3. OFFICERS REPORTS

3.1. ANNUAL REPORT 2025-2026

REPORT AUTHOR	Governance and Information Officer
EXECUTIVE	General Manager Corporate and Communities
DEPARTMENT	Corporate and Communities
TEAM	Governance
MEETING DATE	17 November 2026

RECOMMENDATION

The recommendation for the Special Council Meeting is that Council:

1. **Adopt the Annual Report 2025/26 in accordance with Section 104(5)(b) of the *Local Government Act 2009*.**

2. **Delegate authority under Section 257(1)(b) of the *Local Government Act 2009* to the Chief Executive Officer (or delegate) to approve administrative changes, finalise and publish the Annual Report 2025/26.**

EXECUTIVE SUMMARY

Under Section 104(5)(b) of the *Local Government Act 2009* and Chapter 5, Part 3, Division 3 of the *Local Government Regulation 2012*, Council is required to adopt an Annual Report for the previous financial year.

The Annual Report is required to be adopted within one (1) month after the day the Auditor-General gives their Independent Auditor's Report about Council's Financial Statements for the financial year.

The Auditor-General provided their report to Council on 16 October 2026; therefore, the Annual Report must be adopted by 17 November 2026.

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

The previous Annual Report for 2024/25 was adopted by Council on 11 November 2025.

REPORT / BACKGROUND

The Annual Report is a key accountability and stakeholder engagement document required under legislation and other prescribed requirements for Council to report its financial and non-financial performance. The report maps out how Council performed against its strategic

objectives in meeting the goals of the Corporate Plan 2025-2030 and the Operational Plan 2025/26.

Importantly, the Annual Report incorporates the Independent Auditor's Report, Financial Statements, and other local government performance indicators, as required.

The Annual Report is compliant with statutory provisions and reflects activities associated with the 2025/26 financial year. The report also satisfies the Annual Report Compliance Checklist issued by the Department of Local Government, Water and Volunteers.

FINANCIAL AND RESOURCE IMPLICATIONS

Council's audited Financial Statements for the year ending 30 June 2026 were received by the Audit and Risk Committee on 12 October 2026 and at the Ordinary Council Meeting on 27 October 2026.

RISK MANAGEMENT IMPLICATIONS

The preparation and adoption of the Annual Report is a statutory requirement.

The Annual Report is to be adopted within one (1) month after the day the Auditor-General gives their Independent Auditor's Report about Council's Financial Statements for the financial year and must be published on Council's website within two (2) weeks of being adopted.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 1 - Liveability
To deliver community activities to promote safe, healthy, inclusive and socially engaged communities with an environmental conscious.
1.5 - *Keep the community informed.*

Operational Plan 2026-2027 Actions:

Legislative requirement.

LEGISLATION AND POLICY

- *Local Government Act 2009*

- *Local Government Regulation 2012*

CONSULTATION

Internal Consultation:

- All relevant departments in Council
- The Executive Leadership Team
- Elected Members

External Consultation:

- Audit and Risk Committee
- Queensland Audit Office

CONCLUSION

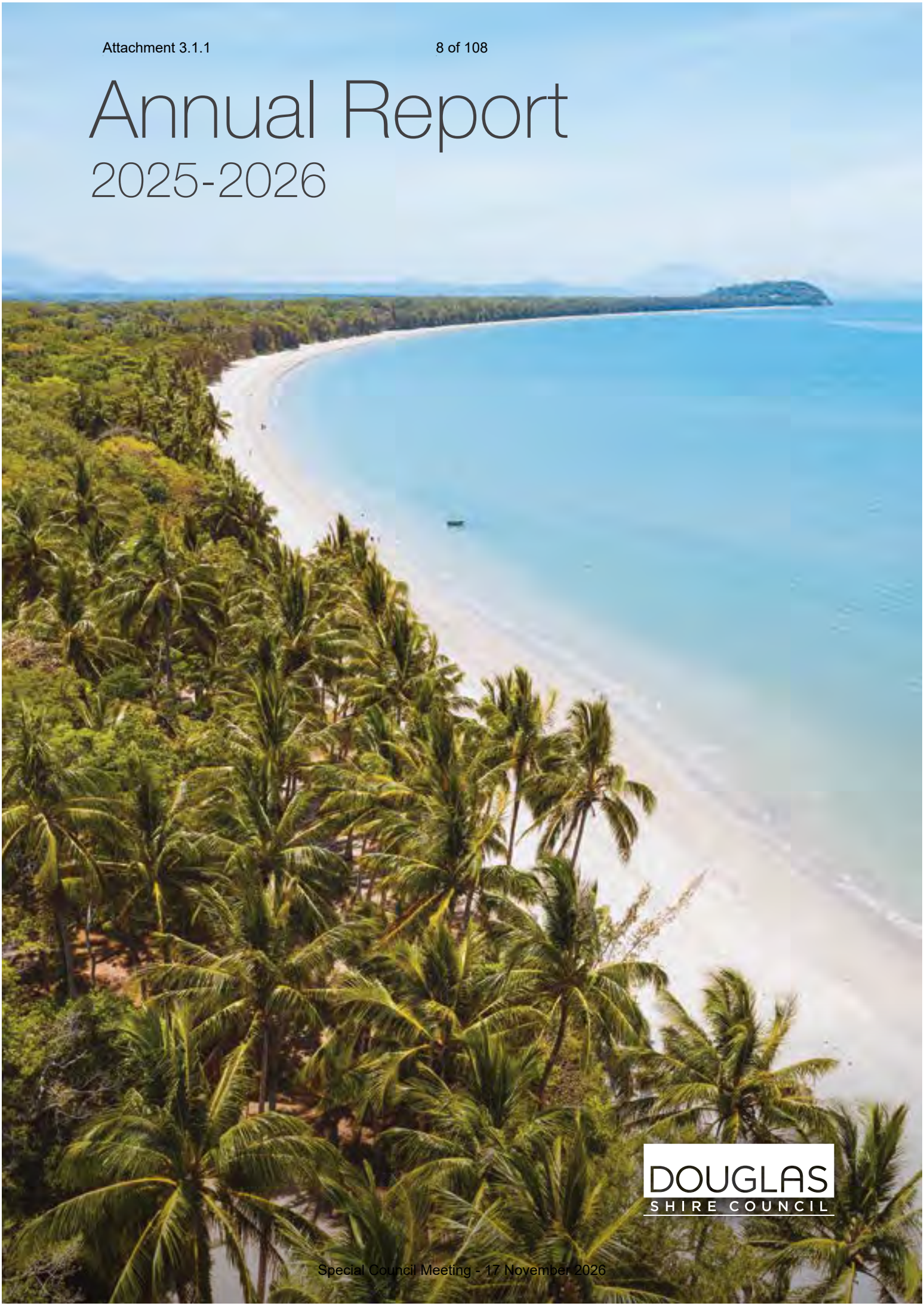
Under Section 104(5)(b) of the *Local Government Act 2009* and Chapter 5, Part 3, Division 3 of the *Local Government Regulation 2012*, Council is required to adopt an Annual Report for the previous financial year.

The recommendation is that Council adopt the Annual Report 2025/26 and delegates authority to the Chief Executive Officer (or delegate) to approve administrative changes to finalise and publish the report.

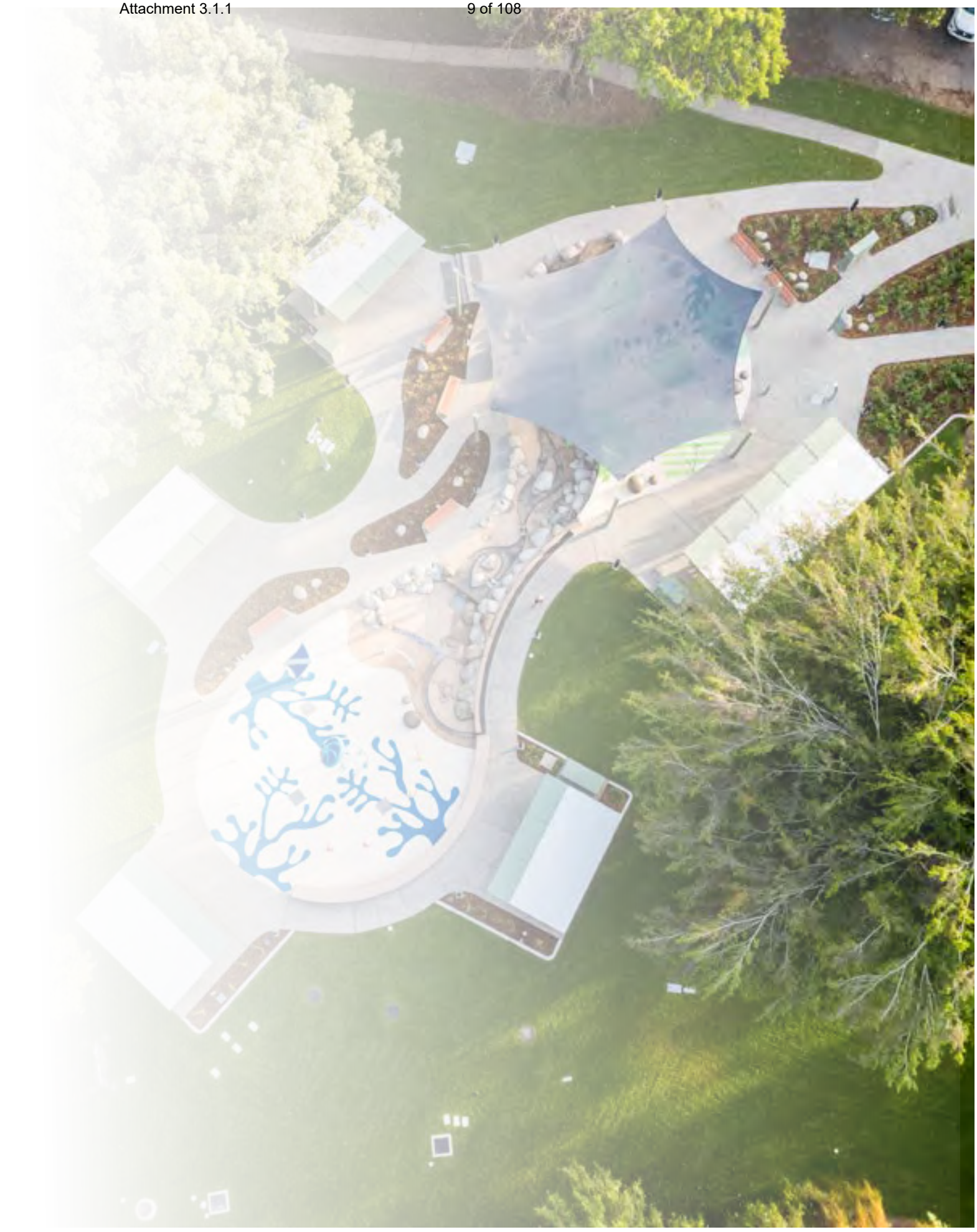
ATTACHMENTS

1. DOS C 11076 Annual Report 2026 V 4 LR [**3.1.1** - 100 pages]

Annual Report
2025-2026



DOUGLAS
SHIRE COUNCIL



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Cover image courtesy Tourism Tropical North Queensland



Acknowledgement

Douglas Shire Council acknowledges the traditional Country of the Eastern Kuku Yalanji Peoples and the Djabugay Nation People of the coastal areas and rainforest of the Douglas Shire. We recognise that these have always been and continue to be places of cultural and spiritual significance. We acknowledge and cherish the important contribution made by Aboriginal and Torres Strait Islander people to the Douglas Shire community, and pay respects to their Elders – past, present and emerging.

Introduction

In accordance with the *Local Government Act 2009*, Douglas Shire Council must publish an Annual Report, which provides an update to the community about Council's finances, performance and how Council has delivered against its Corporate and Operational Plans. The *Local Government Act 2009* requires particular information to be included in the Annual Report.

Where to Get a Copy

The Annual Report can be downloaded via Council's website **douglas.qld.gov.au/council-information/publications-reports/**

In line with Council's commitment to preserving the environment and using resources sustainably, only a limited number of hard copies of the Annual Report are produced each year. These can be viewed by the public at the Mossman Administration Building in Front Street, Mossman and in Council Libraries and community hubs. Alternatively, a copy of the report can be requested by calling Customer Services on (07) 4099 9444.

Accessibility Statement

The Annual Report can be translated into alternative languages by calling the National Translating and Interpreting Service (TIS) on 13 14 50. The Free Interpreting Service (FIS) is an Australian Government funded service that is available to Local Governments and eligible agency groups to ensure non-English speakers can access key services in Australia. The FIS offers a free and confidential service delivered by professional interpreters supporting accurate communication.



About Douglas Shire

History

The First Peoples of the Douglas region are the Kuku Yalanji whose country extends from the Mowbray River in the south to Cooktown in the north and Palmer River in the west. From the Mowbray River, south to Cairns are the traditional homelands of the Djabugay Nation People.

The Kuku Yalanji and Djabugay Nation are rainforest people whose connection to the region extends back 50,000 years to be among the earliest human occupants in Australia. European habitation in the Douglas Shire began in the 1870s as George Elphinstone Dalrymple led the first extensive exploration of the region. Dalrymple thought the country *"surrounded by a panorama of great beauty … a perfect picture of rich tropical country".*

Within the decade, gold miners supplied from Port Douglas, timber cutters logging the much-prized red cedar, cattle graziers, and farmers of vegetables, maize and sugar had all begun to make their mark.

Farming expanded along the coastal belt as extensive areas of lowland rainforest were cleared and settlements were established throughout the area.

Cultural diversity is integral to Douglas Shire's history. According to the 1886 census, almost two-thirds of the district's population were of Chinese heritage. By the 1890s, the sugar cane industry depended on Chinese and South Sea Islander (Kanaka) labour. These populations were joined by Hindu, Punjabi and Japanese migrants in the 1900s.

The Shire of Douglas existed as a local government entity from 1880 until 2008 when it was amalgamated with Cairns City to create the Cairns Regional Council. Five years later, Queensland Minister for Local Government granted residents a poll in which a majority of electors (57%) voted in favour of de-amalgamation. The Douglas Shire Council started for the second time on 1 January 2014 with a new Mayor and four new non-divisional Councillors.



Regional Profile

Port Douglas

Port Douglas continues to be a key destination for reef tours, nature experiences and community events. As a gateway to two World Heritage areas (the Great Barrier Reef and the Daintree Rainforest) it draws a diverse mix of visitors, including honeymooners, domestic and international travellers and a strong backpacker community who contribute to the local workforce and culture.

The town's foreshore is evolving, with the new Splash Park adding vibrancy and appeal. A growing calendar of events, including the acclaimed Port Douglas Carnivale as well as cycling festivals, fun runs and the Port Shorts Film Festival, reflects the town's active and creative spirit.

Mossman Gorge

The gorge has established itself as one of Australia's most visited natural attractions, attracting visitor numbers comparable to Uluru. Its cultural centre continues to create training and career pathways for young Indigenous people, empowering the next generation of Eastern Kuku Yalanji leaders.

Daintree region

North of the Daintree River lies a landscape of ancient rainforest, remote communities and a laid-back lifestyle. Cape Tribulation regularly welcomes bus tours, campers and nature lovers drawn to its chilled vibe and eclectic mix of residents. Areas like Cow Bay and Diwan offer a unique blend of rainforest living, creativity and community spirit. Council continues to invest in infrastructure and connectivity to support residents and visitors in this remote but vital part of the shire. The Daintree Ferry remains a vital connector for this region. It is essential for residents and services, and a memorable part of the travel experience for visitors.

Agriculture

Agriculture remains an important part of the Douglas Shire's economy, landscape and identity. Following the conclusion of sugar milling and cane production activities in November 2025, the region's agricultural sector has entered a period of transition, creating opportunities to explore new industries and land uses.

Throughout 2025-2026, the Mossman Advisory Group continued to assess a range of opportunities and propositions for the former Mossman Mill site, with a focus on supporting future economic development, investment and employment outcomes for the region.

While the future of the site and the broader agricultural sector is still evolving, there is growing optimism that a range of new industries, enterprises and land-use opportunities will emerge to help shape the next chapter of Mossman's economy.

The region continues to support a diverse mix of agricultural enterprises, including cattle grazing, tropical fruit production and boutique industries such as chocolate production. These businesses demonstrate the innovation and adaptability of local producers and contribute to a resilient and evolving rural economy.

Sustainability

Douglas Shire is proud to be Australia's first Eco-Certified Destination, recognised for its leadership in sustainable tourism and environmental protection. Our region offers immersive rainforest and reef tours that educate visitors about the delicate ecosystems we're privileged to protect, fostering a deeper appreciation for conservation and Country. From electric shuttle buses at Mossman Gorge and reef restoration programs to rainforest preservation and low-impact visitor experiences, the shire continues to set a benchmark for responsible tourism. Council also supports practical sustainability initiatives, including the development of drink stations to reduce the use of plastic bottles, coffee cup recycling programs, free mulch to help residents reduce water use, and water education campaigns at local schools.

Indigenous Culture

Douglas Shire is proud to be home to the Eastern Kuku Yalanji and Yirrganydji people, whose enduring connection to land and sea is central to the region's identity. Indigenous culture is celebrated through events such as NAIDOC Week, Reconciliation Week, art installations, and community-led initiatives like the Yalanji RAW fun run and walk.

Council works closely with First Nations organisations to support cultural, social, and economic wellbeing. Jabalbina Yalanji Aboriginal Corporation plays a key role in land management and cultural heritage protection, while the National Indigenous Training Academy provides pathways for young Aboriginal and Torres Strait Islander people into tourism and hospitality careers. The Mossman Elders Justice Group continues to offer vital support and advocacy, helping to strengthen community resilience and promote restorative justice.



Message from the Mayor



The 2025-2026 financial year demonstrated the importance of resilience, preparedness and strong local leadership in the face of unexpected challenges.

When the Daintree River Ferry was unexpectedly sidelined in March, Council's immediate priority was ensuring communities north of the river remained connected and supported. Working closely with government agencies, emergency services and contractors, Council helped coordinate temporary transport solutions, maintain supply chains and keep residents informed throughout the disruption.

For many in our community, the event was a reminder that while we have made significant progress since ex-Tropical Cyclone Jasper, recovery remains an ongoing task. Council continued to invest heavily in rebuilding and strengthening critical infrastructure to ensure our region is better prepared for future weather events.

Major recovery milestones were achieved at Noah Range, where extensive stabilisation works continued at the site of one of the most significant landslips caused by ex-Tropical Cyclone Jasper. Recovery and resilience upgrades also progressed along the Alexandra Range, while construction commenced on the Noah Creek Bypass, a project that will help provide a more reliable transport connection for communities north of the Daintree River. Along our coastline, restoration works at Newell Beach commenced, supporting both environmental recovery and long-term resilience.

At the same time, Council continued to deliver key projects that will benefit residents and visitors for decades to come.

One of the year's most visible achievements was the opening of the Port Douglas Splash Park. This exciting new waterfront facility has quickly become a valued community asset, providing a place for families to gather, play and enjoy one of Queensland's most spectacular destinations.

We also reached important milestones on the new Daintree River Ferry project. Construction of the vessel continued throughout the year, including the laying of the ferry's keel, while landside works commenced within the Douglas Shire. Once complete, the new four-lane ferry will deliver greater capacity, improved reliability and a safer, more efficient crossing for residents, businesses and visitors.

One of the year's most visible achievements was the opening of the Port Douglas Splash Park.

Council also continued investing in active transport infrastructure, public spaces and essential services across the shire, ensuring our communities remain connected, liveable and sustainable.

These achievements reflect the dedication of Council staff, the support of my fellow Councillors and our commitment to delivering positive outcomes for the Douglas Shire.

While challenges remain, I am proud of the progress we have made over the past year. We continue to build a stronger and more resilient future for our region, and I look forward to seeing many of these important projects come to fruition in the years ahead.

Mayor, Lisa Scomazzon



Image courtesy Tourism Tropical North Queensland

Councillor Profiles



Councillor Roy Zammataro, Deputy Mayor

Serving the Douglas Shire for a third term continues to be a privilege, and I am grateful for the opportunity to represent our community and contribute to the decisions that shape our region's future.

One of my ongoing priorities is maintaining the balance between protecting the natural environment we are fortunate to call home and building a strong, sustainable local economy. With the end of the sugar industry, our economic landscape is changing, making it increasingly important to support tourism while also exploring new opportunities for agriculture.

Our local small businesses also deserve continued support. They contribute significantly to employment, services and the character of our communities, and creating an environment where they can operate and grow remains an important part of strengthening our local economy.

Disaster recovery has continued to be a major focus following ex-Tropical Cyclone Jasper. While significant work has been undertaken, a number of recovery projects are still to be completed. These works have presented considerable challenges for Council and the community, and I thank residents for their continued patience and understanding while the remaining projects are progressed.

Work on the Daintree Ferry infrastructure and replacement ferry is progressing well, with completion expected in 2027. This is an important long-term investment in the reliability and safety of a vital connection for the Daintree community, residents and visitors.

> The Port Douglas Splash Park, which was officially opened in September 2025, has quickly become a popular addition to the region and has been well received by both locals and visitors.

I believe effective local government is about listening to residents, understanding the issues affecting our communities and working constructively to achieve practical outcomes. I value the contribution of my fellow Councillors and acknowledge the importance of working together.

From strengthening our economy and supporting local businesses and agriculture, to investing in infrastructure, recovery and community facilities, I remain committed to working towards a resilient and sustainable future.



Councillor Abigail Noli

Serving the people of Douglas Shire is an honour I never take for granted. I base every decision I make on the values our community holds close, that is, caring for our natural environment, supporting one another, and maintaining open, honest governance.

> The past year has reminded us of both our vulnerability and our strength. We faced intense weather events, rallied through disruption, and continued laying the foundations for a more resilient and forward-looking shire.

While responding to immediate challenges has been essential, this year has also been a turning point in planning for the Douglas Shire of tomorrow.

As Councillor, I've endeavoured to contribute to Council's strategic planning review, ensuring our long-term decisions reflect both community values and genuine opportunity. A major part of this work has been preparing for "Life After Cane" – recognising that Mossman's future must be shaped deliberately, with new industries, new attractions, and new identity-building initiatives that honour our past while creating a vibrant future.

Through the process, I've championed ideas that help Mossman become a place people choose to visit, stay and invest in. This includes exploring opportunities for a signature attraction, revitalised public spaces, cultural and Indigenous tourism experiences, and new industries that build on our history, landscape and creativity.

My vision, however, is for the whole of Douglas Shire. Each community—from our coastal towns to our rural villages—deserves thoughtful planning, strong advocacy and opportunities that reflect its character. Mossman simply needs a little extra focus right now as it transitions beyond the sugar industry. The work we are doing will strengthen the entire shire.

