

7.6. JULY 2025 FINANCIAL REPORTS

REPORT AUTHOR	Interim Chief Financial Officer
MANAGER	General Manager TC Jasper, Corporate and Communities
DEPARTMENT	Corporate and Communities
RECOMMENDATION	

That Council notes the Statement of Financial Position, Statement of Cash Flows and Statement of Comprehensive Income for July 2025.

EXECUTIVE SUMMARY

The Statement of Comprehensive Income details the 2025-2026 budget's progress for the period ended 31 July 2025. The Statement of Financial Position reports the Council's assets and liabilities at 31 July 2025 and the Statement of Cash Flows reports the movement in items impacting upon Council's cash position.

Key points to note include the following:

- Operating revenue is above budget by \$65k. Expenditure is below budget \$531k.
- The operating surplus is \$596k above budget, currently \$15.4m compared to a budgeted surplus of \$14.8m.
- It is important to note that these results may be impacted by the finalisation of the 2024-2025 financial year.

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.

COMMENTS

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

FINANCIAL REPORT – Statement of Comprehensive Income

Operating Revenue

At this very early stage of the year operating revenue is currently above budget, with variations occurring within the categories as follows:

- Rates and utility charges are above budget by \$33k
- Fees and charges are below budget by \$12k due to the following:
 - o Daintree ferry revenue is \$90k above budget.

- o Revenue from licence fees is \$2k above budget.
 - o Building and property related fees are \$76k below budget and this variance is primarily due to a timing issue.
 - o Refuse tipping fees are \$6k below budget.
 - o Other fees and charges are \$22k below budget.
- Grants and subsidies are \$23k below budget.
 - Interest is \$3k above budget.
 - Other recurrent income is \$65k above budget. The timing of works performed for the Department of Transport and Main Roads impacts this revenue.

Operating Expenditure

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

- Employee benefits expenditure is currently \$86k below budget. This can be subject to the timing of various unfilled vacancies. However, this variance is partly offset by the increase in temporary and contract staff expenditure.
- Materials and services expenditure is currently tracking below budget expectations with a \$447K year to date variation. This will be primarily caused by the timing of works performed.
- Depreciation expense is tracking with budget. The timing of the completion of works and the finalisation of the FY2025 end of year may impact this result.
- Finance charges are currently \$1.3k over budget.

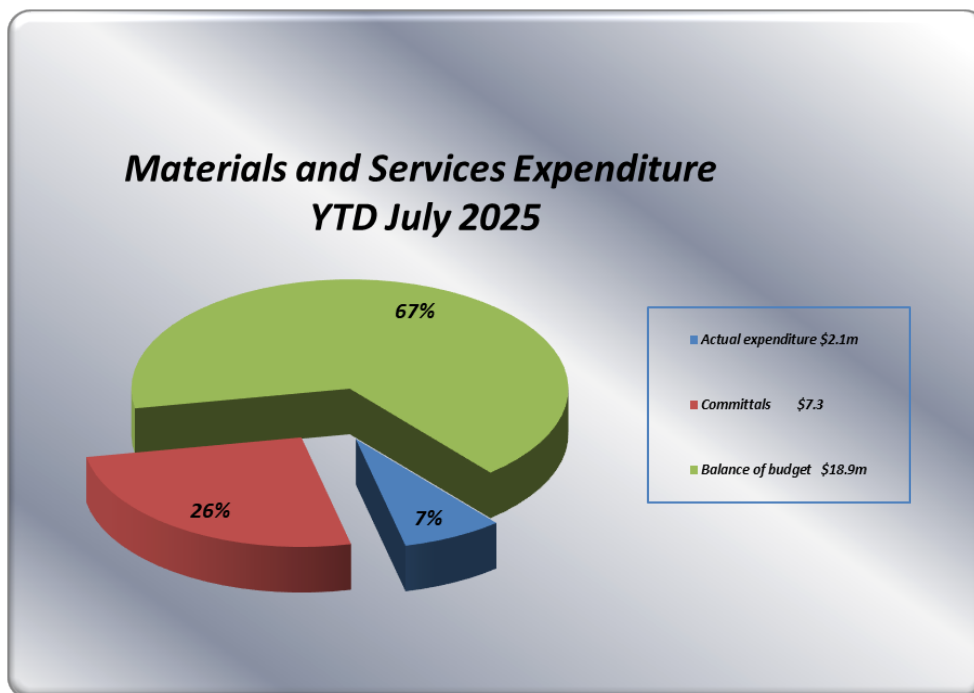


Figure 1.

