The Public Guardian and Trustee For the Province of Ontario

Financial Statements
For the year ended March 31, 2005

2004/05 Annual Report: Message from the Public Guardian and Trustee

This was another busy year for the Office of the Public Guardian and Trustee. Our work continued to energize and challenge us with its increasing variety and complexity. Our services to incapable adults, charities, estates and minors continued to be sought, in significant numbers, by both professionals and individuals including health practitioners, the courts, social services, residential caregivers, advocates and family members of vulnerable adults.

As property guardian, we serve just under nine thousand clients. The vast majority, almost eighty percent, are people who were found to be incapable either through a capacity assessment conducted in the community or as a result of a hospital stay as an in-patient of a psychiatric facility. Over 40% of them are under the age of 40 years, and most of this group suffer from a psychiatric disability. About half of our clients are afflicted by elderly dementia. Most of our clients do have family members, but families are often unable or unwilling to take on the responsibilities of a guardian for a variety of reasons. Family units these days tend to be more widely dispersed and more complicated than they once were, with the result that we are more often called in as the "last resort" decision maker for a mentally incapable family member.

We are also called upon to make medical treatment decisions for persons who are mentally incapable of doing so, and have no one else able to do this for them. Last year, we made 4333 such decisions. These range from decisions to administer medication, to end of life decisions. A recent case in Florida involving a young woman on life support served to focus attention on the subject of living wills, and we handled a number of inquiries regarding advance health care directives. Such a directive may be expressed verbally or in writing. The directives contain health care decisions made by an individual in advance of incapacity to make his or her own treatment decisions. They may be included in a "living Will". Ontario's *Health Care Consent Act*, which requires informed consent to medical treatment, respects "wishes" of the patient, whether they are expressed verbally or in writing. Substitute decision-makers, physicians and hospitals, if advised of a patient's wishes in respect of a particular treatment, are required to follow those wishes. The *Substitute Decisions Act* allows an individual to name in advance a person ("attorney for personal care") who will make substitute decisions for the individual in the event of the individual's incapacity. There is no prescribed form for this purpose, but the Public Guardian and Trustee makes forms available to the public on its website.

Another key function served by the Office is that of investigating allegations of abuse of an incapable person. One such case this past year illustrates the importance of this work. We became aware of the case of Ms X, an 84 year old woman residing in her own home. A much younger male tenant in the house claimed he was caring for her as well as being her partner and managing her affairs under a Power of Attorney. Contact with a financial institution where she had accounts confirmed that almost $200,000 had disappeared from her bank accounts in less than two years, as well as an additional $52,000 inheritance. Work done by the OPGT investigations unit revealed that the tenant had attempted to get a reverse mortgage on the property, and had sold off a number of valuable antiques. Most disturbing of all, Ms X had been forced to sleep on a mattress in her kitchen and her only food consisted of canned dietary supplement drinks. OPGT staff approached this case vigorously. As a result of a team effort and with the assistance of the local police, the tenant was dealt with and Ms X is now safe and well cared for in a local long-term care facility. The remainder of her estate and the profit from the sale of her house is intact, thus ensuring her safety and financial security for the rest of her life.

This year also included a review of our programs in the form of a Value-for-Money Audit conducted by the province's Auditor General. The audit examined all of our operations and took almost a year to complete. The results, overall, were quite positive. The Auditor General concluded that the Office had made a number of key operational improvements since their last audit in 1999, that our performance standards were generally being met, and that previously identified issues had been addressed. No problems were identified in our front-line programs for incapable adults.

One area in which the Auditor General did make recommendations was that of investment management. Some of our clients have securities and/or cash beyond what they need for their day-to-day expenses. Cash must be invested in a way that is best suited to the needs of the client. As a trustee, the OPGT must exercise a standard consistent with "the care, skill, diligence and judgment that a prudent investor would exercise in making investments". This includes a requirement to diversify the investments if that is appropriate in the circumstances. The Auditor General made a number of recommendations for improved review, oversight and approval processes in our financial planning area. Given market fluctuations over the past few years, and the fact that clients are coming under our jurisdiction with increasingly sophisticated portfolios of investments, this area has posed a challenge to our resources. Nevertheless, clients have continued to earn a very reasonable rate of return, and all of our policies and procedures in this area have been thoroughly reviewed and updated.