I continue to respond to individuals who request help, need information, or put forward good ideas – looking after the small requests is as important to me as anything else. I work for everyone, and I strive to keep the community informed, involved and heard.

These actions reflect my continued dedication to Douglas Shire. Looking ahead, I remain committed to protecting the unique character of our shire while planning responsibly for its future. Thank you for your trust, your input, and your passion for this remarkable place we call home.



Councillor Damian Meadows

Over the past 12 months, the shire has continued its recovery from ex-Tropical Cyclone Jasper while progressing major infrastructure, resilience and community projects. While some lasting impacts remain, there is now a clear sense that the end of the recovery effort is within sight, with most projects either completed or well underway.

Considerable work has continued behind the scenes to support the community in rebuilding resilience and recovering from the effects of the disaster. The work undertaken by the Disaster Management Team has been particularly important, and continued funding and support for this unit is essential as we face an increasing frequency of significant weather events.

> A key achievement this year has been the commencement of work on the new Daintree Ferry and associated landside infrastructure, together with the transition of ferry operations to Birdon. Scheduled to become operational in December 2027, the new ferry will reduce delays and improve connectivity for residents, businesses and visitors.

Council's plans for long-term water security have also progressed. Importantly, the Mossman River Intake project has been amended to incorporate a raw water storage tank, strengthening the resilience of this critical infrastructure and providing greater confidence that we can meet the needs of our community for decades to come.

Another significant milestone has been the opening of the Noah Creek Bypass, enabling reconstruction of the new bridge to proceed. After much delay, works are underway, with completion planned before the next wet season. This represents a significant step forward for the long-term reliability and safety of this important section of the road network.

And, of course, who could forget the Port Douglas Splash Park, which opened on 20 September 2025. Patronage continues to be very strong, demonstrating the value of this facility to our community and its importance as a safe and enjoyable place for children and families.

Overall, the past 12 months have demonstrated the resilience of our community and the importance of continuing to invest in infrastructure, disaster preparedness and recovery. While there is still work to be done, we can look back on a year of significant progress and look forward with increasing confidence.



Councillor Michael Rees

As we look ahead, I've been genuinely relieved to see our recovery work well underway and largely complete, leaving Douglas Shire with far more resilient infrastructure than we had before.

Strategic conversations have been ongoing throughout my term, but they've ramped up significantly this past year as recovery work has moved behind us.

The lagoon discussion has also returned to the table. Much of the preliminary public consultation is already complete, and many survey participants support the idea, so I feel compelled to explore this further on the community's behalf.

I run my own business locally and believe being in business helps you understand business. Our high season remains strong and growing, but I see real opportunity to build up our shoulder season so we're less reliant on the peaks. Infrastructure supporting this, potentially including a lagoon, waterfront upgrades, and better beach access for beaches throughout the Douglas Shire, is one way to capture that opportunity.

> Our planning scheme has encouraged and allowed more development. We're seeing lots of buildings pop up everywhere and construction which is wonderful to see.

At the same time, development continued in a way that preserved the character of Douglas Shire, something that was always vitally important to me.

The shire already holds enough housing land stock to meet demand through to 2040. Housing developments have been approved meaning that first-home buyers got their foothold in the market, and Douglas Shire became the ideal place to do it.

Our schools, businesses, and industries all benefited. The Douglas Shire grew into one of the fastest growing regions in Queensland, rivalling even Brisbane.

More young families made their home here, and the infrastructure will follow to support their needs.

Most importantly, we grew sustainably, without losing what makes this place special, protecting the relaxed character and natural beauty that define the Douglas Shire.


ART EXHIBITION

Message from the CEO



The 2025-2026 financial year has been one of significant progress, delivery and planning for the future.

Across the organisation, our focus has remained on balancing the immediate needs of the community with the long-term sustainability of Council and its services. In a period of continued cost pressures and economic uncertainty, Council has taken important steps to strengthen its financial position while continuing to invest in critical infrastructure and community outcomes.

A key achievement this year has been our ongoing work to improve Council's financial sustainability. Through disciplined financial management and careful planning, the organisation has continued to reduce its forecast operating deficit and remains on track to achieve a balanced budget position in 2027-2028. This work is essential to ensuring Council remains financially viable and capable of delivering the infrastructure, services and facilities our community relies upon.

A key achievement this year has been our ongoing work to improve Council's financial sustainability.

At the same time, Council has continued to deliver an ambitious infrastructure program. Significant milestones were achieved on the new Daintree River Ferry project, including the commencement of landside construction works and progress on the vessel itself. Once completed, the four-lane ferry will provide a safer, more efficient and more reliable connection for residents, businesses and visitors.

The year also saw continued delivery of ex-Tropical Cyclone Jasper recovery and resilience projects. Major works progressed at Noah Range and Alexandra Range, while construction commenced on the Noah Creek bypass to improve the resilience of the road network serving communities north of the Daintree River. Council also secured funding and commenced restoration works at Newell Beach, supporting both environmental recovery and long-term coastal resilience.

Investment in active transport infrastructure, community facilities and public spaces continued throughout the year, supporting both liveability and economic development outcomes.

Council also remained focused on strengthening partnerships that support our region's future prosperity. Work progressed on strategic initiatives including planning for long-term water security, supporting sustainable tourism growth and advancing opportunities such as the proposed Port Douglas Marine Industry Precinct, which has the potential to diversify the local economy and create new employment opportunities.

Our achievements this year have been made possible by the dedication and professionalism of Council staff, the support of Councillors and the collaboration of our government, industry and community partners. Together, we have continued to build an organisation that is resilient, accountable and focused on delivering value for the Douglas Shire community.

I thank everyone who has contributed to these achievements and look forward to continuing this important work in the year ahead.

CEO, Scott Osman



Image courtesy Tourism Tropical North Queensland

Meet the Executive Leadership Team



Scott Osman, Chief Executive Officer

Scott commenced at Douglas Shire Council in late October 2024 and has over 15 years of Queensland local government experience, having held numerous roles commencing at the City of Gold Coast Council, Scenic Rim Regional Council and prior to joining Douglas Shire Council, held the position of Interim CEO at Paroo Shire Council.

Scott holds a Bachelor of Business majoring in Accounting from Southern Cross University and is a member of the Institute of Public Works Engineering Australasia (IPWEA) and Local Government Managers Australia (LGMA).

Scott is looking to develop a constructive culture through mentoring consistent and capable leadership, the delivery of Council services based on contemporary practice, and ensuring a safe and capable workplace.



Arun Pratap, General Manager Corporate & Communities

Arun Pratap commenced with Douglas Shire Council in 2025 as Acting Chief Financial Officer and was appointed General Manager Corporate and Community Services in 2026. He brings more than 20 years of executive leadership experience across local government, state government and the private sector, including Chief Executive Officer, Acting Chief Executive Officer, General Manager and Director roles.

Arun has extensive expertise in financial sustainability, governance, risk management, strategic planning and organisational performance. Throughout his career, he has delivered long-term financial reforms, annual budgets, major business transformation projects and service delivery improvements across a range of organisations, including Queensland councils, Queensland Treasury Corporation and Seqwater.

He holds a Bachelor of Business from Queensland University of Technology and has served on several boards and professional organisations, including the Local Government Managers Association, Private School Council and community-based organisations.

Passionate about building high-performing teams and sustainable organisations, Arun is committed to strengthening community outcomes, developing future leaders and supporting the long-term resilience and prosperity of the Douglas Shire.



Derek Langman, General Manager Infrastructure

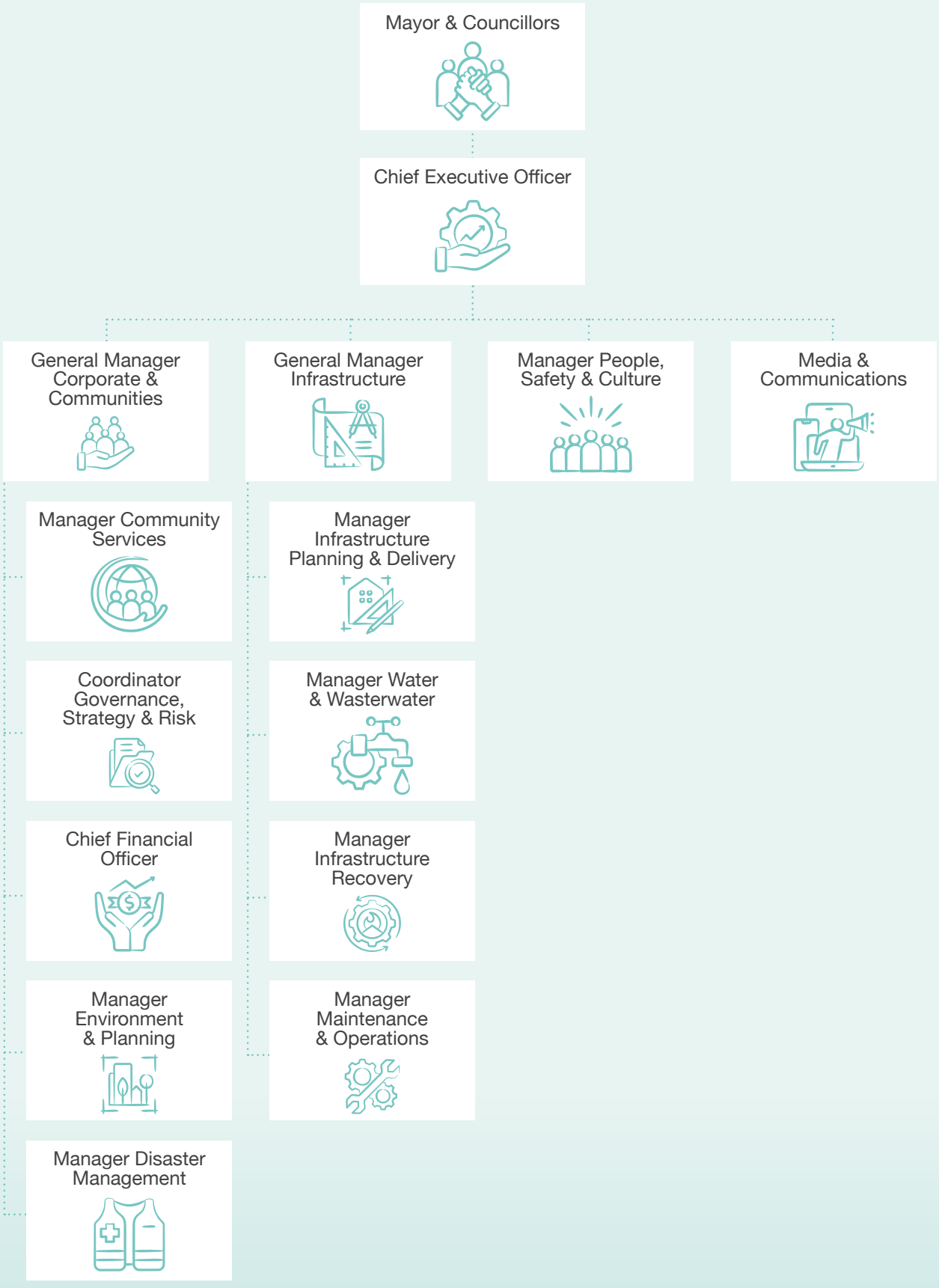
Derek Langman is the General Manager Infrastructure at Douglas Shire Council, where he leads critical infrastructure planning and recovery initiatives, including the Disaster Infrastructure Recovery program. With over 15 years of experience in the private consulting, local government and not-for-profit sector, Derek brings a broad strategic and community-focused approach to his role.

Prior to joining Council, Derek held senior leadership roles across South Australia, including at the City of Norwood, Payneham & St Peters and City of Playford. His expertise spans strategic planning, major project delivery, engineering and sustainable urban development.

Derek holds a Bachelor of Civil Engineering and is a respected leader in both government and non-profit sectors, including serving as Deputy Chair of the Board for Baptist Care SA, reflecting his commitment to community service and leadership.

Derek is playing a pivotal role in leading and empowering teams to positively impact the future of Douglas Shire's built environment, ensuring infrastructure meets the needs of both residents and the region's unique natural heritage.

Organisational Structure



2025-2026 Highlights

Port Douglas Splash Park opens

The long-anticipated Port Douglas Splash Park officially opened in September 2025, creating a vibrant new community space for local families and visitors. Located on the waterfront, the facility has quickly become a popular destination and represents a significant investment in community infrastructure and active recreation.





New Daintree Ferry takes shape

Construction of the new Daintree River Ferry progressed significantly during 2025-2026, including the laying of the vessel's keel in June 2026. The new ferry will provide greater capacity and improved reliability for residents, businesses and visitors who depend on the river crossing every day.



Landside Works begin for new Daintree Ferry

A major milestone was reached in April 2026 with the beginning of landside infrastructure works associated with the new Daintree Ferry project. The works will support the operation of the new four-lane ferry.

Daintree community supported during ferry disruption

When the Daintree River Ferry was unexpectedly taken out of service in March 2026, Council worked closely with government agencies, emergency services and contractors to support residents, businesses and visitors north of the river.



Temporary passenger ferry services and shuttle buses were established to maintain access across the Daintree River while repair works were undertaken. Council also helped coordinate helicopter fuel deliveries and worked with partners to ensure essential supplies continued to reach the community.

Recognising the challenges faced by local businesses, Council supported the delivery of grant information sessions and recovery initiatives to assist operators affected by the disruption. Throughout the event, Council provided more than 250 community updates, ensuring residents remained informed about repairs, transport arrangements and available support.

Noah Creek bypass works begins

Work commenced on the Noah Creek bypass as part of the ongoing ex-Tropical Cyclone Jasper recovery program. The project will provide a more resilient transport link for communities north of the Daintree River and forms part of broader efforts to strengthen critical road infrastructure in the region.





Noah Range recovery reaches major milestones

Significant progress was achieved on recovery works at Noah Range, the site of one of the largest landslips caused by ex-Tropical Cyclone Jasper. Around 300 anchor nails were installed to stabilise the slope, while heavy-duty matting was added to reduce future movement. Later in the year, the shipping containers used to protect road users and crews during recovery operations were removed, marking another visible sign of progress.

Coastal recovery works restore Newell Beach

Council secured Disaster Recovery Funding Arrangements (DRFA) funding to support the rehabilitation and restoration of coastal areas impacted by ex-Tropical Cyclone Jasper. Restoration works commenced at Newell Beach in January 2026, with sand scraping undertaken to rebuild sections of the natural dune system and help stabilise vulnerable areas of the beach. The project delivered nature-based recovery measures aimed at improving long-term coastal resilience and supporting the restoration of one of the shire's valued coastal assets.





Alexandra Range upgrades continue

Recovery and resilience works continued along the Alexandra Range, helping improve the long-term reliability of a critical transport route connecting communities north of the Daintree River. The upgrades form part of a broader program aimed at strengthening the region's road network against future severe weather events.

2025-2026 Highlights



Port Douglas Cycle Network upgrade advances

Council awarded a $1.89 million contract for the next stage of the Port Douglas Principal Cycle Network Upgrade. The project will improve 1.7 kilometres of walking and cycling infrastructure between Lakeland Avenue and Bale Drive, helping create safer and more connected active transport links for residents, school students and visitors.

Irrigation upgrades enhance Rex Smeal Park

Sprinklers were installed at Rex Smeal Park, helping protect one of the Douglas Shire's most iconic public spaces. The upgrades will improve the health and presentation of the park's extensive green spaces while supporting its ongoing use for community events, recreation and tourism.





Mossman Library Celebrates 20 Years

Mossman Library celebrated its 20th anniversary in April 2026, marking two decades as an important community hub. Since opening in 2006, the library has provided generations of residents with access to learning, technology, information and community programs.

First Christmas Extravaganza lights up Mossman

The inaugural Christmas Extravaganza brought the community together at the Mossman Showgrounds to celebrate the festive season. Featuring entertainment, activities and Christmas cheer, the event provided a new opportunity for families and friends to connect and celebrate as a community.



Port Douglas Carnivale returns

Port Douglas Carnivale once again brought the community together through a vibrant program of events celebrating local food, culture and entertainment. The event attracted visitors from across the region and delivered valuable economic and social benefits to the Douglas Shire.



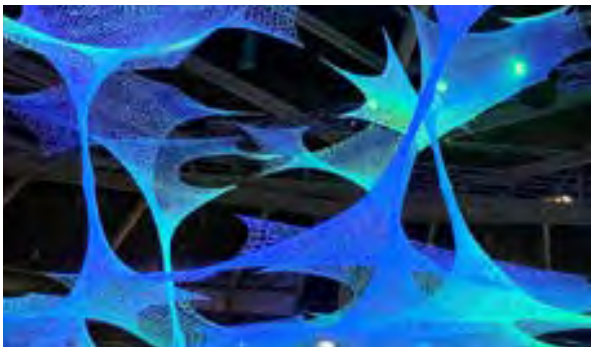


Community resilience funding supports local projects

Council helped deliver nearly $350,000 in funding for community resilience, arts and wellbeing initiatives across the Douglas Shire. Through the North Queensland Resilience Program, local organisations received support to deliver projects ranging from youth programs and cultural activities to community gardens, arts projects and wellbeing initiatives. The funding helped strengthen social connection, support recovery and build resilience across communities impacted by ex-Tropical Cyclone Jasper.

Regional Arts Development Fund Supports Creativity

Through the Regional Arts Development Fund (RADF), Council continued to support local artists, arts organisations and cultural initiatives across the Douglas Shire. The program assisted a diverse range of creative projects while also supporting the development of new cultural initiatives that celebrate local stories, strengthen community identity and contribute to the region's vibrant arts sector. Council also commenced work on a new Arts Action Plan to help guide future cultural development across the shire.





Community Grants Support Grassroots Projects

Council's Community Grants Program continued to support local organisations delivering projects that improve community wellbeing, facilities and participation. During 2025-2026, funding was allocated to a range of initiatives including facility upgrades, youth development programs, community events, local history projects and cultural celebrations. Recipients included sporting clubs, community groups and volunteer organisations whose projects help strengthen community connection and participation across the shire.

Douglas Card Supports Local Business

The Douglas Card initiative encouraged residents to explore local tourism experiences and support businesses across the shire. Together with free ferry travel promotions, the program helped stimulate economic activity while promoting some of the region's most popular attractions.



Our Vision

Working together to enhance our environment, lifestyle, culture and community.

Our Mission

Achieving the best outcomes to shape tomorrow by working effectively today.

Our Values

Adapt
We adapt to changing circumstances to make a positive difference for our community.

Integrity
We act with integrity, being accountable for the decisions we make.

Respect
We respect our diverse community, cultures and heritage.

Teamwork
We work as a team.

Community care and support
We value and actively support each other to deliver for our community.



Image courtesy Tourism Tropical North Queensland

Our Future – the Year Ahead

Although Council's Annual Report focuses on the 2025-2026 financial year, it also provides an opportunity to briefly look forward to the projects and initiatives planned for 2026-2027 and beyond.

The Corporate Plan 2025-2030, adopted by Council in June 2025, identifies four pillars that underpin and influence Council's priorities, direction, decisions and strategy across the life of the Corporate Plan. They are:

1

Liveability

To deliver community activities to promote safe, healthy, inclusive and socially engaged communities with an environmental conscious.

2

Prosperity

Council plans, builds and maintains the infrastructure required to improve our lifestyle and promote economic growth, working actively to support local businesses.

3

Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

4

Recovery and Resilience

To partner with community to build resilience against natural disasters creating a strong sense of social capital.



1 Liveability

Key areas of focus

1.1 Deliver community initiatives that support healthy, inclusive and socially engaged communities.
1.2 Encourage and grow creative opportunities across the arts.
1.3 Be culturally sensitive, inclusive and improve Council's cultural competency.
1.4 Promote inclusivity, connection and accessibility for individuals/people of all abilities.
1.5 Keep the community informed.
1.6 Create and maintain parks and open spaces to preserve, protect and sustain our natural assets.
1.7 Investigate and promote environmental, green, eco-friendly and nature focused initiatives.
1.8 Provide safe, efficient and reliable water and wastewater services.
1.9 In accordance with Queensland Disaster Management doctrine, continuously review and enhance Council's disaster management prevention, preparedness, response and recovery in collaboration with community and agencies.

Key services dedicated to achievement

- Arts and Culture
- Aquatic Facilities
- Biosecurity
- Circular Economy
- Community Engagement
- Community Facilities
- Community Markets
- Disaster Management Unit
- Environmental Health
- Library Services
- Nursery
- Open Spaces
- Sport and Recreation
- Water and Wastewater Services

How can our community assist us

- Actively engage with Council
- Attend arts and cultural events
- Attend festivals
- Use community facilities
- Volunteer for a community group such as SES
- Look out for your neighbours
- Reduce waste
- Observe water usage
- Sign up to the Douglas Disaster Dashboard





2 Prosperity

Key areas of focus

2.1 Deliver a new Daintree ferry.
2.2 Support local business through local procurement.
2.3 Advocate for/promote economic growth opportunities and economic transition.
2.4 Assess developments against the planning scheme.
2.5 Pursue opportunities to improve housing outcomes.
2.6 Recognise the contribution of established local industries.
2.7 Build strong local, state and federal relations.

Key services dedicated to achievement

- Advocacy
- Community Development
- Community Engagement
- Economic Development
- Financial Services
- Infrastructure
- Strategy and Policy
- Tourism Development

How can our community assist us

- Employ trainees and apprentices
- Buy local
- Venture into your Shire
- Actively engage with Council



3 Service Delivery

Key areas of focus

3.1 Deliver the Corporate Plan, Operational Plan and Budget.
3.2 Focus on customer service.
3.3 Focus on safety and wellbeing – of the community and employees.
3.4 Ensure capital and maintenance programs for infrastructure/open spaces are prioritised and delivered on time.
3.5 Employ a proactive and preventative approach to asset management.
3.6 Deliver Council services to meet community expectations.
3.7 Identify and manage risk.
3.8 Deliver safe and reliable drinking water.
3.9 Preserve, protect and improve our unique environment.

Key services dedicated to achievement

- Community Engagement
- Community Service
- Construction
- Customer Service
- Economic Development Strategy
- Environment and Planning
- Infrastructure
- People Safety and Culture
- Project Services
- Tourism and Economic Development Program
- Water and Wastewater

How can our community assist us

- Register to receive notices and updates via email or text
- Actively engage with Council



4 Recovery and Resilience

Key areas of focus

4.1 Support our community's journey of recovery and rebuilding after natural disasters.
4.2 Deliver infrastructure asset restoration and betterment.
4.3 Foster collaboration, sustainability, and a strong sense of belonging.
4.4 Implement the local recovery and resilience action plan.
4.5 Undertake effective disaster management (planning, preparedness, response, recovery).

