

7.6. 2026 JANUARY FINANCIAL REPORTS

REPORT AUTHOR	Interim Chief Financial Officer
MANAGER	General Manager TC Jasper, Corporate and Communities
DEPARTMENT	Corporate and Communities
DATE	24 February 2026

RECOMMENDATION

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

EXECUTIVE SUMMARY

The Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cashflows detail progress against the 2025-2026 budget for the period ended 31 January 2026.

Key points to note include the following:

- Operating revenue is above budget expectations by \$3.1M.
- Expenditure is below budget expectations \$2.5m.
- The operating surplus is \$5.7m above budget expectations (Actual result of \$17.7m compared to Budget Surplus of \$12.0m)

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 monthly and cover the period up to a day as near as practicable to the end of the preceding month.

The 2025-2026 annual budget was adopted on 1 July 2025 and revised on 25 November 2025. The attached financial report details progress against the revised budget for the period ended 31 January 2026.

[FINANCIAL REPORT – Statement of Comprehensive Income](#)

[Operating Revenue](#)

The Statement of Comprehensive Income provided has been updated to now include information based on a Council "Business as Usual" position and information on the impact of the "Disaster Unit", along with the consolidated report.

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

- Rates and utility charges are above budget by \$394k. This is primarily due to the timing of Water notices with water currently \$267k ahead of budget. General Rates, Sewer & Waste are also well ahead of budget expectations. This is attributed to property growth with new developments and subdivisions coming online.
- Fees and charges are below budget expectations by (\$41k), this includes:
 - o Daintree Ferry revenue is (\$95k) below budget expectations.
 - o Revenue from license fees is inline with budget expectations.
 - o Refuse tipping fees are (\$10k) below budget expectations.
 - o Building and property related fees are \$113k above budget expectations. Council has received a significant development application.
 - o Other fees and charges are (\$49k) below budget expectations- including Cemetery fees (\$11k), Port Douglas Markets (\$21k), Van Parks (\$16k), Infringements issued (\$34k). \$11k has been received from Cook Shire for assistance with Plumbing inspections. The timing of the trade waste fees also impacts this result.
- Grants and subsidies are \$2.4m above budget expectations. Council has received additional grants relating to Tropical Cyclone Jasper. Due to revenue recognition standards, these grants must be recognised upon claim approval and receipt of the funding. These grants include:
 - o \$138k for additional Counter Disaster Claim.
 - o \$1.75 Million from Extraordinary Clean- up funding.
 - o \$156k has also been received for emergent expenditure that was incurred during the January/February 2025 Monsoonal event.

There is no expenditure outstanding or associated with the above grants.

Council has also received a prepayment of \$641k for additional approved works for the Tropical Cyclone Jasper Extraordinary Clean-up. The timing of corresponding expenditure is yet to be finalised and will be considered at the second revised budget.

- Interest earned is \$150k above budget expectations due to the maintained interest rates from the Reserve Bank.
- Other recurrent income is \$221k above budget. Council has received \$30k for the proceeds of recycling. Income for works conducted on behalf of the Department of Transport and Main Roads is ahead of budget \$143k; this is primarily impacted by the timing of works being carried out.

The below graph proportionately represents Council's sources of operational revenue:

