

**The Public Guardian and Trustee
for the Province of Ontario**
Schedule B - Diversified Fund
(in thousands of dollars)

March 31	2007	2006
INVESTMENTS		
Cash	\$ 49	\$ 83
Net other (liabilities) assets	(172)	169
Short term notes	1,916	2,002
	1,793	2,254
Bonds	43,946	44,039
Canadian equity	45,094	39,146
Foreign equity	25,146	40,043
	\$ 115,979	\$ 125,482
Allocated as follows		
Estates and Trusts	\$ 60,186	\$ 59,545
Administration Fund	55,793	65,937
	\$ 115,979	\$ 125,482
INCOME		
Estates and Trusts		
Investment earnings	\$ 1,884	\$ 1,824
Unrealized appreciation	2,736	4,864
Net unrealized foreign exchange appreciation/(depreciation)	788	(468)
Net unrealized appreciation	3,524	4,396
Realized investment appreciation	7,244	164
Net realized foreign exchange depreciation	(927)	(64)
Net realized investment appreciation	6,317	100
	\$ 11,725	\$ 6,320
Administration		
Investment earnings	\$ 1,339	\$ 1,595
Unrealized appreciation	314	5,513
Net unrealized foreign exchange appreciation/(depreciation)	807	(950)
Net unrealized appreciation	1,121	4,563
Realized investment appreciation	2,848	258
Net realized foreign exchange depreciation	(950)	(66)
Net realized investment appreciation	1,898	192
	\$ 4,358	\$ 6,350

The Short term Notes and Bonds at March 31, 2007 bear interest at annual rates ranging from 3.75% to 12.20% (2006 - from 3.00% to 11.45%), with maturity dates ranging from 11 days to 99 years (2006 - from 6 days to 43 years)

Diversified Fund

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

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