Key services dedicated to achievement

- Community Engagement
- Community Service
- Customer Service
- Disaster Management Group
- Disaster Prevention Preparedness and Response
- Douglas Dashboard
- People Safety and Culture
- Recovery Manager

How can our community assist us

- Register to receive notices and updates via email or text
- Keep in touch on social media with Douglas Dashboard
- Join SES
- Volunteer for the community
- Actively engage with Council







Assessment of Corporate Plan and Operational Plan

The Annual Report for a financial year must contain the Chief Executive Officer's assessment of the local government's progress towards implementing its five-year Corporate Plan and annual Operational Plan.

Assessment of Operating Performance

For the financial year 2025-2026, Council identified a broad range of projects that would benefit all communities across the Douglas Shire and continue to see firm strategic initiatives put in place to establish a sound foundation for the shire's future.

Council's *Operational Plan 2025-2026* detailed the activities and major initiatives planned to be undertaken across Council. Success measures and timeframes were identified for the delivery of each initiative, and the lead responsible department was also identified.

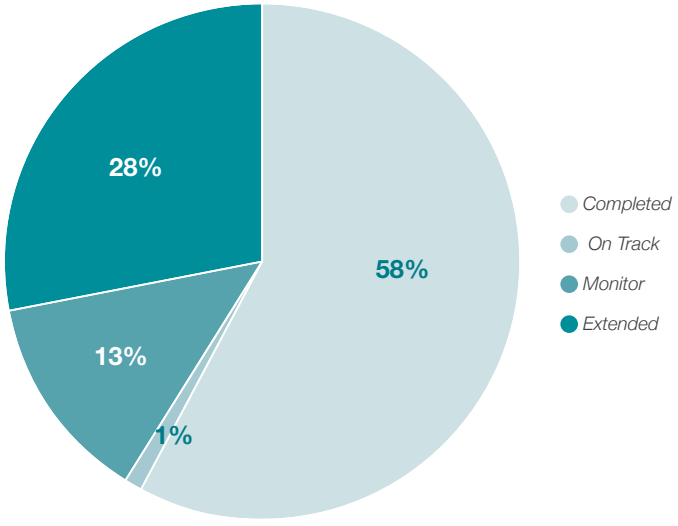
The Operational Plan links all projects to the Strategic Themes of the Corporate Plan, demonstrating the ongoing implementation of Council's strategic direction. This year, 90 activities were identified to progress the implementation of the Corporate Plan.

All programs and projects are funded through the Annual Budget. Council monitors progress against the Operational Plan via written reports and updates presented by the Chief Executive Officer to Council meetings at least quarterly.

Council must conduct, resource and fund its operations and projects in a way which is consistent with its Operational Plan. The organisation may also move to amend the Operational Plan at any time, by Council resolution, to reflect change in the environment and in response to current conditions.

Strategic Theme Outcome Summary

Strategic Theme Outcome	Completed	On Track	Monitor	Extended
1. Liveability	17	0	3	6
2. Prosperity	13	0	1	1
3. Service Delivery	18	1	8	11
4. Recovery and Resilience	4	0	0	7
Total	**52**	**1**	**12**	**25**





Strategic Theme 1: Liveability

To deliver community activities to promote safe, healthy, inclusive and socially engaged communities with an environmental conscious.

Focus Area 1:	Deliver community initiatives that support healthy, inclusive and socially engaged communities.
Focus Area 2:	Encourage and grow creative opportunities across the arts.
Focus Area 3:	Be culturally sensitive, inclusive and improve Council's cultural competency.
Focus Area 4:	Promote inclusivity, connection and accessibility for individuals/people of all abilities.
Focus Area 5:	Keep the community informed.
Focus Area 6:	Create and maintain parks and open spaces to preserve, protect and sustain our natural assets.
Focus Area 7:	Investigate and promote environmental, green, eco-friendly and nature focused initiatives.
Focus Area 8:	Provide safe, efficient and reliable water and wastewater services.
Focus Area 9:	In accordance with Queensland Disaster Management doctrine, continuously review and enhance Council's disaster management prevention, preparedness, response and recovery in collaboration with community and agencies.

Key Areas of Focus 1.1: Deliver community initiatives that support healthy, inclusive and socially engaged communities.

	Deliverable	Success Measure	Status	Department	Outcome
1.1.1	Deliver the Port Douglas Splash Park.	Open to the public Q2, 2025-2026.	Completed	Infrastructure Planning and Delivery	Port Douglas Splash Park is open. Grand Opening was held on 20 September 2025.
1.1.2	Investigate opportunities for increased participation and programs offered at the Mossman Pool based on customer and community feedback.	Increased attendance numbers and number of programs.	Completed	Community Services	A community survey was conducted online from 1-22 May 2026. 262 responses were received. A report has been prepared and is now being used to plan future improvements.
1.1.3	Conduct a sport, recreation and leisure needs assessment to identify current and future trends across the shire.	Needs assessment completed by Q3, 2025-2026.	Completed	Community Services	A community survey was conducted between 6 April-5 June 2026, which included pop-in sessions at the Port Douglas markets, school engagement, internal stakeholder engagement, direct engagement with community and sporting clubs, and an online survey. 242 responses were received and are being collated and analysed to guide future strategic planning.
1.1.4	Undertake Planning Scheme amendments to improve functionality, streamline development assessment and align the Planning Scheme with the *Planning Act 2016*.	Planning Scheme amendments drafted and adopted by Council. Planning Scheme submitted for State Interest Review by Q4, 2025-2026.	Extended	Environment and Planning	This project has gone out to tender with submissions closing on 27 July 2026. It is anticipated that the project will be awarded in August 2026.

Key Areas of Focus 1.2: Encourage and grow creative opportunities across the arts.

	Deliverable	Success Measure	Status	Department	Outcome
1.2.1	Develop an Arts and Culture Program for 2025-2026 and 2026-2027.	Art and Culture Program 2025-2026 and 2026-2027 endorsed by Manager Community Services by Q2, 2025-2026.	Extended	Community Services	A consultant has been engaged and community consultation has commenced. It is intended that the program will be presented to Council for endorsement at the Ordinary Council Meeting on 27 October 2026.

Key Areas of Focus 1.3: Be culturally sensitive, inclusive and improve Council's cultural competency.

	Deliverable	Success Measure	Status	Department	Outcome
1.3.1	Continue to develop the Douglas Shire Council Reconciliation Action Plan.	Approved by Council Q4, 2025-2026.	Extended	Community Services	Feedback was received from Reconciliation Australia in May 2026, which prompted some additional revision of the proposed plan. The plan has again been submitted to Reconciliation Australia for endorsement, with a projected commencement in September 2026.
1.3.2	Identify and implement a cultural competency training course for all employees.	Course implemented by Q3, 2025-2026.	Monitor	People, Safety and Culture	Currently investigating relevant courses with the assistance of local aboriginal organisations and other service providers. Course will be implemented in line with the approved Reconciliation Action Plan (RAP). Awaiting on endorsement of the RAP.

Key Areas of Focus 1.4: Promote inclusivity, connection and accessibility for individuals/people of all abilities.

	Deliverable	Success Measure	Status	Department	Outcome
1.4.1	Undertake a review of the Learn to Swim Program at Mossman Pool to assess the viability of expanding access to include additional age groups, including seniors, and people with disabilities.	Review opportunities and consult with the community. Report on recommendations to the Senior Leadership Team by Q2, 2025-2026.	Completed	Community Services	Report was tabled and discussed at the Senior Leadership Team monthly meeting on 20 May 2026.
1.4.2	Deliver year 1 of the 3-year Port Douglas Principal Cycle Network in accordance with funding allocated.	Awarding Contract and commencement of Stage 1 out of 3.	Completed	Infrastructure Planning & Delivery	Stage 1 out of 3 has commenced construction.
1.4.3	Review the Planning Scheme to ensure it reflects contemporary disability access requirements where applicable for new developments.	Planning Scheme amendments drafted and adopted by Council. Planning Scheme submitted for State Interest Review by Q4, 2025-2026.	Extended	Environment and Planning	This project has gone out to tender with submissions closing on 27 July 2026. It is anticipated that the project will be awarded in August 2026.

Key Areas of Focus 1.5: Keep the community informed.

	Deliverable	Success Measure	Status	Department	Outcome
1.5.1	Development and delivery of a community resilience education plan for 2025-2026.	Education plan developed and six community resilience activities delivered within the Douglas Shire during 2025-2026.	Completed	Disaster Management Unit	Facilitated five community workshops to introduce the Community Resilience, Arts and Well-being Funding Program and generate ideas.
1.5.2	Review current shire strategies and plans.	Review to be completed by Q3, 2025-2026 and presented to Council for incorporation into 2026-2027 planning.	Monitor	Executive Office	Strategies identified for review include ICT, Stakeholder Engagement, Asset Management and Workforce.

Key Areas of Focus 1.6: Create and maintain parks and open spaces to preserve, protect and sustain our natural assets.

	Deliverable	Success Measure	Status	Department	Outcome
1.6.1	Enhance the landscaping and aesthetics of the Mossman Caravan Park to improve the customer experience while protecting and capitalising on the surrounding natural environment.	Plan and undertake landscaping improvements during 2025-2026.	Completed	Community Services	Dead trees removed along Mossman River side of park. Fruit trees and other species planted around the park and at the entrance. New gardens have been installed around the sitting area of the caravan park and next to the camp kitchen.

Key Areas of Focus 1.7: Investigate and promote environmental, green, eco-friendly and nature focused initiatives.

	Deliverable	Success Measure	Status	Department	Outcome
1.7.1	Identify tangible solutions for nature-based hazard mitigation projects.	Nature-based hazard mitigation solutions identified, and implementation plan developed by Q3, 2025-2026.	Extended	Disaster Management Unit	New flood studies finalised, uploaded to Council system and training completed. Scoping for a new flood study for Port Douglas and Craiglie completed and out to market. Study will include identifying nature-based mitigation and community engagement. Request for Quotation for additional flood modelling in Wonga being prepared.
1.7.2	Continue the illegal dumping program through a combination of education, investigation, and enforcement.	Reduce incidents of illegal dumping and littering while meeting the milestones and reporting targets of the state-funded Illegal Dumping Partnership Program.	Completed	Environment and Planning	Acquittal reporting completed to 30 June 2026. The new three year Fighting Illegal Dumping Partnership funding application has been approved.
1.7.3	Encourage the diversion of organic waste from landfill. Continue to investigate solutions and long-term opportunities for diversion.	Develop an Organic Diversion Options paper by Q3, 2025-2026. The aim is to improve environmental outcomes and support Queensland's waste reduction and circular economy targets.	Completed	Environment and Planning	Organics Diversion Options Paper has been developed and workshopped with Council.
1.7.4	1) Participate in the Plastic Free Cairns and Douglas Program, managed by Boomerang Alliance, which assists businesses to reduce or eliminate single-use food ware items from their supply chain. 2) Participate in the "Douglas Chooses to Reuse" Program funded by the Queensland Government.	Support offered to Boomerang Alliance for the implementation of the new pilot program "Douglas Chooses to Reuse".	Completed	Environment and Planning	Douglas Chooses to Reuse active in the community, with over 5000 single used cups saved through the program. Four street collection pods installed.
1.7.5	Deliver initiatives within the Douglas Shire Reef Guardian 4-Year Action Plan.	Initiatives delivered to be reported each quarter through the Operational Plan 2025-2026 reporting process.	Completed	Environment and Planning	All grant funded projects complete. Final reporting and acquittal finalised.
1.7.6	Maintain the Douglas Shire Council Destination's Ecotourism Certification.	Initiatives delivered to be reported each quarter through the Operational Plan 2025-2026 reporting process.	Completed	Environment and Planning	Ecotourism certification renewed for 2025-2026 financial years. Preparation in place for next on-line audit due late 2026.

Key Areas of Focus 1.8: Provide safe, efficient and reliable water and wastewater services.

	Deliverable	Success Measure	Status	Department	Outcome
1.8.1	Re-design of water supply systems at the Mossman River Intake to deliver improved resilience for longer term water security for the Douglas Shire community.	Contract award and commence design of the Mossman River Intake Project by Q4, 2025-2026.	Monitor	Water and Wastewater	Council has proactively progressed a range of actions to prioritise community water security, including aligning key infrastructure projects to deliver an integrated outcome, with two major projects now in the final stages of tender for a Design and Construct contract, anticipated to be awarded in Q1, 2026-2027.
1.8.2	Undertake a community education program on water sustainability.	Progress Council's water education program through facility based primary school education programs. Increase school site visits from two (2) to three (3) per annum.	Completed	Water and Wastewater	There were four excursions this financial year from two different schools/groups. Additionally, new water education resources have been developed, providing a range of educational materials available to support community engagement, education, and water sustainability initiatives. These resources include a variety of children's and adults' promotional materials.
1.8.3	Undertake master planning studies to identify future water and wastewater requirements to support industry, urban and the environmental needs.	Funding application completed for Queensland Reconstruction Authority's Water and Sewerage Infrastructure Program to complete required studies.	Completed	Water and Wastewater	Successful funding application for master planning studies submitted under Queensland Reconstruction Authority's Water and Sewerage Infrastructure Program.



Key Areas of Focus 1.9: In accordance with Queensland Disaster Management doctrine, continuously review and enhance Council's disaster management prevention, preparedness, response and recovery in collaboration with community and agencies.

	Deliverable	Success Measure	Status	Department	Outcome
1.9.1	Continue to strengthen the Local Disaster Management Group, Incident Management Team and Recovery groups.	Relevant training to be conducted and reported each quarter through the Operational Plan 2025-2026 reporting process. Disaster exercise to be undertaken with the Incident Management Team and Recovery groups by Q2, 2025-2026.	Completed	Disaster Management Unit	Council's Disaster Management Officer participated in the Cairns Ironman Exercise. Three Guardian training sessions were delivered to Council's business units to support the functioning of the Incident Management Team. A cyclone shelter familiarisation was conducted in preparation for the cyclone shelter exercise.
1.9.2	Establish the Douglas Recovery and Resilience Group. Ensure recovery and resilience efforts are designed for, and maintain a focus on, a community-led and locally managed model.	Douglas Recovery and Resilience Group established by Q1, 2025-2026 and meeting a minimum of three (3) times in 2025-2026.	Completed	Disaster Management Unit	Douglas Recovery Resilience Group stood up in response to Tropical Lows 12U and 29U and Tropical Cyclone Narelle. These events also included the stand up of Functional Recovery Resilience Groups.
1.9.3	Review and update the Local Disaster Management sub-plans under the Local Disaster Management Plan. Develop a Disaster Recovery sub-plan.	Review and updates completed for: • Disaster recovery sub-plan • Evacuation sub-plan • Resupply sub-plan • Activation sub-plan • Port Douglas Storm Tide Cyclone Shelter sub-plan • Public Information and Warnings sub-plan and Logistics sub-plan by Q2, 2025-2026.	Extended	Disaster Management Unit	Local Disaster Management Plan is due to be finalised by early August with the sub-plans to be reviewed and updated thereafter. Participated as a pilot council for the new Queensland Hazard and Risk Assessment Framework (QHRAF) as part of the Plan development. Repeated activations of staff for the 2025-2026 wet season mean the projects will not be finalised until 2026-2027.
1.9.4	Develop a Lessons Management Framework.	Lessons Management Framework implemented and tested against an agreed incident exercise or event by Q4, 2025-2026.	Completed	Disaster Management Unit	Lessons Management Framework is finalised. Debrief process and after-action review format has been utilised on Q3 and Q4 activations to test framework.





Strategic Theme 2: Prosperity

Council plans, builds and maintains the infrastructure required to improve our lifestyle and promote economic growth, working actively to support local businesses.

Focus Area 1:	Deliver a new Daintree River Ferry.
Focus Area 2:	Support local business through local procurement.
Focus Area 3:	Advocate for/promote economic growth opportunities and economic transition.
Focus Area 4:	Assess developments against the planning scheme.
Focus Area 5:	Pursue opportunities to improve housing outcomes.
Focus Area 6:	Recognise the contribution of established local industries.
Focus Area 7:	Build strong local, state and federal relations.

Key Areas of Focus 2.1: Deliver a new Daintree Ferry.

	Deliverable	Success Measure	Status	Department	Outcome
2.1.1	Engage a contractor to own and operate a new Daintree River Ferry.	Contractor engaged and commencement of design/construction by Q4, 2025-2026.	Completed	Infrastructure, Planning and Delivery	Contract signed to design, build, and operate the Daintree River Ferry service for 20 years – the new ferry arrives in December 2027. Birdon QLD commenced operation of Council's ferry on 1 July 2026.
2.1.2	Upgrade landside infrastructure to meet the requirements of the new ferry and reduce waiting times.	Complete detailed design and commence construction by the end of Financial Year 2025-2026.	Completed	Infrastructure, Planning and Delivery	Design and Construct contract signed with Durack Civil. The 100% civil design has been reviewed and approved. Works are on track and scheduled to be completed (stage 1) by the end of October 2026. Durack will remobilise in September 2027 to commence marine civil works.

Key Areas of Focus 2.2: Support local business through local procurement.

	Deliverable	Success Measure	Status	Department	Outcome
2.2.1	Encourage local business and industry.	Deliver four (4) procurement seminars to the Douglas Shire community during 2025-2026.	Monitor	Financial Services	Challenges securing suitable procurement resourcing has compromised progress on this initiative. The role of Team Leader Procurement is currently being recruited. Council maintains three Registers of Pre-qualified Suppliers (Trade Services, Wet & Dry Hire, Traffic Management Services) which encourage local businesses and industry.
2.2.2	Local preference selection criteria to be used in the procurement evaluation processes.	Successful number of local businesses and industry procurement to be reported each quarter through the Operational Plan 2025-2026 reporting process.	Completed	Financial Services	By the end of Q4, Council had completed 4,312 procurements valued at $130,339,932. Of these, 2,027 procurements, valued at $16,465,145, were awarded to local suppliers. Local suppliers therefore accounted for 47% of procurements by number and 12.63% by value.
2.2.3	Annual review of the Douglas Shire Council Procurement Policy.	Policy to be reviewed and adopted by Council, Q3, 2025-2026.	Completed	Financial Services	Policy adopted 31 March 2026.

Key Areas of Focus 2.3: Advocate for/promote economic growth opportunities and economic transition.

	Deliverable	Success Measure	Status	Department	Outcome
2.3.1	Commence a review of regional and state economic development strategies to identify gaps in preparation for the development of a new local strategy.	Review complete by Q3, 2025-2026.	Completed	Community Services	Review has been completed. Information gathered is currently being worked into a report for consideration by the Executive Leadership Team.
2.3.2	Undertake a review of the Community Grants Guidelines with a view to introducing industry and economic development opportunities and an event sponsorship program.	Guidelines updated and endorsed by Council, Q2, 2025-2026.	Extended	Community Services	Feedback from the Executive Leadership Team has resulted in some amendments. An updated policy will be presented for Council endorsement by the end of Q2, 2026-2027.

Key Areas of Focus 2.4: Assess developments against the planning scheme.

	Deliverable	Success Measure	Status	Department	Outcome
2.4.1	Undertake assessment of development applications in a timely manner.	Complete 80% of development applications within the statutory timeframes. Total number of development applications and the total number of development applications meeting the 80% target to be reported each quarter through the Operational Plan 2025-2026 reporting process.	Completed	Environment and Planning	During the Q4 reporting period, 63 applications were determined.

Key Areas of Focus 2.5: Pursue opportunities to improve housing outcomes.

	Deliverable	Success Measure	Status	Department	Outcome
2.5.1	Establish a working group and progress the Douglas Shire Council Local Housing Action Plan.	Working group established and reporting cadence established in accordance with the plan by Q1, 2025-2026.	Completed	Community Services	Working group established. Terms of Reference and reporting schedule developed. Actions reviewed and updated.
2.5.2	Undertake an internal review of the Local Government Infrastructure Plan.	Scope of work and budget included for consideration in 2026-2027 budget process.	Completed	Infrastructure, Planning and Delivery	Funding considered for 2026-2027. Decision to delay made to align with Planning Scheme Amendment timelines.

Key Areas of Focus 2.6: Recognise the contribution of established local industries.

	Deliverable	Success Measure	Status	Department	Outcome
2.6.1	Create quarterly podcasts and media content that supports Douglas Shire industry.	Content created and published for four (4) industry streams each quarter and reported through the Operational Plan 2025-2026 reporting process.	Completed	Executive Office	Regular (2-3 per month) podcasts released.

Key Areas of Focus 2.7: Build strong local, state and federal relations.

	Deliverable	Success Measure	Status	Department	Outcome
2.7.1	Partner with federal, state and local agencies to showcase the region.	Maintain relationships and engagement.	Completed	Executive Office and all departments	Recently executed 3-year agreement to support Tourism Port Douglas and Daintree. Continued strong engagement with Tourism and Events Queensland for both Council run destination events and regionally significant events.
2.7.2	Support Far North Queensland Regional Organisation of Councils through on-going membership.	Maintain membership and engagement.	Completed	Executive Office	Membership maintained and Mayor and CEO regularly attend meetings.
2.7.3	Maintain regular contact with federal and state parliament-arians.	Number of meetings. Reported at each Ordinary Council Meeting through the Mayor's and Chief Executive Officer's diaries.	Completed	Executive Office and all departments	Mayor and/or Councillors plus CEO maintaining contact and advocacy opportunities with State and Federal Members as opportunities arise.
2.7.4	Continued membership of the Local Government Association of Queensland (LGAQ).	Maintain membership and engagement.	Completed	Executive Office	Membership maintained. Councillors and CEO remain active within the LGAQ including attendance at annual conference in October 2025.



Strategic Theme 3: Service Delivery

We deliver council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

Focus Area 1:	Deliver the Corporate Plan, Operational Plan and Budget.
Focus Area 2:	Focus on customer service.
Focus Area 3:	Focus on safety and wellbeing – of the community and employees.
Focus Area 4:	Ensure capital and maintenance programs for infrastructure/open spaces are prioritised and delivered.
Focus Area 5:	Employ a proactive and preventative approach to asset management.
Focus Area 6:	Deliver Council services to meet community expectations.
Focus Area 7:	Identify and manage risk.
Focus Area 8:	Deliver safe and reliable drinking water.
Focus Area 9:	Preserve, protect and improve our unique environment.

Key Areas of Focus 3.1: Deliver the Corporate Plan, Operational Plan and Budget.

	Deliverable	Success Measure	Status	Department	Outcome
3.1.1	Corporate Plan reviewed annually.	Report to Council.	Completed	Governance	No material changes noted, or emerging issues identified that would require the 5-year Corporate Plan to be presented to Council for amendment.
3.1.2	Develop, coordinate, and publish Council's Annual Report on organisational activities and compliance with legislation.	Council approval of annual report and publishing within prescribed timeframe.	Completed	Governance	2024-2025 Annual Report completed, adopted by Council and published to DSC website.
3.1.3	Present Operational Plan Quarterly Progress Report to Council (and publish on Council's website).	Report to Council.	Completed	Governance	2025-2026 Q1-Q4 Operational Plan Quarterly Progress Reports completed.