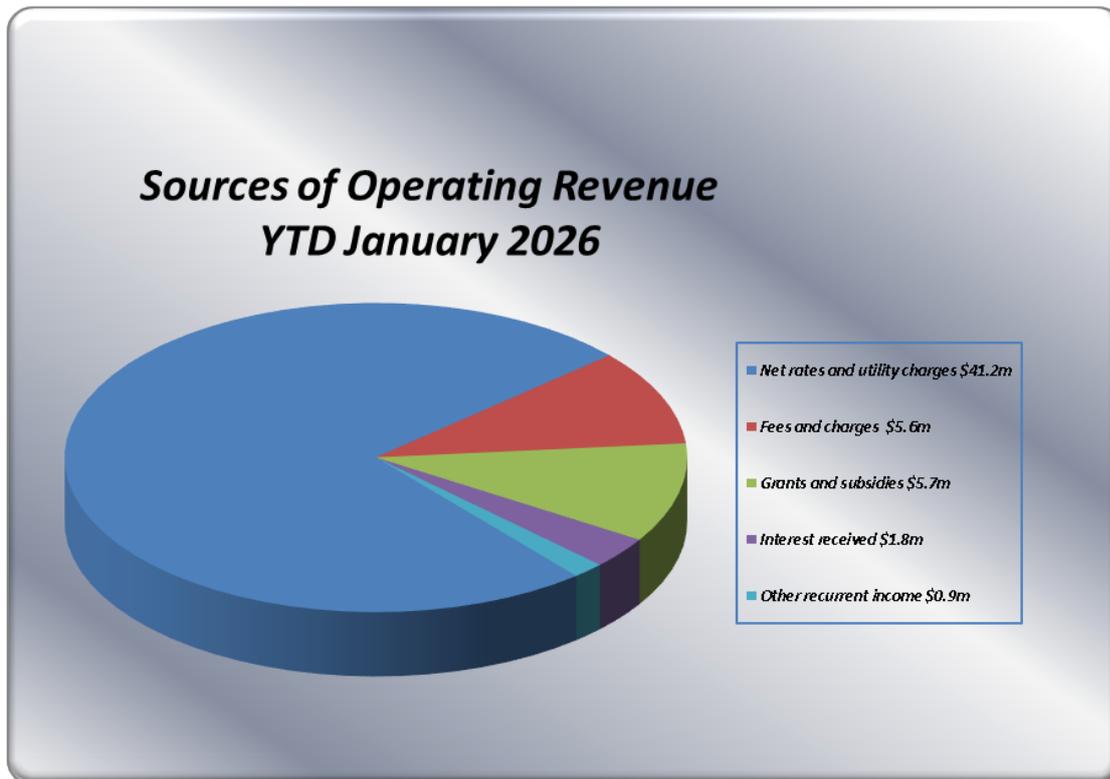


Figure 1.

Operating Expenditure

Year-to-date expenditure is currently below budget expectations, with variations occurring within the categories as follows:

- Employee benefits expenditure is currently (\$696k) below budget expectations. This can be subject to the timing of various unfilled vacancies but is partly offset by the increase in temporary and contract staff expenditure.
- Materials and services expenditure is currently below budget expectations by (\$1.8m). This is primarily caused by the timing of work performed and supplier invoices received. Budgets are allocated earlier in the year to ensure it is available to expend, if the resources are available. The Disaster Management Unit is currently (\$457k) below budget due to the timing of grant funding being expended. Expenditure on the Qcoast grant has just begun.
- Depreciation expense is \$25k below budget expectations; however, this is regarded as a timing difference only at this stage as projects are still to be finalised and capitalised.
- Finance charges are \$8k above budget expectations.

