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To the Public Trustee

Opinion

I have audited the financial report of the Public Trustee for the financial year ended 30 June 2024.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Public Trustee as at 30 June 2024, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2024 for the Corporate Operations
- a Statement of Financial Position as at 30 June 2024 for the Corporate Operations
- a Statement of Changes in Equity for the year ended 30 June 2024 for the Corporate Operations
- a Statement of Cash Flows for the year ended 30 June 2024 for the Corporate Operations
- notes, comprising material accounting policy information and other explanatory information for the Corporate Operations
- a Statement of Trusts being Administered for the year ended 30 June 2024
- notes, comprising material accounting policies and other explanatory information for the Trusts being Administered
- a Statement of Comprehensive Income for the year ended 30 June 2024 for each of the Common Funds
- a Statement of Financial Position as at 30 June 2024 for each of the Common Funds
- a Statement of Cash Flows for the year ended 30 June 2024 for each of the Common Funds
- notes, comprising material accounting policies information and other explanatory information for the Common Funds
- a Certificate from the Public Trustee and the Acting Chief Operating Officer

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Public Trustee. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Public Trustee for the financial report

The Public Trustee is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Public Trustee is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Public Trustee is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Public Trustee is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 26(2), 30(2) and 50(2) of the *Public Trustee Act 1995*, I have audited the financial report of the Public Trustee for the financial year ended 30 June 2024.

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

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Public Trustee's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Public Trustee
- conclude on the appropriateness of the Public Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Public Trustee about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett
Auditor-General

20 September 2024

OFFICIAL

Public Trustee

Corporate Financial Statements for the year ended 30 June 2024

OFFICIAL

Public Trustee
CORPORATE
Statement of Comprehensive Income
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Fees and charges	2.1	26 845	24 809
Community Service Obligations	2.2	6 617	6 094
Interest	2.3	525	355
Resources received free of charge	2.4	108	87
Unrealised gains on financial assets		1 345	1 139
Investment income		769	472
Other income	2.5	371	357
Total income		36 580	33 313
Expenses			
Employee related expenses	3.3	19 196	17 161
Supplies and services	4.1	6 210	6 491
Impairment of receivables		11	30
Depreciation and amortisation	4.3	2 035	1 734
Borrowing costs	4.4	248	275
Total expenses		27 700	25 691
Net result before income tax equivalents		8 880	7 622
Income tax equivalent		2 664	2 287
Net result after income tax equivalents		6 216	5 335
Total comprehensive result		6 216	5 335

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

OFFICIAL

Public Trustee
CORPORATE
Statement of Financial Position
As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6.1	11 347	8 944
Receivables	6.2	914	974
Total current assets		12 261	9 918
Non-current assets			
Other financial assets	6.3	18 693	19 138
Property plant and equipment	5.1	8 956	10 453
Intangible assets	5.4	7 707	3 701
Total non-current assets		35 356	33 292
Total assets		47 617	43 210
Current liabilities			
Payables	7.1	2 700	2 644
Financial liabilities	7.2	1 325	1 202
Contract liabilities	2.1	38	52
Employee related liabilities	3.4	2 409	2 068
Provisions	7.3	399	316
Total current liabilities		6 871	6 282
Non-current liabilities			
Financial liabilities	7.2	9 297	10 622
Employee related liabilities	3.4	3 166	2 832
Provisions	7.3	17	24
Total non-current liabilities		12 480	13 478
Total liabilities		19 351	19 760
Net assets		28 266	23 450
Equity			
Contributed Capital		6 823	2 950
Retained earnings		21 443	20 500
Total equity		28 266	23 450

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Public Trustee
CORPORATE
Statement of Changes in Equity
for the year ended 30 June 2024

	Note	Contributed capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2022		2 950	19 264	22 214
Net result for 2022-23		-	5 335	5 335
Total comprehensive result for 2022-23		-	5 335	5 335
Dividends Paid in 2022-23		-	(4 099)	(4 099)
Balance at 30 June 2023		2 950	20 500	23 450
Net result for 2023-24		-	6 216	6 216
Total comprehensive result for 2023-24		-	6 216	6 216
Equity contribution received in 2023-24		3 873	-	3 873
Dividends Paid in 2023-24		-	(5 273)	(5 273)
Balance at 30 June 2024		6 823	21 443	28 266

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

The Public Trustee
CORPORATE
Statement of Cash Flows
for the year ended 30 June 2024

		2024 (Outflows) Inflows \$'000	2023 (Outflows) Inflows \$'000
Cash flows from operating activities	Note		
Cash inflows			
Fees and Charges		29 344	27 127
Community service obligations		6 617	6 094
Investment income		672	579
Sundry income		308	357
Interest		541	289
Cash generated from operations		37 482	34 446
Cash outflows			
Employee benefit payments		(18 462)	(17 191)
Payments for supplies and services		(7 114)	(6 783)
Tax equivalents		(2 602)	(1 358)
GST remitted to ATO		(1 545)	(1 530)
Interest paid		(248)	(275)
Cash used in operations		(29 971)	(27 137)
Net cash provided by operating activities	8.1	7 511	7 309
Cash flows from investing activities			
Cash inflows			
Proceeds from sales/maturities of investments		1 795	-
Cash generated from investing activities		1 795	-
Cash outflows			
Purchase of financial assets		(5)	(2)
Purchase of intangibles		(4 123)	(683)
Purchase of property, plant and equipment		(173)	(492)
Cash used in investing activities		(4 301)	(1 177)
Net cash used in investing activities		(2 506)	(1 177)
Cash flows from financing activities			
Cash inflows			
Capital contribution from Government		3 873	-
Cash generated from financing activities		3 873	-
Cash outflows			
Dividend distribution to State Government		(5 273)	(4 099)
Lease liabilities repaid		(1 202)	(1 087)
Cash used in financing activities		(6 475)	(5 186)
Net cash used in financing activities		(2 602)	(5 186)
Net decrease in cash and cash equivalents		2 403	946
Cash and cash equivalents at 1 July		8 944	7 998
Cash and cash equivalents at 30 June	6.1	11 347	8 944

The accompanying notes form part of these financial statements.

**The Public Trustee
CORPORATE**

**Notes to and forming part of the financial statements
for the year ended 30 June 2024**

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The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1. About the Public Trustee

The office of the Public Trustee was established in 1881 and is constituted under the provisions of the *Public Trustee Act 1995*. The Public Trustee is a statutory officer pursuant to the *Public Trustee Act 1995*. The Public Trustee is a body corporate with the powers of a natural person.

The Public Trustee does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the Public Trustee.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

For the purposes of preparing the financial statements, the Public Trustee is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities are recoverable from, or payable to, the ATO are classified as operating cash flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Public Trustee has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

The *Public Trustee Act 1995*, through the provisions of Sections 47 and 48, provides for the payment to Government of taxation equivalents and dividends. The income tax liability is based on the Treasurer's accounting profit method, which requires that the corporate income tax rate be applied to the net profit. The Public Trustee consults with the Minister as to whether a dividend should be paid to the Treasurer for that financial year and, if so, as to the amount of the dividend.

The Public Trustee is also liable for payroll tax, fringe benefits tax and goods and services tax.

1.2. Objectives

The Public Trustee provides financial and administrative services to eligible South Australians. The Public Trustee's services include will making, powers of attorney preparation and estate and trust administration. We help those who cannot manage their own affairs, and those who have trusted us to assist them.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.3. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report. In addition:

- Community Service Obligations \$6 617 000 (2023: \$6 094 000) as described in note 2.2
- Lease Payments to Department for Infrastructure and Transport \$1 653 000 (2023: \$1 584 000)
- Dividends paid to Department of Treasury and Finance \$5 273 000 (2023: \$4 099 000)
- Income tax equivalents paid to Department of Treasury and Finance \$2 664 000 (2023: \$2 287 000)
- Capital contribution of \$3 873 000 (2023: \$Nil) for replacement of the Public Trustee's customer financials system.

2. Income

2.1. Fees and charges

	2024	2023
	\$'000	\$'000
Revenue from contracts with customers	26 845	24 809
Total fees and charges	26 845	24 809

Timing of revenue recognition - point in time

Fees and charges

Capital Commission	6 520	6 567
Income Commission	6 319	4 732
Management fees ¹	11 374	10 796
Professional Fees	2 632	2 714
Total fees and charges	26 845	24 809

¹ Management fees are charged on the value of each fund at the first business day of each month at an effective rate of one-twelfth 1.025% (inclusive of GST) for the Cash Common Fund and the Fixed Interest funds, and 1.230% (inclusive of GST) for Growth Common Funds which include Australian Shares, Overseas Shares and the Property Common Fund as authorised by the *Public Trustee Act 1995*.

Revenue recognition

The Public Trustee's source of revenue arises through the provision of the following services:

- Personal Estate Administration - managing the financial affairs of eligible South Australians who cannot manage their own affairs.
- Deceased Estate Administration
- Trust Administration
- Various professional services such as will and enduring power of attorney writing for concession holders, taxation return preparation and examination of private administrators accounts.

Under AASB 15, the Public Trustee recognises revenue when or as the performance obligation in a contract with a customer is satisfied ie when "control" of the services underlying the particular performance obligation is transferred to the customer.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2.1 Fees and charges (continued)

Information on the Public Trustee's revenue recognition policies and performance obligations is summarised below:

Capital Commission

The Public Trustee earns capital commission primarily from the disposal of financial and non-financial assets. The performance obligation is the effective administration of the customers affairs.

Given the indeterminate length of the contract associated with administering customer affairs and the inherent uncertainties in determining capital commission, revenue is recognised at the time of the asset event when the revenue becomes reliably measurable. This point in time is at the time of the asset disposal with the exception of Trust administration where capital commission is earned during the on boarding of the Trust on funds transferred from an external party.

Income Commission and Management Fees

Income commission specifically relates to the Public Trustee's effort to perform administration duties for the customer. Management fees are earned on managing customer investments.

The performance obligation is satisfied each time a service is performed on behalf of the customer. Income commission revenue is recognised on receipt of income for example, interest income, pensions and rental income. Management fee revenue is recognised monthly in arrears.

Professional Service Fees

The performance obligation for professional services is satisfied at a point in time upon completion of the service. Revenue is recognised at the completion of the professional service for example at the completion of the will writing or taxation return.

Contract balances

	30 June	1 July
	2024	2023
	\$'000	\$'000
Receivables from contracts with customers, included in 'Receivables'	389	263
Contract liabilities	38	52

Contract liabilities primarily relate to financial examination fees received in advance for letters of administration customers. The fees are paid in advance and recognised as revenue when the examination process is complete. For a breakdown of when revenue is expected to be recognised refer to Note 9.2.

Revenue totalling \$34 000 was recognised in 2023-24 (2023: \$16 000) that was included in contract liabilities at 1 July 2023. No revenue related to adjustments to prices for performance obligations satisfied or partially satisfied in prior periods.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2.2. Community Service Obligations

	2024	2023
	\$'000	\$'000
Community service obligations from SA Government	6 617	6 094
Total Community Service	6 617	6 094

The Public Trustee is required under its charter to provide a number of non-commercial services to the South Australian community on behalf of the government. The government provides the Public Trustee with funding, in accordance with a community service obligation payment, to compensate for these non-commercial activities. These activities include managing the affairs of eligible South Australians who cannot manage their own affairs, managing small trusts, regulation of private administrators, litigation guardianship matters, will making and enduring power of attorney writing services.

2.3. Interest

	2024	2023
	\$'000	\$'000
Interest on operating account	99	78
Interest on fixed term investments	426	277
Total interest	525	355

2.4. Resources received free of charge

	2024	2023
	\$'000	\$'000
Services received free of charge – Shared Services SA	108	87
Total resources received free of charge	108	87

Contribution of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

The Public Trustee receives payroll and accounts payable services from Shared Services SA. A corresponding expense is recognised in the financial statements (see note 4.1).

2.5. Other income

	2024	2023
	\$'000	\$'000
Recovery of rent	191	178
Sundry income	180	179
Total other income	371	357

Recovery of rent is for office space provided to the Office of the Public Advocate at 211 Victoria Square.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Public Trustee include the Attorney-General, the Chief Executive, Attorney-General's Department and the Public Trustee Executive who have responsibility for the strategic direction and management of the office. Total compensation for key management personnel was \$956 000 in 2023-24 and \$940 000 in 2022-23. The compensation detailed below excludes salaries and other benefits the Attorney-General and the Chief Executive receives; the Attorney-General's Department's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.

	2024	2023
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	866	852
Post-employment benefits	90	88
Total	956	940

Transactions with key management personnel and other related parties

Compensation of key management personnel is disclosed above. There were no other transactions with key management personnel or other related parties (2023: Nil).

