

6.4. APRIL 2025 FINANCIAL REPORTS

REPORT AUTHOR	Senior Financial Accountant
MANAGER	Acting Chief Financial Officer
DEPARTMENT	Corporate and Communities

RECOMMENDATION

That Council note the Statement of Comprehensive Income and Statement of Financial Position for April 2025.

EXECUTIVE SUMMARY

The Statement of Comprehensive Income details the 2024-2025 revised operational budget progress for the period ended 30 April 2025. The Statement of Financial Position reports the Council's Assets and Liabilities as at 30 April 2025.

Key points to note include the following:

- Operating revenue is below budget by \$1.7m.
- Expenditure is below budget \$985k.
- The net operating position is \$713k below budget expectation, currently \$4.4m compared to a budgeted surplus of \$5.1m

BACKGROUND

In accordance with s204 of the *Local Government Regulation 2012* the Chief Executive Officer must present to Council a financial report, which states the progress that has been made in relation to the current financial year's budget. This report must be presented to Council on a monthly basis and cover the period up to a day as near as practicable to the end of the preceding month.

COMMENT

The 2024-2025 annual budget was adopted on 25 June 2024 and the revised budget was subsequently adopted on the 26 November 2024. The attached financial report details progress against the revised budget for the period ended 30 April 2025.

FINANCIAL REPORT – Statement of Comprehensive Income

Operating Revenue

Operating revenue is currently below budget, with variations occurring within the categories as follows:

- Rates and utility charges are below budget by \$175k:
 - Property growth and associated charges are above budget \$24.5k
 - Water revenue below budget by \$158k
 - Increase in Pension & Council discounts \$40k over budget.

- Fees and charges are below budget by \$445k due to the following:
 - Daintree ferry revenue is \$173k below budget.
 - Revenue from Licence fees is \$5k below budget.
 - Building and property related fees are \$237k below budget. \$71k of this variance relates to the reversal of an application fee due to it expiring & a further \$50k from an application being withdrawn. Lodgment and application fees for properties, including property search fees are also below revised budget expectation.
 - Refuse tipping fees are \$19k above budget.
 - Other fees and charges are \$50k below budget. This includes Caravan Parks at Mossman \$63k & Wonga Beach \$43k. These have been partially offset by an increase in Pool revenue of \$30k above budget expectation.
- Grants and subsidies are \$1.7m below budget. This is primarily due to the timing for the final reimbursement for the works completed for Cyclone Jasper and the associated flooding.
- Interest revenue on investments is \$511k above budget as a result of interest rate reduction deferrals coupled with Council's accumulated cash balance.
- Other recurrent income is \$171.6k above budget, primarily due to additional work performed and the timing of works completed on behalf of the Department of Transport and Main Roads (TMR).

Operating Expenditure

Year-to-date expenditure, variations to budget are as follows:

- Employee benefits expenditure is currently \$808k below budget. This can be subject to the timing of various unfilled vacancies. However, this variance is partly offset by an above budget increase in temporary and contract staff expenditure.
- Materials and services expenditure is currently below budget expectations by \$258k.
- Depreciation expense is tracking closely to revised budget expectations with only a small variance of \$76k year-to-date.
- Finance charges are currently \$6k above budget.