Our work is both challenging and rewarding. OPGT staff work incredibly hard to ensure that our clients receive the high standard of service that they deserve, notwithstanding increasing workload pressures. I would like to thank them all for their tireless dedication over the past year, and look forward with them to the year ahead.

Louise Stratford
Public Guardian and Trustee

OFFICE OF THE PUBLIC GUARDIAN AND TRUSTEE

Management's Responsibility for Financial Information

Management is responsible for the financial statements and all other information presented in the financial statements. The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, and, where appropriate, include amounts based on Management's best estimates and judgments.

The Office of the Public Guardian and Trustee is dedicated to the highest standards of integrity in provision of its services. Management has developed and maintains financial controls, information systems and practices to provide reasonable assurances on the reliability of financial information and that the assets were safeguarded. Internal audits are conducted to assess management systems and practices and reports are issued to the Public Guardian and Trustee and her audit committee.

The financial statements have been examined by the Office of the Auditor General. The Auditor General's responsibility is to express an opinion on whether the financial statements are fairly presented in accordance with Canadian generally accepted accounting principles. The Auditor's Report outlines the scope of the auditor's examination and opinion.

Louise Stratford
Public Guardian and Trustee

Sharon Yetter
Chief Financial Officer

June 10, 2005

The Public Guardian and Trustee for the Province of Ontario

Financial Statements
For the year ended March 31, 2005

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Auditor General
of Ontario

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Auditor's Report

To the Public Guardian and Trustee for the Province of Ontario
and to the Attorney General

I have audited the balance sheet of The Public Guardian and Trustee for the Province of Ontario as at March 31, 2005 and the statements of revenue and expenses, changes in fund balances and cash flows for the estates and trusts and the administration fund for the year then ended. These financial statements are the responsibility of The Public Guardian and Trustee's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of The Public Guardian and Trustee for the Province of Ontario as at March 31, 2005, the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

In our report dated June 11, 2004, we expressed a reservation of opinion on the financial statements for the year ended March 31, 2004, as the Organization records their diversified fund investments at market value. Canadian generally accepted accounting principles required that these investments be carried at cost and decreased to market value when a decline in value is considered to be other than temporary. Canadian generally accepted accounting principles now allow for these investments to be carried at market value, however, not on a retroactive basis. As a result, adjustments to reflect cost would have been necessary to the comparative figures for investment revenue, excess of revenue over expenses, and the diversified fund balance.

Toronto, Ontario
June 10, 2005

Gary R. Peall, CA
Deputy Auditor General

The Public Guardian and Trustee
for the Province of Ontario

Balance Sheet

(in thousands of dollars)

March 31, 2005

	Estates and Trusts		Administration Fund	
	2005	2004 (re-stated - Note 6)	**2005**	2004
Assets				
Cash and cash equivalents	**$ 3,766**	$ 786	**$ 95**	$ 48
Accounts receivable	**5,505**	2,943	**1,608**	1,847
Bonds and other debt issues	**23,768**	22,732	**-**	-
Fixed income funds (Schedule A)	**881,969**	832,840	**3,337**	2,952
Diversified fund (Schedule B)	**57,788**	62,790	**60,233**	55,547
Stocks and other securities	**50,660**	44,726	**-**	-
Other assets	**11,851**	12,498	**-**	-
Real estate	**68,886**	62,842	**-**	-
	1,104,193	1,042,157	**65,273**	60,394
Deferred charges	**-**	-	**5,216**	4,395
	$ 1,104,193	$ 1,042,157	**$ 70,489**	$ 64,789
Liabilities and Fund Balances				
Accounts payable and accrued liabilities	**$ 13,099**	$ 10,512	**$ 2,785**	$ 2,377
Fund balances	**1,091,094**	1,031,645	**67,704**	62,412
	$ 1,104,193	$ 1,042,157	**$ 70,489**	$ 64,789