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2. Remuneration of Board and Committee members

Members during the 2024 financial year were:

The Public Trustee Audit and Risk Management Committee:

J Evans (Chair)	C Oerman
D Corcoran*	L Jones* (Ceased on 31 January 2024)
J Cirson* (Commenced on 1 February 2024)	

The Public Trustee Investment Advisory Committee:

D Holston (Chair)	S Calder
T Brumfield*	F Bartlett
N Rantanen*	E Williams*

The Public Trustee ICT Committee

N Rantanen* (Chair)	T Brumfield*
L Williams* (Commenced on 19 September 2023)	E Williams*
D Martino* (Ceased on 18 September 2023)	M Smith*

The Public Trustee Work Place Consultative Committee

M Doyle (Chair Commenced on 16 August 2023)	T Brumfield* (Commenced on 20 June 2024)
E Williams*	N Rantanen*
W Power*	

The Work Place Consultative Committee attendees also include, at least one staff representative from each work area, management representatives, an Executive Officer and a standing invitation to a Public Service Association Industrial Officer.

The Public Trustee Health and Safety Committee

D Bamford* (Chair)	S Virgili*
W Power*	E Williams*

The Public Trustee Health and Safety Committee attendees also include, one management representative and up to seven worker representatives.

The Public Trustee Customer Experience Committee

E Williams*(Chair)	S Morgante*
N Rantanen*	K Sinkinson *
T Brumfield* (Commenced on 1 May 2024)	S Dinning*
A Hoogeveen*	W Power* (Ceased on 1 May 2024)
N Harvey*	S Fox* (Ceased on 1 May 2024)
H Elliott* (Commenced on 1 May 2024)	M Confait* (Commenced on 1 May 2024)

The Public Trustee Customer Experience Committee attendees also includes no more than 3 representatives from Team Leaders/ Front line staff.

*In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2 Remuneration of Board and Committee members (continued)

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:

	2024	2023
\$0 - \$19 999	5	6
\$20 000 - \$39 999	1	1
Total number of members	6	7

The total remuneration received or receivable by members was \$61 000 (2023: \$61 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

3.3. Employee related expenses

	2024	2023
	\$'000	\$'000
Salaries and wages	14 044	13 084
Targeted voluntary separation packages	-	107
Long service leave	528	204
Annual leave	1 435	1 243
Skills and experience retention leave	80	79
Employment on-costs - superannuation	1 800	1 547
Employment on-costs - other	884	797
Board and committee fees	61	61
Other employee related expenses	3	2
Workers compensation	361	37
Total employee related expenses	19 196	17 161

Employment on-costs - superannuation

The superannuation employment on-cost charge represents the Public Trustee's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

Remuneration of employees

The number of employees whose remuneration received or receivable falls within the following bands:

	2024	2023
	No.	No.
\$166 001 - \$186 000	1	1
\$206 001 - \$226 000	1	1
\$246 001 - \$266 000	1	1
\$326 001 - \$346 000	1	1
Total	4	4

The total remuneration received by those employees for the year was \$1 002 000 (2023: \$971 000).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the Public Trustee.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.3 Employee benefits expenses (continued)

Targeted voluntary separation packages (TVSPs)

The number of employees who received a targeted voluntary separation package was NIL (2023: 1).

	2024	2023
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted voluntary separation packages	-	107
Leave paid to separated employees	-	58
Net cost to the Public Trustee	-	165

3.4. Employee related liabilities

	2024	2023
	\$'000	\$'000
Current		
Accrued salaries and wages	94	4
Annual leave	1 416	1 243
Long service leave	413	358
Skills and experience retention leave	113	117
Employment on-costs	373	346
Total current employee related liabilities	2 409	2 068
Non-current		
Long service leave	2 869	2 578
Employment on-costs	297	254
Total non-current employee related liabilities	3 166	2 832
Total employee related liabilities	5 575	4 900

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

Details about the measurement of long service leave liability is provided at note 10.1.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.4 Employee related liabilities (continued)

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Public Trustee contributes to Super SA. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has increased to 44% (2023: 43%). The average factor for the calculation of employer superannuation cost on-costs for 2024 has increased to 11.5% (2023: 11.1%). These rates are used in the employment on-cost calculation. The net financial effect in the current financial year is immaterial.

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1. Supplies and services

	2024	2023
	\$'000	\$'000
Minor works, maintenance and equipment	25	41
Insurance	548	487
Information technology and communications	2 293	2 351
Accommodation	483	473
Legal expenses	13	19
Service contractors	1 607	2 100
Other Supplies and services	898	695
Auditors remuneration	235	238
Shared Services SA resources	108	87
Total supplies and services	6 210	6 491

Auditors remuneration represents audit fees paid/payable to the Auditor General's Department relating to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

Consultants

There was no consultants expenditure in 2024 (2023: Nil).

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4.2. Expenditure – SA Business and Non-SA Business

The following table includes all expenditure in relation to contracts above \$55,000 (GST inclusive) resulting from a procurement as defined in Treasurer's Instructions 18 – Procurement. Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2024 \$'000	Proportion SA and non-SA businesses
Total expenditure with South Australian businesses	1 561	24%
Total expenditure with non-South Australian businesses	4 927	76%
Total	6 488	100%

Classification as SA business or non-SA business is generally based on circumstances as at the time of entering into a contract. For contracts entered into before 20 February 2023, where sufficient evidence of an assessment made under previous procurement requirements is known to the Public Trustee, this was used to determine classification. For contracts where such evidence of prior assessment is not available and for all other contracts, classification is based on the definition of an SA business provided in TI 18.

TI 18 defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA businesses reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

4.3. Depreciation and amortisation

The depreciation expenses for property, plant and equipment are presented in Note 5.1. The amortisation expenses for intangible assets are presented in Note 5.4.

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Useful life

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

<u>Class of fixed asset</u>	<u>Useful life (years)</u>
Accommodation and Leasehold improvements	10
Plant and equipment	3 – 5
Right-of-use assets	3 – 10
Intangibles	3 – 10

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Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

4.4. Borrowing costs

	2024	2023
	\$'000	\$'000
Interest on lease liabilities	248	275
Total borrowing costs	248	275

The Public Trustee does not capitalise borrowing costs.

5. Non-financial assets

5.1. Property, Plant and equipment by asset class

Property, Plant and equipment comprises tangible assets owned and right-of-use (leased) assets. The assets presented below do not meet the definition of investment property.

	Accommodation & Leasehold improvements	Plant and equipment	Right-of-use vehicles	Right-of-use buildings	Work in Progress	Total
2023-2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount	6 690	666	27	22 310	-	29 693
Accumulated Depreciation	(4 147)	(249)	(17)	(16 324)	-	(20 737)
Carrying Amount	2 543	417	10	5 986	-	8 956

Reconciliation 2023-24

Carrying amount at the beginning of the period	2 815	64	19	6 997	558	10 453
Acquisitions	81	-	-	-	-	81
Depreciation	(416)	(142)	(9)	(1 011)	-	(1 578)
Transfers between asset classes	63	495	-	-	(558)	-
Carrying amount at the end of the period	2 543	417	10	5 986	-	8 956

Reconciliation 2022-23

Carrying amount at the beginning of the period	3 223	108	-	8 008	314	11 653
Acquisitions	-	-	27	-	244	271
Depreciation	(408)	(44)	(8)	(1 011)	-	(1 471)
Carrying amount at the end of the period	2 815	64	19	6 997	558	10 453

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5.2. Property, plant and equipment owned by the Public Trustee

Property, plant and equipment owned by the Public Trustee with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Public Trustee is recorded at fair value. Detail about the Public Trustee's approach to fair value is set out in note 10.2.

Impairment

Property, plant and equipment owned by the Public Trustee has not been assessed for impairment as they are non-cash generating assets that are specialised in nature and held for continual use of their service capacity.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in note 10.2. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

A review of PPE with a written down value of zero was conducted during the 2023-24 year. PPE to the value of \$386 000 that was fully depreciated and no longer held by the Public Trustee have been removed from the asset register

5.3. Property, plant and equipment leased by the Public Trustee

Right-of-use assets for property, plant and equipment leased by the Public Trustee as lessee are measured at cost.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The Public Trustee has a limited number of leases:

- 2 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60 000km) up to 5 years (100 000km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.
- An office accommodation lease located at 211 Victoria Square Adelaide. The initial accommodation lease commenced 24 May 2010 with an area of 3 717.20m² for a period of 10 years with a right of renewal of 5 years. A lease extension was negotiated for a further 10 years from 24 May 2020 with a right of renewal of 5 years and reduced area of 3 163.10m².

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The Public Trustee's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.1.

Impairment

Property, plant and equipment leased by the Public Trustee has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

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5.4. Intangible assets

	Software	Work in progress	Total
	\$'000	\$'000	\$'000
2023-2024			
Gross carrying amount	10 385	4 463	14 848
Accumulated amortisation	(7 141)	-	(7 141)
Carrying Amount	3 244	4 463	7 707
Reconciliation 2023-24			
Carrying amount at the beginning of the period	3 701	-	3 701
Amortisation	(457)	-	(457)
Work in progress	-	4 463	4 463
Carrying amount at the end of the period	3 244	4 463	7 707
Reconciliation 2022-23			
Carrying amount at the beginning of the period	167	3 388	3 555
Acquisitions	409	-	409
Amortisation	(263)	-	(263)
Transfers between asset classes	3 388	(3 388)	-
Carrying amount at the end of the period	3 701	-	3 701

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

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6. Financial assets

6.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Public Trustee Operating Account	2 347	1 944
Short term financial assets held to maturity	9 000	7 000
Total cash and cash equivalents in the Statement of Financial Position	11 347	8 944
Total cash and cash equivalents in the Statement of Cash Flow	11 347	8 944

Cash and cash equivalents are measured at nominal amounts. Short term financial assets held to maturity include amounts with maturities up to twelve months.

6.2. Receivables

	2024	2023
	\$'000	\$'000
Current		
Contractual receivables		
From government entities	63	-
From non-government entities	411	281
Less impairment loss on receivables	(22)	(18)
Total contractual receivables	452	263
Statutory receivables		
GST input tax recoverable	19	42
Total statutory receivables	19	42
Prepayments	88	395
Accrued revenues	355	274
Total prepayments and accrued revenues	443	669
Total current receivables	914	974

Contractual receivables arise in the normal course of selling goods and services to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Other than as recognised in the allowance for impairment of loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 10.3 for further information on risk management.

Statutory receivables do not arise from contracts with customers. They are related to taxes and equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables but are not classified as financial instruments for disclosure purposes.

The net amount of GST recoverable from the ATO is included as part of receivables.

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

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6.2 Receivables (continued)

Allowance for impairment loss on receivables

	2024	2023
	\$'000	\$'000
Carrying amount at the beginning of the period	18	10
Amounts written off	(8)	(22)
Increase /(decrease) in allowance recognised in profit or loss	12	30
Carrying amount at the end of the period	22	18

Impairment losses relate to contracts with customers external to SA government. No impairment loss was recognised in relation to statutory receivables.

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

6.3. Other Financial assets

The Public Trustee is required, pursuant to section 46(2)(c) of the *Public Trustee Act 1995*, to obtain the Treasurer's approval as to the manner of investment of corporate funds.

	2024	2023
	\$'000	\$'000
Australian Fixed interest (pooled funds)	7 870	7 732
International equities (pooled funds)	4 150	4 195
Australian listed property (pooled funds)	1 373	1 326
Australian equities (pooled funds)	5 300	5 885
Total financial assets	18 693	19 138

For further information on risk management, refer to note 10.3.

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7. Liability

Employee benefits liabilities are disclosed in note 3.4.

7.1. Payables

	2024	2023
	\$'000	\$'000
Current		
Contractual payables	1 159	1 135
Total contractual payables	1 159	1 135
Statutory Payables		
Income tax equivalents	1 517	1 455
GST payable	24	54
Total statutory payables	1 541	1 509
Total current payables	2 700	2 644
Total payables	2 700	2 644

Payables and accruals are recognised for all amounts owing but unpaid. Contractual payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents, statutory fees and charges and Auditor-General's Department audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. Statutory payables are carried at cost.

The net amount of GST payable to the ATO is included as part of payables.

7.2. Financial Liabilities

	Note	2024	2023
		\$'000	\$'000
Current			
Lease Liabilities	5.3	1 325	1 202
Total current lease liability		1 325	1 202
Non-Current			
Lease Liabilities	5.3	9 297	10 622
Total non-current lease liability		9 297	10 622
Total lease liability		10 622	11 824

The Public Trustee measures financial liabilities at amortised cost.

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7.3. Provisions

	2024	2023
	\$'000	\$'000
Current		
Provision for workers compensation	399	316
Total current provisions	399	316
Non-current		
Provision for workers compensation	17	24
Total non-current provisions	17	24
Total provisions	416	340
<i>Movement in provision</i>	2024	2023
	\$'000	\$'000
Carrying amount at the beginning of the period	340	360
Additional provisions recognised	437	17
Reductions arising from payments	(361)	(37)
Carrying Amount at the end of the period	416	340
<i>Provision for dividend to State Government²</i>		
Carrying amount at the beginning of the period		
Additional provisions recognised	5 273	4 099
Reductions arising from payments	(5 273)	(4 099)
Carrying Amount at the end of the period	-	-

¹A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The Public Trustee is responsible for the payment of workers compensation claims.

²In accordance with the Public Trustee Charter, agreed by the Attorney-General and the Treasurer, any differences between forecast profit and audited profit will be addressed through an adjustment to the final dividend in the following financial year. A final dividend of \$282 000 was paid for 2022-23 and interim dividend of \$4 991 000 was paid in 2023-24.

