually hold positions in various unlisted trusts and the investment managers of these funds may use estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year.

For certain other financial instruments, including receivables and payables, the carrying amount approximate the fair value due to the short-term nature of these financial instruments.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

2.15 New and revised accounting standards

Certain new or amended accounting standards have been published that are not mandatory for the 30 June 2013 reporting period. The Public Trustee's assessment of the impact of these new or amended standards (to the extent they are relevant to the Funds) is set out below:

2.15.1 *AASB 9 Financial Instruments and AASB 2010-7 Amendment to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2015)*

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The Standard is not applicable until 1 January 2015 but is available for early adoption.

AASB 9 permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not traded.

The Funds do not plan to adopt this standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2016. When adopted it is not expected that this will have a significant impact on the Funds' financial statements as the Funds do not hold any available-for-sale investments.

2.15.2 *AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards Arising from AASB 13 (effective 1 January 2013)*

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. Application of the new standard will impact the type of information disclosed in the notes to the financial statements. The Funds do not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

There are no other standards that are not yet effective or that are expected to have a material impact on the Funds in the current or future reporting periods or on foreseeable future transactions.

3 Financial risk management

The Funds' activities expose them to a variety of financial risks: market risk (including price risk, currency risk, and interest rate risk), credit risk and liquidity risk.

This note presents information about the Funds' exposure to each of the above risks, as well as the Funds' objectives, policies and processes for measuring and managing the risk.

The disclosures are prepared on the basis of the Funds' direct investments and not on a look-through basis to the underlying investments of the unlisted unit trusts that the Funds primarily hold.

(a) Risk management framework

The Funds maintain positions in a variety of unlisted unit trusts managed by QIC in accordance with the Funds' investment strategy.

The Funds' overall risk management program focuses on ensuring compliance with their respective Trust Deed and Product Information Statements and seeks to maximise the returns derived for prudent levels of risk. The primary method of mitigating or controlling risks to the Funds' investment portfolio is diversification.

The Funds' investment manager has been given a discretionary authority to manage the assets in line with the Funds' investment objectives and employs a disciplined approach to the management of risk. The Funds' portfolios are constructed utilising investments that provide exposure to different assets classes, the returns from which have low correlation, so as to strengthen diversification and consequently reduce the overall effect on asset specific risk.

The Funds' investment manager will set asset allocation targets within the Dynamic Asset Allocation ('DAA') ranges approved by The Public Trustee. The Funds' investment manager will alter the asset allocation targets to allow the portfolio to move within the DAA ranges, depending on expected future asset class returns.

The Funds' investment portfolio, compliance with the DAA ranges and the performance of the investments are monitored by the Public Trust Office Investment Board ('Investment Board') on a monthly basis. In instances where the portfolio diverges from the DAA ranges, the Funds' investment manager is obliged to take actions to rebalance the portfolio in line with the established ranges, within prescribed time limits.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

The Investment Board uses different methods to measure different types of risk to which the Funds are exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and ratings analysis for credit risk.

(b) Market risk

(i) Price Risk

The Funds are exposed to securities price risk. This arises from investments held by the Funds for which prices in the future are uncertain, in particular the investments in unlisted unit trusts. Investments are classified in the Statement of financial position as at fair value through profit or loss. All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

As outlined above, the Funds' investment manager mitigates price risk through diversification and a careful selection of investments within the DAA ranges set by the Investment Board. Compliance with the Trust Deed and Product Information Statements is reported to the Investment Board on a regular basis.

The table below is a summary of the DAA ranges pertaining to each Fund and the exposure of the Funds to these asset classes as at 30 June.

Conservative Fund

QIC Asset Class	Dynamic Asset Allocation Ranges #			Actual Exposure	Actual Exposure
	Minimum	Equilibrium	Maximum	2013	2012
Australian equities	10%	15%	20%	16%	17%
International equities	7%	12%	17%	15%	14%
Global property	0%	7%	10%	0%	4%
Fixed interest	0%	50%	65%	19%	31%
Cash	0%	16%	83%	50%	34%
Foreign exchange exposure*	0%	7%	17%	7%	7%

* The foreign exchange exposure is gained by investing in an unhedged international equities fund operated by QIC.

During the financial year The Public Trustee decreased the minimum range for fixed interest from 15% to 0% and increased the maximum range for cash from 68% to 83%.

