7.4. 2026 JULY FINANCIAL REPORTS

REPORT AUTHOR	Team Leader Financial Accounting
MANAGER	General Manager Corporate and Communities
DEPARTMENT	Corporate and Communities
TEAM	Financial Services
DATE	25 August 2026

RECOMMENDATION

That Council note the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cashflows for July 2026.

EXECUTIVE SUMMARY

The Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cashflows detail progress against the 2026/27 budget for the period ended 31 July 2026.

Key points to note include the following:

- Results will be impacted by end of financial year adjustments relating to 2025/26.
- The operating result is above budget expectations by **$0.9m,** primarily due to timing of expenditure and vacancies in Business as Usual.
- At the end of July 2026, Council's net community assets is **$691m.**
- At the end of July 2026, Council's cash balance is **$67m.**

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

Not applicable

REPORT/BACKGROUND

In accordance with Section 204 of the *Local Government Regulation 2012* the Chief Executive Officer (or delegate) 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 monthly and cover the period up to a day as near as practicable to the end of the preceding month.

The 2026/27 annual budget was adopted on 16 June 2026. The attached financial report details progress against the annual budget for the period ended 31 July 2026.

Statement of Comprehensive Income

Operating Revenue

Operating revenue is materially on budget.

- Interest income is above budget by **$0.14m** due to higher-than-expected cash balances.

- This is offset by **$0.17m** in operational grants not yet recognised mainly in disaster, pending a 2025/26 year-end adjustment.

Operating Expenditure

Operating expenditure is below budget expectations by **$0.9m,** mostly in Business as Usual.

- **$0.13m** in Employee benefits due to vacant positions.

- **$0.72m** in Materials and Services due to timing of grant expenditure, payment of insurance premiums, and completion of asset condition assessments.

Operating Result

- The operating result is above budget expectations by **$0.9m,** primarily due to timing of expenditure and vacancies in Business as Usual.

Capital Revenue and Expenditure

- Council has budgeted **$81m** in capital grants and **$108m** for capital works. Capital revenue and expenditure are currently reported on a cash basis, with management working to implement month-end accrual accounting.

Statement of Financial Position

- The Statement of Financial Position as at 31 July 2026 reflects net community assets of **$691m.**

- All of Council cash holdings are currently held in high interest-bearing accounts or invested with Queensland Treasury Corporation.

Statement of Cash Flows

- The Statement of Cash Flows shows how cash receipts and payments affect Council's cash position. At the end of July 2026, Council's cash balance was **$67m**.

FINANCIAL AND RESOURCE IMPLICATIONS

Financial and resources implications are laid out in the financial report above.

RISK MANAGEMENT IMPLICATIONS

Monthly financial reporting informs Council of progress in relation to the budget and allows for timely corrective action if required.

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.
1.1 - Deliver community initiatives that support healthy, inclusive and socially engaged communities.

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.
2.2 - Support local business through local procurement.

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.
3.1 - Deliver the Corporate Plan, Operational Plan and Budget.

Operational Plan 2026-2027 Actions:

Legislative requirement.

LEGISLATION AND POLICY

- *Local Government Act 2009*
- *Local Government Regulation 2012*

CONSULTATION

Internal:

- Financial Services staff
- Executive Leadership Team
- Elected members in a Councillor Workshop held on 18 August 2026

CONCLUSION

That Council note the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cashflows for July 2026.

ATTACHMENTS

1. July 26 Statement of Comprehensive Income [**7.4.1** - 1 page]
2. July 26 Statement of Cash Flows [**7.4.2** - 1 page]
3. Statement of Financial Position [**7.4.3** - 1 page]