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8. Other disclosures

8.1. Cash flow

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflows for leases was \$1 450 000 (2023: \$1 362 000).

Reconciliation of net cash provided by operating activities to net result

Net cash provided by operating activities	7 511	7 309
Add / (less) non-cash items		
Unrealised gain / (loss) on financial assets	1 345	1 139
Depreciation and amortisation expense of non-current assets	(2 035)	(1 734)
Prior period adjustments		
Movements in assets and liabilities		
(Decrease) / Increase in receivables	(60)	(301)
(Increase) / Decrease in payables	254	(246)
(Increase) / Decrease in contract balances	14	(8)
(Increase)/Decrease in employee benefits and on-costs	(675)	85
(Increase) / Decrease in provisions	(76)	20
Decrease / (Increase) in income tax equivalents	(62)	(929)
Net result	6 216	5 335

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9. Outlook

9.1. Unrecognised commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

	2024	2023
	\$'000	\$'000
Capital commitments		
Within one year	1 081	-
Total capital commitments	<u>1 081</u>	<u>-</u>

Expenditure commitments

	2024	2023
	\$'000	\$'000
Within one year	332	84
Later than one year but not longer than five years	4 701	252
Total expenditure commitments	<u>5 033</u>	<u>336</u>

The Public Trustee's expenditure commitments in 2024 are for the Customer Financials Replacement and Customer Relationship Management System support fees and licencing for the customer financial's scanning tool (ExFlow).

9.2. Expected realisation of contract liabilities as revenue

The remaining performance obligations expected to be recognised in more than one year relate to the completion of financial examinations for letters of administration customers.

	2024-25	2025-26	Total
	\$'000	\$'000	\$'000
Revenue expected to be recognised	34	4	38

9.3. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. The Public Trustee is not aware of any contingent assets or contingent liabilities as at balance date.

9.4. Impact of standards and statements not yet effective

The Public Trustee has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective, and has determined that there will be no financial impact arising from them.

No Australian Accounting Standards have been early adopted.

9.5. Events after reporting period

As at the date of this report there are no known or material events that have occurred after the reporting period.

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10. Measurement and risk

10.1. Long service leave liability – measurement

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions have been applied to employee data at the Public Trustee to calculate the long service leave liability.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased for 2024 to 4.25% (2023: 4%).

This increase in the bond yield results in a decrease in the reported long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance increased the salary inflation rate to 3.5% (2023: 2.5%) for the long service leave liability. As a result, there is an increase in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$132 000 and employee related expense of \$132 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The unconditional portion of the long service leave provision is classified as current as the department does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 7 years of service.

10.2. Fair Value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Plant and equipment and leasehold improvements

All items of plant and equipment owned by the Public Trustee had a fair value at the time of acquisition that was less than \$1.5 million and have not been revalued in accordance with APS 116. The carrying value of these items are deemed to approximate fair value.

Leasehold improvements are stated at cost less accumulated depreciation which is deemed to approximate fair value. Leasehold improvements associated with the extension of the Public Trustee's lease will require revaluation after six years as it exceeds the \$1.5 million threshold.

The carrying amount of plant and equipment and leasehold improvements is reviewed annually to ensure it is not in excess of the recoverable amounts from these assets.

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10.3. Financial Instruments

Financial Instruments – Measurement

Financial assets held at fair value through the 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. Transaction costs on financial assets 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 the Statement of Comprehensive Income. Fair value of financial instruments are classified, according to fair value hierarchy, at level 2 - fair values that are based on inputs that are directly or indirectly observable for the asset.

- *Fair value in an active market* - The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs.
- *Fair value of unlisted unit trusts* - Investments in other unlisted unit trusts are recorded at the fair value as reported by the managers of such funds.

Financial Instruments – Classification

Investments in financial assets such as equities and units in unlisted unit trusts have been classified as 'Fair value through the profit or loss' and recognised in the Statement of Financial Position at fair value, with changes in fair value during the period recognised in the Statement of Comprehensive Income.

If any indication of impairment exists, an impairment loss is recognised in the Statement of Comprehensive Income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the Statement of Comprehensive Income.

Financial risk management

The Public Trustee's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Public Trustee. Only Australian domiciled pooled funds are used for investments in overseas assets. These funds are not directly exposed to foreign exchange risk as the pooled funds are fully hedged against currency risk.

Management of risk is focused on both strategic and business process risk. Annually, an analysis of strategic risk is undertaken which is comprehensive and covers investment, financial, operational and administrative responsibilities of the Public Trustee. Business processes are documented, key risks are identified and management strategies used to control these risks are in place.

Market risk

Price risk

The Public Trustee is exposed to equity securities price risk. This arises from investments held by the Public Trustee and classified on the Statement of Financial Position as financial assets at fair value through the profit or loss. The Public Trustee is not directly exposed to commodity price risk, as the classes of investments include Australian shares, International shares and listed properties.

To manage its price risk arising from investments, the Public Trustee diversifies its portfolio. Diversification of the portfolio is done in accordance with its Investment Guidelines. The analysis detailed below is based on the assumption that the market indexes had increased/decreased by a set percentage with all other variables held constant and all instruments moving according to the historical correlation with the index.

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10.3. Financial Instruments (continued)

Cash flow and interest rate risk

The Public Trustee's interest rate risk arises from cash investments, short term investments and Australian fixed interest investments. Instruments issued at fixed interest rates expose the Public Trustee to fair value interest rate risk and variable rate instruments expose the Public Trustee to cash flow interest rate risk. The Public Trustee invests in short term money market instruments with maturities less than one year and with credit ratings that satisfy the credit rating requirements of the Public Trustee's Cash Common Fund.

A sensitivity analysis is provided on the next page, outlining the exposure to each type of market risk at reporting date, showing how profit or loss would be affected by the changes in the relevant risk variable that were reasonably possible at that date. All instruments are designated as financial assets at fair value through the profit or loss; therefore there is no direct impact on equity.

Liquidity risk

The Public Trustee has working capital policies in place in order to maintain liquidity. Short-term investment analysis assists in determining the amount, if any, to be invested or reinvested in order to maintain working capital. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the ability to close out market positions. The Public Trustee manages the liquidity risk by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities.

All current financial assets held to maturity have a maturity date within 12 months. Unlisted unit trust investments have no maturity date.

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10.3. Financial Instruments (continued)

Sensitivity analysis – 30 June 2024

<i>Financial Assets</i>	Carrying amount \$'000	-1%	+1%	-20%	+10%
		Statement of Comprehensive income \$'000	Statement of Comprehensive income \$'000	Statement of Comprehensive income \$'000	Statement of Comprehensive income \$'000
Cash and cash equivalents	11 347	(113)	113	-	-
<i>Financial assets at fair value through profit or loss:</i>					
Australian Fixed Interest (pooled funds)	7 870	(79)	79	(1 574)	787
International equities (pooled funds)	4 150	-	-	(830)	415
Australian listed property (pooled funds)	1 373	-	-	(275)	137
Australian equities (pooled funds)	5 300	-	-	(1 060)	530
Total (decrease)/increase		(192)	192	(3 739)	1 869

Sensitivity analysis – 30 June 2023

<i>Financial Assets</i>	Carrying amount \$'000	-1%	+1%	-20%	+10%
		Statement of Comprehensive income \$'000	Statement of Comprehensive income \$'000	Statement of Comprehensive income \$'000	Statement of Comprehensive income \$'000
Cash and cash equivalents	8 944	(89)	89	-	-
<i>Financial assets at fair value through profit or loss:</i>					
Australian Fixed Interest (pooled funds)	7 732	(77)	77	(1 546)	773
International equities (pooled funds)	4 195	-	-	(839)	420
Australian listed property (pooled funds)	1 326	-	-	(265)	133
Australian equities (pooled funds)	5 885	-	-	(1 177)	589
Total (decrease)/increase		(166)	166	(3 827)	1 915

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10.3. Financial Instruments (continued)

Credit risk

Credit risk is managed at the corporate level. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions. The Public Trustee has no direct exposure to derivative instruments, thus credit risk arises primarily through investments with banking corporations.

Short-term money market instruments must have a short-term Standard & Poor's (S&P) rating of A1 or in the case of the issuer being a bank under the Banking Act 1959 a rating of A2 is accepted. Floating rate instruments must have a long-term S&P credit rating of A+ or better or where the counter party is a bank under the Banking Act 1959 a rating of BBB or better is accepted.

If there is no independent rating, the Public Trustee assesses the credit quality of the customer, taking into account its financial position and past experience. Pooled investment funds are not rated; however, the Public Trustee has made a thorough assessment of all pooled funds managers in regard to credit and other risks prior to investing funds with each manager. The credit risk lies with the pooled fund manager responsible for the management of the underlying investments. The Public Trustee continually monitors these assessments.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

	2024	2023
	\$'000	\$'000
<i>Cash at bank, short-term bank deposits and floating rate notes</i>		
A1+ Credit Rating	2 347	1 944
A1 Credit Rating	4 500	-
A2 Credit Rating	4 500	7 000
Total Cash at bank, short-term bank deposits and floating rate notes	11 347	8 944
<i>Trade receivables</i>		
<i>Counterparties with external ratings</i>		
A2 Credit Rating	389	263
<i>Counterparties without external ratings</i>		
existing customers with no defaults in the past	418	274
Total trade receivables ¹	807	537

¹Receivables amounts disclosed above excluded prepayments. Prepayments are presented in note 6.2 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

The Public Trustee
CORPORATE
Notes to and forming part of the financial statements
for the year ended 30 June 2024

10.3. Financial Instruments (continued)

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Category of financial asset and financial liability	Note	2024	2024 Contractual maturities		
		Carrying amount / Fair value \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalent	6.1	11 347	n/a	n/a	n/a
Financial assets at fair value through profit or loss					
Other financial assets	6.3	18 693	n/a	n/a	n/a
Total financial assets		30 040	-	-	-
Financial liabilities					
Financial liabilities at amortised cost					
Payables**		924	924	-	-
Finance lease liability	7.2	10 622	1 325	7 396	1 901
Total financial liabilities		11 546	2 249	7 396	1 901
Category of financial asset and financial liability	Note	2023	2023 Contractual maturities		
		Carrying amount / Fair value \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalent	6.1	8 944	n/a	n/a	n/a
Financial assets at fair value through profit or loss					
Other financial assets	6.3	19 138	n/a	n/a	n/a
Financial assets at amortised cost					
Receivables**		537	537	-	-
Total financial assets		28 619	537	-	-
Financial liabilities					
Financial liabilities at amortised cost					
Payables**		897	897	-	-
Finance lease liability	7.2	11 824	1 202	6 696	3 926
Total financial liabilities		12 721	2 099	6 696	3 926

** Total amounts disclosed here exclude statutory amounts. Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.2.

The Public Trustee

Common Fund

Financial Statements

For the year ended 30 June 2024

The Public Trustee

211 Victoria Square Adelaide SA 5000

GPO Box 1338 Adelaide SA 5001

publictrustee@sa.gov.au

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Cash Common Fund			
	Note	2024	2023
		\$'000	\$'000
Investment income			
Interest	1.1(d)	25 019	14 759
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	1 591	1 159
Total investment income		26 610	15 918
Expenses			
The Public Trustee management fees	1.1(e), (m)	5 122	4 860
Legal and advisory expenses		155	155
Other expenses		10	12
Total expenses		5 287	5 027
Net result from operating activities		21 323	10 891
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	1 731	133
Distributions to unitholders	4.4	(19 162)	(8 134)
Transfers from / (to) net assets to determine distributable income	1.1(g)	(1 589)	(1 159)
Total financing costs attributable to unitholders		(19 020)	(9 160)
(Increase) / decrease in net assets attributable to unitholders		(2 303)	(1 731)
Total comprehensive result		-	-

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Cash Common Fund

	Note	2024 \$'000	2023 \$'000
Assets			
Cash and cash equivalents	3.1	14 477	9 635
Advances to estates	1.1(i)	2 523	2 818
Financial assets held at fair value through profit or loss	3.2	506 992	522 018
Other assets	1.1(j)	8 461	5 502
Total assets		532 453	539 973
Liabilities			
Income distribution payable	4.4	2 303	1 731
Funds due to other common funds		48 978	50 591
Other liabilities		5	4
Total liabilities (excluding net assets attributable to unitholders)		51 286	52 326
Net assets attributable to unitholders - Liability	4.2	481 167	487 647
Represented by:			
Fair value of outstanding units based on net asset value		481 167	487 647