Growth Trust

QIC Asset Class	Dynamic Asset Allocation Ranges #			Actual Exposure	Actual Exposure
	Minimum	Equilibrium	Maximum	2013	2012
Australian equities	27%	32%	37%	35%	34%
International equities	18%	23%	28%	27%	27%
Global property	0%	10%	15%	0%	7%
Fixed interest	0%	23%	40%	6%	12%
Cash	0%	12%	55%	33%	20%
Foreign exchange exposure*	0%	15%	28%	16%	15%

* The foreign exchange exposure is gained by investing in an unhedged international equities fund operated by QIC.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

During the financial year The Public Trustee decreased the minimum range for global property from 5% to 0%, decreased the minimum range for fixed interest from 5% to 0% and increased the maximum range for cash from 45% to 55%.

Higher Growth Trust

QIC Asset Class	Dynamic Asset Allocation Ranges			Actual Exposure	Actual Exposure
	Minimum	Equilibrium	Maximum	2013	2012
Australian equities	35%	40%	45%	43%	43%
International equities	30%	35%	40%	39%	38%
Global property	0%	7%	10%	0%	4%
Absolute return strategies	0%	2.5%	10%	3%	3%
Fixed Interest	0%	12%	25%	0%	3%
Cash	0%	3.5%	35%	15%	9%
Foreign exchange exposure*	0%	15%	40%	16%	15%

* The foreign exchange exposure is gained by investing in an unhedged international equities fund operated by QIC.

Australian Equities Fund

QIC Asset Class	Dynamic Asset Allocation Ranges			Actual Exposure	Actual Exposure
	Minimum	Equilibrium	Maximum	2013	2012
Australian equities	95%	100%	100%	100%	100%
Cash	0%	0%	5%	0%	0%

The following table summarises the impact on the Funds' net assets attributable to unitholders of an increase/decrease in the value of the Trusts' investments in unlisted unit trusts. The analysis is based on the assumptions that the unlisted unit trusts net asset values increased by 7.5% (2012: 7.5%) and decreased by 7.5% (2012: 7.5%) with all other variables held constant.

As the Funds' portfolios are constructed utilising a range of unlisted unit trusts that provide exposure to different assets classes, the price risk represented by the change in the fair value of unlisted unit trusts will also be representative of changes in interest rates and foreign exchange rates that the unlisted unit trusts may also be exposed to.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

30 June 2013

Impact on operating profit / Net assets attributable to unitholders	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
Fair value of investments in unlisted unit trusts increased by 7.5%	5,193	14,556	8,499	4,382
Fair value of investments in unlisted unit trusts decreased by 7.5%	(5,193)	(14,556)	(8,499)	(4,382)

30 June 2012

Impact on operating profit / Net assets attributable to unitholders	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
Fair value of investments in unlisted unit trusts increased by 7.5%	6,216	13,693	8,614	4,170
Fair value of investments in unlisted unit trusts decreased by 7.5%	(6,216)	(13,693)	(8,614)	(4,170)

The sensitivity analysis presented is based upon the portfolio composition as at 30 June. The composition of the Funds' investment portfolios are expected to change over time. The sensitivity analysis prepared as at 30 June is not necessarily indicative of the effect on the Funds' net assets attributable to unitholders of future movements in the value of the investments in unlisted unit trusts.

The 7.5% change in unlisted unit trust net asset values has been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in the net asset values of the unlisted unit trusts.

However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performances of economies, markets and securities in which the Funds have exposure. As a result, historic variations in risk variables should not be used to predict future variations in risk variables.

(ii) Foreign exchange risk

Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

When the investment manager formulates a view on the future direction of foreign exchange rates and the potential impact on the Funds, the investment manager factors that into its portfolio allocation decisions.

While the Funds have no direct exposure to foreign exchange rate changes, the Funds may be indirectly affected for example, by the impact of foreign exchange rate changes on the investments held by the unlisted unit trusts in which the Funds primarily invest. No sensitivity analysis has been prepared, however this may not necessarily indicate the effect on the Funds' net assets attributable to unitholders of future movements in foreign exchange rates. Please refer to Note 3(b)(i) for further details pertaining to the sensitivity of the investments in unlisted unit trusts.

(iii) Cash flow and fair value interest rate risk

The Funds are exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Funds to fair value interest rate risk.

The Funds' interest bearing financial assets expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The Funds have direct exposure to interest rate changes on the valuation and cash flows of their interest bearing assets and liabilities, namely their holdings in cash and cash equivalents. However, as there is no

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

direct impact on the Funds' operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows as a result of any change in the year end interest rates, no sensitivity analysis has been prepared.

However, the Funds may be indirectly affected for example, by the impact of interest rates changes on the investments held by the unlisted unit trusts in which the Funds primarily invest. No sensitivity analysis has been prepared for this exposure, however this may not necessarily indicate the effect on the Funds' net assets attributable to unitholders of future movements in interest rates. Please refer to Note 3(b)(i) for further details pertaining to the sensitivity of the investments in unlisted unit trusts.