Operating Result

A key point to note is the operating surplus is currently \$596k above budget.

As reflected in the attached report, operating revenue at the end of July 2025 was \$65k above budget and operating expenditure \$531k below budget.

This has resulted in an operating surplus of \$15.4m compared to a budgeted surplus of \$14.8m for year to date.

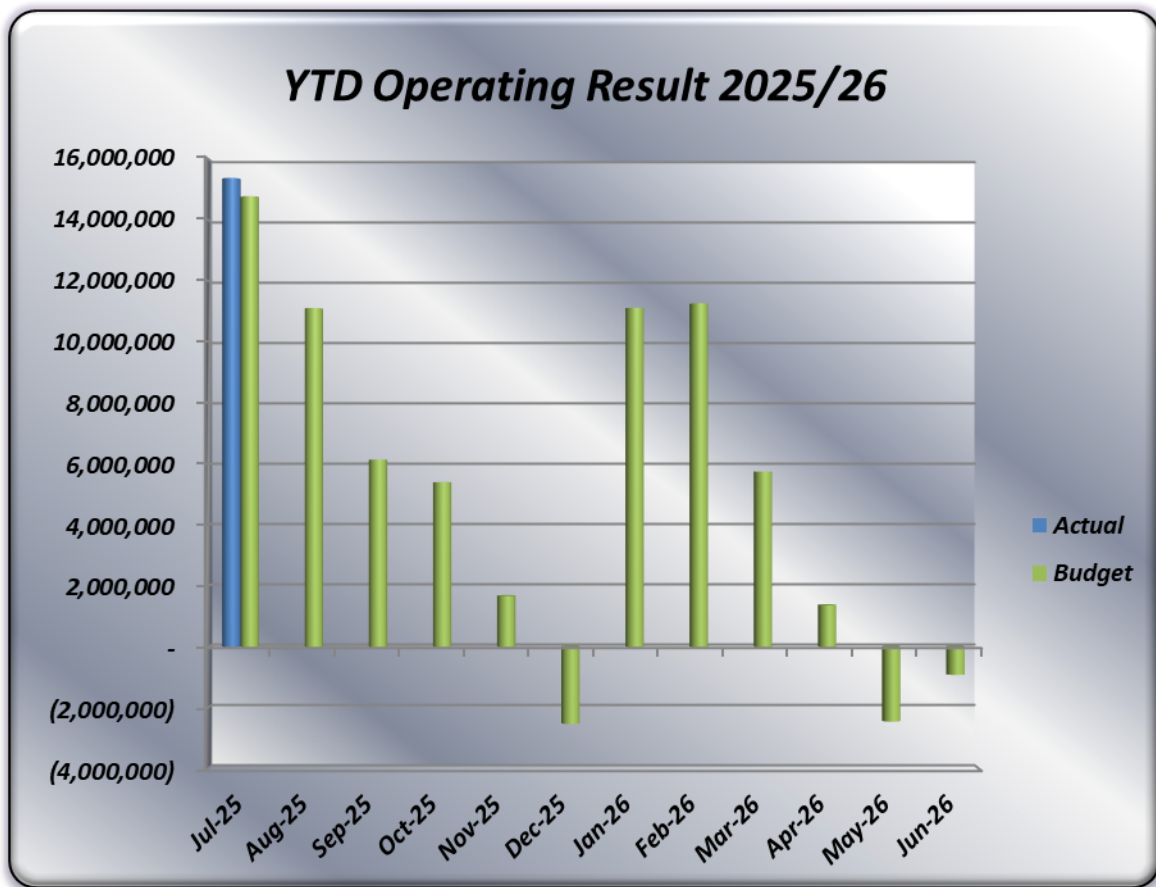


Figure 2.

Capital Revenue and Expenditure

Budget was adopted on 1 July 2025. Capital budgets have been allocated evenly across the 12 months.

- Council has received \$2m in Capital Grants and \$493k in developer contributions.
- Capital works income and expenditure budgets include projects that may be completed across multiple financial years.

- 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.

In addition to year-to-date capital expenditure of \$821k a further \$40m has been committed for capital expenditure at the end of July 2025.