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Cash Common Fund		
	2024	2023
	Inflows (Outflows) \$'000	Inflows (Outflows) \$'000
	Note	
Cash flows from operating activities		
Cash inflows		
Interest received	22 095	10 649
Cash generated from operations	22 095	10 649
Cash outflows		
Payments for expenses	(5 296)	(5 056)
Cash used in operations	(5 296)	(5 056)
Net cash (used in) / provided by operating activities	16 799	5 593
	5.2	
Cash flows from investing activities		
Cash inflows		
Proceeds from the sale of financial assets held at fair value through profit or loss	263 468	161 993
Net repayments of advances to estates	295	448
Cash generated from investing activities	263 763	162 441
Cash outflows		
Purchase of financial assets held at fair value through profit or loss	(246 868)	(219 683)
Cash used in investing activities	(246 868)	(219 683)
Net cash (used in) / provided by investing activities	16 895	(57 242)
Cash flows from financing activities		
Cash inflows		
Net proceeds / payments from applications / redemptions from / (to) unitholders	(8 076)	50 793
Cash generated by financing activities	(8 076)	50 793
Cash outflows		
Net proceeds / payments from applications / redemptions from / (to) other common funds	(1 613)	4 143
Distributions paid	(19 163)	(8 134)
Cash used in financing activities	(20 776)	(3 991)
Net cash provided / (used in) by financing activities	(28 852)	46 802
Net increase / (decrease) in cash and cash equivalents	4 842	(4 847)
Cash and cash equivalents at the beginning of the period	9 635	14 482
Cash and cash equivalents at the end of the period	14 477	9 635
	3.1	

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Short Term Fixed Interest Common Fund

	Note	2024	2023
		\$'000	\$'000
Investment income			
Interest	1.1(d)	2 765	1 779
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	637	4
Total investment income		<u>3 402</u>	<u>1 783</u>
Expenses			
The Public Trustee management fees	1.1(e), (m)	767	690
Legal and advisory expenses		23	22
Total expenses		<u>790</u>	<u>712</u>
Net result from operating activities		<u>2 612</u>	<u>1 071</u>
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	672	69
Distributions to unitholders	4.4	(1 563)	(464)
Transfers from / (to) net assets to determine distributable income	1.1(g)	(637)	(4)
Total financing costs attributable to unitholders		<u>(1 528)</u>	<u>(399)</u>
(Increase) / decrease in net assets attributable to unitholders		<u>(1 084)</u>	<u>(672)</u>
Total comprehensive result		<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Short Term Fixed Interest Common Fund

	Note	2024 \$'000	2023 \$'000
Assets			
Cash and cash equivalents	3.1	10 653	6 557
Financial assets held at fair value through profit or loss	3.2	63 315	59 811
Other assets	1.1(j)	522	475
Total assets		74 490	66 843
Liabilities			
Income distribution payable	4.4	1 084	672
Other liabilities		2	-
Total liabilities (excluding net assets attributable to unitholders)		1 086	672
Net assets attributable to unitholders - Liability	4.2	73 404	66 171
Represented by:			
Fair value of outstanding units based on net asset value		73 404	66 171

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Short Term Fixed Interest Common Fund

	Note	2024 Inflows (Outflows) \$'000	2023 Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Interest received		2 492	1 548
Cash generated from operations		2 492	1 548
Cash outflows			
Payments for expenses		(790)	(716)
Cash used in operations		(790)	(716)
Net cash (used in) / provided by operating activities	5.2	1 702	832
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of financial assets held at fair value through profit or loss		20 000	17 533
Cash generated from investing activities		20 000	17 533
Cash outflows			
Purchase of financial assets held at fair value through profit or loss		(22 639)	(21 419)
Cash used in investing activities		(22 639)	(21 419)
Net cash (used in) / provided by investing activities		(2 639)	(3 886)
Cash flows from financing activities			
Cash inflows			
Proceeds from applications by unitholders		10 394	6 928
Cash generated by financing activities		10 394	6 928
Cash outflows			
Net proceeds / payments from applications / redemptions from / (to) other common funds		(3 798)	(5 892)
Distributions paid		(1 563)	(464)
Cash used in financing activities		(5 361)	(6 356)
Net cash provided / (used in) by financing activities		5 032	572
Net increase / (decrease) in cash and cash equivalents		4 096	(2 482)
Cash and cash equivalents at the beginning of the period		6 557	9 039
Cash and cash equivalents at the end of the period	3.1	10 653	6 557

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Long Term Fixed Interest Common Fund

	Note	2024 \$'000	2023 \$'000
Investment income			
Trust distributions		2 755	2 163
Interest	1.1(d)	925	987
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	1 275	(755)
Other income		27	19
Total investment income		4 982	2 414
Expenses			
The Public Trustee management fees	1.1(e), (m)	1 028	968
Legal and advisory expenses		30	31
Total expenses		1 058	999
Net result from operating activities		3 924	1 415
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	1 312	901
Distributions to unitholders	4.4	(2 387)	(1 761)
Transfers from / (to) net assets to determine distributable income	1.1(g)	(1 275)	757
Total financing costs attributable to unitholders		(2 350)	(103)
(Increase) / decrease in net assets attributable to unitholders		(1 574)	(1 312)
Total comprehensive result		-	-

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Long Term Fixed Interest Common Fund

	Note	2024	2023
		\$'000	\$'000
Assets			
Cash and cash equivalents	3.1	6 407	6 409
Financial assets held at fair value through profit or loss	3.2	92 727	85 353
Other assets	1.1(j)	781	699
Total assets		99 915	92 461
Liabilities			
Income distribution payable	4.4	1 574	1 312
Other liabilities		2	1
Total liabilities (excluding net assets attributable to unitholders)		1 576	1 313
Net assets attributable to unitholders - Liability	4.2	98 339	91 148
Represented by:			
Fair value of outstanding units based on net asset value		98 339	91 148

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Long Term Fixed Interest Common Fund

	Note	2024 Inflows (Outflows) \$'000	2023 Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Trust distributions received		2 621	2 092
Interest received		1 017	1 031
Cash generated from operations		3 638	3 123
Cash outflows			
Payments for expenses		(1 063)	(1 001)
Cash used in operations		(1 063)	(1 001)
Net cash (used in) / provided by operating activities	5.2	2 575	2 122
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of financial assets held at fair value through profit or loss		19 894	5 500
Cash generated from investing activities		19 894	5 500
Cash outflows			
Purchase of financial assets held at fair value through profit or loss		(26 000)	(7 500)
Cash used in investing activities		(26 000)	(7 500)
Net cash (used in) / provided by investing activities		(6 106)	(2 000)
Cash flows from financing activities			
Cash inflows			
Proceeds from applications by unitholders		12 187	9 597
Cash generated by financing activities		12 187	9 597
Cash outflows			
Net proceeds / payments from applications / redemptions from / (to) other common funds		(6 271)	(10 260)
Distributions paid		(2 387)	(1 761)
Cash used in financing activities		(8 658)	(12 021)
Net cash provided / (used in) by financing activities		3 529	(2 424)
Net increase / (decrease) in cash and cash equivalents		(2)	(2 302)
Cash and cash equivalents at the beginning of the period		6 409	8 711
Cash and cash equivalents at the end of the period	3.1	6 407	6 409

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Overseas Fixed Interest Common Fund

	Note	2024 \$'000	2023 \$'000
Investment income			
Trust distributions		2 113	1 126
Interest	1.1(d)	209	109
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	718	(576)
Other income		119	112
Total investment income		3 159	771
Expenses			
The Public Trustee management fees	1.1(e), (m)	780	721
Legal and advisory expenses		24	23
Total expenses		804	744
Net result from operating activities		2 355	27
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	275	37
Distributions to unitholders	4.4	(885)	(365)
Transfers from / (to) net assets to determine distributable income	1.1(g)	(1 123)	576
Total financing costs attributable to unitholders		(1 733)	248
(Increase) / decrease in net assets attributable to unitholders		(622)	(275)
Total comprehensive result		-	-

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Overseas Fixed Interest Common Fund			
	Note	2024	2023
		\$'000	\$'000
Assets			
Cash and cash equivalents	3.1	5 087	6 801
Financial assets held at fair value through profit or loss	3.2	70 204	62 484
Other assets	1.1(j)	648	190
Total assets		75 939	69 475
Liabilities			
Income distribution payable	4.4	622	275
Total liabilities (excluding net assets attributable to unitholders)		622	275
Net assets attributable to unitholders - Liability	4.2	75 317	69 200
Represented by:			
Fair value of outstanding units based on net asset value		75 317	69 200

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Overseas Fixed Interest Common Fund

	Note	2024 Inflows (Outflows) \$'000	2023 Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Trust distributions received		1 657	1 200
Interest received		210	93
Cash generated from operations		1 867	1 293
Cash outflows			
Payments for expenses		(807)	(748)
Cash used in operations		(807)	(748)
Net cash (used in) / provided by operating activities	5.2	1 060	545
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of financial assets held at fair value through profit or loss		14 117	-
Cash generated from investing activities		14 117	-
Cash outflows			
Purchase of financial assets held at fair value through profit or loss		(21 000)	-
Cash used in investing activities		(21 000)	-
Net cash (used in) / provided by investing activities		(6 883)	-
Cash flows from financing activities			
Cash inflows			
Proceeds from applications by unitholders		9 553	7 231
Cash generated by financing activities		9 553	7 231
Cash outflows			
Net proceeds / payments from applications / redemptions from / (to) other common funds		(4 559)	(7 426)
Distributions paid		(885)	(365)
Cash used in financing activities		(5 444)	(7 791)
Net cash provided / (used in) by financing activities		4 109	(560)
Net increase / (decrease) in cash and cash equivalents		(1 714)	(15)
Cash and cash equivalents at the beginning of the period		6 801	6 816
Cash and cash equivalents at the end of the period	3.1	5 087	6 801

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Australian Shares Common Fund

	Note	2024 \$'000	2023 \$'000
Investment income			
Trust distributions		11 364	9 605
Interest	1.1(d)	477	125
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	2 605	10 753
Other income		560	636
Total investment income		15 006	21 119
Expenses			
The Public Trustee management fees	1.1(e), (m)	2 195	2 144
Legal and advisory expenses		56	58
Total expenses		2 251	2 202
Net result from operating activities		12 755	18 917
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	8 745	15 632
Distributions to unitholders	4.4	(10 132)	(17 512)
Transfers from / (to) net assets to determine distributable income	1.1(g)	2 152	(8 292)
Total financing costs attributable to unitholders		765	(10 172)
(Increase) / decrease in net assets attributable to unitholders		(13 520)	(8 745)
Total comprehensive result		-	-

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Australian Shares Common Fund

	Note	2024 \$'000	2023 \$'000
Assets			
Cash and cash equivalents	3.1	13 282	10 988
Financial assets held at fair value through profit or loss	3.2	161 333	157 981
Other assets	1.1(j)	9 283	6 807
Total assets		183 898	175 776
Liabilities			
Income distribution payable	4.4	13 520	8 745
Other liabilities		4	1
Total liabilities (excluding net assets attributable to unitholders)		13 524	8 746
Net assets attributable to unitholders - Liability	4.2	170 374	167 030
Represented by:			
Fair value of outstanding units based on net asset value		170 374	167 030

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Australian Shares Common Fund		2024	2023
	Note	Inflows (Outflows) \$'000	Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Trust distributions received		8 913	16 396
Interest received		462	98
Cash generated from operations		9 375	16 494
Cash outflows			
Payments for expenses		(2 243)	(2 211)
Cash used in operations		(2 243)	(2 211)
Net cash (used in) / provided by operating activities	5.2	7 132	14 283
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of financial assets held at fair value through profit or loss		42 798	12 002
Cash generated from investing activities		42 798	12 002
Cash outflows			
Purchase of financial assets held at fair value through profit or loss		(43 000)	-
Cash used in investing activities		(43 000)	-
Net cash (used in) / provided by investing activities		(202)	12 002
Cash flows from financing activities			
Cash inflows			
Proceeds from applications by unitholders		19 562	17 611
Cash generated by financing activities		19 562	17 611
Cash outflows			
Net proceeds / payments from applications / redemptions from / (to) other common funds		(14 066)	(22 194)
Distributions paid		(10 132)	(17 512)
Cash used in financing activities		(24 197)	(39 706)
Net cash provided / (used in) by financing activities		(4 636)	(22 095)
Net increase / (decrease) in cash and cash equivalents		2 294	4 190
Cash and cash equivalents at the beginning of the period		10 988	6 798
Cash and cash equivalents at the end of the period	3.1	13 282	10 988

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Overseas Shares Common Fund

	Note	2024 \$'000	2023 \$'000
Investment income			
Trust distributions		5 324	1 750
Interest	1.1(d)	455	161
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	18 054	20 834
Other income		557	337
Total investment income		24 390	23 082
Expenses			
The Public Trustee management fees	1.1(e), (m)	1 945	1 689
Legal and advisory expenses		50	46
Total expenses		1 995	1 735
Net result from operating activities		22 395	21 347
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	4 520	6 638
Distributions to unitholders	4.4	(4 520)	(6 638)
Transfers from / (to) net assets to determine distributable income	1.1(g)	(17 730)	(16 827)
Total financing costs attributable to unitholders		(17 730)	(16 827)
(Increase) / decrease in net assets attributable to unitholders		(4 665)	(4 520)
Total comprehensive result		-	-

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Overseas Shares Common Fund

	Note	2024 \$'000	2023 \$'000
Assets			
Cash and cash equivalents	3.1	9 519	13 615
Financial assets held at fair value through profit or loss	3.2	156 254	133 647
Other assets	1.1(j)	5 276	1 353
Total assets		171 049	148 615
Liabilities			
Income distribution payable	4.4	4 665	4 520
Other liabilities		-	5
Total liabilities (excluding net assets attributable to unitholders)		4 665	4 525
Net assets attributable to unitholders - Liability	4.2	166 384	144 090
Represented by:			
Fair value of outstanding units based on net asset value		166 384	144 090