(c) Credit risk

The Funds are exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due.

The main concentration of credit risk, to which the Funds are exposed, arises from the Funds' investments in unlisted unit trusts. The Funds are also exposed to counterparty credit risk on cash and cash equivalents and other receivables.

(i) Unlisted unit trusts

The credit risk arising on investments in unlisted unit trusts is mitigated by investing with managers who are well recognised and have a proven track record of delivering on their stated investment objectives. Continual monitoring of the Funds' investment manager by the Investment Board is also carried out on an ongoing basis.

The Funds' investment manager separately carries out extensive due diligence on any proposed underlying managers to their unlisted unit trusts prior to making an investment allocation to ensure these managers are well recognised and have a proven track record of delivering on their stated investment objectives.

(ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA- (as determined by Standard and Poor's) or higher.

The investment team of The Public Trustee monitors the Funds' credit position on a daily basis.

(iii) Other

The Funds are not materially exposed to credit risk on other financial assets.

The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

(d) Liquidity risk

Liquidity risk is the risk that the Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due, or can only do so on terms that are materially disadvantageous.

The Funds are exposed to daily cash redemptions of redeemable units. Investments in unlisted unit trusts expose the Funds to the risk that the manager of those unlisted unit trusts may be unwilling or unable to fulfil the redemption requests within the timeframe requested by the Funds.

In order to manage the Funds' overall liquidity, The Public Trustee has the discretion to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

Units are redeemed on demand at the unitholder's option. Accordingly for both the 2012 and 2013 financial periods, the Funds' non-derivative financial liabilities contractual maturity is classified within 1 month. However, The Public Trustee does not envisage that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term

(e) Fair value estimation

The carrying amounts of the Funds' assets and liabilities at the end of each reporting period approximate their fair values.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

Financial assets held at fair value through profit or loss are measured initially at fair value (being cost). Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of comprehensive income.

The Funds value their investments in accordance with the accounting policies set out in Note 2.2.

(i) Fair value in an active market

The fair value of financial assets traded in active markets is based on their quoted market prices at the end of the reporting period.

The quoted market price used for financial assets held by the Funds is the current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Fair value in an inactive or unquoted market

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of substantially similar other instruments, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Investments in other unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds.

Valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations may therefore be adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The carrying value of other receivables less any impairment provision and payables are assumed to approximate their fair values.

Financial liabilities arising from the redeemable units issued by the Funds are carried at the redemption amount representing the investors' right to a residual interest in the Funds' assets, effectively at fair value at the reporting date.

(f) Fair value hierarchy

(i) Classification of financial assets

The Funds' classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by The Public Trustee. The Public Trustee considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Funds' financial assets (by class) are all investments in unlisted unit trusts and measured at fair value according to the fair value hierarchy at 30 June 2013 and 30 June 2012.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

The Funds' investments in unlisted unit trusts are classified within level 2 as these markets are not considered to be active but are valued based on alternative pricing sources supported by observable inputs. There were no movements between levels during this time.

4 Remuneration of auditors

During the year the following fees were paid or payable by The Public Trustee for services provided by the auditor of the Funds:

30 June 2013

	Conservative	Growth	Higher Growth	Australian Equities
	\$	\$	\$	\$
Queensland Audit Office				
Audit of financial statements*	15,000	15,000	15,000	15,000
Total remuneration for audit and other assurance services	15,000	15,000	15,000	15,000

30 June 2012

	Conservative	Growth	Higher Growth	Australian Equities
	\$	\$	\$	\$
Queensland Audit Office				
Audit of financial statements*	15,451	15,451	15,451	15,451
Total remuneration for audit and other assurance services	15,451	15,451	15,451	15,451

* Audit fees are included as part of Trustee fees in the Statements of comprehensive income.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

5 Net gains/(losses) on financial instruments held at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets held at fair value through profit or loss.

30 June 2013	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Unlisted unit trusts	3,538	14,974	12,428	6,560
Net gain/(loss) on financial assets held at fair value through profit or loss	3,538	14,974	12,428	6,560

Comprising:

Net realised gain/(loss) on financial assets held at fair value through profit or loss	521	141	251	39
Net unrealised gain/(loss) on financial assets held at fair value through profit or loss	3,017	14,833	12,177	6,521
Net gain/(loss) on financial assets held at fair value through profit or loss	3,538	14,974	12,428	6,560

30 June 2012	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Unlisted unit trusts	(905)	(7,063)	(7,913)	(7,990)
Net gain/(loss) on financial assets held at fair value through profit or loss	(905)	(7,063)	(7,913)	(7,990)

Comprising:

Net realised gain/(loss) on financial assets held at fair value through profit or loss	(470)	(840)	(835)	(1,193)
Net unrealised gain/(loss) on financial assets held at fair value through profit or loss	(435)	(6,223)	(7,078)	(6,797)
Net gain/(loss) on financial assets held at fair value through profit or loss	(905)	(7,063)	(7,913)	(7,990)

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

6 Net assets attributable to unitholders

Movements in the number of units and net assets attributable to unitholders during the year were as follows:

30 June 2013	Conservative	Growth	Higher Growth	Australian Equities
Amount (\$'000)	\$'000	\$'000	\$'000	\$'000
Opening balance	82,824	182,709	115,054	55,741
Applications	6,427	15,308	7,412	5,352
Units issued upon receipt of trustee fee rebates	1	1	-	8
Redemptions	(24,698)	(24,138)	(23,879)	(10,579)
Units issued upon reinvestment of distributions	279	607	374	282
Change in net assets attributable to unitholders	3,519	14,972	12,424	6,557
Closing balance	68,352	189,459	111,385	57,361

Units (No's)	Unit No's '000	Unit No's '000	Unit No's '000	Unit No's '000
Opening balance	112,820	262,212	176,201	69,069
Applications	8,423	20,701	10,795	6,053
Units issued upon receipt of trustee fee rebates	1	1	-	9
Redemptions	(32,030)	(31,997)	(32,993)	(11,337)
Units issued upon reinvestment of distributions	284	435	218	238
Closing balance	89,498	251,352	154,221	64,032

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

30 June 2012	Conservative	Growth	Higher Growth	Australian Equities
Amount (\$'000)	\$'000	\$'000	\$'000	\$'000
Opening balance	109,412	184,402	133,647	67,719
Applications	12,132	26,987	11,274	7,596
Units issued upon receipt of trustee fee rebates	2	2	1	23
Redemptions	(38,207)	(22,105)	(22,162)	(11,907)
Units issued upon reinvestment of distributions	364	462	183	273
Change in net assets attributable to unitholders	(879)	(7,039)	(7,889)	(7,963)
Closing balance	82,824	182,709	115,054	55,741

Units (No's)	Unit No's '000	Unit No's '000	Unit No's '000	Unit No's '000
Opening balance	147,813	254,401	192,453	74,070
Applications	16,170	37,677	16,228	8,583
Units issued upon receipt of trustee fee rebates	2	3	1	26
Redemptions	(52,090)	(31,564)	(33,612)	(14,262)
Units issued upon reinvestment of distributions	925	1,695	1,131	652
Closing Balance	112,820	262,212	176,201	69,069

Capital risk management

The Funds consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are revised relative to the liquidity of the Funds' underlying assets on a daily basis by The Public Trustee. Under the terms of the Trust Deeds, The Public Trustee has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

7 Distribution summary

The distributions for the year were as follows:

	30 June 2013	30 June 2013	30 June 2012	30 June 2012
	\$'000	CPU*	\$'000	CPU*
Conservative Fund Distribution				
Distribution paid - 30 September	569	0.5369	539	0.3674
- 31 December	372	0.3715	522	0.3854
- 31 March	283	0.3011	1,228	0.9941
Distribution payable - 30 June	2,303	2.5727	621	0.5501
Total distribution	3,527	3.7822	2,910	2.2970
Growth Trust Distribution				
Distribution paid - 30 September	629	0.2434	675	0.2584
- 31 December	850	0.3340	702	0.2667
- 31 March	846	0.3352	1,196	0.4600
Distribution payable - 30 June	8,850	3.5208	1,165	0.4444
Total distribution	11,175	4.4334	3,738	1.4295
Higher Growth Trust Distribution				
Distribution paid - 30 September	171	0.1000	313	0.1610
- 31 December	497	0.2983	352	0.1837
- 31 March	481	0.2947	336	0.1822
Distribution payable - 30 June	5,627	3.6487	765	0.4340
Total distribution	6,776	4.3417	1,766	0.9609
Australian Equities Fund Distribution				
Distribution paid - 30 September	362	0.5231	472	0.6846
- 31 December	762	1.0965	508	0.7306
- 31 March	840	1.2332	345	0.4946
Distribution payable - 30 June	2,507	3.9154	443	0.6409
Total distribution	4,471	6.7682	1,768	2.5507

* CPU is cents per unit

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

8 Cash and cash equivalents

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2013				
Cash at bank	98	204	71	83
Total	98	204	71	83

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2012				
Cash at bank	4	4	5	4
Total	4	4	5	4

9 Receivables

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2013				
Distribution receivable	1,440	4,412	3,782	1,464
QIC redemption funds receivable	25	55	49	55
Reduced input tax credit receivable	8	27	16	8
Total	1,473	4,494	3,847	1,527