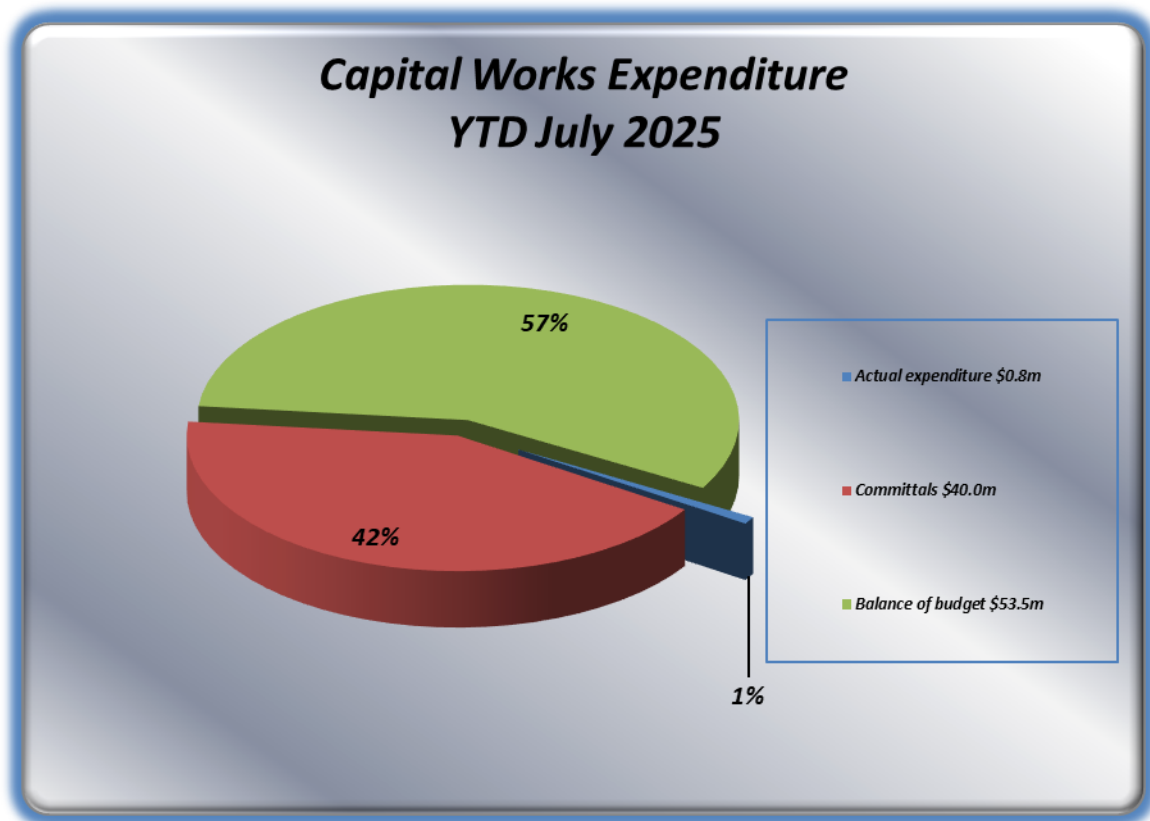


Figure 3.

FINANCIAL STATEMENT – Statement of Financial Position

The Statement of Financial Position at 31 July 2025, reflects net community assets of \$633m. This includes an increase in Trade and other receivables, primarily due to the issue of July notices for Rates & Utility charges.

Statement of Cash Flows

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

PROPOSAL

That Council notes the Statement of Comprehensive Income, the Statement of Financial Position and the Statement of Cash Flows for month ended 31 July 2025.

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.

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.
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ATTACHMENTS

1. 2025 July Statement of Comprehensive Income [7.6.1 - 1 page]
2. 2025 July Statement of Financial Position [7.6.2 - 1 page]
3. 2025 July Statement of Cash Flows [7.6.3 - 1 page]