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Overseas Shares Common Fund		
	2024	2023
Note	Inflows (Outflows) \$'000	Inflows (Outflows) \$'000
Cash flows from operating activities		
Cash inflows		
	1 408	4 093
	459	128
	1 867	4 221
Cash outflows		
	(2 007)	(1 742)
	(2 007)	(1 742)
	(140)	2 479
5.2		
Cash flows from investing activities		
Cash inflows		
	-	65 215
	-	65 215
Cash outflows		
	(4 000)	(54 000)
	(4 000)	(54 000)
	(4 000)	11 215
Cash flows from financing activities		
Cash inflows		
	17 194	14 030
	17 194	14 030
Cash outflows		
	(12 630)	(17 574)
	(4 520)	(6 638)
	(17 150)	(24 212)
	44	(10 182)
	(4 096)	3 512
	13 615	10 103
	9 519	13 615
3.1		

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Comprehensive Income
for the year ended 30 June 2024

Property Common Fund

	Note	2024 \$'000	2023 \$'000
Investment income			
Trust distributions		4 782	3 853
Interest	1.1(d)	354	80
Net gain / (loss) on financial assets held at fair value through profit or loss	4.3	(1 921)	(387)
Other income		156	174
Total investment income		3 371	3 720
Expenses			
The Public Trustee management fees	1.1(e), (m)	1 850	1 807
Legal and advisory expenses		48	48
Total expenses		1 898	1 855
Net result from operating activities		1 473	1 865
Financing costs attributable to unitholders			
Undistributed income brought forward	4.4	1 073	1 587
Distributions to unitholders	4.4	(2 796)	(1 710)
Transfers from / (to) net assets to determine distributable income	1.1(g)	2 222	(669)
Total financing costs attributable to unitholders		499	(792)
(Increase) / decrease in net assets attributable to unitholders		(1 972)	(1 073)
Total comprehensive result		-	-

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Financial Position
as at 30 June 2024

Property Common Fund

	Note	2024 \$'000	2023 \$'000
Assets			
Cash and cash equivalents	3.1	4 030	6 221
Financial assets held at fair value through profit or loss	3.2	142 798	136 619
Other assets	1.1(j)	2 079	1 578
Total assets		148 907	144 418
Liabilities			
Income distribution payable	4.4	1 972	1 073
Other liabilities		5	1
Total liabilities (excluding net assets attributable to unitholders)		1 977	1 074
Net assets attributable to unitholders - Liability	4.2	146 930	143 344
Represented by:			
Fair value of outstanding units based on net asset value		146 930	143 344

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Statement of Cash Flows
for the year ended 30 June 2024

Property Common Fund		2024	2023
	Note	Inflows (Outflows) \$'000	Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Trust distributions received		4 285	3 913
Interest received		357	65
Cash generated from operations		4 642	3 978
Cash outflows			
Payments for expenses		(1 845)	(1 862)
Cash used in operations		(1 845)	(1 862)
Net cash (used in) / provided by operating activities	5.2	2 797	2 116
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of financial assets held at fair value through profit or loss		2 000	19 314
Cash generated from investing activities		2 000	19 314
Cash outflows			
Purchase of financial assets held at fair value through profit or loss		(10 000)	(15 400)
Cash used in investing activities		(10 000)	(15 400)
Net cash (used in) / provided by investing activities		(8 000)	3 914
Cash flows from financing activities			
Cash inflows			
Proceeds from applications by unitholders		16 800	14 945
Cash generated by financing activities		16 800	14 945
Cash outflows			
Net proceeds / payments from applications / redemptions from / (to) other common funds		(10 992)	(18 025)
Distributions paid		(2 796)	(1 710)
Cash used in financing activities		(13 788)	(19 735)
Net cash provided / (used in) by financing activities		3 012	(4 790)
Net increase / (decrease) in cash and cash equivalents		(2 191)	1 240
Cash and cash equivalents at the beginning of the period		6 221	4 981
Cash and cash equivalents at the end of the period	3.1	4 030	6 221

The accompanying notes form part of these financial statements.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

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The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1. About Public Trustee Common Funds

The Common Funds have been established pursuant to the *Public Trustee Act 1995* or its predecessor legislation. The following common funds were active for the whole of the current and comparative reporting periods:

- Cash Common Fund;
- Short Term Fixed Interest Common Fund;
- Long Term Fixed Interest Common Fund;
- Overseas Fixed Interest Common Fund;
- Australian Shares Common Fund;
- Overseas Shares Common Fund; and
- Property Common Fund.

The Inflation Linked Investments Common Fund was dormant throughout 2023-24 and 2022-23, has nil assets and liabilities and has not been reported.

Investment in Common Funds (with the exception of direct investment in the Cash Common Fund) is by way of notional unit holdings in the common funds. Unitholders may invest in the Cash Common Fund or alternately invest in a selection of Common Funds in proportions determined by one or more of the following standard investment strategies provided by the Public Trustee:

- Capital Stable
- Growth
- Balanced
- Equities

Management of Common Fund investments is undertaken by the Public Trustee. An Investment Advisory Committee consisting of three independent members (one being appointed as chair), senior Public Trustee personnel, with attendance by external investment advisors, assists the Public Trustee in ensuring a sound and prudent system for investing client funds.

Australian and International Equity investments, Property investments together with Overseas Fixed Interest investments are made using Australian domiciled pooled funds.

1.1. Basis of preparation

a) Statement of Compliance

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the Public Finance and Audit Act 1987;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the Public Finance and Audit Act 1987; and
- relevant Australian Accounting Standards.

b) Basis of Preparation

The Public Trustee Common Funds financial statements have been prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated. The statements have also been prepared on the basis that all funds are distributable to unitholders resulting in zero residual equity. On this basis, the Statement of Changes in Equity has not been included for reporting purposes as the changes in equity are zero.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1. About Public Trustee Common Funds (continued)

The Statement of Financial Position is 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 financial assets at fair value through profit or loss and net assets attributable to unitholders.

c) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods, except where specific accounting standards and / or accounting policy statements have required a change.

d) Investment income

Interest income and expenses are recognised in the Statement of Comprehensive Income for all debt instruments using the effective interest method. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 7.1.

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 shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Trust distributions are recognised when the right to receive payment is established.

e) Expenses

All expenses, including management fees, are recognised in the Statement of Comprehensive Income on an accruals basis.

Management fees are charged on the value of each fund as at the first business day of each month at an effective rate of one-twelfth 1.025% (inclusive of GST) for the Cash Common Fund and the Fixed Interest funds and 1.230% (inclusive of GST) for Growth Common Funds which include Australian Shares, Overseas Shares and the Property Common Fund as authorised by the *Public Trustee Act 1995*.

f) Income tax

Under current legislation, the common funds are not subject to income tax provided the taxable income of the Fund is fully distributed either by way of cash or reinvestment (i.e. unitholders are presently entitled to the income of the Fund).

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised, the portion of the gain that is subject to capital gains tax will be distributed so that the Fund is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Funds to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

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

The Funds currently incur withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the Statement of Comprehensive Income.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1. About Public Trustee Common Funds (continued)

g) Transfers (to) / from net assets to determine distributable income

Non-distributable income is included in net assets attributable to unitholders and may consist of unrealised changes in the net fair value of financial instruments held at fair value through profit or loss, accrued income not yet assessable, expenses provided or accrued for which are not yet deductible, and net capital losses. Net capital gains on the realisation of any financial instruments and accrued income not yet assessable will be included in the determination of distributable income in the same year in which it becomes assessable for tax. Movements in net assets attributable to unitholders are recognised in the Statement of Comprehensive Income as financing costs.

h) Foreign currency translation

i) Functional and presentation currency

Items included in the Common Funds' financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the common funds compete for funds and is regulated.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

The Funds do not isolate that portion of gains or losses on financial instruments which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

i) Advances to estates

The Public Trustee may, pursuant to section 25 of the *Public Trustee Act 1995*, advance and pay money on account of an estate as authorised or requested (whether to beneficiaries or creditors), for costs or expenses incurred in administering the estate or for any other purpose. No greater amount may be advanced and paid than the value of the property so vested in or under the control of the Public Trustee.

The sums so advanced, with interest at a rate to be fixed by the Public Trustee from time to time in respect of all such sums, are a first charge on all property vested in or under the control of the Public Trustee on account of the estate.

j) Other assets

Other assets may include amounts for dividends, interest and trust distributions. Dividends and 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 last payment using the effective interest rate method. Amounts are generally received within 30 days of being recorded as receivable.

k) Other liabilities

Other liabilities are accrued expenses owing by the Funds which are unpaid as at balance date.

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately on the Statement of Financial Position as unitholders are presently entitled to the distributable income as at 30 June 2024 under the Trust Deed.

l) Applications and redemptions

Applications received for units in the common funds are recorded net of any entry fees payable prior to the issue of units in the Fund. Redemptions from the Fund are recorded gross of any exit fees payable after the cancellation of units redeemed.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1. About Public Trustee Common Funds (continued)

m) Goods and services tax (GST)

The Common Funds are registered entities under the Goods and Services Tax (GST) legislation. Investments in the Public Trustee Common Funds are classified as input taxed financial supplies and no GST is charged on such supplies.

The GST incurred on the costs of various services provided to the common funds by third parties such as management fees have been passed onto the common funds. The common funds qualify for Reduced Input Tax Credits (RITC) at a rate of 75% hence investment management fees and other expenses have been recognised in the Statement of Comprehensive Income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in other assets in the Statement of Financial Position.

n) Use of estimates

The Common Funds financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities within the 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.

o) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$000).

1.2. Significant transactions with government related entities

The Public Trustee is a government business enterprise and is wholly owned and controlled by the Government of South Australia. The Public Trustee Common Funds are wholly owned by unitholders who have invested in the funds. The Public Trustee Corporate provides key management personnel (KMP) to the Common Funds and on this basis the Public Trustee Corporate is a related party together with all public authorities that are controlled and consolidated into the whole of government financial statements. Related parties also include all Common Fund KMP and their close family members.

Significant transactions with government related entities

An additional \$2.8 million (2023: \$3.0 million) was invested during 2023-24 by the Retail Shop Leases Fund. These funds were invested across all Common Funds at a percentage allocation in accordance with the defined Standard Investment Strategies. An amount of \$5.0 million was withdrawn by the Residential Tenancies Fund (2023: \$28.0 million additional investment). No additional investments were received in 2023-24 from Agents Indemnity Fund (2023: \$8.0 million) and Second Hand Motor Vehicle Fund (2023: nil).

Collectively, but not individually significant transactions with government related entities

Management fee expenses paid to the Public Trustee for the reporting period were \$13.7 million (2023: \$12.9 million).

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2. Board, Committees and employees

2.1. Key management personnel

Key management personnel of the Public Trustee Common Funds include the Attorney-General, the Public Trustee Executive and the Manager, Investment Services. The salary and other benefits the Attorney-General receives; the Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*. The compensation of other key management personnel is paid from the Public Trustee Corporate account.

For the year ended 30 June 2024, there were no material transactions or balances to disclose with key management personnel or other related parties (2023: Nil).

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3. Financial Assets

3.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Cash Common Fund		
Cash	6 977	2 635
Money market instruments	7 500	7 000
Total cash and cash equivalents in the Statement of Financial Position	14 477	9 635
Total cash and cash equivalents in the Statement of Cash Flows	14 477	9 635
Short Term Fixed Interest Common Fund		
Deposits in Cash Common Fund	10 653	6 557
Total cash and cash equivalents in the Statement of Financial Position	10 653	6 557
Total cash and cash equivalents in the Statement of Cash Flows	10 653	6 557
Long Term Fixed Interest Common Fund		
Deposits in Cash Common Fund	6 407	6 409
Total cash and cash equivalents in the Statement of Financial Position	6 407	6 409
Total cash and cash equivalents in the Statement of Cash Flows	6 407	6 409
Overseas Fixed Interest Common Fund		
Deposits in Cash Common Fund	5 087	6 801
Total cash and cash equivalents in the Statement of Financial Position	5 087	6 801
Total cash and cash equivalents in the Statement of Cash Flows	5 087	6 801
Australian Shares Common Fund		
Deposits in Cash Common Fund	13 282	10 988
Total cash and cash equivalents in the Statement of Financial Position	13 282	10 988
Total cash and cash equivalents in the Statement of Cash Flows	13 282	10 988
Overseas Shares Common Fund		
Deposits in Cash Common Fund	9 519	13 615
Total cash and cash equivalents in the Statement of Financial Position	9 519	13 615
Total cash and cash equivalents in the Statement of Cash Flows	9 519	13 615
Property Common Fund		
Deposits in Cash Common Fund	4 030	6 221
Total cash and cash equivalents in the Statement of Financial Position	4 030	6 221
Total cash and cash equivalents in the Statement of Cash Flows	4 030	6 221
Total cash and cash equivalents	63 455	60 226

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

Cash at bank and on hand

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 and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts, where applicable, are shown within liabilities on the Statement of Financial Position.