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2012				
Distribution receivable	690	1,527	1,099	639
QIC redemption funds receivable	-	-	-	-
Reduced input tax credit receivable	7	16	11	5
Total	697	1,543	1,110	644

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

10 Financial assets held at fair value through profit or loss

30 June 2013	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Designated at fair value through profit or loss				
Unlisted unit trusts	69,240	194,080	113,321	58,422
Total financial assets held at fair value through profit or loss	69,240	194,080	113,321	58,422
Comprising:				
Unlisted unit trusts				
Units in Australian equity trusts	11,401	68,437	49,027	58,422
Units in international equity trusts	10,081	51,554	43,673	-
Units in cash trusts	34,573	63,412	17,195	-
Units in global fixed interest trusts	13,185	10,677	-	-
Units in global property trusts	-	-	-	-
Units in absolute return strategy trusts	-	-	3,426	-
Total	69,240	194,080	113,321	58,422
30 June 2012				
	Conservative \$'000	Growth \$'000	Higher Growth \$'000	Australian Equities \$'000
Designated at fair value through profit or loss				
Unlisted unit trusts	82,878	182,574	114,859	55,604
Total financial assets held at fair value through profit or loss	82,878	182,574	114,859	55,604
Comprising:				
Unlisted unit trusts				
Units in Australian equity trusts	13,766	62,656	48,822	55,604
Units in international equity trusts	11,346	48,584	43,912	-
Units in cash trusts	28,349	36,347	10,471	-
Units in global fixed interest trusts	25,698	21,758	3,536	-
Units in global property trusts	3,719	13,229	4,907	-
Units in absolute return strategy trusts	-	-	3,211	-
Total	82,878	182,574	114,859	55,604

An overview of the risk exposures of fair value measurements relating to financial assets at fair value through profit or loss is included in Note 3.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

11 Payables

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2013				
Redemptions payable	74	211	71	90
Trustee fees payable	82	258	156	74
Total	156	469	227	164

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2012				
Redemptions payable	37	9	-	1
Trustee fees payable	97	238	155	67
Total	134	247	155	68

12 Reconciliation of cash flows from operating activities

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2013				
Profit/(loss) for the year	3,519	14,972	12,424	6,557
Distributions paid to unitholders	3,527	11,175	6,776	4,471
Corpus contributions	-	-	-	-
Net change in financial instruments held at fair value through profit or loss	13,638	(11,507)	1,538	(2,819)
Net change in receivables and other assets	(776)	(2,951)	(2,738)	(883)
Net change in payables	(15)	20	1	7
Net cash inflow/(outflow) from operating activities	19,893	11,709	18,001	7,333

	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
30 June 2012				
Profit/(loss) for the year	(879)	(7,039)	(7,889)	(7,963)
Distributions paid to unitholders	2,910	3,738	1,766	1,768
Corpus contributions	(1)	-	-	-
Net change in financial instruments held at fair value through profit or loss	26,932	2,742	19,155	12,197
Net change in receivables and other assets	2,372	5,035	4,528	1,013
Net change in payables	(45)	(3)	(25)	(18)
Net cash inflow/(outflow) from operating activities	31,289	4,473	17,535	6,997

There were no non-cash financing activities during the year or the prior year.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

13 Related party transactions

(a) Trustee

The trustee of the Funds is The Public Trustee of Queensland.

(b) Key management personnel

Key management personnel that held positions of authority and responsibility for planning, directing and controlling the activities of the Funds during the financial year (and the previous financial year where relevant) were key management personnel of The Public Trustee comprising:

Key management personnel	Position
Peter Carne	Public Trustee of Queensland
Ray Bowers	Acting Executive Director, Investment Services and Chief Finance Officer (acting in the position from 30 September 2010 until 4 June 2012)
Tim Murphy	Executive Director, Investment Services and Chief Finance Officer (appointed 4 June 2012)
Frank Prostamo	Director, Investment Services

There were no other persons with responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly during the financial year.

Key management personnel unit holdings

Key management personnel that had personal unit holdings in the Funds during the financial year were:

30 June 2013

	Conservative Units	Growth Units	Higher Growth Units	Australian Equities Units
Key management personnel				
Nil	-	-	-	-

30 June 2012

	Conservative Units	Growth Units	Higher Growth Units	Australian Equities Units
Key management personnel				
Ray Bowers	-	-	29,160	-

No other key management personnel held units in the Funds.

Key management personnel compensation

Key management personnel are paid by The Public Trustee. Payments made from the Funds to The Public Trustee do not include any amounts directly attributable to the compensation of key management personnel.

Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

Other transactions within the Funds

Apart from those detailed in this note, no key management personnel have entered into a material contract with the Funds during the financial year and there were no material contracts involving key management personnel's interests existing at year end.

(c) Trustee fees and other transactions

Under the terms of the Funds' Trust Deed and Product Information Statements, The Public Trustee is entitled to receive Trustee fees, calculated daily on each Fund's net asset value and paid monthly in arrears. The calculation of the Trustee fees changed effective 1 January 2013 (as published in The Public Trustee's Fees and Charges Notice (No. 2) 2012) from which date the Trustee fees are calculated daily on each Fund's net asset value. Previously the monthly fee was calculated based on each Fund's net asset value at the end of the month.

The fee covers the usual expenses incurred and includes the QIC's investment management fees charged to The Public Trustee in respect of each of the QIC funds and covers other expenses incurred by The Public Trustee such as auditing, accounting expenses and ongoing maintenance of the unit registry.

The annual Trustee fees are grossed up for GST and reduced by the Reduced Input Tax Credits (RITCs) allowed. The annual Trustee fees of the Funds (including GST and reduced by RITCs) are as follows:

Fund	2013 annual trustee fee#	From 1 June 2012 annual trustee fee*	Prior 1 June 2012 annual trustee fee*
Conservative Fund	1.36%	1.33%	1.49%
Growth Trust	1.52%	1.49%	1.49%
Higher Growth Trust	1.53%	1.54%	1.50%
Australian Equities Fund	1.41%	1.38%	1.44%

On 1 July 2012 the Funds' input tax credit available in respect of certain services provided by the trustee reduced from 75% to 55%.

*On 1 June 2012 the annual trustee fees were reviewed and new rates as outlined above were enacted.

The transactions during the year and amounts payable at period end between the Funds and The Public Trustee were as follows:

30 June 2013	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
Trustee fees for the year paid by the Fund to The Public Trustee	1,048	2,935	1,840	888
Amounts payable to The Public Trustee at the end of the reporting period	82	258	156	74

30 June 2012	Conservative	Growth	Higher Growth	Australian Equities
	\$'000	\$'000	\$'000	\$'000
Trustee fees for the year paid by the Fund to The Public Trustee	1,433	2,666	1,875	826
Amounts payable to The Public Trustee at the end of the reporting period	97	238	155	67

The Public Trustee of Queensland Investment Funds

Notes to the financial statements
for the year ended 30 June 2013

(d) Trustee fee rebate

A Trustee fee rebate is available for clients holding more than \$100,000 in any single fund. This rebate is a reduction in the Trustee fee and is calculated on the value of each client's holding at the close of each month. The tiered trustee fee rebate structure is as follows:

Net asset value	30 June 2013	30 June 2012
	Rebate %	Rebate %
First \$100,000	-	-
Next \$150,000	0.15%	0.15%
Next \$250,000	0.40%	0.40%
Next \$500,000	0.45%	0.45%
Next \$9M	0.85%	0.85%
Next \$15M	1.00%	1.00%
Over \$25M	1.05%	1.05%

14 Events occurring after the reporting period

There were no significant events that have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the Statements of financial position as at 30 June 2013 or on the results and cash flows of the Funds for the period ended on that date.

15 Contingent assets and liabilities and commitments

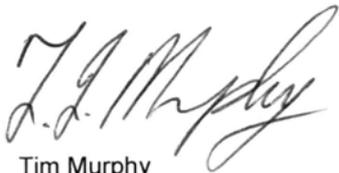
There are no contingent assets, liabilities or commitments as at 30 June 2013 (2012: Nil).

The Public Trustee of Queensland Investment Funds

The Public Trustee of Queensland's Declaration

In the opinion of The Public Trustee of Queensland:

- a) These general purpose financial statements have been prepared pursuant to the Trust Deed Poll and any Supplemental Trust Deed Polls, the *Public Trustee Act 1978* (the Act) and other prescribed requirements;
- b) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- c) The statements present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Funds for the period ended 30 June 2013 and of the financial position of the Funds at the end of that year.



Tim Murphy
BBus, CA, F Fin
Executive Director Investment
Services & Chief Finance Officer



Peter Carne
BA LLB FAICD FAIM
The Public Trustee of
Queensland

Brisbane
23 August 2013

The Public Trustee of Queensland Investment Funds

INDEPENDENT AUDITOR'S REPORT

To the Trustee and Unit Holders of The Public Trustee of Queensland Investment Funds

Report on the Financial Report

I have audited the accompanying financial report of The Public Trustee Of Queensland Investment Funds, which comprises the statements of financial position as at 30 June 2013, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by The Public Trustee of Queensland and the Executive Director Investment Services & Chief Finance Officer.