Key Areas of Focus 3.2: Focus on customer service.

	Deliverable	Success Measure	Status	Department	Outcome
3.2.1	Implementation of multiple finance related system changes as part of the System and Process Improvement Program.	Implementation of systems for Contract Management, Purchasing, Accounts Payable, generation of Contract Register.	Monitor	Financial Services	Council is currently assessing the upgrade of its Enterprise Resource Planning (ERP) system from Civica Authority to the cloud based Civica Altitude platform. The implementation of finance-related modules will be considered as part of this broader system migration and process improvement program.
3.2.2	Build the People Safety and Culture brand through actively promoting its function within the organisation.	People Safety and Culture brand is well recognised and understood across the organisation. Success measured through a staff Pulse survey in Q3, 2025-2026. Findings reported to the Senior Leadership Team and Executive Leadership Team in Q4, 2025-2026.	Monitor	People, Safety and Culture	Business partners and Team Leaders are working closely with Managers and teams to coach them on the People, Safety & Culture (PSC) function. Promoting the PSC brand during the quarterly corporate induction. Pulse survey in planning stage.
3.2.3	Continue implementation of Human Resources Information System (HRIS).	Roll out and implementation of the onboarding and learning management system including training for staff by Q3, 2025-2026.	Completed	People, Safety and Culture	Learning Management System module is live and being updated with existing training data. Training currently in progress. Onboarding module testing now complete. Both modules now in use across the organisation.
3.2.4	Assess the needs of each business unit and align support to meet their needs.	Implementation of Business Partner model. Business Partner support aligned to the needs of business units by Q1, 2025-2026.	Completed	People, Safety and Culture	Business partners are now imbedded in each department and working closely with all leaders and staff.
3.2.5	Identify the skills and competencies required to deliver appropriate People Safety and Culture support. Fill all vacancies.	Fully resourced People Safety and Culture unit with required skills and capabilities. Training gaps and vacancy rate reported each quarter through the Operational Plan 2025-2026 reporting process.	Monitor	People, Safety and Culture	People, Safety and Culture has one current vacancy.
3.2.6	Review the Douglas Shire Council website and explore opportunities for enhancements and improved functionality.	Review undertaken and presented to the Executive Leadership Team by Q3, 2025-2026.	Extended	Executive Office	The project has been extended into 2025-2026 to coincide with the development of InfoXpert's public portal for the storage of public documents.
3.2.7	Undertake a review and update the Douglas Shire Council Corporate Style Guide.	Douglas Shire Council Corporate Style Guide approved by Council by Q2, 2025-2026.	Monitor	Executive Office	Review of branding being undertaken in alignment with Corporate Style Guide.
3.2.8	Review Council website to ensure all governance documents are included.	Review undertaken quarterly and recorded.	Extended	Governance	Initiative in progress to align with new website review. Review extended into 2026-2027.

Key Areas of Focus 3.3: Focus on safety and wellbeing – of the community and employees.

	Deliverable	Success Measure	Status	Department	Outcome
3.3.1	Continue to implement the Douglas Shire Council Work Health and Safety Plan 2025-2026.	New Safety Plan implemented. Key performance indicators measured monthly; and reported to the Senior Leadership Team and Executive Leadership Team.	Completed	People, Safety and Culture	Safety plan complete. Key performance indicators measured each month through Mango. Reported in quarterly WHS management meeting.
3.3.2	Develop a Workplace Wellbeing Strategy.	Wellbeing Strategy 2026–2028 developed by Q3, 2025-2026 and approved by the Executive Leadership Team.	Monitor	People, Safety and Culture	Currently in draft. Draft will be presented to Executive Leadership Team.
3.3.3	Talent development -provide development programs to assist staff achieve their goals and improve the knowledge base of the Douglas Shire Council.	Training and development opportunities for staff. Leadership training for staff. Training report detailing training programs, numbers of participants and outcomes to be presented to the Senior Leadership Team and Executive Leadership Team each quarter.	Completed	People, Safety and Culture	Expression of Interest out for Ignite Leadership program. Information will be presented to Executive Leadership Team each quarter.
3.3.4	Implement inspection program for regulated dogs declared under the *Animal Management Act 2008*.	Completion of the inspection program with full compliance achieved.	Completed	Environment and Planning	Inspection program for Declared Dogs completed early May 2026.
3.3.5	Promote responsible dog ownership.	Social media campaign completed Q1 and Q3, 2025-2026.	Completed	Environment and Planning	Media releases and educational information including social media posts have been published in Q3. Social media posts to continue an ongoing basis.
3.3.6	Complete the review of the Douglas Shire Council Local Laws.	Review completed and adoption with Gazettal and notification to the Department of Local Government, Water and Volunteers by Q3, 2025-2026.	Extended	Environment and Planning	Internal consultation complete. Draft review to be sent to lawyers for review and return early September 2026.
3.3.7	Undertake a gap analysis on Work Health and Safety practices within the Maintenance and Operations Team.	Report prepared with mitigations identified for risk areas and priorities identified. Complete by Q2, 2025-2026.	Extended	Maintenance and Operations	WHS Audit undertaken in Q1, 2025-2026 with a number of actions and improvements identified. Further gaps to be reviewed and actions prioritised Q1, 2026-2027.
3.3.8	Commence implementation of endorsed recommend-ations detailed in the Douglas Shire Council Occupational Violence Working Group Report.	Progress report provided to the Senior Leadership Team and Executive Leadership Team each quarter.	On Track	All departments	Report completed. Consultants engaged to prioritise implementation of recommendations and timeframes.

Key Areas of Focus 3.4: Ensure capital and maintenance programs for infrastructure/open spaces are prioritised and delivered.

	Deliverable	Success Measure	Status	Department	Outcome
3.4.1	Deliver asset renewal programs through focus on asset renewal works.	Asset renewal program is 100% expended by end of Q4, 2025-2026.	Monitor	Infrastructure, Planning and Delivery	Expenditure on renewal program did not achieve 100%.

Key Areas of Focus 3.5: Employ a proactive and preventative approach to asset management.

	Deliverable	Success Measure	Status	Department	Outcome
3.5.1	Implement the Assetic Asset Management System.	Develop a three (3) year plan for the establishment, data verification, database maintenance and updating and enhanced utilisation of Council's asset management system.	Completed	Infrastructure, Planning and Delivery	3-year plan developed.
3.5.2	Review Douglas Shire Council Asset Management Plans.	The development of a three (3) year plan to improve asset management practices by the end of Q3, 2025-2026.	Completed	Infrastructure, Planning and Delivery	3-year plan developed.
3.5.3	Conduct a complete condition assessment on Douglas Shire Council's community buildings.	Condition assessment complete and incorporated into Council's asset management system by Q4, 2025-2026.	Extended	Infrastructure, Planning and Delivery	In progress. Consultant has commenced program, due for completion end Q2, 2026-2027.
3.5.4	Conduct a complete condition assessment on Douglas Shire Council's buildings.	Asset Management Plan to address defects on council buildings through the Capital Works and Operational Works Programs.	Extended	Infrastructure, Planning and Delivery	In progress. Consultant has commenced program, due for completion end Q2, 2026-2027.



Key Areas of Focus 3.6: Deliver Council services to meet community expectations.

	Deliverable	Success Measure	Status	Department	Outcome
3.6.1	Procure and stock portable disaster resilience caches with supplies to support communities during a disaster event.	Disaster resilience caches stocked and ready for deployment by Q1, 2025-2026.	Extended	Disaster Management Unit	Three locations have been identified for the resilience caches: Cow Bay Community Resilience Hub (old Cow Bay Health Clinic), Wonga SES shed, and a newly procured DMU storage container in Mossman. Red Cross will be dispatching the first shipment of resilience cache items in August 2026, to stock the cache at the Mossman depot.
3.6.2	Explore retro-fitting a Community Resilience Hub, north of the Daintree River.	Complete community and stakeholder consultation on the requirements and potential location of the Community Resilience Hub by Q3, 2025-2026.	Completed	Disaster Management Unit	Stakeholders engaged confirming requirements and location – both internal Council departments and external agencies, i.e. Cow Bay Health Clinic and Emergency Services. Scope of works finalised and tender prepared. Communications developed to share with communities north of the Daintree River.
3.6.3	Promote the Douglas Shire Council as a workplace of choice.	Employee value proposition created by Q2, 2025-2026.	Extended	People, Safety and Culture	Extended to next financial year due to budget.
3.6.4	Provide restoration of essential public assets during natural disaster events.	Complete all restoration of essential public assets by Q4, 2025-2026.	Extended	Infrastructure Recover	Several projects are experiencing delays and have resulted in Extensions of Time requests.
3.6.5	Deliver library services north of the Daintree River.	Delivery of program identified and commenced by Q1, 2025-2026.	Completed	Community Services	Services commenced on 5 June 2025 at Diwan with a special story time for the Jungle Kids Playgroup. Activities are now occurring monthly.

Key Areas of Focus 3.7: Identify and manage risk.

	Deliverable	Success Measure	Status	Department	Outcome
3.7.1	Undertake a review of corporate enterprise risks.	Risk register reviewed and updated by Q2, 2025-2026 and submitted to the Audit and Risk Committee.	Completed	Governance	Enterprise Risk Register, Risk Appetite Statement, and Risk Management Framework adopted by Council.

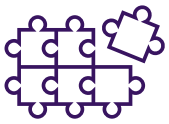


Key Areas of Focus 3.8: Deliver safe and reliable drinking water.

	Deliverable	Success Measure	Status	Department	Outcome
3.8.1	Install community water filling stations to provide safe and easy access to water for both commercial and residential customers without a permanent connection.	Prepare a shovel ready design for water filling stations across the Port Douglas and Mossman areas by Q3, 2025-2026.	Completed	Water and Wastewater	Design for water filling stations completed.

Key Areas of Focus 3.9: Preserve, protect and improve our unique environment.

	Deliverable	Success Measure	Status	Department	Outcome
3.9.1	Deliver the Reef Guardian Council funded erosion and sediment control program to staff and industry.	Achieve an improvement in compliance with the implementation of erosion and sediment control measures from the pre-program inspection audit compared to the post-program inspection audit. Report measurable improvements reported each quarter through the Operational Plan 2025-2026 reporting process	Completed	Environment and Planning	Further training of staff in Reviewing Erosion and Sediment Control Plans was delivered by SEEC in February. Final audits of Council projects and building sites also took place in February as well as a workshop on Water Sensitive Urban Design, attended by representatives across planning, infrastructure and maintenance.
3.9.2	Develop and implement a waste education and behavioural change plan targeting waste reduction, recycling and organic diversion from landfill.	Complete all actions and success measures by Q4, 2025-2026.	Completed	Environment and Planning	Council was successful in receiving Recycle Mate funding for the next three years. Commenced Organic Waste Education Campaign. School Waste Education Program developed, and kits completed.
3.9.3	Long term strategy developed for end of useful life of the oil palms at the entrance to Port Douglas.	Strategy developed and adopted by Council by the end of Q4, 2025-2026.	Extended	Maintenance and Operations	Draft strategy and options analysis were workshopped with Council Q4, 2025-2026. Public consultation options have been presented to Executive Leadership Team. Phase 1 public survey to commence Q1, 2026-2027.
3.9.4	Update Douglas Shire Council's Biosecurity Plan.	Review and update of the Biosecurity Plan completed by Q4, 2025-2026.	Extended	Maintenance and Operations	Review and update complete. Stakeholder working group meeting scheduled Q1, 2026-2027. To be workshopped with Council Q2, 2026-2027.
3.9.5	Develop a Port Douglas Streetscape Management Plan.	Improve our tourist experience in Port Douglas. Streetscape Management Plan to be developed by Q3 2025-2026.	Monitor	Infrastructure, Planning and Delivery	Will form part of a review of existing strategies and gap analysis.
3.9.6	Review the Douglas Shire Council Foreshore Management Plan.	Update the Foreshore Management Plan providing recommendations by Q4, 2025-2026.	Monitor	Maintenance and Operations	Additional consultation with Environment and Planning required to determine dependency with initiative 4.1.3.
3.9.7	Develop and publish a Waste Reduction and Recycling Plan 2025-2030.	Plan published Q2, 2025-2026.	Completed	Environment and Planning	Plan adopted by Council in Q1.



Strategic Theme 4: Recovery and Resilience

To partner with the community to build resilience against natural disasters creating a strong sense of social capital.

Focus Area 1:	Support our community's journey of recovery and rebuilding after natural disasters.
Focus Area 2:	Deliver infrastructure asset restoration and betterment.
Focus Area 3:	Foster collaboration, sustainability, and a strong sense of belonging.
Focus Area 4:	Implement the local recovery and resilience action plan.
Focus Area 5:	Undertake effective disaster management (prevention, preparedness, response, recovery).

Key Areas of Focus 4.1: Support our community's journey of recovery and rebuilding after natural disasters.

	Deliverable	Success Measure	Status	Department	Outcome
4.1.1	Investigate establishing a community resilience hub for Degarra residents.	Complete community consultation and requirements for a resilience hub, including identification of a potential site and concept plan by Q4, 2025-2026.	Extended	Disaster Management Unit	Site Options Assessment Report completed. Stakeholder engagement internal and external commenced on preferred location. Concept design agreed internally. Ongoing community engagement. Presentation to Council in Q1, 2026-2027.
4.1.2	Maintain effective communication relating to Disaster Recovery Funding Arrangement projects.	Community Reference Group effectiveness review to be undertaken in Q1, 2025-2026 with recommendations for adjustments to be presented to the Chief Engineer by the end of Q2, 2025-2026.	Completed	Infrastructure and Recovery	Completed.
4.1.3	Establish long-term coastal erosion mitigation measures for Port Douglas and Newell Beach.	Progress the development of the Shoreline Erosion Management Plan. Report progress each quarter through the Operational Plan 2025-2026 reporting process.	Completed	Environment and Planning	Technical assessments of coastal processes complete and draft report received. Scheduled for Councillor workshop in August 2026.

Key Areas of Focus 4.2: Deliver infrastructure asset restoration and betterment.

	Deliverable	Success Measure	Status	Department	Outcome
4.2.1	Marrs Creek flood levee bank.	Marrs Creek flood levee bank completed by Q4, 2025-2026.	Extended	Disaster Management Unit	At 80% final design with 100% design to be finalised in August 2027. Actual construction of the levee will require external funding.
4.2.2	Audit early warning flood infrastructure and identify high risk locations.	Early warning flood infrastructure and high-risk locations identified, and planning commenced for upgrades and new infrastructure by Q3, 2025-2026.	Extended	Disaster Management Unit	A list of possible flood warning infrastructure sites submitted to Queensland Reconstruction Authority (QRA). 10 LiXia laser monitoring hardware purchased, and installation programmed for August/September 2027. Two systems installed. Overall project will extend into 2026-2027 with gradual replacement and installation of flood warning infrastructure and finalisation of type and location of additional infrastructure, particularly in the Daintree/Bloomfield River catchments.

Key Areas of Focus 4.3: Foster collaboration, sustainability, and a strong sense of belonging.

	Deliverable	Success Measure	Status	Department	Outcome
4.3.1	Improve Community Resilience.	Resilience Strategy developed and Community Resilience Score Cards updated by Q3, 2025-2026.	Extended	Disaster Management Unit	Douglas Recovery Resilience Sub Plan developed, endorsed and activated. Community Resilience Score Cards remain under review as delayed due to activation disruptions. Engagement with neighbouring councils has continued.

Key Areas of Focus 4.4: Implement the local recovery and resilience action plan.

	Deliverable	Success Measure	Status	Department	Outcome
4.4.1	Undertake an all-hazard disaster study of the Douglas Shire.	Complete all-hazard disaster study by Q4, 2025-2026.	Extended	Disaster Management Unit	New flood hazard studies for Port Douglas/Craiglie to go to market in Q1, 2026-2027. Catchments of the Daintree River, Bloomfield River and Woobadda Creek included in the Far North Queensland Flood Risk Management Program (FNQ FRMP). Council's Disaster Management Unit participated as a pilot Council in the new Queensland Hazard and Risk Assessment Framework (QHRAF) for conducting hazard assessments. Completed discussions with Department of Environment (DETSI) on a new coastal hazard study in the populated coastal areas of shire. Cape Tribulation to be included through current funding provided to Council.
4.4.2	Scope and prepare works under the North Queensland Resilience program funding for year one.	Incorporate progress within the quarterly Disaster Management Unit Reporting to Council.	Completed	Disaster Management Unit	Program Managers assigned to all projects and projects are progressing.
4.4.3	Develop a Bloomfield River catchment flood risk management plan in collaboration with the Queensland Reconstruction Authority, Cook Shire and Wujal Wujal Councils.	Participate through the Queensland Reconstruction Authority and attend scheduled meetings. Report progress each quarter through the Operational Plan 2025-2026 reporting process and quarterly Disaster Management Unit reporting to Council.	Extended	Disaster Management Unit	Meetings held with Queensland Reconstruction Authority (QRA), including field trip and flood warning infrastructure discussions and project team composition. Final project plan provided in January 2026. Further discussions on delivery of the project are underway.

Key Areas of Focus 4.5: Undertake effective disaster management (prevention, preparedness, response, recovery).

	Deliverable	Success Measure	Status	Department	Outcome
4.5.1	Undertake a disaster preparedness audit of all Council buildings used for disaster management purposes.	Complete a risk and suitability audit of Council controlled buildings used for disaster management activities including places of refuge, evacuation facilities and disaster operations. Provide a risk and suitability report with recommendations to Council by Q2, 2025-2026.	Completed	Disaster Management Unit	Report findings presented to Councillor Workshop.
4.5.2	Investigate new re-supply access to communities north of the Daintree River.	Completion of recommendations for re-supply points through environmental mapping and key access routes.	Extended	Disaster Management Unit	Site visits completed in April 2026. Bathymetric survey Request for Quotation (RFQ) completed and ready for market response in early August 2027. Following bathymetric survey an RFQ for a high-level report on landing options and structural requirements based on coastal conditions will be issued in August 2027. Program will continue in 2026-2027.



Workforce Profile

Employee Statistics FY 2025-2026

	Female	Male
Employee Gender	103	130
Ethnicity		
Aboriginal	2	7
Aboriginal/Torres Strait Islander	0	2
Not Disclosed	91	114
Disability	1	1
English as a second language	4	1
Age Profile		
<25	3	3
25-34	13	18
35-44	20	27
45-54	35	46
55-64	28	32
>65	4	4

Tenure	Number of Staff
0-5 Years	127
5-10 Years	50
10-15 Years	14
15-20 Years	12
20-25 Years	22
25-30 Years	6
30+ Years	2





Work Health and Safety Statement

Council's Workplace Health and Safety team is committed to ensuring its workplaces are safe, and that the organisation has a proactive safety culture.

Throughout the year, Council continued to improve its approach to workplace health and safety by focusing on systems, compliance, procedures, and making safety simpler for all employees.

Council has worked to ensure its systems and processes are practical, easy to follow and aligned with legislative requirements, while continuing to build a culture where safety is the number one priority and part of everyday work.

Continuous improvement remains a priority as the organisation works towards safer workplaces and better safety outcomes across all Council operations.





Think you have what it takes to work for Council?

Douglas Shire Council provides the opportunity to be part of an organisation with an energetic and collaborative approach and a commitment to meeting the expectations of customers and the communities of Douglas.

To find out more, visit: **douglas.qld.gov.au/council-information/employment-at-council/**

Statutory Information

This section of the Annual Report contains information which must be provided pursuant to the *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation).

Local Government Act 2009

Section 41 Identifying Beneficial Enterprises

Section 41 of the Act provides that the Annual Report must contain a list of all the beneficial enterprises that the local government conducted during the financial year.

Douglas Shire Council did not conduct any beneficial enterprises within the 2025-2026 financial year.

Section 45(a), (b) and (d) Identifying Business Activities

Section 45(a) of the Act provides that the Annual Report must contain a list of all the business activities that the local government conducted during the financial year.

The business activities conducted by Council during 2025-2026 were:

- Water and sewer
- Waste
- Ferry operations
- Caravan parks
- Markets
- Planning certifications

Section 45(b) of the Act provides that the Annual Report must identify the business activities that are significant business activities.

None of the above activities satisfied the statutory threshold for classification as a significant business activity.

Section 45(d) of the Act provides that the Annual Report must identify whether there are any new significant business activities that were not conducted in the preceding financial year.

Council does not have any new significant business activities to report.

Section 45(c) Competitive Neutrality Principle

Section 45(c) of the Act provides that the Annual Report must state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied.

The competitive neutrality principle was not applied as Council did not have any significant business activities.

Section 201 Remuneration Payable to Senior Contract Employees

Section 201(1)(a) of the Act provides that the Annual Report must state the total of all remuneration packages that are payable to the senior management of the local government. The senior management of a local government consists of the Chief Executive Officer and all senior executive employees. The remuneration packages include base salary, superannuation and allowances (as of 30 June 2026).

The total of all remuneration packages payable to senior management was $680,976.31.

Section 201(1)(b) of the Act provides that the Annual Report must state the number of employees in senior management who are being paid each band of remuneration (in increments of $100,000).

Band	Number of Senior Management
$100,000 - $200,000	0
$200,000 - $300,000	3*

**3 incumbents concurrently held one of these roles during the financial year*

Local Government Regulation 2012

Section 183 Financial Statements

Section 183 of the Regulation provides that the Annual Report must contain Council's general purpose financial statement, current-year financial sustainability statement, long-term financial sustainability statement and the Auditor-General's audit reports about the general purpose financial statement and the current-year financial sustainability statement.

The general purpose financial statement for the financial year 2025-2026 is located on pages 61-98 of this report.

The current-year financial sustainability statement for the financial year 2025-2026 is located on page 97.

The long-term financial sustainability statement for the financial year 2025-2026 is on page 98.

The Auditor-General's audit reports about the general-purpose financial statement and the current-year financial sustainability statement are located on pages 91-96.

Section 184 Community Financial Report

The Community Financial Report for the financial year is shown on page 54.

Section 185 Particular Resolutions

Section 185(a) of the Regulation provides that the Annual Report must contain a copy of the resolutions made during the financial year under s 250(1) of the Regulation (adoption of an expenses reimbursement policy).

Section 185(b) of the Regulation provides that the Annual Report must contain a list of any resolutions made during the financial year under s 206(2) of the Regulation (threshold for non-current physical asset to be treated as an expense).

There were no particular resolutions for the financial year 2025-2026.

Section 186 Councillors

The Annual Report must contain various particulars of the Councillors such as total remuneration, superannuation, expenses, facilities provided, meetings attended and total orders during the financial year.

Section 186(1)(a) Councillor Remuneration

The amount of remuneration paid to local government Councillors is determined by the Local Government Remuneration Commission (the Commission).

