7.8. 2026 SEPTEMBER FINANCIAL REPORTS

REPORT AUTHOR	Team Leader Financial Accounting
MANAGER	General Manager Corporate and Communities
DEPARTMENT	Corporate and Communities
TEAM	Financial Services
DATE	27 October 2026

RECOMMENDATION

That Council note the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cashflows for September 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 30 September 2026.

Key points to note include the following:

- The operating result is above budget forecast by **$2.4m,** primarily due to the timing of grant receipts and operational expenditure.
- At the end of September 2026, Council's net community assets are **$715m.**
- At the end of September 2026, Council's cash balance is **$64m.**

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 30 September 2026.

Statement of Comprehensive Income

Operating Revenue

Operating revenue overall is consistent with budget forecast.

- Interest income is **$387k** above budget, as Council's accumulated cash balance benefits from increasing interest rates.

- Grants are below budget **$593k** primarily due to the expected payment for disaster CDO & emergent works submissions.

Operating Expenditure

Operating expenditure is below budget forecast by **$2.4m.**

Business as Usual:

- **$215k** below budget in Employee Benefits due to vacancies but offset with contractors in Materials and services.

- **$1.6m** in Materials and Services due to timing of budgeted expenditure including dredging, drainage works, grant expenditure and completion of asset condition assessments.

Disaster

- **$691K** below budget expenditure forecast as projects continue to progress.

Operating Result

- The operating result is above budget forecast by **$2.4m,** primarily due to the timing of operational expenditure.

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 30 September 2026 reflects net community assets of **$715m.**

- All of Council cash holdings are currently held in 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 September 2026, Council's cash balance was **$64m**.

FINANCIAL AND RESOURCE IMPLICATIONS

Financial and resources implications are detailed 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 forecast, 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 Consultation:

- Financial Services
- Executive Leadership Team

CONCLUSION

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

ATTACHMENTS

1. 2026 September Statement of Comprehensive Income [**7.8.1** - 1 page]
2. 2026 September Statement of Financial Position [**7.8.2** - 1 page]
3. 2026 September Statement of Cash Flows [**7.8.3** - 1 page]

Douglas Shire Council

Statement of Comprehensive Income

Financial Report September 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	20,485,725	20,400,483	85,242			-	20,485,725	20,400,483	85,242	52,428,061	39%
less: Financial Assistance, Remissions	(319,840)	(380,320)	60,480			-	(319,840)	(380,320)	60,480	(763,641)	42%
Net rates and utility charges	20,165,885	20,020,163	145,722			-	20,165,885	20,020,163	145,722	51,664,420	39%
Fees and charges	3,414,399	3,329,450	84,949			-	3,414,399	3,329,450	84,949	9,400,124	36%
Grants and subsidies	883,189	984,186	(100,997)	201,790	694,331	(492,541)	1,084,979	1,678,517	(593,538)	13,522,251	8%
Interest received	636,901	249,927	386,973	297,425	297,425	-	934,325	547,352	386,973	2,015,304	46%
Other recurrent income	362,957	365,882	(2,925)	18,315	18,286	29	381,272	384,168	(2,896)	1,644,538	23%
Total Operating Revenue	**25,463,331**	**24,949,608**	**513,723**	**517,530**	**1,010,042**	**(492,512)**	**25,980,861**	**25,959,650**	**21,211**	**78,246,637**	**33%**
Operating Expenses											
Employee benefits	5,463,524	5,678,504	214,980	236,429	307,260	70,831	5,699,953	5,985,764	285,811	24,162,929	24%
Materials and services	7,803,056	9,453,712	1,650,656	102,866	723,629	620,763	7,905,922	10,177,341	2,271,419	34,886,928	23%
Depreciation	4,815,243	4,631,301	(183,942)			-	4,815,243	4,631,301	(183,942)	19,699,000	24%
Finance costs	30,697	27,375	(3,322)			-	30,697	27,375	(3,322)	126,957	25%
Total Recurrent Expenses	**18,112,520**	**19,790,892**	**1,678,372**	**339,295**	**1,030,889**	**691,594**	**18,451,815**	**20,821,781**	**2,369,966**	**78,875,814**	**23%**
Operating Result	**7,350,811**	**5,158,716**	**2,192,095**	**178,235**	**(20,847)**	**199,082**	**7,529,046**	**5,137,869**	**2,391,177**	**(629,177)**	**(1197%)**
Capital Revenue											
Capital grants and subsidies	154,495	3,781,117	(3,626,622)	1,876,618	30,402,676	(28,526,059)	2,031,113	34,183,793	(32,152,681)	80,610,794	3%
Contributions from developers	2,848	-	2,848			-	2,848	-	2,848	-	0%
Gain/(Loss) non current assets & Insurance Proceeds	-	450,000	(450,000)		371,000	(371,000)	-	821,000	(821,000)	821,000	0%
Total capital revenue	**157,343**	**4,231,117**	**(4,073,774)**	**1,876,618**	**30,773,676**	**(28,897,059)**	**2,033,961**	**35,004,793**	**(32,970,832)**	**81,431,794**	**2%**
Capital Works Program											
Capital additions	4,846,878	12,078,122	7,231,243	8,658,172	29,698,989	21,040,818	13,505,050	41,777,111	28,272,061	108,065,600	12%
Total capital additions	**4,846,878**	**12,078,122**	**7,231,243**	**8,658,172**	**29,698,989**	**21,040,818**	**13,505,050**	**41,777,111**	**28,272,061**	**108,065,600**	**12%**