Contingencies (Note 5)

On behalf of The Public Guardian and Trustee for the Province of Ontario

Louise Stratford
Public Guardian and Trustee

Sharon Yetter
Chief Financial Officer

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Public Guardian and Trustee for the Province of Ontario

Statement of Revenue and Expenses - Estates and Trusts

(in thousands of dollars)

For the year ended March 31		2005		2004
Revenue				
Pension	$	**58,724**	$	56,215
Social benefits		**48,740**		45,057
Investment		**31,363**		33,352
Other		**23,022**		17,072
Net unrealized investment appreciation		**5,235**		9,361
		167,084		161,057
Expenses				
Accomodation		**70,210**		70,146
Allowances		**22,238**		21,142
Public Guardian and Trustee fees (Schedule C)		**18,310**		17,733
Other		**7,376**		6,452
Living		**7,229**		7,167
Taxes		**5,496**		6,234
Real estate		**4,591**		4,328
Funeral		**4,009**		4,312
Medical		**3,594**		3,502
Utilities		**1,979**		1,846
Insurance		**742**		760
		145,774		143,622
Excess of revenue over expenses	$	**21,310**	$	17,435

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Public Guardian and Trustee for the Province of Ontario

Statement of Revenue and Expenses - Administration Fund

(in thousands of dollars)

For the year ended March 31	2005	2004
Revenue		
Investments - fixed income funds (Schedule A)	**$ 544**	$ 1,372
Investments - diversified fund (Schedule B)	**4,318**	8,894
	4,862	10,266
Fees collected (net) (Schedule C)	**17,141**	16,564
	22,003	26,830
Expenses		
Salaries and wages	**20,659**	19,396
Employee benefits (Note 3)	**2,685**	2,495
Services (Note 3)	**3,452**	3,525
Transportation and communication	**1,365**	1,210
Supplies and equipment	**1,542**	533
	29,703	27,159
Amount recovered from the Ministry of the Attorney General (Note 3)	**(13,212)**	(11,265)
	16,491	15,894
Claims	**220**	359
	16,711	16,253
Excess of revenue over expenses	**$ 5,292**	$ 10,577

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Public Guardian and Trustee
for the Province of Ontario

Statement of Changes in Fund Balances - Estates and Trusts
(in thousands of dollars)

For the year ended March 31, 2005

	Client Trusts	Minors	Litigants	Deceased Estates (note 1)	Cemetery Trusts	Forfeited Corporate Assets	Corporate Trusts	Land Titles	Total 2005	Total 2004 (re-stated - Note 6)
Balance, beginning of year	$ 370,559	$ 374,176	$ 158,247	$ 95,360	$ 20,423	$ 6,975	$ 3,115	$ 2,790	$ 1,031,645	$ 996,996
re-statement (Note 6)										5,591
Re-stated Balance, beginning of year	$ 370,559	$ 374,176	$ 158,247	$ 95,360	$ 20,423	$ 6,975	$ 3,115	$ 2,790	$ 1,031,645	$ 1,002,587
Excess (deficiency) of revenue over expenses	2,199	11,876	4,071	2,997	136	(53)	0	84	21,310	17,435
Net client capital contribution (distribution)	20,415	(9,305)	19,239	7,194	797	117	(54)	(264)	38,139	11,623
Balance, end of year	$ 393,173	$ 376,747	$ 181,557	$ 105,551	$ 21,356	$ 7,039	$ 3,061	$ 2,610	$ 1,091,094	$ 1,031,645

Statement of Changes in Fund Balances - Administration Fund
(in thousands of dollars)