The Commission has determined that Douglas Shire Council is an A3 Category Council and the following annual remuneration amounts applied to A3 Category Councils during the period 1 July 2025 to 30 June 2026:

Mayor	Deputy Mayor	Councillors
$124,157	$71,629	$62,078 x 3

The total remuneration paid to each Councillor and the total superannuation contribution paid on behalf of each Councillor during the period 1 July 2025 to 30 June 2026 was:

Councillor Remuneration and Superannuation

2025-2026 Financial Year

Councillor	Remuneration	Superannuation
Mayor Lisa Scomazzon	$125,237	$14,970
Cr Roy Zammataro	$72,507	$8,637
Cr Abigail Noli	$62,183	$7,454
Cr Damian Meadows	$62,183	$7,442
Cr Michael Rees	$62,183	$7,454
Grand Total	**$384,293**	**$45,957**



Image courtesy Tourism Tropical North Queensland

Section 186(1)(b) Councillor Expenses

A Councillor Expenses Reimbursement Policy was adopted by Council on 30 June 2020.

The policy provides for the reimbursement of reasonable expenses incurred by Councillors, when discharging their duties and responsibilities as Councillors, and the provision of facilities necessary to undertake their roles.

This table shows the expenses incurred by Councillors in the 2025-2026 financial year:

	Mayor Lisa Scomazzon	Cr Roy Zammataro	Cr Abigail Noli	Cr Damian Meadows	Cr Michael Rees	Total
Accommodation	$4,900	$761	$526	$3,149	$1,735	**$11,071**
Conference	$5,119	$2,500	$1,409	$4,256	$2,486	**$15,770**
Meals/hospitality	$1,945	$249	$238	$316	$249	**$2,997**
Office	$182	$0	$0	$0	$0	**$182**
Telecoms	$602	$602	$602	$602	$602	**$3,010**
Travel	$3,032	$765	$464	$765	$867	**$5,893**
Vehicle	$0	$0	$0	$0	$0	**$0**
Grand Total	**$15,780**	**$4,877**	**$3,239**	**$9,088**	**$5,939**	**$38,923**

In addition to the above, Mayor Lisa Scomazzon's FBT expense for the FBT year ending 31 March 2026 was $6,535.40.

All Councillors were provided refreshments at Council workshops and meetings.

Section 186(1)(c) Councillor Meeting Attendance

As required under s 186(1)(c) of the Regulation, the table below details the number of local government meetings each Councillor attended during the 2025-2026 financial year.

Councillor	Ordinary Meetings	Special Meetings	Statutory Meeting	Special Budget Meeting	Percentage attended
Mayor Lisa Scomazzon	12	2	0	2	100%
Cr Roy Zammataro	12	2	0	2	100%
Cr Abigail Noli	12	2	0	2	100%
Cr Damian Meadows	12	1	0	2	94%
Cr Michael Rees	12	2	0	2	100%

Section 186(1)(d) Councillor Conduct

The Act sets out the roles, responsibilities, and obligations of Councillors. Complaints about the conduct of Councillors are to be made, or referred, to the Independent Assessor for investigation.

In accordance with s 186(1)(d)(i)-(iii) of the Regulation, Councillor conduct complaints, referrals and notices made during the financial year are shown in the tables below:

Number of Councillor Conduct Complaints, Referrals and Notices

Subsection of the *Local Government Act 2009*	Description	Number
150P(2)(a)	Complaints referred to the Assessor by a local government, a councillor or the Chief Executive Officer of the local government	1
150P(3)	Matters referred to the Crime and Corruption Commission by the local government	0
150R(3)	Notices given by a local government official to the Assessor about a councillor's conduct	0

One complaint was referred to the Assessor in the 2025-2026 financial year. This complaint was subsequently dismissed.

Section 187 Administrative Action Complaints

Council respects and supports the right of individuals to lodge a complaint about Council and its agents and is committed to managing complaints fairly, objectively, professionally, respectfully and, subject to any legal requirements, in confidence.

Under the Act, issues that are within the scope of Administrative Action Complaints about the Council include:

- A decision, or a failure to make a decision, including a failure to provide a written statement of reasons for a decision.
- An act, or a failure to act.
- The formulation of a proposal or intention.
- The making of a recommendation.

Council is committed to dealing fairly and responsibly with all complaints and the complaints process is established to:

- Treat complaints about decisions and other administrative actions of the council and complaints about minor breaches fairly, efficiently and consistently.
- Provide a complaints process that is easy to understand and readily accessible to all.
- Detect and rectify administrative errors, where appropriate.
- Identify areas for improvement in Council's administrative practices.
- Increase awareness of the complaints process for Council's employees and the community.
- Enhance the community's confidence in the complaints process and the reputation of Council as being accountable and transparent.
- Build employees' capacity to effectively manage complaints in an environment of continuous improvement.

How the Complaints Management Process is Implemented

Consistent with its obligations under the Act, Douglas Shire Council has adopted a Council endorsed policy and procedure for the management of Administrative Action Complaints across the organisation.

Complaints are managed through a five-step process.

Step 1: Record and acknowledge complaint
Step 2: Complaint investigated
Step 3: Written decision notice provided
Step 4: Option for Internal review of decision
Step 5: Option for External review of decision

Number of Administrative Action Complaints

The number of Administrative Action Complaints made to the local government	21
The number of Administrative Action Complaints resolved by the local government under the complaints management process	17
The number of Administrative Action Complaints not resolved by the local government under the complaints management process	4
The number of Administrative Action Complaints not resolved by the local government under the complaints management process that were made in a previous financial year	0

Section 188 Overseas Travel

The Annual Report must contain information about any overseas travel made by a Councillor or Local Government employee in an official capacity.

No overseas travel was undertaken by a Councillor or Council employee in an official capacity during the 2025-2026 financial year.



Section 189 Grants to Community Organisations

Council recognises that supporting organisations, groups, and individuals with financial (grants, sponsorship) and non-financial (in-kind) assistance helps develop and deliver community programs, activities and events that provide artistic, cultural, sporting, recreational, environmental outcomes, and social and economic benefits in the Douglas Shire.

Major Grants

Organisation Name	Project Title	Grant Awarded (ex GST)
Port Douglas Tennis Club	Defibrillator Purchase	$1,634
Alexandra Bay Sporting and Social Club	Food Safety Compliance	$4,004
Mossman Port Douglas Senior Rugby League Club	Repairs to Clubhouse Bar Area	$10,000
Mossman Boat & Fishing Club	Clubhouse Reroof	$10,000
The Homeless Animals Society & Boarding Kennels	Desexing Vouchers	$10,000
Great Barrier Reef Legacy	The Forever Reef Project Community Open Weeks and Guest Speaker Series	$10,000

Micro Grants

Organisation Name	Project Title	Grant Awarded (ex GST)
Douglas Athletics	Coach Courses	$1,000
U3A	Pétanque Signage	$1,000
Mossman Support Services	Seniors Month	$1,000
CBFE	Red Seed Project	$1,000
Port Douglas Community Service Network Inc.	International Men's Day	$1,000
Port Douglas Community Service Network Inc.	Books in Paradise	$1,000
Douglas Heat Basketball	Food Safety for Community	$934

Fee Waive or Reduction/In Kind/Sponsorship

Organisation Name	Project Title	Amount (ex GST)
Mossman Support Services	Fee Waive - Movie Screen	$1,842

Resource and Performance Agreements

Council provides assistance to commercial organisations through funding towards events or projects aligned with the Corporate Plan objectives. This funding is available to an established event and can lead to an ongoing Resource and Performance Agreement over a number of years.

Organisation Name	Purpose	In-Kind Support	Actual Funding
Port Shorts Film Festival Inc	Port Shorts Film Festival	$5,000	$25,000 ex GST
Connect Sport Australia	Run Port Douglas	$5,000	$75,000 incl. GST
Sound Australia	Savannah Sounds Port Douglas Carnivale	$7,000	$80,000 ex GST
Taste Port Douglas	Taste Port Douglas Food and Beverage Festival	$5,000	$0
Douglas Shire Historical Society	Assistance with upkeep of museum	$0	$5,000
Douglas Theatre Arts group – Clink	Assistance with upkeep of theatre	$0	$5,000
Tourism Port Douglas Daintree	Tourism and Destination Marketing	$0	$513,500 ex GST

Regional Arts Development Fund (RADF)

The Regional Arts Development Fund (RADF) is a partnership between state and local governments which invests in quality arts and cultural experiences across Queensland based on locally determined priorities.

RADF promotes the importance of arts, culture and heritage as essential elements that drive diversity, inclusivity, and regional strength. All projects are endorsed by Council and grants can be allocated to eligible organisations and individuals.

Organisation Name	Project Title	Amount (ex GST)
Port Douglas Artists	Call of the Running Tide - Concept Development	$5,000
Chopperdog Productions	From Land to Sea: The People's Journey	$5,000
Jill Chism	Call of the Running Tide – The Littoral Zone	$10,000
Raine Schacher	The Booth Juice	$10,000
Marty Brown	From Land to Sea: Pilot	$10,000
Bill Wilkie	The Daintree Blockade	$10,000

Section 189(2) Councillor Discretionary Funds

- Councillors are not provided with discretionary funds.
- Funding was therefore not provided to community organisations from this source.

Section 189A Particular Financial Contributions under the Planning Act

Section 189A of the Regulation requires Council to report the following information about particular financial contributions made to the local government under the *Planning Act 2016* for the financial year:

- The total amount of financial contributions made under a community benefit agreement.
- The total amount of financial contributions made under a condition of a development approval imposed under s 65AA(3).
- The total amount of financial contributions made under a condition of a development approval imposed under a direction of the planning chief executive under s 106ZF(2).
- The total amount of financial contributions made to the local government in the financial year under an agreement mentioned in s 65AA(7).
- The total amount of financial contributions made under an instrument mentioned in paragraph s 189A(1)(a) that were spent by the local government in the financial year and the purposes for which the contributions were spent.

Council had no details to report for the 2025-2026 financial year under this section.



Section 190 Other Content

Section 190(1)(d) Action Taken for, and Expenditure on, a Service, Facility or Activity

Section 190(1)(d) of the Regulation requires Council to report details of any action taken in relation to, and expenditure on, a service, facility, or activity:

(i) Supplied by another local government under an agreement for conducting a joint government activity; and

(ii) For which the local government levied special rates or charges for the financial year.

Council had no details to report for the 2025-2026 financial year under this section.

Section 190(1)(e) Changes to Tenders

Section 190(1)(e) of the Regulation requires that the local government's Annual Report include the number of invitations to change tenders under s 228(7) of the Regulation during the financial year.

There were nine (9) invitations to change tenders made during the 2025-2026 financial year.

Section 190(1)(f) List of Key Registers

Section 190(1)(f) of the Regulation requires that the local government's Annual Report include a list of the registers kept by the local government. Some of these registers are publicly available on the website:

- Administrative Action Complaints Register
- Asset Register
- Authorised Persons Register
- Benefits, Gifts and Prizes Register
- CEO to Staff Delegations
- Conflicts of Interest – Employees
- Contracts Register
- Council to CEO Delegations
- Councillor Conduct Register
- Ex-Gratia (Special) Payments Register
- Financial Delegations Register
- Local Laws Register
- Policy Register
- Register of Eligible Data Breaches
- Register of Fees and Charges
- Register of Interests (Councillors)
- Register of Interests (Senior Executive Officers)
- Register of Pre-Qualified Suppliers for Electrical, Plumbing and General Trade Services
- Register of Pre-Qualified Suppliers for Traffic Management Services
- Register of Pre-Qualified Suppliers for Wet Dry Plant and Equipment Hire
- Related Party Declarations by Key Management Personnel (Councillors)
- Related Party Declarations by Key Management Personnel (Senior Executives)
- Register of Sole and Specialised Suppliers
- Right to Information and Disclosure Log Register
- Strategic and Corporate Risk Register

Section 190(1)(g) Concessions for Rates and Charges

Section 190(1)(g) of the Regulation requires that the local government's Annual Report include a summary of all concessions for rates and charges granted by the local government.

Current Concessions

Pensioner Remission – the rebate is up to 30% of the General Rate to a maximum of $1,000.00pa.

Rates Based Financial Assistance (Not for Profit Recreation, Sporting and Community Groups) – is 100% General Rates and 50% sewerage.

Permits to Occupy Land on the Daintree River (Fishing Huts) – the rebate is 50% of General Rates.

Current Special Charges

Rural Fire Brigades (per rateable assessment per financial year):

- Mowbray Valley Rural Fire Brigade $50.00
- Daintree Rural Fire Brigade $15.00
- Thornton Peak Rural Fire Brigade $8.00
- Wonga Rural Fire Brigade $35.00
- Bloomfield River Rural Fire Brigade $25.00

Refuse disposal: $274.20 per unit on each rateable assessment that does not receive the Council kerbside waste and recyclables collection service.

Section 190(1)(h) Internal Audit

Report on the internal audit for the financial year

Section 190(1)(h) of the Regulation requires that the local government's Annual Report include the report on the Internal Audit for the financial year.

Council's Audit and Risk Committee has the principal objective to assist Council to fulfill its corporate governance role and oversight responsibility relating to accounting and reporting practices.

Council's internal audit function is established through a 'co-sourced' service delivery arrangement with an external agency to provide an independent and objective assessment and evaluation of control measures to manage Council's operational risks.

This arrangement provides Council with access to extensive expertise and skills, seamless service delivery and an opportunity to mentor, build capacity and drive performance.

A risk-based approach is used when developing the Internal Audit Plan to direct internal audit focus to areas of higher risk.

Council has established an Internal Audit function in accordance with s207 of the Regulation.

Findex (Aust) Pty Ltd T/A Crowe Australasia was Council's Internal Auditor during the 2025-2026 financial year.

For the 2025-2026 financial year an Internal Audit review was conducted on:

- Customer Service and Complaints Management.

Sections 190(1)(i) and (j) Competitive Neutrality Complaints

Section 190(1)(i) of the Regulation requires that the local government's Annual Report include a summary of investigation notices given in the financial year under s 49 of the Regulation for competitive neutrality complaints and the local government's responses in the financial year on the Queensland Competition Authority (QCA) recommendations on any competitive neutrality complaints under s 52(3) of the Regulation.

During the 2025-2026 financial year Council was not in receipt of any s 49 investigation notices or s 52(3) recommendations from the QCA on any competitive neutrality complaints.

Public Sector Ethics Act 1994

The *Public Sector Ethics Act 1994* requires that the Annual Report of each public sector entity, including a local government, must include an implementation statement giving details of the action taken during the reporting period to comply with the following sections:

Section 15 (Preparation of Codes of Conduct)

Council has a Code of Conduct for employees which incorporates the ethics, principles and obligations under the *Public Sector Ethics Act 1994*.

A copy of the Code of Conduct is available on Council's website.

Section 21 (Education and Training)

Compulsory Code of Conduct training continues to be rolled out with all new employees during the financial year.

Section 22 (Procedures and Practices of Public Sector Entities)

Council is committed to ensuring a workplace free of discrimination and harassment. Council has three policies in place including:

- Workplace Health and Safety General Policy – supported by a robust framework of procedures, practices, audits, reporting and review mechanisms.
- Equal Employment Opportunity (EEO) and Workforce Diversity General Policy.
- Unacceptable Complainant Conduct Handling Policy and Procedure.



Community Financial Report

The Annual Report must contain the community financial report for the financial year.

Council's general purpose financial statements are for the period, 1 July 2025 to 30 June 2026, and have been prepared in accordance with the requirements of the *Local Government Act 2009*, the *Local Government Regulation 2012* and Australian Accounting Standards and Interpretations. They have also been audited by the Queensland Audit Office.

This community financial report provides a summary of the financial statements with the aim of providing understandable information to the members of our community.

The financial statements include the following:

- **Statement of Comprehensive Income** – includes Council's operating and capital revenue and operating and capital expenses for the period.
- **Statement of Financial Position** – provides details of Council's current and non-current assets and liabilities.
- **Statement of Changes in Equity** – identifies movements in Council's equity balance.
- **Statement of Cash Flows** – shows the movement in Council's cash position during the period and excludes all non-cash items such as depreciation.
- **Notes to the Financial Statements** – provide details of significant accounting policies and supporting information relating to the major statements, including a detailed breakdown of property, plant and equipment.
- **Measures of Financial Sustainability** – provide sustainability indicators designed to help monitor the current and long-term sustainability of Council.

Financial Statements for the period, 1 July 2025 to 30 June 2026, at a glance

Operating Revenue	$77,840,882
Operating Expenses	($74,219,390)
Operating Position	**$3,621,492**
Capital Revenue	$69,229,817
Capital Expenses	($3,183,929)
Net Result	**$69,667,380**
Current Assets	$85,537,346
Non-Current Assets	$673,121,817
Total Assets	**$758,659,163**
Current Liabilities	$45,559,009
Non-Current Liabilities	$5,978,863
Total Liabilities	$51,537,872
Net Community Assets (Equity)	**$707,121,290**

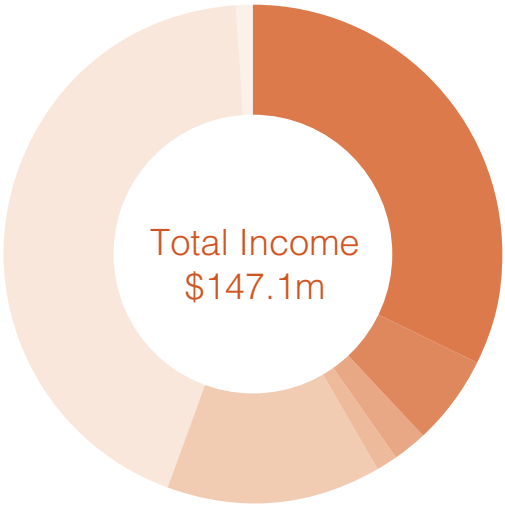


Image courtesy Tourism Tropical North Queensland

Statement of Comprehensive Income

Income

The following graph and table show the composition of Council's income for the reporting period.



Rates, levies and charges	$47.8m
Fees and charges	$8.2m
Rental income	$0.3m
Interest received	$3.3m
Other recurrent revenue	$1.7m
Grants, subsidies, contributions and donations	$20.6m
Grants – disaster related	$63.8m
Other capital income	$1.4m

Income by percentage	
Rates, levies and charges	**32.52%**
Fees and charges	**5.57%**
Rental income	**0.22%**
Interest received	**2.23%**
Other recurrent revenue	**1.15%**
Grants, subsidies, contributions and donations excluding disaster related grants	**13.99%**
Grants disaster related	**43.39%**
Other capital income	**0.93%**
	100.00%

Grants, subsidies, contributions and donations & Grants disaster related

Includes capital grants, subsidies, contributions and donations; this includes $57.5 million for the restoration of damage to roads and infrastructure caused by weather events and $1.1 million for assets contributed by developers. For the year ended 30 June 2026, Council had also received $8.4 million for the Financial Assistance grant which included a $5.3 million prepayment for the 2026-2027 financial year grant.

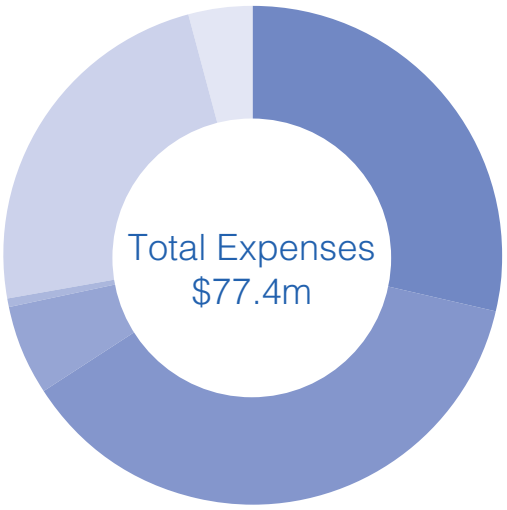
Other Capital Income

Includes landfill provision adjustments, insurance proceeds for damaged assets and revaluation up of property, plant and equipment.

Further details regarding income can be located in notes 3 to 5 of the financial statements.

Expenses

The following graph and table show the composition of Council's expenses for the reporting period. A portion of $4.6 million has continued to be spent on disaster related activities.



Employee benefits	$22.3m
Materials and services (excluding disaster)	$28.7m
Materials and services – disaster related	$4.6m
Finance costs	$0.3m
Depreciation and amortisation	$18.3m
Capital expenses	$3.2m

Expenses by percentage	
Employee benefits	**28.78%**
Materials and services	**37.09%**
Materials and services disaster related	**5.94%**
Finance costs	**0.37%**
Depreciation and amortisation	**23.71%**
Capital expenses	**4.11%**
	100.00%

Further details can be located in notes 6 to 9, note 13, 14 and 16 of the financial statements.

Operating Position

Council's operating position reflects its ability to meet day-to-day operating costs from its operating revenue. This includes its ability to fund the depreciation of assets.

It is determined by deducting operating expenses from operating revenue and shows an operating surplus of $3,621,492, compared to a revised budgeted operating deficit of $421,205.

The events that have had significant impact on this result: Depreciation has increased as a result of the increase in Council's property, plant and equipment balances. The increase in asset values can be attributed to a combination of the requirement to index asset values to reflect inflation and the increased capital works due to ex-Tropical Cyclone Jasper. The change in timing for the payment of the Financial Assistance Grant whereby Council has received an 80% payment in advance for the 2026-2027 financial year grant.

As below, the variance of $4 million is mainly due to a number of items of operating revenue and expenditure that were not anticipated when the revised budget was adopted:

- Net rates and utility charges are $200,000 above budget primarily due to some property growth and increased water usage.
- Fees and Charges are below budget $213,613. The following areas in the tourism sector have performed below budgeted expectations primarily due to the 2026 weather events:
  - Daintree Ferry revenue $155,805 below budget expectations
  - Port Douglas Markets $25,243 below budget expectations
  - Wonga Beach Van Park $42,464 below budget expectations
  - Mossman Van Park $55,601 below budget expectations.
- The above-mentioned losses have been partially offset by the following areas which have exceeded budget expectations:
  - Property Search fees $29,498 above budget expectations
  - Trade Waste fees $22,808 above budget expectations
  - Building Control fees $22,291 received from neighboring councils.
- Grants and subsidies were $4.8 million above budget, as mentioned previously the 80% prepayment of the 2026-2027 Financial Assistance Grant saw an additional $2.2 million was received. $1.3 million was recognised for emergent and Counter Disaster Operations relating to the 2026 weather events. Additional grant funding was also received for the reimbursement of prior year operational recovery work due to Council pursuing further financial support under Disaster Recovery Funding Arrangements.
- Interest received was above budget by $545,485 due to Council's strong cash position and debt free balance sheet.
- Other recurrent income is $605,840 above budget due to Council seeking out work for other government agencies.
- Employee benefits were below budget $435,195. This was primarily due to unfilled positions which has been partially offset in Materials and Services. At 30 June 2026, Council had engaged: 198 Full-time, 23 Part-time, 13 Casual employees and 5 Elected members.
- Materials and services expenditure were above budget by $993,423. The response to weather events in 2026 resulted in an additional cost to Council. The use of temporary staff to replace unfilled positions mentioned above, fuel crisis and inflationary pressures also contribute to this variance.
- Finance costs are $174,436 above budget due to reforecasting landfill provisions.
- An increase in depreciation of $315,357 above budget is due to a combination of the requirement to index asset values to reflect inflation and the increased capital works due to ex-Tropical Cyclone Jasper.

