



Obligation to provide statements

Questions & Answers

1. What are statements?

Statements are issued by an approved service to parents/guardians about the sessions of care provided at the service. They provide clear information about the sessions of care provided in the statement period, the charges for care and the amount of Child Care Benefit (CCB) passed on to individuals in respect of that care.

2. Why do we need to provide statements?

Statements replace the previous requirement to provide receipts whenever child care fees were paid. Before the introduction of the Child Care Management System (CCMS), services could provide information in their receipts about the amount of CCB fee reductions being made for future sessions of care. However, under CCMS, CCB is paid to services after attendance is reported and services that bill in advance are unable to include the amount of CCB payable in respect of the upcoming period. By providing a statement for a previous period, services will have the information about the amount of CCB payable in respect of the sessions of care provided.

3. Who do we issue statements to?

Statements must be issued to all individuals receiving CCB as fee reductions.

4. Do we still need to provide receipts to parents?

The requirement under family assistance law to provide statements replaces the legislative requirement to provide receipts. However, it is good financial practice to provide a receipt whenever money is received.

5. How do we determine the statement period?

For all services in operation on **Tuesday 11 May 2010**, the first statement period will start on Tuesday 11 May 2010. The service can choose how often statements are issued, provided they are issued at least every 3 months. The service will issue statements on the same cycle for all children in the care of the service who are receiving CCB as Fee Reductions.

If a service is approved for CCB after Tuesday 11 May 2010, they must start issuing statements from the day they receive approval under section 195 of the *A New Tax System (Family Assistance) (Administration) Act 1999*.

Subsequent statement periods follow the cycle nominated by the child care service.

Note: Statements need only be produced for periods where a session or sessions of care were provided.

6. When will my service have to start issuing statements?

Statements must be provided within one month of the end of each statement period. A statement period depends on the business decision taken by the service about the frequency it intends to issue statements. A statement period can be every week, every fortnight, every month, but it cannot be longer than 3 months.

7. What information is required in statements?

The statements must contain the following information:

- name of the service
- CCB Approval Id of the service
- service's Australian Business Number (ABN) (if any)
- name of the person to whom the statement is issued
- name/s of the child/children in respect of whom the session of care was provided
- enrolment Id for the child or children
- weekly total of the number of hours in the sessions of care for which the fees were reduced
- total number of hours of care provided to the child shown as both daily *and* weekly amounts if more than one session of care is provided
- total number of absence days taken during the period covered by the statement
- start and end dates of the statement period
- amount of fees charged for the session or sessions, before any CCB fee reductions are taken into account, ie total fee
- amount of CCB fee reductions provided for the session or sessions (if any)
- date of statement issue.

8. Why do I need to provide the hours in the daily sessions as well as the weekly sessions of care?

Daily information provides greater transparency for parents as they can confirm the hours for each session of care provided to their child. It also provides clarity around the total fee charged for the period and the CCB passed on for that same period.

9. Do I need to provide a signature on the statements?

There is no longer a requirement to endorse a statement with a signature. However, the name of the approved child care service must appear on the statements.

10. What compliance activity will occur around statements?

When compliance officers from the Department of Education, Employment and Workplace Relations conduct compliance visits on approved child care services, they may ask to see evidence of previously issued statements. Services may provide these statements in either electronic or hardcopy form. Penalties will apply for failure to meet the new statement requirements that come into effect on **Tuesday 11 May 2010**.

11. Who do I contact if I have further questions about statements?

You should email any questions you have about statements to ccmshelpdesk@deewr.gov.au.