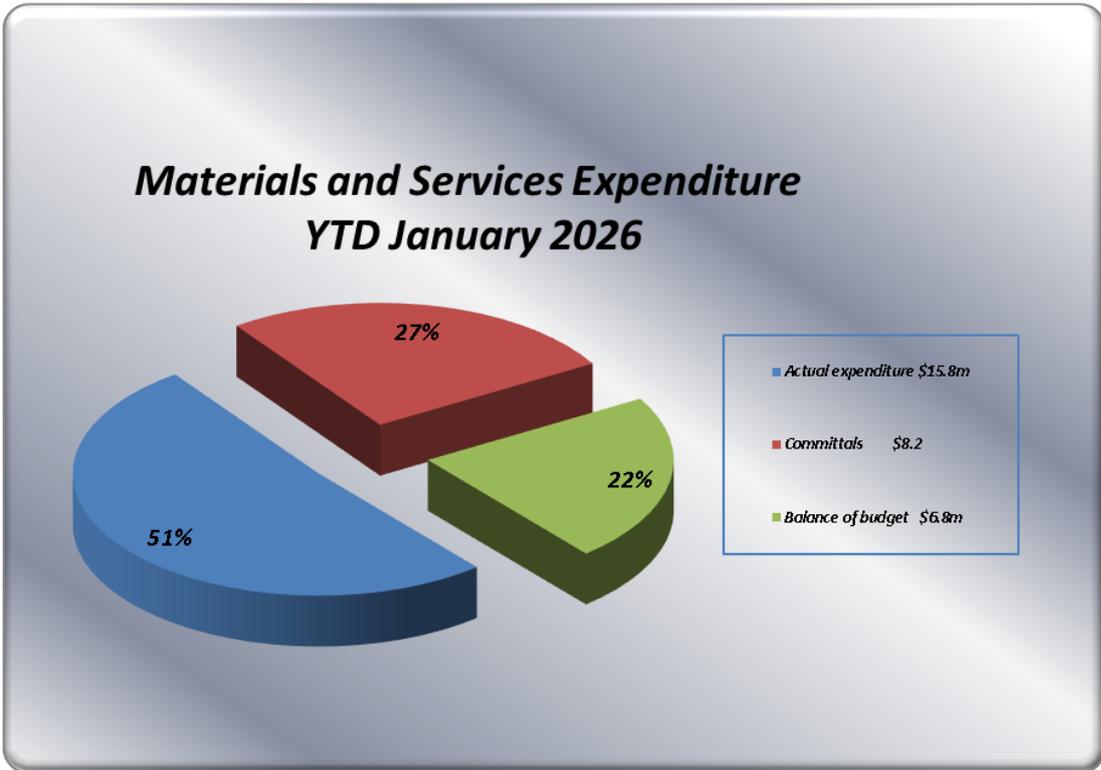


Figure 2.

The Operating Expenditure graph below depicts the spread of Council expenditure

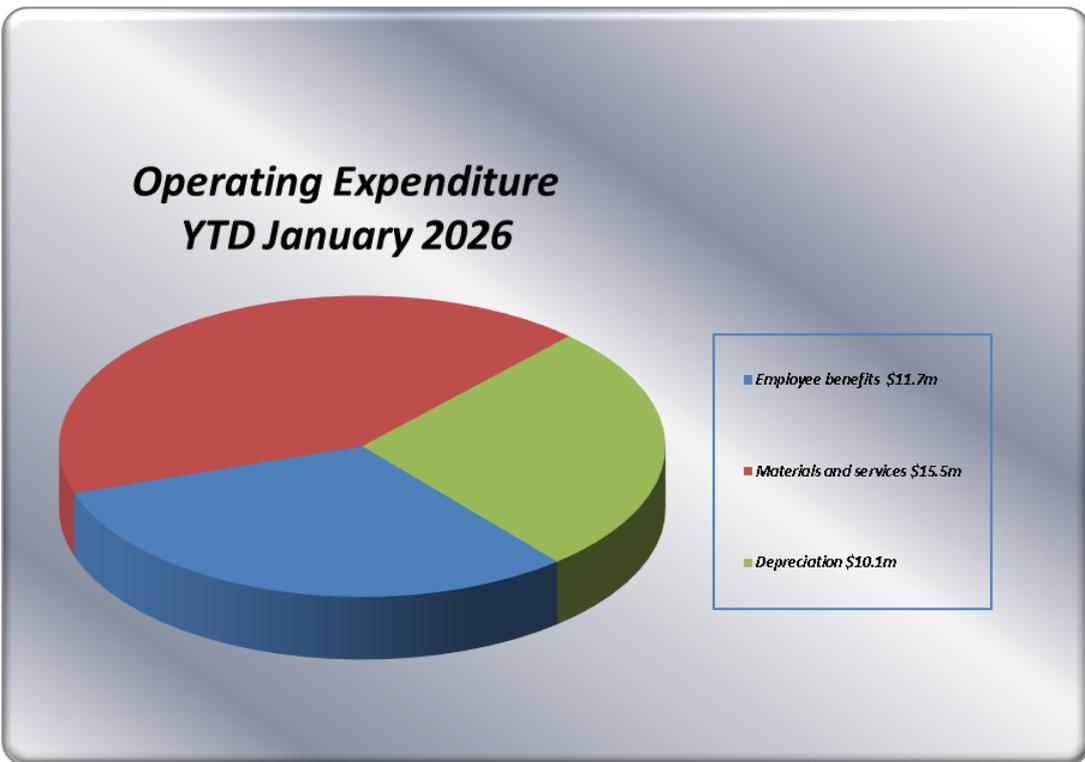


Figure 3.