The following table provides details of Council's budgeted operating result compared to the actual result for the reporting period.

Douglas Shire Council Budget vs Actuals for 2025-2026	Budget	Actuals 2025-2026 Audited Financial Statements
Operating Revenue		
Net rates and utility charges	$47,639,600	$47,839,410
Fees and charges	$8,401,917	$8,188,304
Grants and subsidies	$11,697,806	$16,521,392
Interest received	$2,731,439	$3,276,924
Other recurrent income	$1,409,012	$2,014,852
Total Operating Revenue	**$71,879,774**	**$77,840,882**
Operating Expenses		
Employee benefits	$21,842,794	$22,277,989
Materials and services	$32,308,212	$33,301,635
Depreciation	$18,037,418	$18,352,775
Finance costs	$112,555	$286,991
Total Recurrent Expenses	**$72,300,979**	**$74,219,390**
Operating Result	**($421,205)**	**$3,621,492**

Net Result

Council's net result is determined by deducting total expenses (operating expenses and capital expenses) from total income (total revenue and capital income).

The overall net result is a surplus of $69.7 million.

This surplus has occurred primarily due to the receipt of grant funding for the reconstruction works associated with Tropical Cyclone Jasper and the subsequent rain event.

This result includes some items of revenue which are restricted as follows:

- Developer contributions – cash contributions made by developers to fund future infrastructure assets have restrictions placed on their use and are constrained.
- Other constrained revenue – raised from other sources, for example grant funds provided for a specific purpose.

It also includes non-monetary values such as:

- Gain/loss on disposal/write-off of non-current assets.
- Adjustments to the value of Council's landfill restoration provision as a result of a re-estimation of the future cost to restore the landfill sites.

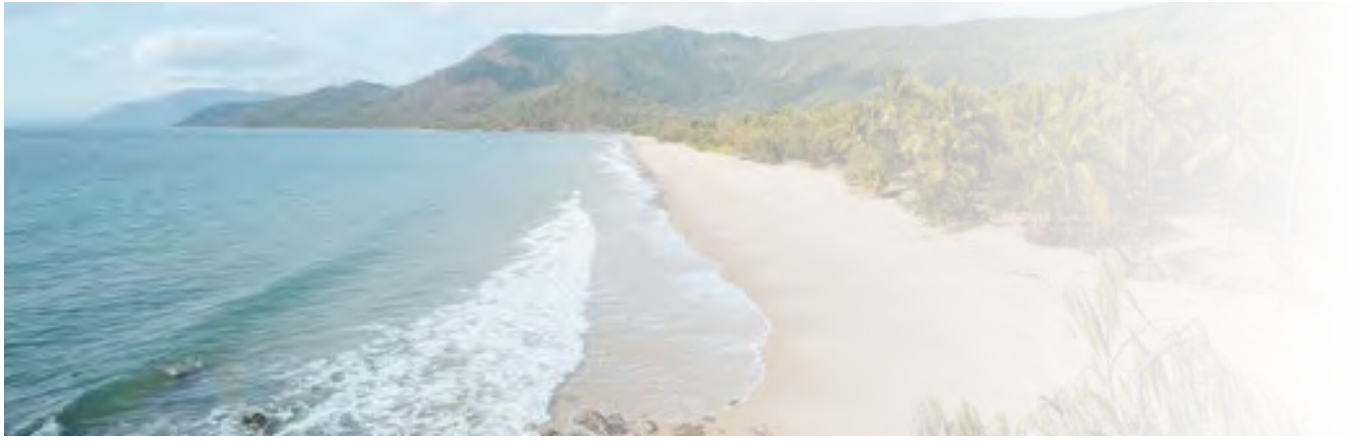


Image courtesy Tourism Tropical North Queensland

Statement of Financial Position

Assets

Council assets as at 30 June 2026 total $758.7 million. This includes $85.5 million of current assets (cash and other assets that are expected to be converted to cash or consumed within a year) and $673.1 million of non-current assets. Property, plant and equipment makes up 89% of total assets.

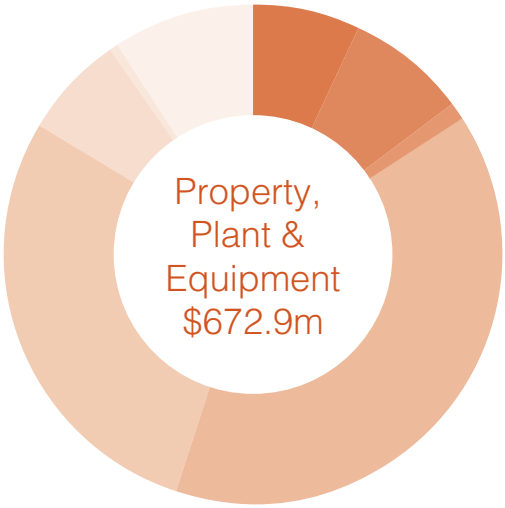
Current assets consist of cash and cash equivalents, trade and other receivables, prepayments, grant funds earned but not yet received (contract assets) and inventories. Non-current assets consist of long-term assets such as property, plant and equipment, including capital works in progress.

The following graph shows the composition of Council's assets.



Cash and cash equivalents	$66.6m
Trade and other receivables	$9.0m
Pre-payments	$0.5m
Contract assets	$8.8m
Inventories	$0.1m
Non-current assets held for sale	$0.5m
Property, plant and equipment	$672.9m
Right use of assets	$0.2m

The following graph shows the composition of property, plant and equipment.



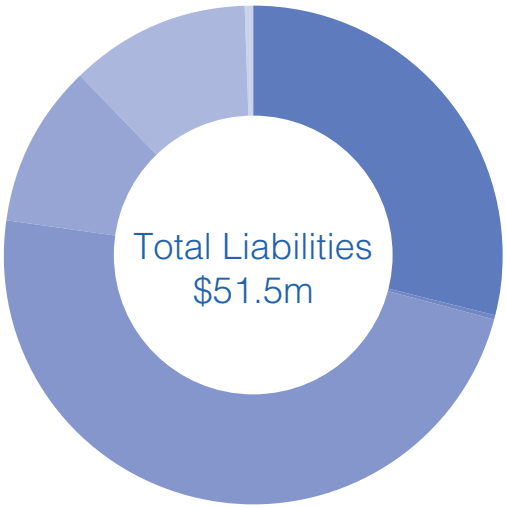
Land and land improvements	$48.3m
Buildings and other structures	$52.6m
Plant and equipment	$5.9m
Office furniture and fittings	$0.03m
Transport assets	$265.1m
Water, sewerage and solid waste disposal	$191.7m
Drainage	$45.4m
Marine	$3.0m
Work in progress	$60.9m

Further details can be located in notes 10 to 14 of the financial statements.

Liabilities

Total liabilities as at 30 June 2026 are $51.5 million. This includes $45.5 million of current liabilities (due to be settled within twelve months) and $6 million of non-current liabilities. Liabilities mostly consist of amounts considered contract liabilities from proceeds of grants not yet spent, amounts owing to suppliers, amounts owing to employees for leave entitlements, any outstanding liability from leases and provision for the future cost of restoring landfills.

The following graph shows the composition of Council's liabilities.



Trade and other payables	$15.0m
Lease Liabilities	$0.15m
Contract liabilities	$24.8m
Leave provisions	$5.4m
Landfill provisions	$6.0m
Unearned revenue	$0.2m

Further details can be found in notes 15 to 18 of the notes to the financial statements.

Community Equity

Council's total community equity as at 30 June 2026 is $707.1 million and represents Council's asset revaluation surplus of $175.3 million (increase in values of property, plant and equipment as a result of comprehensive revaluations and indexation) and retained surplus of $531.8 million. This is determined by deducting the value of total liabilities from the value of total assets.

Further details can be found in note 19 of the notes to the financial statements.

Borrowings and Repayments

During the period Council did not apply for any new loans, therefore the loans balance as at 30 June 2026 is $0 and Council's debt per rateable property is $0.



Image courtesy Tourism Tropical North Queensland

Measures of Financial Sustainability

Below displays the current-year Financial Sustainability Statement of audited ratios for the year ended 30 June 2025.

Type	Measure	Target (Tier 5)	Actual Current Year	5 Year Average	Council Narrative
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 4 months (single year)	8.98	N/A	Council has sufficient unrestricted cash to contribute toward the cost of future planned and unplanned expenditures.
Operating Performance	Operating Surplus Ratio	Greater than -2% (5 year average)	4.96%	0.43%	Council is comfortably covering its core operational expenditure. Significant movement and key drivers in this ratio is grant funded revenue and expenditure.
	Operating Cash Ratio	Greater than 0% (5 year average)	28.61%	24.44%	Council is comfortably covering its core operational requirements.
Asset Management	Asset Sustainability Ratio	Greater than 90% (5 year average)	313.74%	172.61%	Council is spending appropriate levels on renewals of assets. Significant movement and key drivers in this ratio is the renewal expenditure on disaster impacted assets.
	Asset Consumption Ratio	Greater than 60% (5 year average)	62.8%	61.9%	Council's assets are being consumed in line with their estimated useful lives.

The current year Financial Sustainability Statement is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the five reported measures are prepared on an accrual basis and are drawn from Council's audited general purpose financial statements for the year ended 30 June 2026.

Council's operating surplus ratio for 2025 is 4.96%, this result has been impacted by receiving an advance payment for the financial assistance grant.

Further information

Further detail can be found in Council's financial statements which are included at the end of this Annual Report.



Financial Statements

For the year ended 30 June 2026

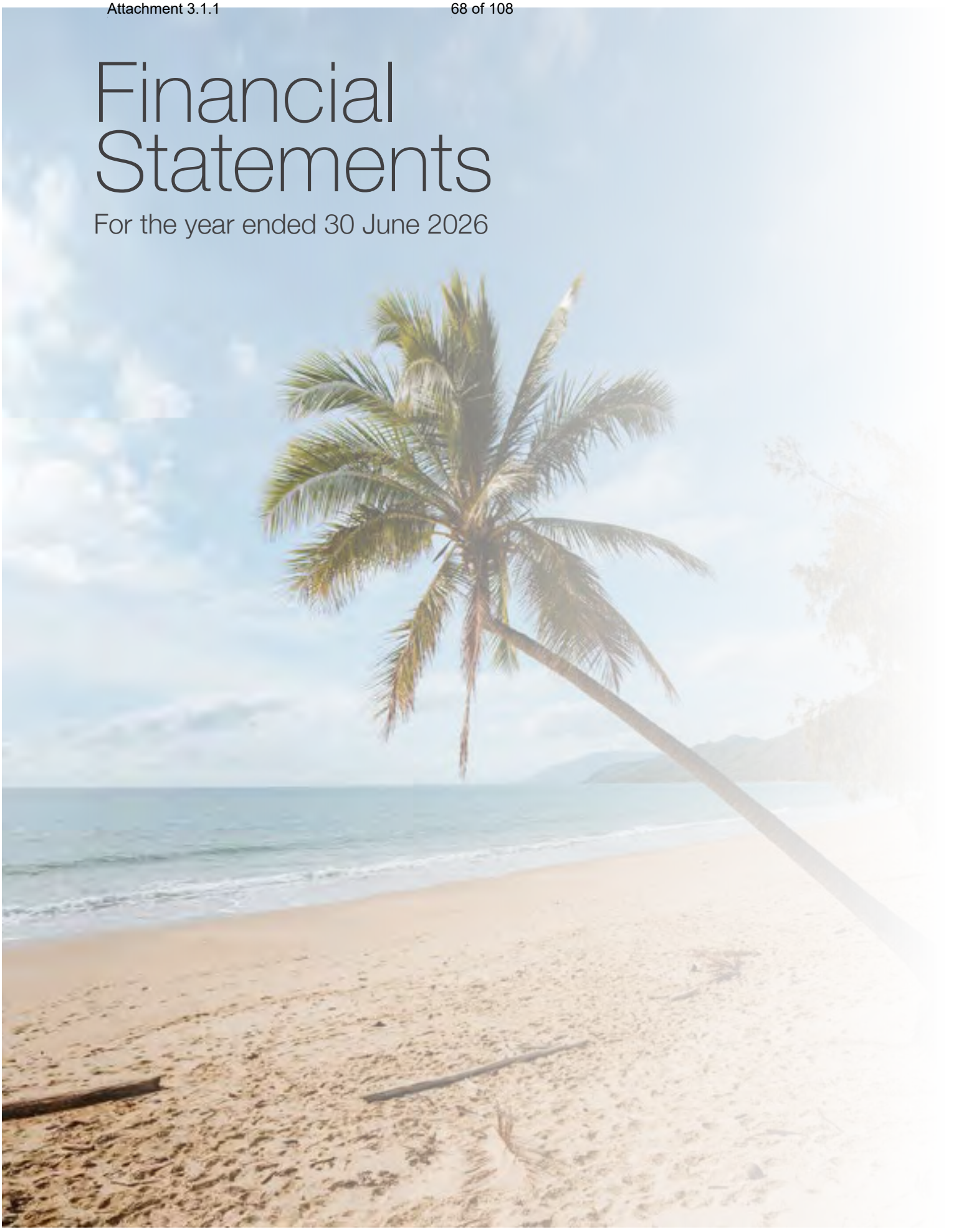


Image courtesy Tourism Tropical North Queensland

Douglas Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	47,839,410	43,921,119
Fees and charges	3(b)	8,188,304	7,962,247
Rental income		321,552	341,102
Interest income	3(c)	3,276,924	2,704,324
Other revenue	3(d)	1,693,300	1,334,024
Grants, subsidies, contributions and donations	4(a)	16,521,392	11,312,777
Total recurrent revenue		77,840,882	67,575,593
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	67,865,108	47,529,589
Other capital income	5	1,364,709	-
Total capital revenue		69,229,817	47,529,589
Total income		147,070,699	115,105,182
Expenses			
Recurrent expenses			
Employee benefits	6	(22,277,989)	(20,545,411)
Materials and services	7	(33,301,635)	(28,096,182)
Finance costs	8	(286,991)	(450,329)
Depreciation and amortisation	13&14&16	(18,352,775)	(17,644,227)
Total Recurrrent Expenditure		(74,219,390)	(66,736,149)
Capital expenses	9	(3,183,929)	(1,676,530)
Total expenses		(77,403,319)	(68,412,679)
Net result		69,667,380	46,692,503
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	19	42,041,675	10,328,079
Total other comprehensive income for the year		42,041,675	10,328,079
Total comprehensive income for the year		111,709,055	57,020,582

The above statement should be read in conjunction with the accompanying notes and the Accounting Policies.

Douglas Shire Council
Statement of Financial Position
as at 30 June 2026

	Note	2026 $	2025 $
Current assets			
Cash and cash equivalents	10	66,555,130	63,701,155
Trade and other receivables	12	9,048,570	6,712,729
Prepayments		558,765	494,168
Contract assets	15(a)	8,790,771	8,563,329
Inventories		94,110	139,492
Non-current assets held for sale	13	490,000	-
Total current assets		85,537,346	79,610,873
Non-current assets			
Property, plant and equipment	13	672,924,140	572,595,985
Right of use assets	16	173,024	222,540
Intangible assets	14	24,653	32,876
Total non-current assets		673,121,817	572,851,402
Total assets		758,659,163	652,462,274
Current liabilities			
Trade and other payables	17	14,986,993	11,408,971
Lease liabilities	16	153,124	163,037
Provisions	18	5,628,728	5,224,303
Contract liabilities	15(b)	24,790,164	35,894,661
Total current liabilities		45,559,009	52,690,972
Non-current liabilities			
Provisions	18	5,811,086	4,163,170
Unearned revenue		167,777	195,896
Total non-current liabilities		5,978,863	4,359,066
Total liabilities		51,537,872	57,050,039
Net community assets		707,121,290	595,412,235
Community equity			
Asset revaluation surplus	19	175,281,917	133,240,242
Retained surplus		531,839,373	462,171,993
Total community equity		707,121,290	595,412,235

The above statement should be read in conjunction with the accompanying notes and the Accounting Policies.

Douglas Shire Council
Statement of Changes in Equity
For the year ended 30 June 2026

	Note	Asset revaluation surplus	Retained Surplus	Total
		$	$	$
Balance as at 1 July 2025		133,240,242	462,171,993	595,412,235
Net result		-	69,667,380	69,667,380
Other comprehensive income for the year				
Increase in asset revaluation surplus	19	42,041,675	-	42,041,675
Total comprehensive income for the year		42,041,675	69,667,380	111,709,055
Balance as at 30 June 2026		175,281,917	531,839,373	707,121,290
Balance as at 1 July 2024		122,912,163	415,479,490	538,391,653
Net result		-	46,692,503	46,692,503
Other comprehensive income for the year				
Increase in asset revaluation surplus	19	10,328,079	-	10,328,079
Total comprehensive income for the year		10,328,079	46,692,503	57,020,582
Balance as at 30 June 2025		133,240,242	462,171,993	595,412,235

The above statement should be read in conjunction with the accompanying notes and the Accounting Policies.

Douglas Shire Council
Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		56,687,933	51,366,924
Payments to suppliers and employees		(52,427,051)	(53,321,730)
		4,260,882	(1,954,806)
Interest received		2,980,089	2,485,938
Rental income		321,552	341,102
Non capital grants and contributions		12,929,086	11,503,170
Bank charges		(89,914)	(84,152)
Net cash (outflow) inflow from operating activities	23	20,401,695	12,291,251
Cash flows from investing activities			
Payments for property, plant and equipment		(76,461,794)	(58,255,031)
Payments for assets donated		(57,799)	(78,960)
Proceeds from sale of property plant and equipment		166,445	55,354
Movement in investments		-	5,000,000
Capital grants, subsidies, contributions and donations		58,995,471	75,941,971
Net cash (outflow) inflow for investing activities		(17,357,676)	22,663,334
Cash flows from financing activities			
Repayment of borrowings		(190,044)	(326,851)
Net cash inflow (outflow) from financing activities		(190,044)	(326,851)
Net (decrease)/increase in cash and cash equivalent held		2,853,975	34,627,735
Cash and cash equivalents at the beginning of the financial year		63,701,155	29,073,420
Cash and cash equivalents at the end of the financial year	10	66,555,130	63,701,155

The above statement should be read in conjunction with the accompanying notes and the Accounting Policies.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

1 Information about these financial statements

1.1 Basis of preparation

Douglas Shire Council (the Council) is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the year from 1 July 2025 to 30 June 2026. They are prepared in compliance with the requirements of the Local Government Act 2009 and the Local Government Regulation 2012.

Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment.

1.2 New and revised Accounting Standards

There were no relevant new accounting standards mandatorily effective for the year ended 30 June 2026.

1.3 Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2026. These standards have not been adopted by Council and will be included in the financial statements on their effective date. These standards are not expected to have a material impact on Council's financial statements.

1.4 Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

- Revenue recognition - Note 3
- Receivables - Note 12
- Valuation, impairment and depreciation of property, plant and equipment - Note 13
- Provisions - Note 18
- Contingent liabilities - Note 21
- Financial instruments and financial risk management - Note 25

1.5 Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest $1, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard.

1.6 Taxation

Council is exempt from income tax, however Council is subject to Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

1.7 Impacts of Tropical Cyclone Jasper, associated rainfall and flooding event

In December 2023, Douglas Shire and surrounding Local Government Authorities experienced Tropical Cyclone Jasper which was followed by a severe rainfall and flooding event with intense and continued rainfall causing flash flooding and landslides throughout Far North Queensland. Council has been working with the community to identify and repair the widespread damage across the Shire and provide support to those who need it most. Material impacts incurred to date of the Tropical Cyclone Jasper and flooding event ("Disaster") on the consolidated financial statements are provided in the relevant note:

- Grants, subsidies, contributions and donations - Note 4
- Materials and services - Note 7
- Property, plant and equipment - Note 13

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

2. Analysis of Results by Function

2(a) Components of Council functions

The activities relating to the Council's components reported on in Note 2(b) are as follows :

Corporate and Community
The objective of Corporate and Community is to provide efficient, effective and accountable financial and administrative services to Council and the communities it serves. The core functions include Governance, Finance, Libraries, Information Services, Community and Economic Development. A Disaster Management Unit is now operating to assist with community recovery & resilience.

Infrastructure
The objective of Infrastructure is to provide essential transport, drainage and parks infrastructure, maintenance, construction and operational services to Council's communities. An Infrastructure Recovery unit is now operating to oversee the reconstruction of essential public assets that were damaged by natural disasters.

Development and Environment
The objective of Development and Environment is to encourage sustainable development whilst protecting the character and natural environment of the Council area. This function includes Development Assessment, Environmental Assessment, Planning Strategies and Local Laws administration.

Water and Waste
The objective of Water and Waste is to manage the treatment and provision of water, wastewater and solid waste services to consumers throughout the Council area.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

2 Analysis of results by function

(b) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2026

Functions	Gross program income				Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital					
	Grants	Other	Grants	Other								
	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $	2026 $
Corporate and Community	8,759,513	25,256,465	36,701	214,883	34,267,562	(15,717,793)	(79,492)		(15,797,286)	18,298,185	18,470,276	130,773,245
Infrastructure	6,996,678	7,276,175	61,286,210	2,973,158	78,532,221	(37,913,913)	(688,584)		(38,602,497)	(23,641,059)	39,929,725	430,288,085
Development and Environment	715,200	1,151,447	-	67,425	1,934,073	(2,907,267)	-		(2,907,267)	(1,040,619)	(973,194)	-
Water and Waste	50,000	27,635,402	4,273,039	378,402	32,336,843	(17,680,416)	(2,415,852)		(20,096,269)	10,004,986	12,240,574	197,597,833
Total Council	16,521,392	61,319,490	65,595,950	3,633,867	147,070,699	(74,219,390)	(3,183,929)	-	(77,403,318)	3,621,493	69,667,381	758,659,163

Year ended 30 June 2025

Functions	Gross program income				Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital					
	Grants	Other	Grants	Other								
	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $	2025 $
Corporate and Community	9,427,113	22,664,430	-	-	32,091,543	(15,035,325)	(39,990)		(15,075,315)	17,056,218	17,016,228	111,815,748
Infrastructure	1,750,969	7,030,019	46,066,522	-	54,847,509	(32,276,415)	(356,412)		(32,632,827)	(23,495,427)	22,214,683	355,773,537
Development and Environment	104,815	923,181	-	-	1,027,995	(2,403,200)	-		(2,403,200)	(1,375,204)	(1,375,204)	-
Water and Waste	29,880	25,645,186	1,463,067	-	27,138,134	(17,021,210)	(1,280,127)		(18,301,337)	8,653,856	8,836,796	184,872,990
Total Council	11,312,777	56,262,816	47,529,589	-	115,105,182	(66,736,149)	(1,676,530)	-	(68,412,679)	839,443	46,692,502	652,462,274

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

	2026 $	2025 $

3 Revenue

Rates, levies and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

(a) Rates, levies and charges

General rates	22,393,755	20,286,006
Water	10,238,265	9,615,883
Sewerage	9,500,958	8,762,820
Waste	6,435,214	5,934,219
Less: Pensioner remissions, concessions and financial assistance	(728,781)	(677,809)
Net rates, levies and utility charges	47,839,410	43,921,119

(b) Fees and charges

Revenue arising from fees and charges are recognised at the point in time when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.