During 2023-24, as part of the whole government banking transition from Commonwealth Bank of Australia (CBA) to Australia and New Zealand Banking Group Ltd (ANZ), a phased transition was agreed upon with the Department of Treasury and Finance (DTF). The Public Trustee's customer banking operations were provided by CBA for all payment transactions and by ANZ for majority of our receipt transactions. The cash deposit is held is interest bearing at 4.35% (2023: 4.10%) for CBA and 4.55% for ANZ per annum as at 30 June 2024 available at call. The Public Trustee also continued to manage a Westpac Banking Corporation (WBC) account during 2023-24 where a small number of deposits continue to be received on behalf of customers.

Deposits in Cash Common Fund

Deposits in the Cash Common Fund act as operating cash accounts for the other Common Funds, and are interest bearing at 3.90% (2023: 3.40%). These investments are available at call.

Money market instruments

Money market investments comprise short term at call deposit accounts. Interest rates range from 3.90% to 4.55% (2023: 1.05% to 4.30%).

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2. Financial assets held at fair value through profit or loss

	Cash		Short Term Fixed Interest	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At fair value through profit or loss				
Fixed interest securities ¹	506 992	522 018	63 315	59 811
Total at fair value through profit or loss	506 992	522 018	63 315	59 811
	Long Term Fixed Interest		Overseas Fixed Interest	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At fair value through profit or loss				
Fixed interest securities ¹	17 522	27 314	-	-
Unlisted unit trusts	75 205	58 039	70 204	62 484
Total at fair value through profit or loss	92 727	85 353	70 204	62 484
	Australian Shares		Overseas Shares	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At fair value through profit or loss				
Unlisted unit trusts	161 333	157 981	156 254	133 647
Total at fair value through profit or loss	161 333	157 981	156 254	133 647
	Property		Total	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At fair value through profit or loss				
Fixed interest securities ¹	-	-	587 829	609 143
Unlisted unit trusts	142 798	136 619	605 794	548 770
Total at fair value through profit or loss	142 798	136 619	1 193 623	1 157 913

¹ Includes other Common Funds deposits in the Cash Common Fund of \$49.0 million (2023: \$50.6 million).

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 7.2.

Fixed interest securities

These investments bear fixed or floating interest rates between 0.85% and 7.08% (2023: 0.80% and 6.88%). These investments are available at call.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4. Liabilities

4.1. Net assets attributable to unitholders

Each unit represents a right to an individual share in the fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Units are redeemable at the unitholders' option and are therefore classified as financial liabilities. The units can be returned into the Common Funds at any time for cash equal to a proportionate share of the common funds' net asset values. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the Statement of Financial Position date if unitholders exercise their right to return the units back to the Common Funds. For financial reporting purposes and compliance with Australian Accounting Standards assets are recorded at net asset value.

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

Common Fund unit prices

	2024		2023	
	Purchase Price	Redemption Price	Purchase Price	Redemption Price
Cash	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Short Term Fixed Interest	\$1.0061	\$1.0051	\$0.9969	\$0.9959
Long Term Fixed Interest	\$0.9969	\$0.9953	\$0.9833	\$0.9823
Overseas Fixed Interest	\$0.7728	\$0.7720	\$0.7613	\$0.7602
Australian Shares	\$1.6384	\$1.6312	\$1.6584	\$1.6511
Overseas Shares	\$1.2845	\$1.2812	\$1.1462	\$1.1439
Property	\$1.1576	\$1.1558	\$1.1745	\$1.1726

Movements in units

	Short Term Fixed Interest		Long Term Fixed Interest		Overseas Fixed Interest	
	2024	2023	2024	2023	2024	2023
	No. of units 000's	No. of units 000's	No. of units 000's	No. of units 000's	No. of units 000's	No. of units 000's
Opening balance	66 413	65 382	92 606	93 289	90 938	91 216
Applications	10 376	6 950	12 297	9 655	12 474	9 503
Redemptions	(3 793)	(5 919)	(6 330)	(10 338)	(5 946)	(9 781)
Closing balance	72 996	66 413	98 573	92 606	97 466	90 938

	Australian Shares		Overseas Shares		Property	
	2024	2023	2024	2023	2024	2023
	No. of units 000's	No. of units 000's	No. of units 000's	No. of units 000's	No. of units 000's	No. of units 000's
Opening balance	100 956	103 752	125 818	129 367	121 552	124 199
Applications	11 589	10 402	14 404	12 976	14 381	12 597
Redemptions	(8 333)	(13 198)	(10 506)	(16 525)	(9 429)	(15 244)
Closing balance	104 212	100 956	129 716	125 818	126 504	121 552

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4. Liabilities (continued)

4.2. Movements in funds employed

	Cash		Short Term Fixed Interest		Long Term Fixed Interest		Overseas Fixed Interest	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	487 647	435 668	66 171	65 131	91 148	92 568	69 200	69 971
Applications	5 690	3 923	10 394	6 928	12 187	9 597	9 553	7 231
Redemptions	(2 274)	(3 554)	(3 798)	(5 892)	(6 271)	(10 260)	(4 559)	(7 426)
Transfers from/(to) net assets to determine distributable income ¹	(9 896)	51 610	637	4	1 275	(757)	1 123	(576)
Closing balance	481 167	487 647	73 404	66 171	98 339	91 148	75 317	69 200

	Australian Shares		Overseas Shares		Property		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	167 030	163 321	144 090	130 807	143 344	145 874	1 168 630	1 103 340
Applications	19 562	17 611	17 194	14 030	16 800	14 945	91 379	74 265
Redemptions	(14 066)	(22 194)	(12 630)	(17 574)	(10 992)	(18 025)	(54 589)	(84 925)
Transfers from/(to) net assets to determine distributable income ¹	(2 152)	8 292	17 730	16 827	(2 222)	669	6 495	76 069
Reallocation of capital distributions relating to prior year	-	-	-	-	-	(119)	-	(119)
Closing balance	170 374	167 030	166 384	144 090	146 930	143 344	1 211 915	1 168 630

¹ The Cash Common Fund is the primary working account for trust administration operations. Movements in net assets attributable to unitholders are typically high volume, low value transactions.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4. Liabilities (continued)

4.3. Net realised and unrealised gains / (losses) on financial assets

	2024	2023
	\$'000	\$'000
Cash Common Fund		
Net Unrealised Gains / (Losses)	1 626	979
Net Realised Gains / (Losses)	(35)	180
Total	<u>1 591</u>	<u>1 159</u>
Short Term Fixed Interest Common Fund		
Net Unrealised Gains / (Losses)	455	29
Net Realised Gains / (Losses)	182	(25)
Total	<u>637</u>	<u>4</u>
Long Term Fixed Interest Common Fund		
Net Unrealised Gains / (Losses)	1 194	(735)
Net Realised Gains / (Losses)	81	(20)
Total	<u>1 275</u>	<u>(755)</u>
Overseas Fixed Interest Common Fund		
Net Unrealised Gains / (Losses)	448	(576)
Net Realised Gains / (Losses)	270	-
Total	<u>718</u>	<u>(576)</u>
Australian Shares Common Fund		
Net Unrealised Gains / (Losses)	2 599	9 713
Net Realised Gains / (Losses)	6	1 040
Total	<u>2 605</u>	<u>10 753</u>
Overseas Shares Common Fund		
Net Unrealised Gains / (Losses)	18 054	17 679
Net Realised Gains / (Losses)	-	3 155
Total	<u>18 054</u>	<u>20 834</u>
Property Common Fund		
Net Unrealised Gains / (Losses)	(1 853)	(1 375)
Net Realised Gains / (Losses)	(68)	988
Total	<u>(1 921)</u>	<u>(387)</u>
Total net gain / (loss) on financial assets held at fair value through profit or loss	<u><u>22 960</u></u>	<u><u>31 032</u></u>

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4. Liabilities (continued)

4.4. Distributions to unitholders

The Public Trustee distributes Common Fund income and capital based on the financial results at 31 December and 30 June. The Public Trustee recognises Common Fund distributions to customer accounts on the date they are paid by the Public Trustee.

For the Cash Common Fund, the provision for distributions represents both the monthly interest distributed to customer accounts and the bi-annual distributions calculated at 31 December and 30 June.

The items above are accrued as appropriate in the financial statements under Australian Accounting Standards and the distributions are recognised in the Statement of Comprehensive Income as finance costs attributable to unitholders.

The distributions, including cents per unit (CPU), were paid / payable as follows:

	2024	2024	2023	2023
	\$'000	CPU	\$'000	CPU
Cash Common Fund				
Distributions to unitholders	19 162	0.4672	8 134	0.2163
Undistributed income brought forward	(1 731)	-	(133)	-
Distributions payable	2 303	-	1 731	-
Total Distributions to unitholders	<u>19 734</u>		<u>9 732</u>	

	2024	2024	2023	2023
	\$'000	CPU	\$'000	CPU
Short Term Fixed Interest Common Fund				
Distributions to unitholders	1 563	0.0214	464	0.0070
Undistributed income brought forward	(672)	-	(69)	-
Distributions payable	1 084	-	672	-
Total Distributions to unitholders	<u>1 975</u>		<u>1 067</u>	

	2024	2024	2023	2023
	\$'000	CPU	\$'000	CPU
Long Term Fixed Interest Common Fund				
Distributions to unitholders	2 387	0.0242	1 761	0.0190
Undistributed income brought forward	(1 312)	-	(901)	-
Distributions payable	1 574	-	1 312	-
Total Distributions to unitholders	<u>2 649</u>		<u>2 172</u>	

	2024	2024	2023	2023
	\$'000	CPU	\$'000	CPU
Overseas Fixed Interest Common Fund				
Distributions to unitholders	885	0.0091	365	0.0040
Undistributed income brought forward	(275)	-	(37)	-
Distributions payable	622	-	275	-
Total Distributions to unitholders	<u>1 232</u>		<u>603</u>	

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4. Liabilities (continued)

	2024 \$'000	2024 CPU	2023 \$'000	2023 CPU
Australian Shares Common Fund				
Distributions to unitholders	10 132	0.0972	17 512	0.1735
Undistributed income brought forward	(8 745)	-	(15 632)	-
Distributions payable	13 520	-	8 745	-
Total Distributions to unitholders	14 907		10 625	

	2024 \$'000	2024 CPU	2023 \$'000	2023 CPU
Overseas Shares Common Fund				
Distributions to unitholders	4 520	0.0348	6 638	0.0528
Undistributed income brought forward	(4 520)	-	(6 638)	-
Distributions payable	4 665	-	4 520	-
Total Distributions to unitholders	4 665		4 520	

	2024 \$'000	2024 CPU	2023 \$'000	2023 CPU
Property Common Fund				
Distributions to unitholders	2 796	0.0221	1 710	0.0141
Undistributed income brought forward	(1 073)	-	(1 587)	-
Distributions payable	1 972	-	1 073	-
Total Distributions to unitholders	3 695		1 196	

In accordance with the *Public Trustee Act 1995*, investors received a proportionate distribution of net income depending on the number of days units were held. Included in the distributions payable at 30 June 2024 were the following net realised capital gains which were distributed to unitholders based on the number of units held as at 30 June 2024:

	2024 \$'000	2024 CPU	2023 \$'000	2023 CPU
Common Fund Capital Distributions Payable				
Australian Shares	9 341	0.0896	7 581	0.0751
Overseas Shares	4 665	0.0360	4 520	0.0359
Property	386	0.0031	802	0.0066
	14 393		12 903	

The Public Trustee
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5. Other disclosures

5.1. Derivative financial instruments

The Public Trustee did not directly invest in derivative investments for the year ended 30 June 2024 (2023: \$Nil).

5.2. Cash flow

Payments and receipts relating to the purchase and sale of investment securities are classified as investing cash flows because the core activity of the Public Trustee is the administration of trustee services.