Operating Result

- The year-to-date operating surplus is currently \$5.7m above budget expectations,
- As reflected in the attached report, operating revenue at the end of January was \$3.1m above budget expectations due to additional grant income and operating expenditure being (\$2.5m) below budget expectations.
- This has resulted in an actual operating surplus of \$17.7m compared to a budgeted surplus of \$12.0m. This is an improvement on the budgeted position of \$5.6m.

Capital Revenue and Expenditure

- Council has received \$47.9m in Capital Grants; \$44.4m of this relates to disaster funding, which includes \$15m for Water Security projects. Council has also received \$952k in developer contributions, which is \$702k above budget expectations.
- Capital works income and expenditure budgets include projects that may be completed across multiple financial years.
- Year-to-date capital expenditure is \$51.6m and a further \$49.4m has been committed for capital expenditure at the end of January 2026.

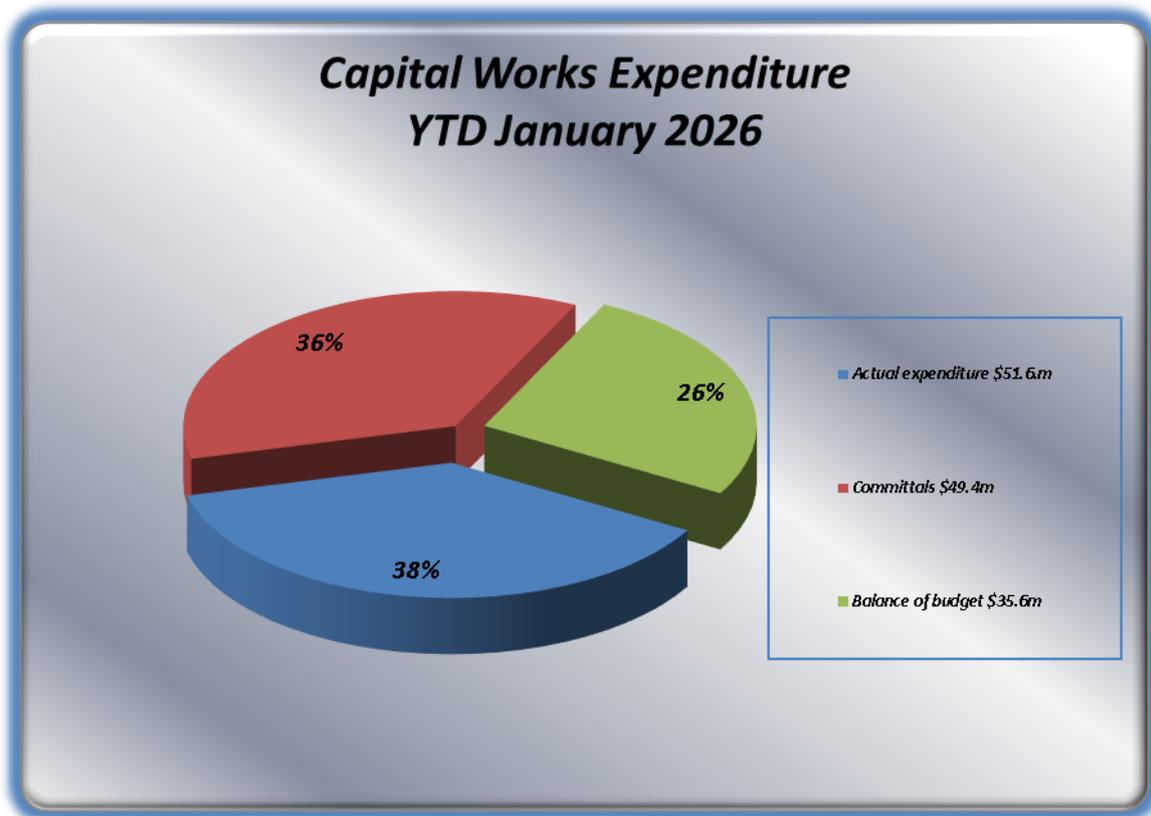


Figure 4.

Statement of Financial Position

- The Statement of Financial Position as at 31 January 2026 reflects net community assets of \$662.5m.
- All of Council cash holdings are currently held in interest bearing accounts earning an average return of approximately 4%.

Statement of Cash Flows

- The Statement of Cash Flows reports how income received, and expenses paid impacts on Council's cash balances.

FINANCIAL/RESOURCE IMPLICATIONS

The receipt of unbudgeted grant funding for Disaster related claims, will have a significant positive impact on the 2025-2026 operational budget. This will be assessed fully in the upcoming Budget Review.

The timing of expenditure and subsequent reimbursement of recovery and restoration works will be closely monitored as they impact on Council's liquidity position.

RISK MANAGEMENT IMPLICATIONS

Monthly financial reporting informs Council of progress in relation to the budget and allows for timely corrective action if required. It will be imperative that Council monitor the expenditure on finalisation of recovery projects and ensure that claims for funding are submitted in a timely manner.

SUSTAINABILITY IMPLICATIONS

Economic: The aim of the long-term financial forecast is to meet all the 'measures of financial sustainability'.

Environmental: Nil

Social: Nil

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

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 2025-2026 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.

ATTACHMENTS

1. 2026 January Statement of Comprehensive Income [7.6.1 - 1 page]
2. 2026 January Statement of Financial Position [7.6.2 - 1 page]
3. 2026 January Statement of Cashflows [7.6.3 - 1 page]