For the year ended March 31, 2005

	Special Projects Fund	Assurance Fund	Litigation Reserve Fund	Allowance for Doubtful Accounts Fund	Capacity Assessment Fund	Unappro-priated Fund	Total 2005	Total 2004
Balance, beginning of year	$ 9,489	$ 1,700	$ 2,000	$ 100	$ 100	$ 49,023	$ 62,412	$ 51,835
Excess (deficiency) of revenue over expenses	4,862	(232)	51	-	(39)	650	5,292	10,577
Interfund transfers	-	732	(51)	-	39	(720)	-	-
Balance, end of year	$ 14,351	$ 2,200	$ 2,000	$ 100	$ 100	$ 48,953	$ 67,704	$ 62,412

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Public Guardian and Trustee for the Province of Ontario

Statement of Cash Flows

(in thousands of dollars)

For the year ended March 31	Estates and Trusts 2005	Estates and Trusts 2004	Administration Fund 2005	Administration Fund 2004
Cash was provided by (used in)				
Operating activities				
Excess of revenue over expenses	**$ 21,310**	$ 17,435	**$ 5,292**	$ 10,577
Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities				
Unrealized appreciation of investments	**(5,235)**	(9,361)	**(2,829)**	(7,552)
Accounts receivable	**(2,562)**	1,434	**239**	(210)
Other assets	**647**	455	**-**	-
Accounts payable	**2,587**	2,347	**408**	(1,216)
	16,747	12,310	**3,110**	1,599
Investing activities				
Net acquisition of bond and other debt issues	**(1,036)**	(4,337)	**-**	-
Net (purchase) redemption of fixed income funds investments	**(49,129)**	(13,652)	**(385)**	2,200
Net acquisition of stocks and other securities	**(3,678)**	(7,698)		
Diversified fund investments net redemptions (purchases)	**7,981**	7,049	**(1,857)**	(1,811)
Net acquisition of real estate	**(6,044)**	(4,631)	**-**	-
Deferred charges	**-**	-	**(821)**	(2,105)
Net client capital contribution	**38,139**	11,623	**-**	-
	(13,767)	(11,646)	**(3,063)**	(1,716)
Increase (decrease) in cash and cash equivalents during the year	**2,980**	664	**47**	(117)
Cash and cash equivalents, beginning of the year	**786**	122	**48**	165
Cash and cash equivalents, end of the year	**$ 3,766**	**$** 786	**$ 95**	**$** 48

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Nature of Operations

The Public Guardian and Trustee for the Province of Ontario ("The Public Guardian and Trustee") performs duties under a number of statutes with the following main responsibilities:

- the management of estates of incapable adults
- the administration of estates of persons who have died in Ontario intestate and without next-of-kin
- the gathering of assets reverting to the Crown under the Escheats Act
- the management of funds, mortgages and securities paid into or lodged with the Accountant of the Superior Court of Justice on behalf of minors and litigants
- a general supervisory role over charitable property

The Public Guardian and Trustee is exempted from federal and provincial income taxes under the Income Tax Act (Canada).

Basis of Accounting

The Public Guardian and Trustee prepares its financial statements on an accrual basis and follows Canadian generally accepted accounting principles.

Estates and Trusts

Estates and Trusts represent accounts over which The Public Guardian and Trustee acts as guardian or trustee under the *Substitute Decisions Act*, the *Public Guardian and Trustee Act*, the *Crown Administration of Estates Act*, the *Estates Act* and various other statutes.

Administration Fund

The Administration Fund is the operating account of The Public Guardian and Trustee. It is used to accumulate fees charged to each estate and trust for services, as prescribed by the Fee Schedule created pursuant to *The Public Guardian and Trustee Act* and to pay operating expenses.

Cash balances in the Administration Fund which are not required for operating purposes are invested along with the cash funds of Estates and Trusts. The Fund receives the net interest income of these investment activities, after interest is distributed on the funds of Estates and Trusts in accordance with the interest rates prescribed by *The Public Guardian and Trustee Act*.

Funds appropriated for specific purposes are identified below.

Special Projects Fund

The Special Projects Fund was established to provide funding for significant special projects of the Public Guardian and Trustee. Income earned from the Unappropriated Fund, invested in the Diversified Fund and Fixed Income Funds, is included in revenue for the Special Projects Fund. The current funding is for the development and implementation of a new trust management technology system.