Reconciliation of net result to cash flows from operating activities

Cash Common Fund	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	21 323	10 891
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	(1 591)	(1 159)
Amortisation of discounts and premiums	15	15
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(2 959)	(4 160)
Increase / (Decrease) in payables and other liabilities	(1)	(21)
Adjustment for balance day transactions	12	27
Net cash provided by operating activities	16 799	5 593
Short Term Fixed Interest Common Fund	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	2 612	1 071
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	(637)	(4)
Amortisation of discounts and premiums	(228)	(70)
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(47)	(161)
Increase / (Decrease) in payables and other liabilities	-	(4)
Net cash provided by operating activities	1 702	832

The Public Trustee
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5. Other disclosures (continued)

Long Term Fixed Interest Common Fund	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	3 923	1 415
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	(1 275)	755
Income reinvested and not received in cash	(27)	(19)
Amortisation of discounts and premiums	37	31
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(82)	(56)
Increase / (Decrease) in payables and other liabilities	(1)	(4)
Net cash provided by operating activities	2 575	2 122
Overseas Fixed Interest Common Fund	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	2 355	27
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	(718)	576
Income reinvested and not received in cash	(109)	(103)
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(459)	49
Increase / (Decrease) in payables and other liabilities	(9)	(4)
Net cash provided by operating activities	1 060	545

The Public Trustee
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5. Other disclosures (continued)

Australian Shares Common Fund	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	12 755	18 917
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	(2 605)	(10 753)
Income reinvested and not received in cash	(560)	(636)
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(2 457)	6 765
Increase / (Decrease) in payables and other liabilities	(1)	(10)
Net cash provided by operating activities	7 132	14 283
Overseas Shares Common Fund	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	22 395	21 347
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	(18 054)	(20 834)
Income reinvested and not received in cash	(557)	(337)
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(3 923)	2 310
Increase / (Decrease) in payables and other liabilities	(1)	(7)
Net cash provided by operating activities	(140)	2 479

The Public Trustee
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5. Other disclosures (continued)

Property Common Fund	2024 \$'000	2023 \$'000
Reconciliation of net cash provided by operating activities to net result:		
Net operating result	1 473	1 865
Add / (less) non cash items:		
Net losses / (gains) on financial instruments held at fair value through profit or loss	1 921	387
Income reinvested and not received in cash	(156)	(174)
Realignment of capital distribution relating to prior year	-	57
Movements in assets / liabilities:		
Decrease / (Increase) in receivables and other assets	(440)	(12)
Increase / (Decrease) in payables and other liabilities	(1)	(7)
Net cash provided by operating activities	2 797	2 116

5.3 Expenditure – SA Business and Non SA-Business

The following table includes all expenditure in relation to contracts above \$55,000 (GST inclusive) resulting from a procurement as defined in Treasurer's Instructions 18 – Procurement. Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2024 \$'000	Proportion SA and non-SA businesses
Total expenditure with South Australian businesses	-	-
Total expenditure with non-South Australian businesses	349	100%
	349	100%

Classification of SA business or non-SA business is generally based on circumstances as at the time of entering into a contract. For contracts entered into before 20 February 2023, where sufficient evidence of an assessment made under previous procurement requirements is known to the Public Trustee, this was used to determine classification. For contracts where such evidence of prior assessment is not available and for all other contracts, classification is based on the definition of an SA business provided in TI 18.

TI 18 defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA business reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
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6. Outlook

6.1. Impact of standards and statements not yet effective

The Public Trustee has, after assessment, determined that there will be no financial impact on the financial statements of the Common Funds of new and changed Australian Accounting Standards and Interpretations not yet effective.

6.2. Events after the reporting period

There were no known or material events that have occurred since the end of the reporting period which would impact on the financial position of the Common Funds.

The Public Trustee
COMMON FUNDS
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7. Measurement and Risk

7.1. Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Classification

The Funds' financial assets are classified as measured at fair value through profit or loss.

These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded debt and equity instruments, unlisted trusts, unlisted equity instruments and commercial paper. Other assets / liabilities comprise amounts due to or from the common funds.

Cash and cash equivalents are valued at nominal amounts. This asset consists of cash at bank, on hand and short-term money market deposits with maturities of three months or less that is readily converted to cash and which are subject to insignificant risk of changes in value.

All other assets and liabilities are measured at amortised cost.

Recognition

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

Measurement

Financial assets held at fair value through profit or loss

Investments in pooled funds are recorded at fair value as reported by the managers of such funds. The Public Trustee has determined the fair value of financial assets to be the market value of these investments at balance date. AASB 7 *Financial Instruments: Disclosures* requires disclosure of the measurement methodology used to value financial instruments. The Public Trustee invests through fund managers and utilises pricing data provided by those managers which is indirectly derived from the pricing of the underlying securities. For internally managed portfolios, the Public Trustee invests directly through banks and other financial institutions, government and semi-government bond markets and utilises pricing data provided by those institutions and third party pricing vendors.

Fair value hierarchy

The Public Trustee classifies the fair value measurements of financial assets and financial liabilities using the three level fair value hierarchy as required by AASB 13, set out below, to reflect the source of valuation inputs used when determining the fair value:

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (inputs other than quoted prices included within Level 1) that are observable for the asset, either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs.

The Public Trustee
COMMON FUNDS
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7. Measurement and Risk (continued)

The table below presents the fair value classification of common fund financial assets by class:

	Note	2024 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Cash and cash equivalents	3.1	63 455	63 455	-	-
Financial assets at fair value through profit or loss					
Fixed interest securities	3.2	587 829	404 499	183 330	-
Unlisted unit trusts	3.2	605 794	-	605 794	-
Total		1 257 078	467 954	789 124	-
	Note	2023 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Cash and cash equivalents	3.1	60 226	60 226	-	-
Financial assets at fair value through profit or loss					
Fixed interest securities	3.2	609 143	402 000	207 143	-
Unlisted unit trusts	3.2	548 770	-	548 770	-
Total		1 218 139	462 226	755 913	-

The Public Trustee's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2024 and 2023, the Public Trustee had no valuations categorised in level 3. There were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

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7. Measurement and Risk (continued)

7.2. Financial instruments

Financial risk management

The Public Trustee's Common Fund activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance. Only Australian domiciled pooled funds are used for overseas asset purchases. In terms of currency exposure, the Overseas Fixed Interest Common Fund is 100% hedged and the Overseas Shares Common Fund maintains a 40% hedged benchmark position which reduces currency volatility. Overseas currency exposure in the Property Common Fund is 99.0% hedged.

The Manager, Investment Services is responsible for ensuring that all investments are within the guidelines specified by the Public Trustee's *Investment Guidelines and Procedures Manual*. The Manager, Investment Services may recommend to the Public Trustee and the Public Trustee may, after consultation with the Investment Advisory Committee, approve investments outside of the Public Trustee's Investment Guidelines.

Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions.

Short-term money market instruments must have a short-term Standard and Poor's (S&P) rating of A1 or in the case of the issuer being a bank under the *Banking Act 1959* a rating of A2 is accepted. Floating rate instruments must have a long-term S&P credit rating of A+ or better or where the counter party is a bank under the *Banking Act 1959*, a rating of BBB or better is accepted. Long-term investments must have long-term S&P credit rating of A+ or better or be an investment in a Commonwealth Government or Semi-Government bond. If there is no independent rating, the Public Trustee assesses the credit quality of the provider, taking into account its financial position and past experience.

Credit risk arises primarily with the following classes of instruments and counterparties:

- Sovereign debt of the Australian Commonwealth and state governments
- Sovereign debt of foreign governments
- Banking corporations
- Corporate debt
- Pooled investment funds

The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets.

The credit quality of financial assets that are neither past due nor impaired are assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Pooled fund investments are not rated, however, the Public Trustee makes a thorough assessment of all pooled fund managers in regard to credit and other risks prior to the investment of funds with each manager. The credit risk lies with the pooled fund manager responsible for the management of the underlying investments. The Public Trustee continually monitors these assessments.

The following table shows the maximum exposure to credit risk at the end of the reporting period. The exposure is the carrying amount of the financial assets.

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7. Measurement and Risk (continued)

Credit risk analysis

	2024	2023
	\$'000	\$'000
Cash Common Fund		
<i>Cash and short term investments</i>		
A1+	208 004	210 536
A1	132 500	92 500
A2	59 502	103 000
Cash at bank	14 477	9 635
Total cash and short term investments	414 483	415 671
<i>Long term investments</i>		
AA-	52 270	58 020
A+	40 047	39 444
A-	14 670	-
BBB+	-	18 518
Total long term investments	106 987	115 982
Short Term Fixed Interest Common Fund		
<i>Cash and short term investments</i>		
A1+	25 017	16 817
A1	-	1 000
A2	3 501	-
Cash at bank	10 653	6 557
Total cash and short term investments	39 171	24 374
<i>Long term investments</i>		
AA-	19 355	25 542
A+	5 350	2 783
AA+	5 783	11 666
AA	3 605	-
BBB+	706	2 003
Total long term investments	34 799	41 994
Long Term Fixed Interest Common Fund		
<i>Cash and short term investments</i>		
A1+	5 641	7 929
AAA	-	1 993
Cash at bank	6 407	6 409
Total cash and short term investments	12 048	16 331
<i>Long term investments</i>		
AA-	11 882	17 392
Total long term investments	11 882	17 392

Market risk

(i) Price risk

The Australian Shares Common Fund, Overseas Shares Common Fund, Property Common Fund, Long Term Fixed Interest Common Fund and the Overseas Fixed Interest Common Fund are exposed to price risk. The Public Trustee is not directly exposed to commodity price risk.

The Public Trustee
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7. Measurement and Risk (continued)

To manage its price risk arising from investments in equity securities, the Public Trustee diversifies its portfolio. Diversification of the portfolio is in accordance with the Public Trustee's Investment Guidelines. Irrespective of what type of investment vehicle is used, the primary focus is to ensure the risk/reward objectives of the Public Trustee's investment approach are met. The common funds comprise a number of sub-portfolios which invest in different sectors of the equity market.

The Australian Shares Common Fund invests primarily in ASX 300 Companies through Australian domiciled-pooled funds. The Australian Shares Common Fund portfolio consists of listed shares, convertible notes, instalment receipts, preference shares and options. Derivatives are permitted for portfolio management provided the fund is not geared.

Equities in the Overseas Shares Common Fund consist of investments through Australian domiciled-pooled funds that obviate exposure to currency price risk. An "active" approach is used by the fund utilising a variety of fund managers with different investment styles. This provides diversification benefits and reduces the overall level of risk.

The Property Common Fund invests in listed securities from the Property Trust sector of any Australian or overseas stock exchange or any listed company whose major activity is in real property/infrastructure. Investments in this class also comprise un-listed unit trusts where the holding of property or infrastructure is the primary business activity of the issuer.

The Long Term Fixed Interest Common Fund invests primarily in Bloomberg AusBond Composite Bond Index (0+). The Long Term Fixed Interest Common Fund consists of government and agency securities, corporate securities, money market instruments, mortgage-backed and asset-backed securities, unlisted securities from externally appointed fund managers and Public Trustee Cash Common Fund. The fund's exposure to price risk from its external managed portfolio has been recognised from 2021-22.

(ii) Cash flow and interest rate risk

The Public Trustee is exposed to interest rate risk arising from cash investments, short term and long term investments. Instruments issued at fixed interest rates expose the Public Trustee to fair value interest rate risk and variable rate instruments expose the Public Trustee to cash flow interest rate risk.

The Cash Common Fund can invest in short term money market instruments with up to one year maturity, floating rate investment instruments with maturity terms up to 10 years if the counterparty is a bank with a credit rating of A- or better or fixed interest instruments with maturity terms up to three years. Securities with greater than one year maturity are restricted to make up less than 20% of the overall fund.

The Short Term Fixed Interest Common Fund can invest in fixed interest securities with maturity terms of three years if the credit rating is A+ or better, or a maturity term of up to six years for Commonwealth and Semi-government bonds.

The Long Term Fixed Interest Common Fund is currently transitioning from an internal to an external managed portfolio with Australian domiciled pooled Funds.

(iii) Foreign exchange risk

The Overseas Fixed Interest Common Fund, the Overseas Shares Common Fund and the Property Common Fund are indirectly exposed to foreign exchange risk as a result of their investments in other unit trusts which in turn invest in financial instruments that are denominated in foreign currencies.

A sensitivity analysis is provided in the following table, outlining the exposure to each type of market risk at the end of each reporting period, showing how profit or loss and equity would have been affected by the changes in the relevant risk variable that was reasonably possible at that date. All instruments are financial assets and classified as measured at fair value through the profit or loss; resulting in no impact on equity.