Douglas Shire Council Statement of Comprehensive Income Financial Report January 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 25/26	Actual as % of Annual Budget	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Operating Revenue												
Rates and utility charges	41,964,045	41,569,903	394,142	-	-	-	41,964,045	41,569,903	394,142	48,362,313	87%	
less: Financial Assistance, Remissions (incl. Pensioners)	(720,107)	(719,712)	(395)	-	-	-	(720,107)	(719,712)	(395)	(722,714)	100%	
Net rates and utility charges	41,243,937	40,850,191	393,746	-	-	-	41,243,937	40,850,191	393,746	47,639,600	87%	
Fees and charges	5,547,710	5,589,140	(41,430)	-	-	-	5,547,710	5,589,140	(41,430)	8,904,306	62%	
Grants and subsidies	3,046,564	2,845,129	201,435	2,699,204	490,852	2,208,352	5,745,768	3,335,981	2,409,787	10,218,904	56%	
Interest received	912,895	762,760	150,134	900,877	900,877	-	1,813,771	1,663,637	150,134	2,439,133	74%	
Other recurrent income	885,685	664,648	221,037	36,622	36,648	(26)	922,307	701,296	221,011	1,414,514	65%	
Total Operating Revenue	51,636,791	50,711,868	924,923	3,636,703	1,428,377	2,208,326	55,273,494	52,140,245	3,133,249	70,616,456	78%	
Operating Expenses												
Employee benefits	11,236,293	11,901,071	664,778	426,648	458,297	31,649	11,662,940	12,359,368	696,428	22,098,426	53%	
Materials and services	15,600,235	16,951,758	1,351,523	165,789	627,117	461,328	15,766,024	17,578,875	1,812,851	30,804,313	51%	
Depreciation	10,114,051	10,139,319	25,268	-	-	-	10,114,051	10,139,319	25,268	18,037,418	56%	
Finance costs	45,198	37,300	(7,898)	-	-	-	45,198	37,300	(7,898)	98,599	46%	
Total Recurrent Expenses	36,995,776	39,029,448	2,033,672	592,437	1,085,414	492,977	37,588,213	40,114,862	2,526,649	71,038,756	53%	
Operating Result	14,641,015	11,682,420	2,958,594	3,044,266	342,963	2,701,304	17,685,281	12,025,383	5,659,898	(422,300)	(4188%)	
Capital Revenue												
Capital grants and subsidies	3,432,516	13,942,478	(10,509,962)	44,467,335	53,457,508	(8,990,173)	47,899,851	67,399,986	(19,500,135)	115,542,833	41%	
Contributions from developers	952,418	250,000	702,418	-	-	-	952,418	250,000	702,418	250,000	381%	
Gain/(Loss) non current assets & Insurance Proceeds	(38,183)	-	(38,183)	-	-	-	(38,183)	-	(38,183)	-		
Total capital revenue	4,346,751	14,192,478	(9,845,727)	44,467,335	53,457,508	(8,990,173)	48,814,086	67,649,986	(18,835,900)	115,792,833	42%	
Net Result	18,987,766	25,874,898	(6,887,132)	47,511,601	53,800,471	(6,288,869)	66,499,367	79,675,369	(13,176,002)	115,370,533	58%	
Capital Works Program												
Capital additions	8,608,299	26,498,292	17,889,993	42,992,587	53,196,365	10,203,778	51,600,886	79,694,657	28,093,771	136,619,412	38%	
Total capital additions	8,608,299	26,498,292	17,889,993	42,992,587	53,196,365	10,203,778	51,600,886	79,694,657	28,093,771	136,619,412	38%	