Building and property fees	609,443	402,961
Caravan Parks and Camping Grounds	644,513	647,316
Ferry	4,476,432	4,519,041
Communication towers	154,763	216,379
Permits, licences & registrations	595,574	608,793
Markets	296,535	308,798
Refuse & transfer stations	724,820	699,414
Water & sewerage applications	96,471	64,114
Other fees and charges	589,752	495,430
	8,188,304	7,962,247

(c) Interest income

Investments	2,980,089	2,485,938
Overdue rates and utility charges	296,835	218,385
	3,276,924	2,704,324

(d) Other revenue

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.

Contract and recoverable works	1,074,339	936,744
Commissions	34,033	33,875
Sundry revenue	584,929	363,405
	1,693,300	1,334,024

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

4 Grants, subsidies, contributions and donations

Grant income under AASB 15 *Revenue from Contracts with Customers*
Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.
The performance obligations are varied in each agreement but include events and employment terms. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.
Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.
Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income under AASB 1058 *Income of Not-for-Profit Entities*
Where Council receives an asset for significantly below fair value, the asset is recognised at fair value. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.
Once the assets and liabilities have been recognised then income is recognised for any residual amount at the time that the asset is received.

Capital grants
Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses.

Donations and contributions
Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council.

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Non-cash contributions with a value in excess of the asset capitalisation recognition thresholds, as per Note 13, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Physical assets contributed to Council by developers in the form of roadworks, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and value of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

Developers pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB 1058 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received.

		2026 $	2025 $
(a)	**Operating**		
	General purpose grants	8,383,471	8,886,021
	Government subsidies and grants non disaster related	1,813,605	1,545,571
	Government subsidies and grants -Queensland Reconstruction Authority	6,324,316	881,185
		16,521,392	11,312,777

(b) Capital

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

Government/statutory authority subsidies and grants	65,595,950	47,229,776
Donations and contributions	1,139,156	79,267
Assets contributed by developers at fair value	1,130,002	220,546
	67,865,108	47,529,589

In the 2026 financial year, Council has recognised significant capital grant revenue for the reconstruction of essential public assets that were damaged under Tropical Cyclone Jasper, associated rainfall and flooding event. Revenue has been received by the Queensland Reconstruction Authority and recognised as construction progresses.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

(c) Timing of revenue recognition for grants, subsidies, contributions and donations

	2026		2025	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants and subsidies	15,193,095	66,924,247	10,710,752	47,831,801
Donations and Contributions	1,139,156	-	79,267	-
Assets contributed by developers at fair value	1,130,002	-	220,546	-
	17,462,253	66,924,247	11,010,565	47,831,801

	Note	2026 $	2025 $
5 Other capital income			
Provision for restoration of land			
Decrease in restoration provision - Sanitary Depot	18	67,425	-
		67,425	-
Revaluations			
Revaluation up of property, plant and equipment reversing previous revaluation expense	13	440,071	-
		440,071	-
Capital insurance proceeds & reimbursements			
Insurance proceeds		857,213	-
		857,213	-
Total capital income		1,364,709	-

6 Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

Staff wages and salaries		18,137,572	17,021,416
Councillors' remuneration		437,772	424,046
Termination benefits		162,405	180,078
Annual, sick and long service leave entitlements		3,768,322	3,261,624
Superannuation	22	2,424,461	2,255,029
		24,930,532	23,142,192
Other employee related expenses		84,328	94,772
		25,014,860	23,236,964
Less: Capitalised employee expenses		(2,736,871)	(2,691,553)
		22,277,989	20,545,411

Councillor remuneration represents salary and other allowances paid in respect of carrying out their duties.

Total Council employees at the reporting date:

	No. of employees	No. of employees
Elected members	5	5
Administration staff	107	96
Depot and outdoors staff	109	100
Total full time equivalent employees	221	201

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

7	Materials and services	Note	2026 $	2025 $
(a)	**Materials and services non Disaster related**			
	Audit expenses*		253,483	176,114
	Doubtful debt expense		25,035	-
	Consultancy		1,487,888	1,167,174
	Contractors		9,155,047	5,777,932
	Communications and IT		1,445,585	1,451,079
	Donations		740,943	796,399
	Electricity		1,146,191	1,157,228
	Insurances		1,358,802	1,325,358
	Legal		334,169	355,778
	Repairs and maintenance		11,069,995	9,638,779
	Other materials and services		1,689,903	1,527,903
			28,707,041	23,373,745
(b)	**Materials and services Disaster**			
	Contractors		3,941,886	3,854,011
	Consultancy		9,309	338,708
	Other materials and services		643,399	529,717
			4,594,594	4,722,437
	Total Materials and services		33,301,635	28,096,182

* Audit fees include both internal and external audit fees. Total audit fees quoted by the Queensland Audit Office relating to the 2025-26 financial statements are $180,000 (2025: $180,000)

8	Finance costs			
	Bank charges		83,067	68,264
	Interest on leases		6,847	15,889
	Landfill sites - change in present value over time		197,077	366,177
			286,991	450,329
9	**Capital expenses**			
	Property restoration: Landfill sites			
	Adjustment to refuse restoration provision - Killaloe	18	1,268,467	279,780
	Adjustment to refuse restoration provision - Sanitary Depot	18	-	32,353
	Adjustment to refuse restoration provision - Newell Beach	18	644,746	20,773
			1,913,213	332,906
	Gain / Loss on disposal of non-current assets			
	Proceeds from the sale of property, plant and equipment		(166,445)	(55,354)
	Less: Carrying value of property, plant and equipment disposed of		1,379,362	1,320,018
			1,212,917	1,264,664
	Total loss on disposal of non-current assets		1,212,917	1,264,664
	Donated assets			
	Donated assets		57,799	78,960
	Total capital expenses		3,183,929	1,676,530

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

		2026 $	2025 $
10	**Cash and cash equivalents**		
	Cash at bank and on hand	66,555,130	63,701,155
	Balance per Statement of Cash Flows	66,555,130	63,701,155
	Cash and cash equivalents	66,555,130	63,701,155
	Less: Externally imposed restrictions on cash	(24,957,941)	(36,090,557)
	Unrestricted cash	41,597,189	27,610,598

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

Externally imposed expenditure restrictions at the reporting date:		
Unspent government grants and subsidies	24,790,164	35,894,661
Waste levy refund received in advance	167,777	195,896
Total unspent externally restricted cash	24,957,941	36,090,557
Internally imposed expenditure restrictions at the reporting date:		
Future constrained works	527,326	992,686
Total unspent internally restricted cash	527,326	992,686
Trust funds held for outside parties		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	1,329,781	1,004,941
	1,329,781	1,004,941

In accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodial role in respect of these monies and because the monies cannot be used for Council purposes they are not considered revenue nor brought to account in these financial statements since the Council has no control over the assets.

11 Investments

Council held no investments at 30 June 2026.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

	2026 $	2025 $

12 Trade and other receivables

Receivables are amounts owed to Council at 30 June. They are recognised at the amount due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.

All known bad debts were written-off at 30 June 2026. If an amount is recovered in a subsequent period then it is recognised as income.

As Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivables.

Current		
Rateable revenue and utility charges	4,487,631	4,298,781
Other debtors	2,204,496	1,316,342
Less impairment	(73,869)	(47,954)
Accrued revenue	1,850,325	948,022
GST recoverable	579,988	197,538
	9,048,570	6,712,729

Interest is charged on outstanding rates (12.12% per annum from 1 July 2025, previously 12.35% per annum). No interest is charged on other debtors.

Ageing of receivables and the amount of any impairment is disclosed in the following table:

Subject to impairment		
Not past due	2,019,661	1,251,039
Past due 31-60 days	11,788	1,373
Past due 61-90 days	35,479	16,548
More than 90 days	71,568	36,382
Total gross carrying amount	2,138,496	1,305,342
Impairment	(73,869)	(47,954)
	2,064,627	1,257,388
Not subject to impairment		
Rates and Charges	4,487,631	4,298,781
Grants	66,000	11,000
GST recoverable/accrued income (less contract assets)	2,430,312	1,145,560
	6,983,943	5,455,341
	9,048,570	6,712,729

13 Property, plant and equipment

30 June 2026	Note	Land and land improvements	Buildings and other structures	Plant and equipment	Office furniture and fittings	Transport assets	Water, Sewerage and Solid waste disposal	Drainage	Marine	Work in Progress	Total
Basis of measurement		Fair Value	Fair Value	Cost	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Fair value category		Level 2 & 3	Level 3			Level 3	Level 3	Level 3	Level 3		
Asset values		$	$	$	$	$	$	$	$	$	$
Opening gross value as at 1 July 2025		37,827,316	77,217,866	10,529,181	89,745	302,073,656	312,857,538	57,430,484	9,326,582	39,369,737	846,722,106
Additions		-	-	-	-	-	-	-	-	77,830,673	77,830,673
Disposals	9	(93,088)	(734,660)	(1,283,157)	-	(119,297)	(871,795)	(50,436)	-	-	(3,152,433)
Revaluation adjustment to other comprehensive income (asset revaluation surplus)	19	12,606,761	6,801,956	-	-	30,216,231	34,027,508	5,233,060	-	-	88,885,516
Revaluation adjustment to income (capital income)	5	-	-	-	-	-	1,058,468	-	850,584	-	1,909,053
Transfers between classes		(30,318)	(134,949)	(14,878)	-	-	180,146	-	-	-	-
Assets classified as held for sale		(490,000)	-	-	-	-	-	-	-	-	(490,000)
Contributed assets		214,883	-	-	-	98,294	179,856	636,970	-	(1,130,002)	-
Internal transfers from work in progress		2,454,284	7,390,793	1,700,760	-	38,430,671	3,726,663	1,346,047	98,874	(55,148,092)	-
Closing gross value as at 30 June 2026		52,489,837	90,541,005	10,931,906	89,745	370,699,556	351,158,385	64,596,125	10,276,040	60,922,316	1,011,704,915
Accumulated depreciation											
Opening balance as at 1 July 2025		3,714,303	31,539,464	4,993,628	55,983	77,198,704	133,819,317	16,982,755	5,821,966	-	274,126,120
Depreciation expense		477,425	2,683,074	826,878	4,711	5,686,222	6,911,772	654,062	870,760	-	18,114,903
Depreciation on disposals	9	(55,908)	(371,569)	(832,542)	-	(53,535)	(440,632)	(18,885)	-	-	(1,773,070)
Revaluation adjustment to other comprehensive income (asset revaluation surplus)	19	45,284	4,128,814	-	-	8,463,478	18,279,208	1,606,313	-	-	32,523,098
Revaluation adjustment to income (capital income)	5	-	-	-	-	-	859,923	-	609,058	-	1,468,981
Impairment adjustment to asset revaluation surplus of assets damaged by natural disaster	19	-	-	-	-	14,320,743	-	-	-	-	14,320,743
Transfers between classes		(35,691)	(20,623)	(9,506)	-	-	65,820	-	-	-	-
Accumulated depreciation as at 30 June 2026		4,145,413	37,959,161	4,978,457	60,694	105,615,612	159,495,408	19,224,246	7,301,784	-	338,780,774
Total written down value as at 30 June 2026		48,344,424	52,581,844	5,953,449	29,052	265,083,944	191,662,977	45,371,879	2,974,256	60,922,316	672,924,140
Residual value		-	-	1,983,013	-	-	-	-	-	-	1,983,013
Range of estimated useful life in years		10 - 100	5 - 60	3 - 20	8 - 10	10 - 100	10 - 150	10 - 100	4 - 60	-	-
Additions comprise:		$	$	$	$	$	$	$	$	$	$
Renewals		-	-	-	-	-	-	-	-	54,225,207	54,225,207
Other additions		-	-	-	-	-	-	-	-	23,605,466	23,605,466
Total additions		-	-	-	-	-	-	-	-	77,830,673	77,830,673

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

13 Property, plant and equipment

Assets classified as held for sale pertains to a parcel of land that was auctioned prior to 30 June 2026. An Executed Auction Contract was executed on 27 June 2026 . Settlement of this sale occurred on 3 August 2026.

30 June 2025	Note	Land and land improvements	Buildings and other structures	Plant and equipment	Office furniture and fittings	Transport assets	Water, Sewerage and Solid waste disposal	Drainage	Marine	Work in Progress	Total
Basis of measurement		Fair Value	Fair Value	Cost	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Fair value category		Level 2 & 3	Level 3			Level 3	Level 3	Level 3	Level 3		
Asset values		$	$	$	$	$	$	$	$	$	$
Opening gross value as at 1 July 2024		35,983,046	75,390,655	9,684,315	89,745	286,593,882	307,638,873	54,964,063	9,248,124	15,813,902	795,406,605
Additions		-	-	-	-	-	-	-	-	58,475,577	58,475,577
Disposals	9	-	(220,677)	(378,600)	-	(269,490)	(1,969,704)	(114,496)	-	-	(2,952,968)
Revaluation adjustment to other comprehensive income (asset revaluation surplus)	19	-	-	-	-	(4,207,108)	-	-	-	-	(4,207,108)
Transfers between classes		1,123,627	-	-	-	(1,896,420)	31,132	741,662	-	-	-
Contributed assets		-	159,796	-	-	37,581	9,067	14,102	-	(220,546)	-
Internal transfers from work in progress		720,643	1,888,092	1,223,466	-	21,815,213	7,148,170	1,825,154	78,459	(34,699,196)	-
Closing gross value as at 30 June 2025		37,827,316	77,217,866	10,529,181	89,745	302,073,656	312,857,538	57,430,484	9,326,582	39,369,737	846,722,106
Accumulated depreciation											
Opening balance as at 1 July 2024		2,976,550	29,281,056	4,504,831	51,273	86,860,406	128,002,921	16,279,896	4,982,569	-	272,939,501
Depreciation expense		409,910	2,418,227	744,939	4,711	5,454,869	6,828,257	654,446	839,397	-	17,354,757
Depreciation on disposals	9	-	(159,819)	(256,142)	-	(158,391)	(1,023,393)	(35,204)	-	-	(1,632,950)
Revaluation adjustment to other comprehensive income (asset revaluation surplus)	19	-	-	-	-	(14,535,187)	-	-	-	-	(14,535,187)
Accumulated depreciation as at 30 June 2025		3,714,303	31,539,464	4,993,628	55,983	77,198,704	133,819,317	16,982,755	5,821,966	-	274,126,120
Total written down value as at 30 June 2025		34,113,013	45,678,402	5,535,553	33,762	224,874,953	179,038,221	40,447,729	3,504,617	39,369,737	572,595,985
Residual value		-	-	1,822,322	-	-	-	-	-	-	1,822,322
Range of estimated useful life in years		10 - 100	5 - 60	3 - 20	8 - 10	10 - 100	10 - 150	10 - 100	4 - 60	0	0
Additions comprise:		$	$	$	$	$	$	$	$	$	$
Renewals		-	-	-	-	-	-	-	-	43,892,625	43,892,625
Other additions		-	-	-	-	-	-	-	-	14,582,952	14,582,952
Total additions		-	-	-	-	-	-	-	-	58,475,577	58,475,577

Douglas Shire Council
Notes to the financial statements
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13 Property, plant and equipment

a) Recognition

The capitalisation thresholds for Council are set at $1 for land, $1 for network assets, $5,000 for plant and equipment and $10,000 for all other assets. Any expenditure below these thresholds is expensed in the period in which it is incurred.

Network assets are an aggregate of interrelated assets that perform a specific service and which individually are likely to be below the capitalisation threshold levels but collectively are above the capitalisation threshold for their class. Network assets include components of infrastructure assets.

Land under roads and reserve land under the Land Act 1994 or Land Title Act 1994 is controlled by Queensland State Government and not recognised in the Council financial statements.

b) Measurement

Assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Property, plant and equipment received in the form of contributions, is recognised as assets and revenues at fair value determined by Council where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received from the sale of the asset in an orderly transaction between market participants at the measurement date.

c) Valuation

Land and improvements, buildings and all infrastructure assets are measured at fair value. Plant and equipment, office furniture and fittings, other assets and work in progress are measured at historic cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 5 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, management performs a desktop valuation on each asset class. A desktop valuation involves management assessing the condition and cost assumptions associated with each asset class and considering the movements in the Road and Bridge Construction Index, Other Heavy and Civil Engineering Construction Queensland Index and the Non-residential Building Construction Queensland Index as published by the Australian Bureau of Statistics (June rates of the relevant financial year have been used for 2026 indexation purposes). Together these are used to form the basis of the desktop valuation.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.
On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any changes in the estimated remaining useful life.

(i) Recognised fair value measurements

In accordance with AASB 13 fair value measurements are categorised on the following basis:

- Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Fair value based on inputs that are directly or indirectly observable for the asset or liability (level 2)
- Fair value based on unobservable inputs for the asset and liability (level 3)

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation techniques used to derive fair values

Excluding land assets, valuation unit rates (for current replacement costs) include 20% to allow for Council project overheads including survey, environmental and investigation (6%), engineering design (5%), engineering supervision (3%) and project management (6%).

Accumulated depreciation

In determining the level of accumulated depreciation, the assets were disaggregated into significant components which exhibit different useful lives. Remaining useful lives were calculated based on condition assessments. The condition assessments were made using a five point scale with 1 being the lowest and 5 being the highest. A condition assessment of 1 indicates an asset with a very high level of remaining service potential (95%). A condition assessment of 5 represents an asset that is unserviceable with a limited remaining useful life (5%).

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

Valuation - dates of revaluations and reviews

Asset Class	Valuation Approach	Last Full Valuation date	Valuer Engaged	Key Assumptions and Estimates	Index applied (change in index recognised this year)	Index applied
Land (level 2)	Market value	30 June 2026	Stantec Pty Ltd	Sales prices of comparable land sites in close proximity were adjusted for differences in key attributes such as property size and zoning.		Nil - revaluation performed
Land improvements (level 3)	Current replacement cost	30 June 2026	Stantec Pty Ltd	Replacement costs calculated primarily by reference to actual costs for similar construction in the Far North Queensland region.		Nil - revaluation performed
Buildings and Other Structures (level 3)	Current replacement cost	30 June 2026	Stantec Pty Ltd	Replacement costs calculated primarily by reference to actual costs for similar construction in the Far North Queensland region. The valuation process involved the collection and review of asset information, condition based assessment and scoring, review and update of unit rates, application of adjustment factors as well as the review of asset useful and remaining useful lives.		Nil - revaluation performed
Transport Assets						
- Road assets (level 3)	Current replacement cost	30 June 2025	Stantec Pty Ltd	Council categorises its road assets into geographical regions and then further sub-categorises these into sealed and unsealed roads. All road segments are then componentised into formation, pavement and seal (where applicable). Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	10.24%	ABS PPI 3101 Road and bridge construction Queensland
- Bridge assets (level 3)	Current replacement cost	30 June 2025	Stantec Pty Ltd	Each bridge is assessed individually, with the valuation varying according to the material type used for construction, the deck area, condition and size. Construction estimates were determined on a similar basis to roads.	10.24%	ABS PPI 3101 Road and bridge construction Queensland

Douglas Shire Council
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For the year ended 30 June 2026

- Other transport assets (level 3)	Current replacement cost	30 June 2025	Stantec Pty Ltd	Construction estimates were determined on a similar basis to roads.	10.24%	ABS PPI 3101 Road and bridge construction Queensland
Water, Sewerage and Solid Waste Disposal						
- Water (level 3)	Current replacement cost	30 June 2026	Stantec Pty Ltd	Unit rates were based on a combination of actual contract data obtained from various Queensland local governments and water utilities over recent years as well as actual supply/installation costs from suppliers and contractors. The valuation process involved the collection and review of asset information, condition based assessment and scoring, review and update of unit rates, application of adjustment factors as well as the review of asset useful and remaining useful lives.		Nil - revaluation performed
- Sewerage (level 3)	Current replacement cost	30 June 2023	Stantec Pty Ltd	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data. The valuation process involved the collection and review of asset information, condition based assessment and scoring, review and update of unit rates, application of adjustment factors as well as the review of asset useful and remaining useful lives.	9.12%	ABS PPI 3109 Other heavy and civil engingeering construction Australia
- Solid Waste Disposal (level 3)	Current replacement cost	30 June 2022	Stantec Pty Ltd	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	9.12%	ABS PPI 3109 Other heavy and civil engingeering construction Australia
Drainage (level 3)	Current replacement cost	30 June 2022	Stantec Pty Ltd	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	9.12%	ABS PPI 3109 Other heavy and civil engingeering construction Australia
Marine (level 3)	Current replacement cost	30 June 2022	Stantec Pty Ltd	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	9.12%	ABS PPI 3109 Other heavy and civil engingeering construction Australia

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

d) Capital and operating expenditure

Wages and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of a non-current asset are expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

e) Capital work in progress

The cost of property, plant and equipment being constructed by Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour oncosts.

f) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets is calculated on a straight-line basis to write-off the value of each depreciable asset, less its estimated residual value (where applicable), progressively over its estimated useful life to Council. The straight-line basis is considered to appropriately reflect the pattern of consumption of all Council assets.

Council reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical or physical obsolescence that may change the utility of infrastructure assets.

Where assets have separately identifiable significant components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The condition assessments performed as part of the comprehensive revaluation process for assets measured at current replacement cost are used to estimate the remaining useful lives of these assets at each reporting date. Generally the majority of above ground assets are individually inspected during a revaluation and a statistically significant sample of below ground assets are inspected in accordance with industry standards. Details of the range of estimated characteristic useful lives for each class of asset are shown in the table earlier in this note.

g) Impairment of non-current assets

Property, plant and equipment is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. In the 2026 financial year, Council experienced weather events that impaired unsealed roads. The impairment of these roads has been recognised in notes 13 and 19.

		2026 $	2025 $
14	**Intangible assets**		
	Software		
	Opening gross carrying value	201,991	201,991
	Additions	-	-
	Disposals	-	-
	Closing gross carrying value	201,991	201,991
	Accumulated amortisation		
	Opening balance	169,114	146,992
	Amortisation in the year	8,224	22,122
	Disposals	-	-
	Closing balance	177,339	169,114
	Net carrying value at the end of the financial year	24,653	32,876

Software has a finite life estimated at 5 years. Straight line amortisation has been used with no residual value.