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7. Measurement and Risk (continued)

Cash Common Fund

2024

Financial Assets	Carrying amount \$'000	Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income
Cash and cash equivalents	14 477	(145)	145	-	-
Financial assets held at fair value through profit or loss	506 992	(5 070)	5 070	-	-
Total increase/(decrease)		(5 215)	5 215	-	-

Cash Common Fund

2023

Financial Assets	Carrying amount \$'000	Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income
Cash and cash equivalents	9 635	(96)	96	-	-
Financial assets held at fair value through profit or loss	522 018	(5 220)	5 220	-	-
Total increase/(decrease)		(5 316)	5 316	-	-

Short Term Fixed Interest

2024

Financial Assets	Carrying amount \$'000	Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income
Cash and cash equivalents	10 653	(106)	106	-	-
Financial assets held at fair value through profit or loss	63 315	(633)	633	-	-
Total increase/(decrease)		(739)	739	-	-

Short Term Fixed Interest

2023

Financial Assets	Carrying amount \$'000	Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income
Cash and cash equivalents	6 557	(66)	66	-	-
Financial assets held at fair value through profit or loss	59 811	(598)	598	-	-
Total increase/(decrease)		(664)	664	-	-

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7. Measurement and Risk (continued)

Long Term Fixed Interest

Financial Assets	Carrying amount	2024			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	6 407	(64)	64	-	-
Financial assets held at fair value through profit or loss:					
Fixed Interest Securities	17 522	(175)	175	-	-
Unlisted unit trusts	75 205	-	-	(15 041)	7 521
Total increase/(decrease)		(239)	239	(15 041)	7 521

Long Term Fixed Interest

Financial Assets	Carrying amount	2023			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	6 409	(64)	64	-	-
Financial assets held at fair value through profit or loss:					
Fixed Interest Securities	27 314	(273)	273	-	-
Unlisted Unit Trusts	58 039	-	-	(11 608)	5 804
Total increase/(decrease)		(337)	337	(11 608)	5 804

Overseas Fixed Interest

Financial Assets	Carrying amount	2024			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	Statement of Comprehensive Income	
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	5 087	(51)	51	-	-
Financial assets held at fair value through profit or loss	70 204	-	-	(14 041)	7 020
Total increase/(decrease)		(51)	51	(14 041)	7 020

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7. Measurement and Risk (continued)

		2023			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive	Comprehensive	Comprehensive	Comprehensive
		Income	Income	Income	Income
Financial Assets	Carrying amount	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	6 801	(68)	68	-	-
Financial assets held at fair value through profit or loss	62 484	-	-	(12 497)	6 248
Total increase/(decrease)		<u>(68)</u>	<u>68</u>	<u>(12 497)</u>	<u>6 248</u>

		2024			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive	Comprehensive	Comprehensive	Comprehensive
		Income	Income	Income	Income
Financial Assets	Carrying amount	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	13 282	(133)	133	-	-
Financial assets held at fair value through profit or loss	161 333	-	-	(32 267)	16 133
Total increase/(decrease)		<u>(133)</u>	<u>133</u>	<u>(32 267)</u>	<u>16 133</u>

		2023			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive	Comprehensive	Comprehensive	Comprehensive
		Income	Income	Income	Income
Financial Assets	Carrying amount	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	10 988	(110)	110	-	-
Financial assets held at fair value through profit or loss	157 981	-	-	(31 596)	15 798
Total increase/(decrease)		<u>(110)</u>	<u>110</u>	<u>(31 596)</u>	<u>15 798</u>

		2024			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive	Comprehensive	Comprehensive	Comprehensive
		Income	Income	Income	Income
Financial Assets	Carrying amount	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	9 519	(95)	95	-	-
Financial assets held at fair value through profit or loss	156 254	-	-	(31 251)	15 625
Total increase/(decrease)		<u>(95)</u>	<u>95</u>	<u>(31 251)</u>	<u>15 625</u>

The Public Trustee
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7. Measurement and Risk (continued)

Overseas Shares

Financial Assets	Carrying amount	2023			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive Income	Comprehensive Income	Comprehensive Income	Comprehensive Income
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	13 615	(136)	136	-	-
Financial assets held at fair value through profit or loss	133 647	-	-	(26 729)	13 365
Total increase/(decrease)		(136)	136	(26 729)	13 365

Property

Financial Assets	Carrying amount	2024			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive Income	Comprehensive Income	Comprehensive Income	Comprehensive Income
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	4 030	(40)	40	-	-
Financial assets held at fair value through profit or loss	142 798	-	-	(28 560)	14 280
Total increase/(decrease)		(40)	40	(28 560)	14 280

Property

Financial Assets	Carrying amount	2023			
		Interest Rate Risk		Price Risk	
		-1%	+1%	-20%	+10%
		Statement of	Statement of	Statement of	Statement of
		Comprehensive Income	Comprehensive Income	Comprehensive Income	Comprehensive Income
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	6 221	(62)	62	-	-
Financial assets held at fair value through profit or loss	136 619	-	-	(27 324)	13 662
Total increase/(decrease)		(62)	62	(27 324)	13 662

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7. Measurement and Risk (continued)

Liquidity risk

The Public Trustee has working capital policies in place in order to maintain liquidity for customers. Short-term investment analysis assists in determining the amount, if any, to be invested or reinvested in order to maintain working capital.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the ability to close out market positions. The Public Trustee manages the liquidity risk by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Classification of financial instruments

On initial recognition, a financial asset / liability is classified as measured at amortised cost or at fair value through profit or loss as described in note 7.1.

The Public Trustee
COMMON FUNDS
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7. Measurement and Risk (continued)

Maturity analysis of financial assets and financial liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

Category of financial asset and financial liability	Note	2024 2024 Contractual Maturities			
		Carrying amount \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents	3.1	63 455	63 455	-	-
Advances to estates		2 523	2 523	-	-
Financial assets held at fair value through profit or loss	3.2	1 193 623	1 046 460	147 163	-
Other assets		27 050	27 050	-	-
Total financial assets		1 286 651	1 139 488	147 163	-
Financial liabilities					
Income distribution payable		25 739	25 739	-	-
Funds due to other Common Funds		48 978	48 978	-	-
Other liabilities		19	19	-	-
Total financial liabilities		74 736	74 736	-	-
2023 2023 Contractual Maturities					
Category of financial asset and financial liability	Note	Carrying amount \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents	3.1	60 226	60 226	-	-
Advances to estates		2 818	2 818	-	-
Financial assets held at fair value through profit or loss	3.2	1 157 913	982 545	175 368	-
Other assets		16 604	16 604	-	-
Total financial assets		1 237 561	1 062 193	175 368	-
Financial liabilities					
Income distribution payable		18 328	18 328	-	-
Funds due to other Common Funds		50 591	50 591	-	-
Other liabilities		12	12	-	-
Total financial liabilities		68 931	68 931	-	-

The Public Trustee
STATEMENT OF TRUSTS BEING ADMINISTERED
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Trust funds under administration	3		
Deceased Estates		192 270	203 746
Trusts		161 923	151 382
Administration Matters		40 336	40 135
Court Award Orders		467 800	445 482
Protected Estates		570 681	483 885
Workers Compensation Awards		40	-
Power of Attorney		51 865	59 372
Investors		538 015	514 037
Total funds		2 022 930	1 898 039
Represented by			
Investment in Common Funds	1(b),2		
Non current assets			
Australian equities		161 333	157 981
International equities		156 254	133 647
Property securities		142 798	136 619
Australian fixed interest investments		26 468	207 868
International fixed interest investments		70 204	62 484
		557 057	698 599
Current assets			
Cash and cash equivalents		14 477	9 635
Australian fixed interest investments		636 567	459 314
Advances to estates		2 523	2 818
Trust distribution receivable		17 655	10 196
Other assets		9 397	6 408
		680 619	488 371
Current liabilities			
Income distribution payable		25 741	18 328
Other liabilities		19	12
		25 760	18 340
Net Common Fund assets		1 211 916	1 168 630
Estate assets	1(c)		
Non current assets			
Real estate		491 708	437 778
Superannuation		235 454	206 998
Personal chattels		26 244	31 457
Equities		32 306	32 419
Fixed interest and cash assets		11 883	10 603
Mortgages		234	242
		797 829	719 497
Current assets			
Other assets	1(b)	28 821	21 980
Current liabilities			
Other liabilities	1(b)	15 635	12 068
Net estate assets		811 015	729 409
Total net assets		2 022 930	1 898 039

The Public Trustee
STATEMENT OF TRUSTS BEING ADMINISTERED
Notes to and forming part of the Statement of Trusts being Administered
for the year ended 30 June 2024

1. Basis of Preparation

a) About Statement of Trusts Being Administered

The Statement of Trusts Being Administered (the Statement) and related notes are special purpose financial statements that provide information on the value and nature of trusts being administered. The Statement consolidates all trusts being administered by the Public Trustee, accordingly, no accounting standards and other mandatory reporting requirements are applied in the presentation of this Statement.

The Public Trustee has prepared the Statement, where appropriate, based on the general principles outlined in Australian Accounting Standards.

The Statement has been prepared using the accrual basis of accounting.

b) Basis of valuation of Common Fund assets and liabilities

Investments in Common Funds relating to Australian equities, International equities, Property securities and International fixed interest investments, are reported at market value to comply with current accounting standards.

Australian Fixed Interest Investments: Are valued at market value based on independently obtained market yields applying at balance date.

Advances to Estates: Are carried at their nominal amounts. The Public Trustee is authorised by the Public Trustee Act 1995 to advance monies where an estate has insufficient monies to make payments as authorised or required to administer the estate, usually on a short term basis. Funds advanced are a first charge on the estate's property vested under the control of Public Trustee. The interest rate applicable on advances at 30 June 2024 was 4.85% (2023: 4.60%).

Cash and Cash Equivalents: Are carried at nominal amounts, translated at prevailing exchange rates where applicable. This asset consists of cash at bank and on hand, as well as other short term, highly liquid investments with original maturities of three months or less.

Other assets: Includes amounts for dividends and interest. Dividends are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment using the effective interest rate method.

Trust Distribution Receivable: Are accrued when the right to receive payment is established.

Other liabilities: Are accrued expenses owing by the Funds which are unpaid as at balance date.

Income Distribution Payable: Is payable to unitholders as at the end of the reporting period and recognised separately on the Statement of Trusts as unitholders are presently entitled to the distributable income as at 30 June 2024 under the Trust Deed.

c) Basis of valuation for estate assets

Real Estate: For deceased estates, real estate is initially valued as at date of death. In other matters, the initial valuation is at the date the Public Trustee is being appointed manager, administrator or new trustee. The Public Trustee revalues all South Australian real estate other than accommodation bonds annually. All other real estate is revalued to current value where these values can be ascertained. Such revaluations are determined by reference to valuations established by the South Australian Valuer-General, with a revaluation last being carried out as at 30 June 2024. Accommodation bonds are valued annually at cost less retention amount until the retention terms have expired.

The Public Trustee
STATEMENT OF TRUSTS BEING ADMINISTERED
Notes to and forming part of the Statement of Trusts being Administered
for the year ended 30 June 2024

1. Basis of Preparation (continued)

Superannuation: Customer monies were invested within an approved superannuation provider and were valued at fair value.

Personal Chattels: For deceased estates valuation is at date of death. In other matters, valuation is at the date of the Public Trustee being appointed manager, administrator or new trustee. In the case of some sundry minor assets, nominal values are used for valuation purposes.

Investment by Estates in Common Funds: Valuation of estate investment in Common Funds is based on the underlying fair value of Common Funds as at balance date.

Other Estate Investments: Investments other than equities are shown at their face value. Valuation is performed at the date of the Public Trustee being appointed manager, administrator or new trustee or at the date of death in the case of deceased estates. Equities are valued at net fair value as at balance date.

2. Operation of the Common Funds

Common Funds managed by the Public Trustee have been established pursuant to Section 29 of the *Public Trustee Act 1995* or its predecessor legislation. Financial Statements for each common fund operated by the Public Trustee are presented within the annual report of the Public Trustee.

Investment in common funds (with the exception of direct investment in the Cash Common Fund) are by way of notional unit holdings in the Common Funds. Contributors may invest in the Cash Common Fund or alternately invest in a selection of Common Funds in proportions determined by one or more of the following standard investment strategies provided by the Public Trustee:

- Capital Stable
- Balanced
- Growth
- Equities

The Public Trustee
STATEMENT OF TRUSTS BEING ADMINISTERED
Notes to and forming part of the Statement of Trusts being Administered
for the year ended 30 June 2024

3. Trusts Funds under Administration

	Number		Value	
	2024	2023	2024	2023
			\$'000	\$'000
Deceased Estates				
Monies and assets held under the administration of the Public Trustee pursuant to the provisions of the <i>Public Trustee Act 1995</i>	1 187	1 170	192 270	203 746
Trusts				
Monies and assets held under the administration of the Public Trustee pursuant to the terms of a Will or a Deed of Trust	1 174	1 089	161 923	151 382
Administration Matters				
Monies paid and assets transferred to the Public Trustee on account of minor beneficiaries pursuant to the <i>Public Trustee Act 1995</i>	214	235	40 336	40 135
Court Award Orders				
Monies directed by the Court to be paid to the Public Trustee on behalf of clients and invested and applied by the Public Trustee as the Court directs and monies administered by the Public Trustee under the <i>Aged and Infirm Persons Property Act 1940</i>	728	726	467 800	445 482
Protected Estates				
Monies administered by the Public Trustee under the <i>Guardianship and Administration Act 1993</i>	4 375	4 256	570 681	483 885
Workers Compensation Awards				
Monies directed by the Court to be paid to the Public Trustee on behalf of widows and minors and invested and applied by the Public Trustee as the Court directs	4	4	40	-
Powers of Attorney				
Monies and assets held on behalf of donors who have appointed the Public Trustee to act on their behalf	197	214	51 865	59 372
Investors				
Monies invested in Common Funds pursuant to Section 29 (1) of the <i>Public Trustee Act 1995</i> by classes of persons approved by the Minister	4	4	538 015	514 037
	7 883	7 698	2 022 930	1 898 039

4. Unclaimed Monies

During the reporting period, amounts totalling \$1,646,116 (2023: \$165,262) in respect of estates became/were identified as unclaimed monies. Payment of these amounts to the Consolidated Account pursuant to Section 32 (1) of the *Public Trustee Act 1995* is expected to occur in the next financial year.

Public Trustee
Certification of the Financial Statements
for the year ended 30 June 2024

Certification of the financial statements

We certify that the:

- financial statements of the Public Trustee Corporate entity, Common Funds and Statement of Trusts being administered:
 - are in accordance with the accounts and records of the authority; and
 - comply with relevant Treasurer's instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Public Trustee at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Public Trustee for the financial year over its financial reporting and its preparation of financial statements have been effective.



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Tony Brumfield
Public Trustee



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Damien Bamford
Acting Chief Operating Officer

Date 13 September 2024