Douglas Shire Council
Statement of Financial Position
September 2026

	September 2026 $	2025-26 Draft $
Current assets		
Cash and cash equivalents	63,861,387	66,555,130
Investments	-	-
Trade and other receivables	6,438,515	9,020,163
Prepayments	486,001	558,765
Contract Assets	8,703,612	8,790,771
Inventories	120,523	94,110
Total current assets	79,610,039	85,018,939
Non-current assets		
Property, plant and equipment	681,440,923	672,924,140
Right of use assets	173,024	173,024
Intangible assets	24,653	24,653
Total non-current assets	681,638,600	673,121,817
Total assets	761,248,639	758,140,757
Current liabilities		
Trade and other payables	9,459,644	14,986,993
Lease Liabilities	153,124	153,124
Provisions	5,719,684	5,628,728
Contract liabilities	24,840,876	24,790,164
Total current liabilities	40,173,328	45,559,009
Non-current liabilities		
Borrowings	-	-
Provisions	5,811,086	5,811,086
Unearned Revenue	516,361	167,777
Total non-current liabilities	6,327,447	5,978,863
Total liabilities	46,500,775	51,537,872
Net community assets	714,747,864	706,602,884

*** 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
September 2026

	September 2026 $	2025-26 Draft $
Cash flows from operating activities		
Receipts from customers	26,302,816	56,687,933
Payments to suppliers and employees	(17,557,467)	(52,427,051)
	8,745,349	4,260,882
Interest received	934,325	2,980,089
Rental income	77,351	321,552
Non capital grants and contributions	(895,421)	12,929,086
Borrowing costs/Bank Charges	(30,697)	(89,914)
Net cash inflow from operating activities	**8,830,907**	**20,401,695**
Cash flows from investing activities		
Payments for property, plant and equipment	(13,505,050)	(76,461,794)
Payments for intangible assets	-	-
Payments for assets donated	-	(57,799)
Proceeds from sale of property plant and equipment	-	166,445
Net Movement in Investments	-	-
Grants, subsidies, contributions and donations	1,980,400	58,995,471
Capital insurance proceeds	-	-
Net cash used in investing activities	**(11,524,650)**	**(17,357,677)**
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	(190,044)
Net cash inflow (outflow) from financing activities	**-**	**(190,044)**
Net (decrease)/increase in cash and cash equivalent held	**(2,693,742)**	**2,853,974**
Cash and cash equivalents at the beginning of the financial year	**66,555,130**	**63,701,156**
Cash and cash equivalents at the end of the Reporting Month	**63,861,388**	**66,555,130**

*** 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.*