The Trustee's Responsibility for the Financial Report

The trustee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the requirements of the Trust Deed Poll of The Public Trustee of Queensland Investment Funds dated 10 July 1996 and the Supplemental Trust Deed Polls. The trustee's responsibility also includes such internal control as the trustee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

The Public Trustee of Queensland Investment Funds

Opinion

In accordance with the provisions of the trust deed of the Trust Deed Poll of The Public Trustee of Queensland Investment Funds dated 10 July 1996, I have audited the financial report of The Public Trustee of Queensland Investment Funds, and –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion, the financial report presents fairly, in all material respects, the financial position of The Public Trustee of Queensland Investment Funds as at 30 June 2013 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



K JOHNSON FCA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Glossary

Administrator

An Administrator is a substitute decision-maker and makes decisions on behalf of an adult with impaired capacity in respect to financial matters. An administrator is appointed by either the QCAT or the Court pursuant to the *Guardianship and Administration Act 2000*.

Attorney

An Attorney is the person nominated by an individual under an EPA to manage their affairs.

Beneficiary

A beneficiary is a person or organisation who receives a benefit under a Will or Trust which may include personal effects, property or money.

Charitable and Philanthropic Trusts

PTQ acts as Trustee for various significant charitable or philanthropic trusts. These trusts are established for charitable purposes and usually will have a deductible gift recipient status, which essentially means that people who make donations to the trustee for the use of the charitable trust can receive a tax deduction for the donation.

Client Service Centre (CSC)

Clients with similar needs will be grouped by service category and then managed by a small team. The CSC concept is to deliver quality specialised services.

Common Fund

Under section 19 of the *Public Trustee Act 1978*, all moneys vested in or coming into the hands of PTQ on behalf of clients, shall be held in one or more common funds and shall be invested by PTQ.

Enduring Powers of Attorney (EPA)

An EPA is an important legal document that gives someone else the power to make personal or financial decisions on your behalf under the *Powers of Attorney Act 1998*. PTQ accepts appointment as a financial attorney under EPAs.

Executor

The role of an Executor of a Will is to administer the estate of a deceased person and distribute the assets in accordance with the deceased's Will.

Further information regarding executorship can be found in the publication *Let's talk about Executor Services* available online at www.pt.qld.gov.au/publications/brochures.html.

Intestacy

Where a person dies without a valid Will the person is said to have died intestate. The person who administers the estate and distributes it in these circumstances is normally referred to as an Administrator. PTQ is often asked to act as administrator in intestate estates.

Further information regarding Intestacy can be found in the publication *Let's talk about Intestacy* available online at www.pt.qld.gov.au/publications/brochures.html.

Majority

Majority is the age at which a minor (child) is said to have reached full legal age (18 years in Queensland) and is competent to manage his/her own affairs.

Minors Trust

Often there is a need for a Trustee to hold property on behalf of a minor. PTQ often becomes involved in minors trusts where the child has received assets from a deceased estate or personal injuries claim etc. In these circumstances PTQ holds the assets in trust for the benefit of the minor.

The Public Trustee of Queensland (PTQ)

PTQ is legislated by the *Public Trustee Act 1978* and is a corporation sole constituted by the act.

The Public Trustee (Public Trustee of Queensland) is appointed by the Governor in Council and is subject to the Minister.

Public Trustee of Queensland Investment Fund (PTIF)

PTIF comprises four separate unit trusts. PTQ is the Trustee and manager of each trust. A unit trust is an investment vehicle that enables a number of investors to pool their money to make investments in a variety of assets such as property and shares.

Queensland Civil and Administrative Tribunal (QCAT)

QCAT has the legislative power to grant guardianship in relation to an adult with impaired decision making capacity. This makes sure that the adult's needs are met and their interests protected.

Queensland Government Agent Program (QGAP)

In rural and smaller regional areas, local and state Government offices have been nominated as part of the QGAP as agents for public sector agencies including PTQ.

A broad range of Government services can be accessed at these offices which provide information, help and advice on all State Government services.

Information on participating offices can be found at:

www.qld.gov.au/about/contact-government/contacts/government-service-offices/

Trust

A trust is the owner of property and is obliged to deal with that property for the benefit of some other person or people or for some particular purpose recognised by law, for example for a charitable purpose. There are three key elements of a trust: a trustee, beneficiary/ies and trust property.

Trustee

A trustee is the person (including The Public Trustee of Queensland) who holds the assets and administers the trust in accordance with the terms of the trust for the benefit of the beneficiary/ies. The trustee is under an obligation to deal with those assets not for his or her own benefit but for the benefit of the beneficiaries or the purpose of the trust (for example a charitable purpose).