Assurance Fund

The *Public Guardian and Trustee Act* and the regulations under the Act provide that an Assurance Fund shall be established to meet losses for which The Public Guardian and Trustee might become liable.

During the year the Fund was reimbursed $231,959 (2004 - $124,485) and increased by transfer of an additional $500,000 (2004 - $300,000) from the Unappropriated Fund.

Litigation Reserve Fund
The Litigation Reserve Fund is used to cover expenses and costs of legal proceedings paid by the Public Guardian and Trustee on behalf of its litigation clients.

During the year, recoveries exceeding legal costs incurred on behalf of clients of $50,874 (2004 – legal costs exceeded recoveries by $200,500) were reimbursed to the Unappropriated Fund.

Allowance for Doubtful Accounts Fund
The intent of the Allowance for Doubtful Accounts Fund is to provide for all clients' accounts whereby The Public Guardian and Trustee has advanced funds on a client's behalf and has a statutory lien pursuant to section 8.1 of the *Public Guardian and Trustee Act* but may not be able to recover the amount from the client.

Capacity Assessment Fund
The Capacity Assessment Fund was set up to cover fees of capacity assessors when a client is unable to pay for the costs of an assessment or re-assessment.

During the year the Fund was reimbursed $38,505 (2004 - $33,586) from the Unappropriated Fund.

Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, current bank accounts and short term deposits, if any, with terms to maturity of less than 90 days.

Bonds and Other Debt Issues of Estates and Trusts

Bonds and Other Debt Issues of Estates and Trusts, which are owned by individual clients rather than part of the Public Guardian and Trustee's common funds, are recorded at market value.

Investments

Fixed Income Funds
Funds are invested in high quality fixed income instruments subject to the investment guidelines of the *Trustee Act* and the guidelines and limitations as set by the Public Guardian and Trustee with emphasis on preservation of capital and maximizing return. This includes US dollar trust funds where the Accountant of the Superior Court of Justice is ordered by the courts to hold these funds in US dollars.

Fund investments in money market and in bonds under a laddered buy-and-hold strategy are reflected at cost adjusted for the amortization of premiums or discounts on purchase over the period to maturity, where these securities are intentionally held to maturity.

Interest income is distributed to participants by a prescribed interest rate approved by The Public Guardian and Trustee's Investment Advisory Committee.

Diversified Fund
The Public Guardian and Trustee has a Diversified Fund that includes high quality equity and fixed income securities. This fund was established in order to provide an alternative for those clients whose unique investment objectives require a broader, longer range investment strategy. The fund is subject to the investment guidelines of the *Trustee Act* and the guidelines and limitations as set by The Public Guardian and Trustee with emphasis on the need

to preserve and enhance the purchasing power of capital over the longer term. The Administration Fund also participates in the Diversified Fund.

The investment returns on this fund accrue directly to the participants and the investments are carried at market value.

Stocks and Other Securities of Estates and Trusts

Stocks and Other Securities of Estates and Trusts, which are owned by individual clients rather than part of the Public Guardian and Trustee's common funds, are recorded at market value.

Valuation of Financial Instruments

The Public Guardian and Trustee considers Bonds and Other Debt Issues, Fixed Income Funds, Diversified Funds, and Stocks and Other Securities as financial instruments held for trade. The fair values of these instruments have been determined according to published prices in the active market, where applicable.
Purchases and sales of these financial instruments are recognized at the settlement date.

Other Assets

Other Assets of Estates and Trusts are recorded at appraised value at the time of taking over the Estates and Trusts.

Real Estate

Real Estate of Estates and Trusts is recorded at appraised value at the time of taking over the Estates and Trusts.

Deferred Charges

Costs of a special project for the development and implementation of a new trust management technology system incurred from 2002 to 2005 have been deferred. These charges will be amortized over management's best estimate of the useful life of the system. Amortization will commence in the period in which the system becomes operational.