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

	Actual YTD 25/26 \$	Budget YTD 25/26 \$	Variance \$	Budget 25/26 \$	Actual as % of Budget 25/26
Operating Revenue					
Rates and utility charges	18,954,197	18,926,496	27,701	48,362,313	39%
less: Financial Assistance, Remissions (incl. Pensioners)	(353,517)	(358,511)	4,994	(722,714)	49%
Net rates and utility charges	18,600,680	18,567,985	32,695	47,639,600	39%
Fees and charges	1,227,847	1,240,144	(12,297)	8,798,484	14%
Grants and subsidies	-	23,803	(23,803)	8,495,520	0%
Interest received	244,313	241,321	2,992	2,342,267	10%
Other recurrent income	81,688	16,512	65,176	1,436,689	6%
Total Operating Revenue	20,154,528	20,089,765	64,763	68,712,559	29%
Operating Expenses					
Employee benefits	1,259,480	1,345,453	85,973	22,945,685	5%
Materials and services	2,116,053	2,562,773	446,720	28,357,118	7%
Depreciation	1,420,636	1,420,636	-	18,037,418	8%
Finance costs	1,607	313	(1,294)	287,976	1%
Total Recurrent Expenses	4,797,776	5,329,175	531,399	69,628,197	7%
Operating Result	15,356,752	14,760,590	596,162	(915,638)	(1677%)
Capital Revenue					
Capital grants and subsidies	2,044,405	8,919,247	(6,874,842)	107,030,964	2%
Contributions from developers	493,622	250,000	243,622	250,000	197%
Gain/(Loss) non current assets & Insurance Proceeds	-	-	-	-	
Total capital revenue	2,538,026	9,169,247	(6,631,221)	107,280,964	2%
Net Result	17,894,779	23,929,837	(6,035,058)	106,365,326	17%
Capital Works Program					
Capital additions	821,132	7,858,479	7,037,347	94,301,746	1%
Total capital additions	821,132	7,858,479	7,037,347	94,301,746	1%

Douglas Shire Council
Statement of Financial Position
July 2025

	2026	Interim Financial Year June 2025	2024
	\$	\$	\$
Current assets			
Cash and cash equivalents	62,945,032	64,706,096	29,073,420
Investments	-	-	5,000,000
Trade and other receivables, Contract Assets, Prepayments	22,695,478	6,915,363	8,763,092
Inventories	135,035	138,973	96,761
Total current assets	85,775,546	71,760,432	42,933,273
Non-current assets			
Property, plant and equipment	562,571,389	563,170,893	522,467,104
Intangible assets	54,998	54,998	54,998
Total non-current assets	562,626,387	563,225,891	522,522,102
Total assets	648,401,934	634,986,323	565,455,375
Current liabilities			
Trade and other payables, Contract Liabilities	5,063,776	9,524,246	17,781,715
Provisions	5,691,390	5,606,479	4,605,338
Total current liabilities	10,755,166	15,130,725	22,387,052
Non-current liabilities			
Borrowings	-	-	-
Provisions	4,321,141	4,321,141	4,321,141
Unearned Revenue	355,529	355,529	355,529
Total non-current liabilities	4,676,670	4,676,670	4,676,670
Total liabilities	15,431,836	19,807,395	27,063,722
Net community assets	632,970,098	615,178,928	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.**

Douglas Shire Council
Statement of Cash Flows
July 2025

	2026	INTERIM JUNE 2025	2024
	\$	\$	\$
Cash flows from operating activities			
Receipts from customers	4,107,150	55,340,919	49,029,594
Payments to suppliers and employees	(7,836,003)	(55,629,309)	(66,221,039)
	(3,728,853)	(288,391)	(17,191,445)
Interest received	244,313	2,704,324	2,000,892
Rental income	22,949	341,102	287,853
Non capital grants and contributions	-	10,766,660	32,802,308
Borrowing costs/Bank Charges	(1,607)	(68,264)	(61,566)
Net cash inflow from operating activities	(3,463,197)	13,455,431	17,838,042
Cash flows from investing activities			
Payments for property, plant and equipment	(835,893)	(57,919,391)	(20,708,622)
Payments for intangible assets	-	-	(41,120)
Payments for assets donated	-	(159,795)	(333,731)
Proceeds from sale of property plant and equipment	-	52,254	357,521
Net Movement in Investments	-	5,000,000	10,060,000
Grants, subsidies, contributions and donations	2,538,026	75,204,177	8,428,295
Capital insurance proceeds	-	-	47,535
Net cash used in investing activities	1,702,133	22,177,246	(2,190,122)
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	(1,761,064)	35,632,676	15,647,920
Cash and cash equivalents at the beginning of the financial year	64,706,096	29,073,420	13,425,500
Cash and cash equivalents at the end of the Reporting Month	62,945,032	64,706,096	29,073,420

**** 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.**