

<b>Treasurer's Instruction No</b>	<b>203</b>
Title	<b>Activities Undertaken Under a Trustee or Agency Arrangement</b>
Effective date	<b>1 July 2005</b>
Objective and Background	<b>Provides for activities undertaken under trustee and agency arrangements</b>
Last Reviewed Date	<b>31 July 2003</b>

*This Instruction was previously known as Treasurer's Instruction No 706 – Activities Undertaken Under a Trustee or Agency Arrangement.*

*Black letter (or bold) items within these Instructions are mandatory and other plain font items are instructional or for the purpose of providing guidance only.*

- (1) All transactions and balances of the Agency, other than those undertaken under a trustee or agency arrangement, must be categorised as administered or controlled.**

For further information on the definition of administered and controlled, refer to Instruction 202 Definition of “Administered” and “Controlled”.

- (2) Where the Agency is undertaking a trust activity or acting in a fiduciary capacity, the resulting transactions/balances do not form part of the Agency's activities.**

Such activities would normally be undertaken through a designated trust account within the Special Deposits and Trust Fund. For example, transactions recorded through T404 Prisoners Earnings Deposit Account (Department of Justice and Industrial Relations) or T470 Patient Trust and Hospital Bequest Account (Department of Health and Human Services).

- (3) Where the Agency has entered into an agency arrangement and undertakes an activity solely as an agent for another entity, the resulting transactions/balances do not form part of the Agency's activities.**

For example, the Department of Primary Industries, Water and Environment, as *Service Tasmania*, collects a range of taxes and fees under agency arrangements it has with a number of government entities.

- (4) Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.**

- (5) Where the Agency earns fees/commissions and/or incurs expenses in the course of rendering services as a trustee or manager of a trust, or entering into an agency arrangement, these must be recognised as controlled transactions.**

- (6) For the purposes of financial reporting, transactions and balances relating to a trustee or agency arrangement are not recognized as departmental revenues, expenses, assets or liabilities. Instead they are disclosed in notes to the general purpose financial statements.**