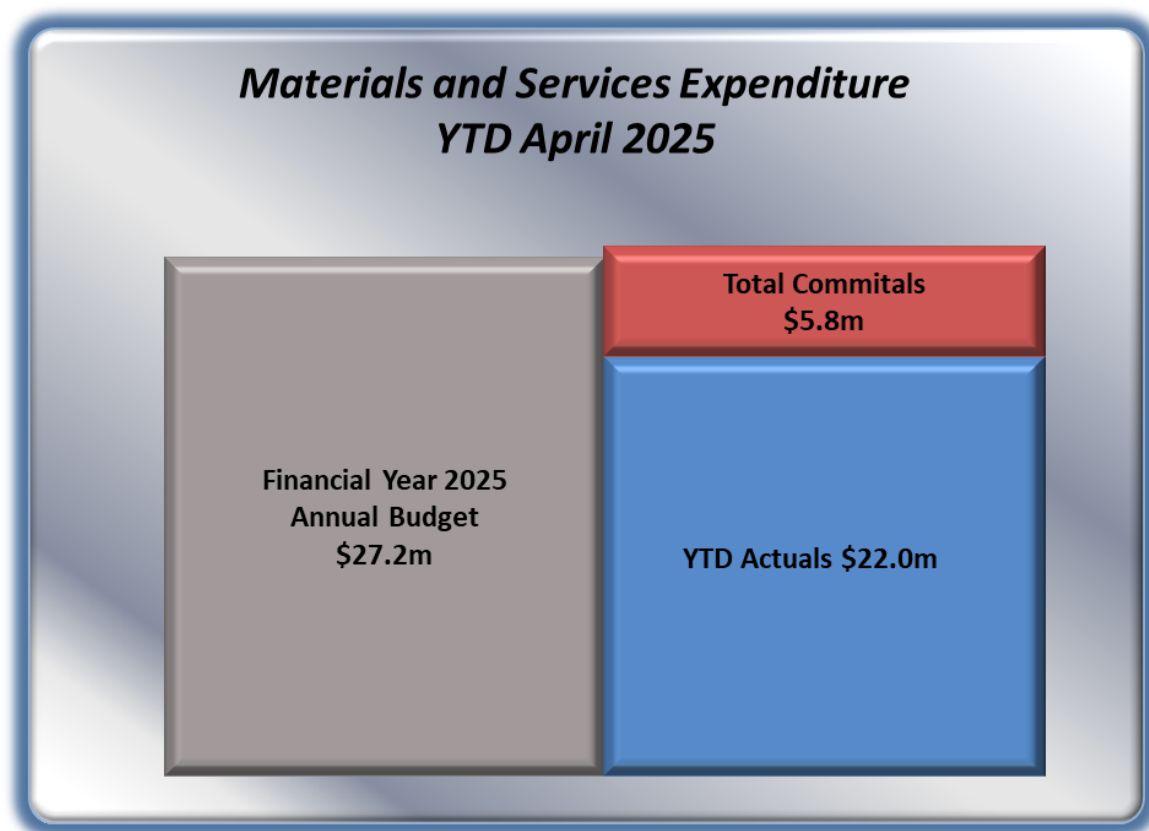


Figure 1.

Operating Result

A key point to note is the operating surplus is currently \$713k behind budget.

As reflected in the attached report operating revenue at the end of April 2025 was \$1.7m behind budget and operating expenditure \$985k under budget.

This has resulted in an operating surplus of \$4.4m compared to a budgeted surplus of \$5.1m for year to date.

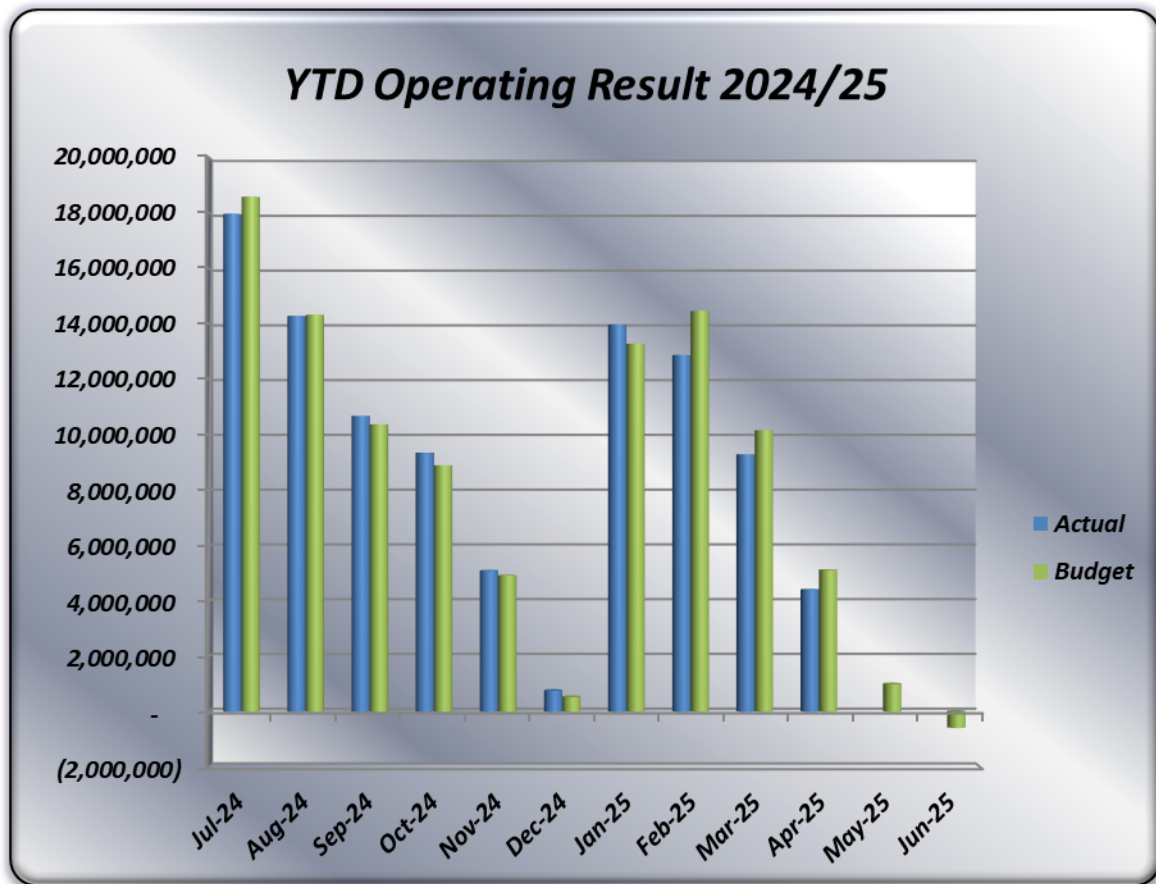


Figure 2.