Douglas Shire Council
Statement of Financial Position
January 2026

	2026	2025
	\$	\$
Current assets		
Cash and cash equivalents	65,285,997	63,701,155
Investments	-	-
Trade and other receivables, Contract Assets, Prepayments	23,147,221	15,770,226
Inventories	140,452	139,492
Total current assets	88,573,669	79,610,873
Non-current assets		
Property, plant and equipment	614,627,515	572,595,985
Right of use assets	222,540	222,540
Intangible assets	32,876	32,876
Total non-current assets	614,882,931	572,851,402
Total assets	703,456,600	652,462,274
Current liabilities		
Trade and other payables, Contract Liabilities	30,825,744	47,303,632
Lease Liabilities	163,037	163,037
Provisions	5,583,501	5,224,303
Total current liabilities	36,572,282	52,690,972
Non-current liabilities		
Borrowings	-	-
Provisions	4,163,170	4,163,171
Unearned Revenue	195,897	195,896
Total non-current liabilities	4,359,067	4,359,067
Total liabilities	40,931,349	57,050,039
Net community assets	662,525,250	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.

Douglas Shire Council
Statement of Cash Flows
January 2026

	YTD 2026	2025
	\$	\$
Cash flows from operating activities		
Receipts from customers	44,007,872	51,247,296
Payments to suppliers and employees	(43,906,852)	(53,420,487)
	101,020	(2,173,191)
Interest received	1,813,771	2,704,324
Rental income	191,715	341,102
Non capital grants and contributions	5,745,768	11,503,170
Borrowing costs/Bank Charges	(45,198)	(84,152)
Net cash inflow from operating activities	7,807,077	12,291,253
Cash flows from investing activities		
Payments for property, plant and equipment	(50,559,351)	(58,581,882)
Payments for intangible assets	-	-
Payments for assets donated	-	(78,960)
Proceeds from sale of property plant and equipment	185,548	55,354
Net Movement in Investments	-	5,000,000
Grants, subsidies, contributions and donations	44,151,567	75,941,971
Capital insurance proceeds	-	-
Net cash used in investing activities	(6,222,236)	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	1,584,841	34,627,736
Cash and cash equivalents at the beginning of the financial year	63,701,156	29,073,420
Cash and cash equivalents at the end of the Reporting Month	65,285,997	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.**