Foreign Currency Translation

Foreign currency amounts are translated to Canadian dollars as follows:

Each asset, liability, revenue or expense is translated into Canadian dollars at the transaction date, by the use of the exchange rate in effect at that date.

At the year end date, US dollar monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date and the resulting foreign exchange gains and losses are included in income in the current period. As of March 31, 2005 The Public Guardian and Trustee held only US dollars in foreign currency.

Revenue Recognition

Revenues from Pension, Social Benefits, Investment and Other Revenue of Estates and Trusts is recognized when received or receivable. Net Unrealized Investment Appreciation represents unrealized gains from changes in market value of Bonds and Other Debt Issues, Diversified Fund, and Stocks and Other Securities.

Use of Estimates

The preparation of financial statements in accordance with the accounting policies noted above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from management's best estimates, as additional information becomes available in the future.

March 31, 2005

1. Deceased Estates and Funds Escheated to the Crown

Deceased Estates include estates administered under the *Crown Administration of Estates Act* and the *Estates Act.*

The Public Guardian and Trustee is authorized by the *Escheats Act* to take possession of property reverting to the Crown under the *Succession Law Reform Act, Business Corporations Act*, or common law. After a period of ten years, any property so received by The Public Guardian and Trustee which remains unclaimed is transferred to the Consolidated Revenue Fund of the Province. Such property transfers to the Consolidated Revenue Fund are included in client capital distributions in arriving at the amount shown as the net client capital contribution (distribution) for Deceased Estates in the Statement of Changes in Fund Balances – Estates and Trusts.

During the year $256,657 (2004 - $236,942) was transferred to the Consolidated Revenue Fund.

2. Transfers to Consolidated Revenue Fund

Pursuant to Section 9(5) of *The Public Guardian and Trustee Act*, the Lieutenant Governor in Council may from time to time direct the payment into the Consolidated Revenue Fund of the Province of any balance at the credit of the Administration Fund.

No such transfers were made during the year to the Consolidated Revenue Fund of the Province.

3. Related Party Transactions

The Public Guardian and Trustee considers the Government of the Province of Ontario, its Agencies and its Crown Corporations to be related parties. In the normal course of business, the following transactions were entered into with these related parties at no charge to the Public Guardian and Trustee and therefore are not reflected in the financial statements:

- The Public Guardian and Trustee provides pension benefits for its employees through participation in the Public Service Pension Fund and the Ontario Public Service Employees' Union Pension Fund. Management Board Secretariat ("MBS") funds the employer's contribution to the Pension Funds.
- The cost of post-retirement, non-pension employee benefits are paid by MBS.
- The Public Guardian and Trustee occupies leased premises paid for by the Ministry of the Attorney General.
- MBS provides payroll and payment processing for The Public Guardian and Trustee.

The Ministry of The Attorney General provides partial funding for the operations of the Public Guardian and Trustee, which is reflected in the financial statements.

4. Mortgages and Securities Held in Trust

The Public Guardian and Trustee in its capacity as Accountant of the Superior Court of Justice also acts as custodian of mortgages in the amount of $1,068,850 (2004 - $842,850) and miscellaneous securities and documents having a face value of $4,408,031 (2004 - $3,960,084). These amounts are not reflected in the financial statements as The Public Guardian and Trustee does not act as trustee of these funds but simply as custodian of the instruments on behalf of the client. The Public Guardian and Trustee as custodian also holds letters of credit, lien bonds, guardianship bonds and performance guarantee bonds for litigants.

5. Contingencies

The Public Guardian and Trustee is involved in various legal actions arising in the normal course of business operations, the outcome and ultimate disposition of which are not determinable at this time.

6. Comparative Figures

(a) Certain of the comparative figures have been re-stated to conform to current presentation.