Capital Revenue and Expenditure

- The revised budget reflects significant changes in original budgeted capital grants and expenditure. This change primarily relates to the inclusion of the approved projects by Queensland Reconstruction Authority (QRA) resulting from damage caused by Cyclone Jasper and the subsequent flooding event. To date Council has received \$61m (46% of its annual budgeted capital grants and subsidies), \$97k contributions from developers and recorded a loss on disposal of assets of \$461k.
- In addition to year-to-date capital expenditure of \$42.2m a further \$26.6m had been committed for capital as at the end of April 2025.

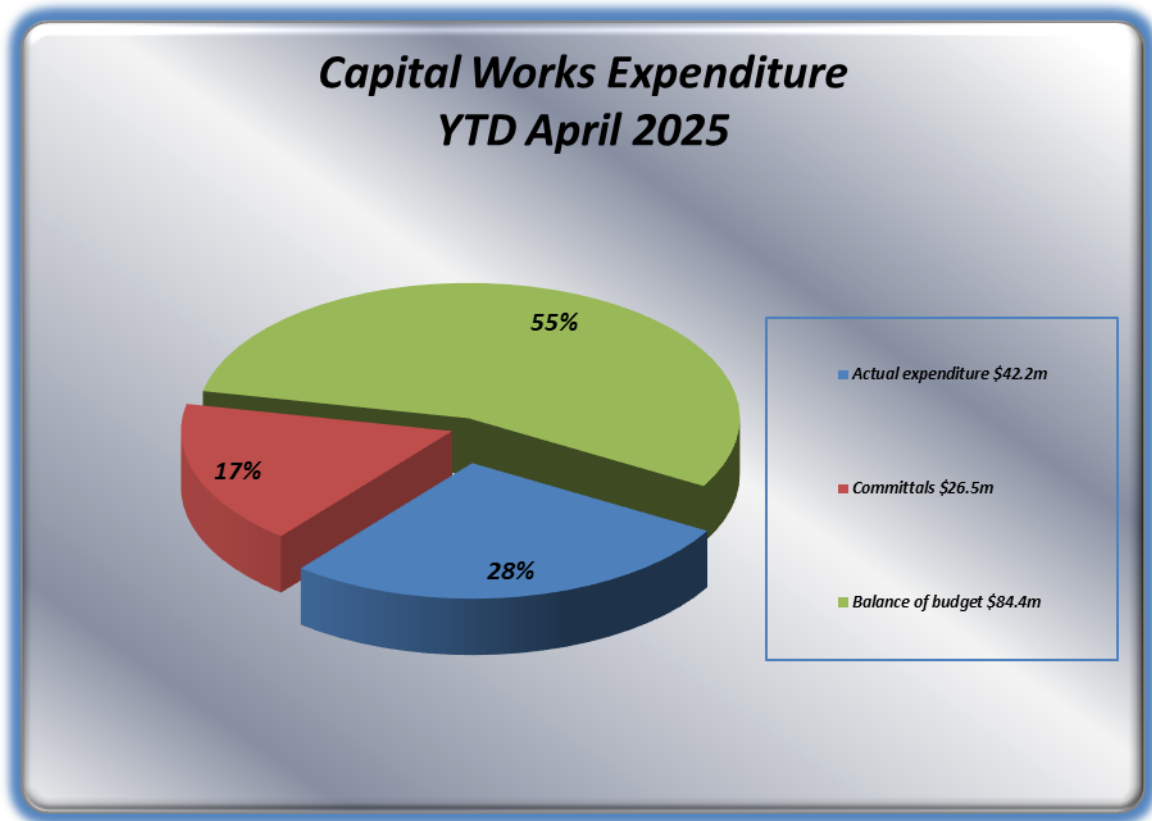


Figure 3.

FINANCIAL STATEMENT – Statement of Financial Position

The Statement of Financial Position as at 30 April 2025, reflects net community assets of \$603.4m. This includes an increase in cash holdings, primarily due to the receipt of funds for the 30% prepayment of QRA Capital reconstruction grants.

FINANCIAL/RESOURCE IMPLICATIONS

The timing of works, and subsequent reimbursement from the Tropical Cyclone Jasper disaster funding bodies will need to be closely monitored as they impact Council's available cash. Council's cashflow will need to be closely monitored to ensure that funding payments from the funding bodies are received in a timely manner.