Douglas Shire Council
Notes to the financial statements
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15 Contract balances

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability. Revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses by percentage of project completion.

		2026	2025
		$	$
(a)	Contract assets	8,790,771	8,563,329
(b)	Contract liabilities		
	Funds received upfront to construct Council controlled assets	23,802,398	35,493,203
	Non-capital performance obligations not yet satisfied	987,765	401,458
		24,790,164	35,894,661

Revenue recognised that was included in the contract liability balance at the beginning of the year

Funds to construct Council controlled assets	30,965,233	1,731,890
Non-capital performance obligations (including deposits received in advance)	229,595	142,778
	31,194,828	1,874,668

Satisfaction of contract liabilities

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Council expects to recognise the contract liability as income in the next 1 year.

16 Leases

Council as a lessee

Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.
The right-of-use asset is measured using the cost model and is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Council has leases in place over buildings, vehicles and equipment.

Buildings

Council leases one building which is used as an office for the disaster recovery works relating to Tropical Cyclone Jasper. The lease term was for 24 months at a fixed lease payment. During the year Council exercised a 1*1 year extension option at an agreed fixed increase.

Vehicles

Council leased vehicles which are used for the disaster recovery works relating to Tropical Cyclone Jasper. These leases had a term of 24 months. The lease payments were fixed for the term of the lease. These leases expired in the year and at balance date the vehicles are managed under a month by month agreement.

Equipment

Council leases one asset which is used in Civil Operations. The lease term is 36 months and payments are fixed. During the year this lease expired and another lease was entered into, under the same terms and conditions. Council leases a number of other items of equipment that are considered low value and are therefore not subject to lease accounting.

Right of use assets

	Buildings	Vehicles	Other	Total
	$	$	$	$
Balance at 1 July 2025	134,575	70,040	17,925	222,540
Additions to right-of-use assets	94,844	-	85,288	180,132
Adjustments to right-of-use assets due to	-	-	-	-
Depreciation charge	(134,575)	(70,040)	(25,033)	(229,648)
Impairment of right-of-use assets	-	-	-	-
Balance at 30 June 2026	94,844	-	78,180	173,024
Balance at 1 July 2024	-	-	-	-
Additions to right-of-use assets	269,150	140,079	80,659	489,888
Adjustments to right-of-use assets due to	-	-	-	-
Depreciation charge	(134,575)	(70,039)	(62,734)	(267,348)
Impairment of right-of-use assets	-	-	-	-
Balance at 30 June 2025	134,575	70,040	17,925	222,540

Douglas Shire Council
Notes to the financial statements
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Lease liabilities
The table below shows the maturity analysis of the lease liabilities based on contractual cash flows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	< 1 year	1–5 years	> 5 years	Total	Total per statement of financial position
	$	$	$	$	$
2026	157,344	-	-	157,344	153,124
2025	167,090	-	-	167,090	163,037

Amounts included in the statement of comprehensive income related to leases
The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee

	2026 $	2025 $
Interest on lease liabilities	6,847	15,889
Depreciation of right to use assets	229,648	267,348
Expenses relating to short-term leases	22,560	31,960
Expenses relating to low-value assets	47,040	47,040
	306,095	362,237
Total cash outflows for leases	266,690	421,740

17 Trade and other payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised for this obligation. This liability represents an accrued expense.

	2026	2025
Current	$	$
Creditors and accruals	12,075,856	9,046,276
Accrued wages and salaries	650,270	523,422
Unearned revenue	381,214	180,550
Prepaid rates	1,478,931	1,263,886
Sick leave	316,751	305,781
Other entitlements	83,971	89,055
	14,986,993	11,408,971

18 Provisions

Liabilities are recognised for employee benefits such as annual and long service leave in respect of services provided by the employees up to the reporting date.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

As Council does not have an unconditional right to defer settlement of annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

Restoration Provision
A provision is made for the cost of restoration of assets and other future restoration costs where it is probable Council will be liable, or required, to incur such a cost on the cessation of use of the facility.

The provision is measured at the expected cost of the work required discounted to current day values using an appropriate rate. The current Queensland Treasury Corporation ("QTC") lending rate is considered an appropriate rate.

Restoration on land not controlled by Council
Where the restoration site is on State reserves which Council does not control, the cost of the provision for restoration of these sites has to be treated as an expense in the reporting period the provision is first recognised. Changes in the provision due to time, discount rate or expected future cost are treated as an expense or income in the reporting period in which they arise.

Douglas Shire Council
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Restoration on land controlled by Council

Where the restoration site is on Council controlled land, the cost of the restoration provision is added to the cost of the land as an improvement and amortised over the expected useful life. Changes in the provision, not arising from the passing of time, are added to or deducted from the asset revaluation surplus for solid waste disposal. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases, if any. Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The current Queensland Treasury Corporation ("QTC") lending rates are used to discount the estimated future cash outflows to their present value.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer settlement of long service leave beyond twelve months after the reporting date, long service leave is classified as current. Otherwise it is classified as non-current.

	2026 $	2025 $
Current		
Landfill restoration	765,893	757,122
Annual leave	2,538,542	2,359,410
Long service leave	2,324,294	2,107,771
	5,628,728	5,224,303
Non-current		
Landfill restoration	5,251,193	3,659,223
Long service leave	559,894	503,948
	5,811,086	4,163,170

Details of movements in provisions:

	2026 $	2025 $
Property restoration: Landfill sites		
Balance at the beginning of the financial year	4,416,343	4,334,167
Increase in provision due to unwinding of discount	197,077	366,177
Increase / (decrease) in provision for future cost	1,845,788	332,906
Provision expended to date	(442,125)	(616,908)
Balance at the end of the financial year	6,017,083	4,416,343

Council has two landfill sites located at Newell Beach and Killaloe and a Sanitary Depot. The provision is stated at the present value of the estimated cost of restoring the landfill sites to a standard required under licensing conditions. The Killaloe and Newell sites are undergoing final capping with post closure monitoring to continue for 30 years after closure.The Sanitary Depot remediation works are finalised and submission has been made to the regulator for the removal or amendment of licensing requirements in 2027. Post closure monitoring is expected for the Sanitary Depot for 30 years after closure. Additional upfront capping costs are required which has increased the landfill provision in the 2026 financial year.

19 Asset revaluation surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

Douglas Shire Council
Notes to the financial statements
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	Note	2026 $	2025 $
Movements in the asset revaluation surplus were as follows:			
Balance at the beginning of the financial year		133,240,242	122,912,163
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and land improvements		12,561,477	-
Buildings and other structures		2,673,142	-
Transport assets		21,752,753	10,328,079
Water, Sewerage and Solid waste		15,748,299	-
Drainage		3,626,747	-
Fair value decrement:			
Transport assets	13	(14,320,743)	-
Balance at the end of the financial year		175,281,917	133,240,242
Asset revaluation surplus analysis			
The closing balance of the asset revaluation surplus comprises the following asset categories:			
Land and land improvements		15,972,938	3,411,461
Buildings and other structures		30,488,253	27,815,112
Transport assets		34,652,860	27,220,850
Water, Sewerage and Solid waste disposal		88,194,850	72,446,551
Drainage		5,973,015	2,346,268
		175,281,917	133,240,242

20 Commitments for expenditure

Capital Commitments		
Land and Land Improvements	46,000	107,899
Buildings and other structures	125,879	1,310,175
Transport assets	30,033,278	71,558,587
Water, Sewerage and Solid Waste disposal	2,039,970	1,513,725
Plant and Equipment	-	367,613
Marine	6,842,358	9,023,351
These expenditures are payable as follows:		
Not later than 1 year	37,195,127	74,741,093
Later than 1 year but not later than 5	1,892,358	9,140,258
	39,087,485	83,881,351

21 Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or being unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2026 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is $1,006,334

Douglas Shire Council
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22 Superannuation

Council contributes to the Brighter Super Regional Defined Benefits Fund (the scheme), at the rate of 12% for each standard permanent employee who is a defined benefit member. This rate is set in accordance with the Brighter Super trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the Local Government Act 2009. The scheme is managed by the Brighter Super trustee.
The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate obligations, but has not been recognised as an asset or liability of the Council.

Technically Council can be liable to the scheme for a portion of another local government's obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and, in accordance with the Brighter Super trust deed, changes to council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2024. The actuary indicated that “At the valuation date of 1 July 2024, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages and there are no known requirements to change the rate of contributions.
The next triennial actuarial review is not due until 1 July 2027.

The most significant risks that may result in Brighter Super increasing the contribution rate, on the advice of the actuary, are:
Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.
Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

	Note	2026 $	2025 $
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	2,424,461	2,255,029

23 Reconciliation of net result for the period to net cash inflow (outflow) from operating activities

Net result	69,667,380	46,692,503
Non-cash items:		
Depreciation and amortisation	18,352,775	17,644,227
Revaluation adjustments	(440,071)	-
Change in future rehabilitation and restoration costs	2,042,865	699,083
	19,955,569	18,343,310
Investing and development activities (non-cash):		
Net profit or loss on disposal of non-current assets	1,212,917	1,264,664
Capital grants, contributions and reimbursements	(68,103,985)	(47,529,589)
Donated assets	57,799	78,960
	(66,833,269)	(46,185,965)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(2,335,842)	(1,622,710)
(Increase)/decrease in inventory	45,382	(42,731)
(Increase)/decrease in prepayments	(64,597)	(187,751)
(Increase)/decrease in contract assets (recurrent grants)	(4,178,613)	(68,287)
Increase/(decrease) in payables	3,135,897	(5,114,982)
Increase/(decrease) in contract liabilities (recurrent grants)	586,307	258,680
Increase/(decrease) in other provisions	451,599	378,818
Increase/(decrease) in unearned revenue	(28,119)	(159,633)
	(2,387,985)	(6,558,596)
Net cash inflow from operating activities	20,401,695	12,291,251

24 Events after the reporting period

There has not been any event that occurred after the end of the reporting period that has significantly affected, or may significantly affect, the current or future financial results of the Council.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

25 Financial instruments and financial risk management

(a) Financial assets and financial liabilities

Council has exposure to the following risks arising from financial instruments:
- credit risk
- liquidity risk
- market risk

Risk management framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council's management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. Council aims to manage volatility to minimise potential adverse effects on its financial performance.

The Douglas Shire Council Audit Committee oversees how management monitors compliance with Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by Council. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Douglas Shire Council Audit Committee.

Council does not enter into derivatives.

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state/ commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

No collateral is held as security relating to the financial assets held by Council.

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

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Council is exposed to liquidity risk through its normal course of business. Council manages its exposure to liquidity risk by maintaining sufficient cash deposits to cater for unexpected volatility in cash flows.

Council is exposed to liquidity risk in relation to its financial liabilities, being trade and other payables, which are expected to be settled within 12 months.

The following table sets out the liquidity risk in relation to financial liabilities (excluding lease liabilities - refer note 20) held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
2026					
Trade and other payables	14,986,993	-	-	14,986,993	14,986,993
	14,986,993	-	-	14,986,993	14,986,993
2025					
Trade and other payables	11,408,971	-	-	11,408,971	11,408,971
	11,408,971	-	-	11,408,971	11,408,971

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

Market risk

Market risk is the risk that changes in market indices, such as interest rates, will affect Council's income or the value of its holdings of financial instruments.

Currency risk
Council is not exposed to currency risk as all investments are held in Australian currency.

Price risk
Council is not exposed to price risk as investments are held with financial institutions, rather than shares or stocks.

Interest rate risk
Council is exposed to interest rate risk through investments with financial institutions.

Sensitivity
Interest rate sensitivity analysis evaluates the outcome on financial result if interest rates would change by +/- 1 percent from the year-end rates applicable to Council's financial assets and financial liabilities. With all other variables held constant, Council would have a financial result and equity increase/(decrease) of $665,861 (2025: $637,012).

(b) Fair value
The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment. The carrying value of cash and cash equivalents, short term payables and receivables is considered a reasonable approximation of fair value.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

26 Transactions with related parties

(a) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management. The compensation paid to KMP comprises:

	2026	2025
	$	$
Short-term employee benefits	1,098,855	945,369
Post-employment benefits	130,055	89,006
Long-term benefits	17,305	18,691
Termination benefits	124,196	-
Sub-Total	**1,370,410**	**1,053,067**
Provision of KMP provided by agency	41,773	358,279
Total	**1,412,183**	**1,411,346**

Detailed remuneration disclosures are provided in the annual report.

(b) Transactions with other related parties

Other related parties include close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

Details of transactions between Council and other related parties are disclosed below:

Details of Transaction	Additional information	2026	2025
		$	$
Purchase of materials and services from entities controlled by key management personnel or their close family members.	26(b)(i)	-	-
Employee Expenses for close family members of key management personnel	26(b)(ii)	136,446	63,550

(i) During the year there were no entities controlled by KMP providing materials and services to Council. Last year there were none.

(ii) One close family member of key management personnel was employed through an arm's length process (In 2025 there was one). They are paid in accordance with the Award for the job they perform.

(c) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Receivables	Amounts owed by entities controlled by KMP	Amounts owed by entities controlled by KMP
	2026	2025
Current	$ -	$ -
Past due 31-60 days	$ -	$ -
Past due 61 - 90 days	$ -	$ -
More than 90 days overdue	$ -	$ -
Total owing	**$ -**	**$ -**
Payables	**Amounts owed to entities controlled by KMP**	**Amounts owed to entities controlled by KMP**
	2026	**2025**
Current	$ -	$ -
Past due 31-60 days	$ -	$ -
Past due 61 - 90 days	$ -	$ -
More than 90 days overdue	$ -	$ -
Total owing	**$ -**	**$ -**

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2026

(d) Loans and guarantees to/from related parties

Council does not make loans or receive loans from related parties. No guarantees have been provided.

(e) Transactions with related parties that have not been disclosed.

Most of the entities and people that are related parties of Council live and operate within the Douglas Shire. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Dog registration
- Use of swimming pool
- Borrowing books from a Council library

Council has not included these types of transactions in its disclosure, where they are made on the same terms and conditions available to the general public.

Douglas Shire Council
Financial statements
For the year ended 30 June 2026

Management Certificate
For the year ended 30 June 2026

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that:

(i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and

(ii) the general purpose financial statements as set out on pages 3 to 30 present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

Mayor
Lisa Scomazzon

Date: 15/10/26

Chief Executive Officer
Scott Osman

Date: 15/10/26

Queensland Audit Office
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INDEPENDENT AUDITOR'S REPORT

To the Councillors of Douglas Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Douglas Shire Council (the council).

The financial report comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the certificate given by the Mayor and Chief Executive Officer.

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2026:

a) I received all the information and explanations I required.

b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

c) In my opinion, the financial report:

   i. gives a true and fair view of the council's financial position as at 30 June 2026, and of its financial performance for the year then ended

   ii. complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the 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 council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Other information

The council is responsible for the other information.

The other information comprises the information included in the council's annual report for the year ended 30 June 2026, but does not include the financial report and my auditor's report thereon.

At the date of this auditor's report, the available other information in the council's annual report for the year ended 30 June 2026 was the current-year financial sustainability statement – audited ratios, current-year financial sustainability statement – unaudited contextual ratios and long-term financial sustainability statement – unaudited.

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My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the financial report

The council is responsible for:

- the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012, and other prescribed requirements and Australian Accounting Standards, and such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

Auditor's responsibilities for the audit of the financial report

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. My auditor's report must state whether I have received all the information and explanations required, and whether I consider the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

www.auasb.gov.au/auditors_responsibilities/ar4.pdf

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:
www.qao.qld.gov.au/audit-program/audit-standards

These descriptions form part of my auditor's report.

16 October 2026

William Cunningham
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Douglas Shire Council
Current-year Financial Sustainability Statement - Audited ratios for the year ended 30 June 2026

Type	Measure	Target (Tier 5)	Actual Current Year	5-Year Average	Council Narrative
			Council		
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 4 months (single yr)	8.98	N/A	Council has sufficient unrestricted cash to contribute toward the cost of future planned and unplanned expenditures.
Operating Performance	Operating Surplus Ratio	Greater than -2% (5 yr average)	4.96%	0.43%	Council is comfortably covering its core operational expenditure. Significant movement and key drivers in this ratio is grant funded revenue and expenditure.
	Operating Cash Ratio	Greater than 0% (5 yr average)	28.61%	24.44%	Council is comfortably covering its core operational requirements.
Asset Management	Asset Sustainability Ratio	Greater than 90% (5 yr average)	313.74%	172.61%	Council is spending appropriate levels on renewals of assets. Significant movement and key drivers in this ratio is the renewal expenditure on disaster impacted assets.
	Asset Consumption Ratio	Greater than 60% (5 yr average)	62.8%	61.9%	Council's assets are being consumed in line with their estimated useful lives.

The current year financial sustainability statement is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the five reported measures are prepared on an accrual basis and are drawn from the council's audited general purpose financial statements for the year ended 30 June 2026.

Certificate of Accuracy
For the year ended 30 June 2026

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation* 2012 (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.

Mayor
Lisa Scomazzon
Date: 15/10/26

Chief Executive Officer
Scott Osman
Date: 15/10/26

Queensland Audit Office
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INDEPENDENT AUDITOR'S REPORT

To the Councillors of Douglas Shire Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Douglas Shire Council (the council).

The financial sustainability statement for the year ended 30 June 2026, comprises the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s. 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement is accurately calculated in accordance with the Financial Management (Sustainability) Guideline 2024.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Emphasis of matter – basis of accounting

I draw attention to Note 1, which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2024 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

The council is responsible for the other information.

The other information comprises the information included in the council's annual report for the year ended 30 June 2026, but does not include the financial sustainability statement and my auditor's report thereon.

At the date of this auditor's report, the available other information in the council's annual report for the year ended 30 June 2026 was the general purpose financial statements, current-year financial sustainability statement – unaudited contextual ratios, and the long-term financial sustainability statement – unaudited.

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My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the general purpose financial report.

In connection with my audit of the financial sustainability statement, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial sustainability statement and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the current year financial sustainability statement

The council is responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Financial Management (Sustainability) Guideline 2024 and the Local Government Regulation 2012. The council's responsibility also includes such internal control as the council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement 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 the 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 statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the 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 statement, 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the council.

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I communicate with the council regarding, 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 my audit.



16 October 2026

William Cunningham
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Douglas Shire Council

Current-year Financial Sustainability Statement - Unaudited contextual ratios for the year ended 30 June 2026

Type	Measure	Target (Tier 5)	Actual Current Year	5-Year Average	Council Narrative
			Council		
Financial Capacity	Council-Controlled Revenue*	N/A	71.98%	75.72%	The 5 year average ratio indicates that Council has a healthy rate base and appropriately costed fees and charges rates to generate revenue without relying on external sources.
	Population Growth*	N/A	2.65%	1.38%	The Shire's population growth continues to be variable.

The current year financial sustainability statement - Contextual Ratios is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the two reported measures are prepared on an accrual basis and are drawn from the council's audited general purpose financial statements for the year ended 30 June 2026.

Certificate of Accuracy

For the year ended 30 June 2026

This current-year financial sustainability statement - Contextual Ratios has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement (Contextual Ratios) has been accurately calculated.

Mayor

Lisa Scomazzon

Date: 15/10/26.

Chief Executive Officer

Scott Osman

Date: 15/10/26

Douglas Shire Council
Long-Term Financial Sustainability Statement - Unaudited
Prepared as at 30 June 2026

Measures of Financial Sustainability
Council

Projected for the years ended

Type	Measure	Target (Tier 3)	Actuals as at 30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033	30 June 2034	30 June 2035
Financial Capacity	Council-Controlled Revenue	N/A	71.98%	76.00%	66.00%	67.30%	67.50%	67.60%	67.70%	67.80%	67.90%	68.00%
	Population Growth	N/A	2.63%	1.30%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Operating Performance	Operating Surplus Ratio	Greater than -2% (5 yr average)	-4.98%	-9.80%	0.00%	1.10%	2.20%	1.80%	1.55%	1.00%	0.80%	0.60%
	Operating Cash Ratio	Greater than 0% (5 yr average)	29.61%	24.50%	27.30%	27.90%	28.70%	28.30%	28.00%	27.70%	27.40%	27.10%
Asset Management	Asset Sustainability Ratio	Greater than 90% (5 yr average)	313.74%	471.00%	95.00%	90.00%	90.00%	90.50%	90.00%	90.00%	90.00%	90.00%
	Asset Consumption Ratio	Greater than 60% (5 yr average)	62.60%	68.00%	86.10%	86.00%	85.80%	85.90%	85.30%	85.30%	84.80%	84.50%

Council's long term financial management strategy is to achieve all measures of financial sustainability, and this is consistent with council's long term forecast.

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2026

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the Local Government Regulation 2012 (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

Mayor
Lisa Scomazzon
Date 15/10/26.

Chief Executive Officer
Scott Osipow
Date 15/10/26.

Acronyms and Abbreviations

AASB	Australian Accounting Standards Board
ABS PPI	Australian Bureau of Statistics Producer Price Index
ATO	Australian Taxation Office
CEO	Chief Executive Officer
DETSI	Department of Environment, Tourism, Science and Innovation
DMU	Disaster Management Unit
DRFA	Disaster Recovery Funding Arrangements
EEO	Equal Employment Opportunity
ELT	Executive Leadership Team
ERP	Enterprise Resource Planning
FNQ FRMP	Far North Queensland Flood Risk Management Program
GST	Goods and Services Tax
ICT	Information and Communications Technology
Inc.	Incorporated
IPWEA	Institute of Public Works Engineering Australasia
KMP	Key Management Personnel
LGAQ	Local Government Association of Queensland
LGM	Local Government Mutual Scheme
LGMA	Local Government Managers Australia
NAIDOC	National Aboriginal and Islander Day Observance Committee
PSC	People, Safety and Culture
Q1-Q4	Quarter 1, 2, 3 or 4
QCA	Queensland Competition Authority
QRA	Queensland Reconstruction Authority
QLD	Queensland
QTC	Queensland Treasury Corporation
RADF	Regional Arts Development Fund
RAP	Reconciliation Action Plan
RAW	Reconciliation Action Week
RFQ	Request for Quotation
SA	South Australia
SEEC	Soil and Water Environmental Consultants Australia
SES	State Emergency Service
SVS	State Valuation Service
T/A	Trading As
U3A	University of the Third Age
WHS	Workplace, Health and Safety

Feedback

You can submit feedback on the Annual Report by emailing **enquiries@douglas.qld.gov.au**, using the online form at **douglas.qld.gov.au/contact-us/#FEEDBACK**, or by scanning the QR code to the right.

DOUGLAS SHIRE COUNCIL
07 4099 9444 | PO Box 723, Mossman Q 4873
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4. CLOSED SESSION

Nil

5. MEETING CLOSURE