Trust Assets

These are the assets of the trust held by the trustee for beneficiaries or purpose in accordance with the terms of the trust.

Philanthropic Trusts – see Charitable Trusts

Will

A Will is a document stating how you would like your estate (your assets) to be distributed after you die.

The *Succession Act 1981* defines how a Will should be prepared for it to be valid.

Further information regarding PTQ's Will making service can be found in the publication *Let's talk about Wills* available online at www.pt.qld.gov.au/publications/brochures.html.

Acronyms used throughout this Annual Report

AEU	Audit and Evaluation Unit
ARMC	Audit and Risk Management Committee
CSC	Client Service Centre(s)
CSO	Community Service Obligation(s)
CPI	Consumer Price Index
EPA	Enduring Power of Attorney
FTE	Full-time equivalent
HR	Human Resources
ICT	Information and Communication Technology
MOHRI	Minimum Obligatory Human Resource Information
PMO	Project Management Office
PTIF	Public Trustee of Queensland Investment Fund
QAO	Queensland Audit Office
QCAT	Queensland Civil and Administrative Tribunal
QGAP	Queensland Government Agent Program

Office Locations

Brendale

170 South Pine Road, Brendale QLD 4500
PO Box 5204, Brendale DC QLD 4500
Phone: (07) 3142 1900
Email: pt_brendale@pt.qld.gov.au

Brisbane

Trustee House
444 Queen Street, Brisbane QLD 4000
GPO Box 1449, Brisbane QLD 4001
Phone: (07) 3213 9288
Email: clientenq@pt.qld.gov.au

Bundaberg

Trustee House
189 Bourbong Street, Bundaberg QLD 4670
GPO Box 860, Bundaberg QLD 4670
Phone: (07) 4181 0800
Email: pt_bundaberg@pt.qld.gov.au

Cairns

Trustee House
27 Sheridan Street, Cairns QLD 4870
PO Box 656, Cairns QLD 4870
Phone: (07) 4040 7300
Email: pt_cairns@pt.qld.gov.au

Gladstone

Trustee House
66 Goondoon Street, Gladstone QLD 4680
PO Box 5021, Gladstone QLD 4680
Phone: (07) 4962 1100
Email: pt_gladstone@pt.qld.gov.au

Ipswich

Trustee House
99 Brisbane Street, Ipswich QLD 4305
PO Box 140, Ipswich QLD 4305
Phone: (07) 3432 6611
Email: pt_ipswich@pt.qld.gov.au

Mackay

Trustee House
18 Brisbane Street, Mackay QLD 4740
PO Box 401, Mackay QLD 4740
Phone: (07) 4969 4600
Email: pt_mackay@pt.qld.gov.au

Maryborough

Trustee House
88 Ellena Street, Maryborough QLD 4650
PO Box 280, Maryborough QLD 4650
Phone: (07) 4183 0900
Email: pt_maryborough@pt.qld.gov.au

Mount Isa

Trustee House
18 Miles Street, Mount Isa QLD 4825
PO Box 2000, Mount Isa QLD 4825
Phone: (07) 4764 0500
Email: pt_mountisa@pt.qld.gov.au

Nambour

72 Currie Street, Nambour QLD 4560
PO Box 49, Buddina QLD 4575
Phone: (07) 5314 1800
Email: pt_sunshinecoast@pt.qld.gov.au

Redcliffe

Trustee House
165 Sutton Street, Redcliffe QLD 4020
PO Box 131, Redcliffe QLD 4020
Phone: (07) 3817 9100
Email: pt_redcliffe@pt.qld.gov.au

Rockhampton

Trustee House
67 East Street, Rockhampton QLD 4700
PO Box 273, Rockhampton QLD 4700
Phone: (07) 4999 3600
Email: pt_rockhampton@pt.qld.gov.au

Southport

Trustee House
66 Nerang Street, Southport QLD 4215
PO Box 876, Southport QLD 4215
Phone: (07) 5588 5333
Email: pt_southport@pt.qld.gov.au

Sunshine Coast

Suite 1–3, 20 Innovation Parkway,
Birtinya QLD 4575
PO Box 49, Buddina QLD 4575
Phone: (07) 5314 1800
Email: pt_sunshinecoast@pt.qld.gov.au

Toowoomba

Trustee House
447 Ruthven Street, Toowoomba QLD 4350
PO Box 139, Toowoomba QLD 4350
Phone: (07) 4631 8100
Email: pt_toowoomba@pt.qld.gov.au

Townsville

Trustee House
438 Flinders Street, Townsville QLD 4810
PO Box 960, Townsville QLD 4810
Phone: (07) 4753 0111
Email: pt_townsville@pt.qld.gov.au