RISK MANAGEMENT IMPLICATIONS

Monthly financial reporting keeps Council informed of the progress in relation to the budget and allows for timely corrective action if required. The current delay in receiving the final reimbursement of Emergent and Counter disaster payments from Queensland Reconstruction Authority (QRA) has affected the current result and could impact the end of year result if not received by the end of the financial year. Council is in contact with QRA to ascertain an expected payment date.

SUSTAINABILITY IMPLICATIONS

Economic:	The aim of the long-term financial forecast is to meet all the 'measures of financial sustainability'. The impact of recent disasters may continue to affect these measures.
Environmental:	Nil
Social:	Nil

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

Goal 3 - We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting.

Operational Plan 2024-2025 Actions:

Legislative requirement.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances, and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Custodian	Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.
Regulator	Council has a number of statutory obligations detailed in numerous regulations and legislative Acts. Council also makes local laws to ensure that the Shire is well governed. In fulfilling its role as regulator, Council will utilise an outcomes-based approach that balances the needs of the community with social and natural justice.

ATTACHMENTS

1. 2025 April Statement of Comprehensive Income [6.4.1 - 1 page]
2. 2025 April Statement of Financial Position [6.4.2 - 1 page]

Douglas Shire Council**Statement of Comprehensive Income****Financial Report April 2025**

	Actual YTD 25 \$	Budget YTD 24/25 \$	Variance \$	Budget 24/25 \$	Actual as % of Budget 24/25
Operating Revenue					
Rates and utility charges	41,167,929	41,302,345	(134,416)	44,406,801	93%
less: Financial Assistance, Remissions (incl. Pensioners)	(675,033)	(634,600)	(40,433)	(634,601)	106%
Net rates and utility charges	40,492,897	40,667,745	(174,848)	43,772,200	93%
Fees and charges	6,506,889	6,951,713	(444,824)	8,434,506	77%
Grants and subsidies	7,285,024	9,045,656	(1,760,632)	9,930,203	73%
Interest received	2,209,313	1,698,627	510,686	1,938,902	114%
Other recurrent income	1,350,048	1,178,458	171,590	1,613,650	84%
Total Operating Revenue	57,844,169	59,542,199	(1,698,030)	65,689,461	88%
Operating Expenses					
Employee benefits	17,101,683	17,909,553	807,870	21,848,491	78%
Materials and services	21,985,747	22,244,538	258,791	27,204,946	81%
Depreciation	14,294,924	14,219,066	(75,858)	17,072,227	84%
Finance costs	60,651	54,900	(5,751)	98,599	62%
Total Recurrent Expenses	53,443,005	54,428,057	985,052	66,224,263	81%
Operating Result	4,401,164	5,114,142	(712,978)	(534,802)	(823%)
Capital Revenue					
Capital grants and subsidies	61,324,621	131,023,807	(69,699,186)	131,023,807	47%
Contributions from developers	96,952	250,000	(153,048)	250,000	39%
Gain/(Loss) non current assets & Insurance Proceeds	(460,503)	-	460,503	386,000	(119%)
Total capital revenue	60,961,070	131,273,807	(70,312,737)	131,659,807	46%
Net Result	65,362,234	136,387,949	(71,025,715)	131,125,005	50%
Capital Works Program					
Capital additions	42,151,517	153,068,683	110,917,166	153,068,683	28%
Total capital additions	42,151,517	153,068,683	110,917,166	153,068,683	28%

Douglas Shire Council
Statement of Financial Position
April 2025

	2025 \$	2024 \$
Current assets		
Cash and cash equivalents	67,625,410	29,073,420
Investments	-	5,000,000
Trade and other receivables, Contract Assets, Prepayments	4,592,812	8,763,092
Inventories	124,341	96,761
Total current assets	72,342,563	42,933,273
Non-current assets		
Property, plant and equipment	549,849,558	522,467,104
Intangible assets	54,998	54,998
Total non-current assets	549,904,556	522,522,102
Total assets	622,247,119	565,455,375
Current liabilities		
Trade and other payables, Contract Liabilities	8,729,422	17,781,715
Provisions	5,462,592	4,605,338
Total current liabilities	14,192,015	22,387,052
Non-current liabilities		
Borrowings	-	-
Provisions	4,321,141	4,321,141
Unearned Revenue	355,529	355,529
Total non-current liabilities	4,676,670	4,676,670
Total liabilities	18,868,684	27,063,722
Net community assets	603,378,435	538,391,653

**** Statement of Financial Position is a representation of Council's financial position at a point in time. No adjustments or considerations have been assessed or made for outstanding revenues or expenses or ongoing Contract assets or liabilities which arise from the receipt of Grant funding. Assessments of Leave provisions, Landfill provisions are undertaken annually.**