(b) The Public Guardian and Trustee has changed its reporting for Real Estate of Estates and Trusts from an annually adjusted market value to the appraised value of these assets at the time of assuming responsibility for the Estates and Trusts. The net effect of this change in accounting policy on amounts previously reported is as follows:

- increase in Fund Balances of Estates and Trusts at April 1, 2003 in the amount of $5,590,536
- increase in Client Capital Contributions during 2004 in the amount of $1,951,072
- increase in Real Estate held at March 31, 2004 in the amount of $7,541,608

The Public Guardian and Trustee for the Province of Ontario

Schedule A - Fixed Income Funds Investments and Income

(in thousands of dollars)

March 31			**2005**		2004
INVESTMENTS					
Cash		**$**	**2,070**	$	3,207
Accrued interest			**10,135**		9,804
Short term investments			**493,331**		472,441
			505,536		485,452
Long term investments					
Corporate Bonds	(i)		**12,851**		28,820
Federal Government	(ii)		**152,608**		114,538
Provincial Governments	(iii)		**56,183**		125,306
Financial Institutions	(iv)		**158,128**		81,676
			379,770		350,340
		$	**885,306**	$	835,792
Allocated as follows					
Estates and Trusts		**$**	**881,969**	$	832,840
Administration			**3,337**		2,952
		$	**885,306**	$	835,792

INCOME				
Allocated as follows				
Estates and Trusts	**$**	**27,091**	$	29,131
Administration		**544**		1,372
	$	**27,635**	$	30,503

Short term investments at March 31, 2005 bear interest at annual rates ranging from 2.46% to 8.53%, with maturity dates ranging from 11 days to 293 days.

Long term investments at March 31, 2005	**Interest Rates**		**Carrying Value**		Market Value
(i) Corporate Bonds					
1 - 3 years	**4.15 - 6.90%**	**$**	**12,851**	**$**	12,861
			12,851		12,861
(ii) Federal Government					
1 - 3 years	**5.00 - 7.25%**		**152,608**		153,415
			152,608		153,415
(iii) Provincial Governments					
1 - 3 years	**3.25 - 7.75%**		**56,183**		56,572
			56,183		56,572
(iv) Financial Institutions					
1 - 3 years	**3.72 - 5.82%**		**81,036**		81,531
3 years +	**5.55 - 8.40%**		**77,092**		76,551
			158,128		158,082
		$	**379,770**	**$**	380,930

The Public Guardian and Trustee for the Province of Ontario

Schedule B - Diversified Fund Investments and Income

(in thousands of dollars)

March 31		2005		2004
INVESTMENTS				
Cash (bank indebtedness)	**$**	**(1,711)**	$	132
Accrued interest		**384**		727
Short term notes		**6,472**		2,052
		5,145		2,911
Bonds		**41,723**		45,706
Canadian equity		**37,037**		36,406
Foreign equity		**34,116**		33,314
	$	**118,021**	$	118,337
Allocated as follows				
Estates and Trusts	**$**	**57,788**	$	62,790
Administration Fund		**60,233**		55,547
	$	**118,021**	$	118,337
INCOME				
Estates and Trusts				
Investment earnings	**$**	**2,028**	$	2,247
Unrealized appreciation of diversified fund		**2,979**		9,361
	$	**5,007**	$	11,608
Administration				
Investment earnings	**$**	**1,489**	$	1,342
Unrealized appreciation of diversified fund		**2,829**		7,552
	$	**4,318**	$	8,894

The Short term notes and Bonds bear interest at annual rates ranging from 2.57% to 9.14%, with maturity dates ranging from 7 days to 45 years.

Schedule C - Public Guardian and Trustee Fees

(in thousands of dollars)

For the year ended March 31		2005		2004
Client trusts	**$**	**11,565**	$	11,168
Minors		**2,695**		2,775
Deceased estates		**2,447**		2,335
Litigants		**1,062**		939
Court-appointed litigation guardian legal services		**185**		185
Cemetery trusts		**178**		168
Charity trusts		**155**		142
Forfeited corporate assets/corporate trusts		**23**		21
Public Guardian and Trustee Fees - Estates and Trusts		**18,310**		17,733
less: Costs of fee services		**1,169**		1,169
Fees collected (net) – Administration Fund	**$**	**17,141**	$	16,564