Douglas Shire Council

Statement of Comprehensive Income

Financial Report July 2026

	Business As Usual			Disaster			Consolidated				
	Actual YTD $	Budget YTD $	Variance YTD $	Actual YTD $	Budget YTD $	Variance YTD $	ACTUAL YTD $	Budget YTD $	Variance $	Annual Budget 26/27 $	Actual as % of Annual Budget
Operating Revenue											
Rates and utility charges	20,435,504	20,398,483	37,021			-	20,435,504	20,398,483	37,021	52,428,061	39%
less: Financial Assistance, Remissions	(318,018)	(379,320)	61,302			-	(318,018)	(379,320)	61,302	(763,641)	42%
Net rates and utility charges	20,117,487	20,019,163	98,324			-	20,117,487	20,019,163	98,324	51,664,420	39%
Fees and charges	1,358,923	1,350,007	8,916			-	1,358,923	1,350,007	8,916	9,400,124	14%
Grants and subsidies	-	48,141	(48,141)	-	117,354	(117,354)	-	165,495	(165,495)	13,522,251	0%
Interest received	163,190	18,689	144,501	132,918	132,918	-	296,108	151,607	144,501	2,015,304	15%
Other recurrent income	117,872	118,442	(570)	18,303	18,286	17	136,176	136,728	(552)	1,644,538	8%
Total Operating Revenue	**21,757,473**	**21,554,442**	**203,031**	**151,221**	**268,558**	**(117,337)**	**21,908,695**	**21,823,000**	**85,695**	**78,246,637**	**28%**
Operating Expenses											
Employee benefits	1,927,873	2,026,939	99,066	77,357	107,076	29,719	2,005,230	2,134,015	128,785	24,162,929	8%
Materials and services	2,945,644	3,444,811	499,167	8,532	232,444	223,912	2,954,176	3,677,255	723,079	34,886,928	8%
Depreciation	1,543,767	1,543,767	-			-	1,543,767	1,543,767	-	19,699,000	8%
Finance costs	1,914	6,719	4,805			-	1,914	6,719	4,805	126,957	2%
Total Recurrent Expenses	**6,419,198**	**7,022,236**	**603,038**	**85,889**	**339,520**	**253,631**	**6,505,088**	**7,361,756**	**856,668**	**78,875,814**	**8%**
Operating Result	**15,338,275**	**14,532,206**	**806,069**	**65,332**	**(70,962)**	**136,294**	**15,403,607**	**14,461,244**	**942,363**	**(629,177)**	**(2448%)**
Capital Revenue											
Capital grants and subsidies	107,348	1,308,942	(1,201,594)	47,147	10,495,186	(10,448,039)	154,495	11,804,128	(11,649,633)	80,610,794	0%
Contributions from developers	2,848	-	2,848			-	2,848	-	2,848	-	0%
Gain/(Loss) non current assets & Insurance Proceeds	-	-	-			-	-	-	-	821,000	0%
Total capital revenue	**110,196**	**1,308,942**	**(1,198,746)**	**47,147**	**10,495,186**	**(10,448,039)**	**157,343**	**11,804,128**	**(11,646,785)**	**81,431,794**	**0%**
Net Result	**15,448,471**	**15,841,148**	**(392,677)**	**112,479**	**10,424,224**	**(10,311,745)**	**15,560,950**	**26,265,372**	**(10,704,422)**	**80,802,617**	**19%**
Capital Works Program											
Capital additions	2,494,318	3,806,039	1,311,720	126,049	9,879,352	9,753,303	2,620,368	13,685,391	11,065,023	108,065,600	2%
Total capital additions	**2,494,318**	**3,806,039**	**1,311,720**	**126,049**	**9,879,352**	**9,753,303**	**2,620,368**	**13,685,391**	**11,065,023**	**108,065,600**	**2%**

Douglas Shire Council
Statement of Cash Flows
July 2026

	July 2026	Interim June 2026	2025
	$	$	$
Cash flows from operating activities			
Receipts from customers	10,453,896	61,299,993	51,247,296
Payments to suppliers and employees	(4,492,977)	(65,537,225)	(53,420,487)
	5,960,919	(4,237,232)	(2,173,191)
Interest received	296,108	2,696,614	2,704,324
Rental income	20,536	297,303	341,102
Non capital grants and contributions	-	7,696,936	11,503,170
Borrowing costs/Bank Charges	(1,914)	(78,045)	(84,152)
Net cash inflow from operating activities	**6,275,650**	**6,375,576**	**12,291,253**
Cash flows from investing activities			
Payments for property, plant and equipment	(6,918,188)	(90,026,560)	(58,581,882)
Payments for intangible assets	-	-	-
Payments for assets donated	-	-	(78,960)
Proceeds from sale of property plant and equipment	193,729	193,729	55,354
Net Movement in Investments	-	-	5,000,000
Grants, subsidies, contributions and donations	4,220	87,626,223	75,941,971
Capital insurance proceeds	-	-	-
Net cash used in investing activities	**(6,720,238)**	**(2,206,608)**	**22,336,483**
Cash flows from financing activities			
Proceeds from borrowings	-	-	-
Repayment of borrowings	-	-	-
Net cash inflow (outflow) from financing activities	**-**	**-**	**-**
Net (decrease)/increase in cash and cash equivalent held	**(444,589)**	**4,168,968**	**34,627,736**
Cash and cash equivalents at the beginning of the financial year	**67,870,124**	**63,701,156**	**29,073,420**
Cash and cash equivalents at the end of the Reporting Month	**67,425,536**	**67,870,124**	**63,701,156**

*** Statement of Cash Flow is a representation of Council's cashflow 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.*

Douglas Shire Council
Statement of Financial Position
July 2026

	2027	Interim Financial Year June 2026	2025
	$	$	$
Current assets			
Cash and cash equivalents	67,425,536	67,870,125	63,701,155
Investments	-	-	-
Trade and other receivables, Contract Assets, Prepayments	18,186,802	7,211,685	15,770,226
Inventories	98,303	92,735	139,492
Total current assets	85,710,641	75,174,545	79,610,873
Non-current assets			
Property, plant and equipment	622,216,013	623,759,780	572,595,986
Right of use assets	222,540	222,540	222,540
Intangible assets	32,876	32,876	32,876
Total non-current assets	622,471,429	624,015,196	572,851,402
Total assets	708,182,070	699,189,741	652,462,275
Current liabilities			
Trade and other payables, Contract Liabilities	6,831,564	12,865,135	47,303,632
Lease Liabilities			163,037
Provisions	5,773,487	6,021,130	5,224,303
Total current liabilities	12,605,051	18,886,265	52,690,972
Non-current liabilities			
Borrowings	-	-	-
Provisions	4,219,116	4,219,116	4,163,170
Unearned Revenue	516,361	167,777	195,896
Total non-current liabilities	4,735,477	4,386,893	4,359,066
Total liabilities	17,340,528	23,273,158	57,050,039
Net community assets	690,841,542	675,916,583	595,412,235

*** 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.*