

### 7.3. 2025 DECEMBER FINANCIAL REPORTS

<b>REPORT AUTHOR</b>	Interim Chief Financial Officer
<b>MANAGER</b>	General Manager TC Jasper Corporate and Communities
<b>DEPARTMENT</b>	Corporate and Communities
<b>DATE</b>	27 January 2026

#### RECOMMENDATION

**That Council note the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cashflows for December 2025.**

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#### 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 December 2025.

Key points to note include the following:

- Operating revenue is above budget by \$3.3m
- Expenditure is below budget \$1.6m
- The operating surplus is \$4.9m above budget (Actual result of \$2.8m compared to Budget deficit of \$2.1m)

#### 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.

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

#### 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:

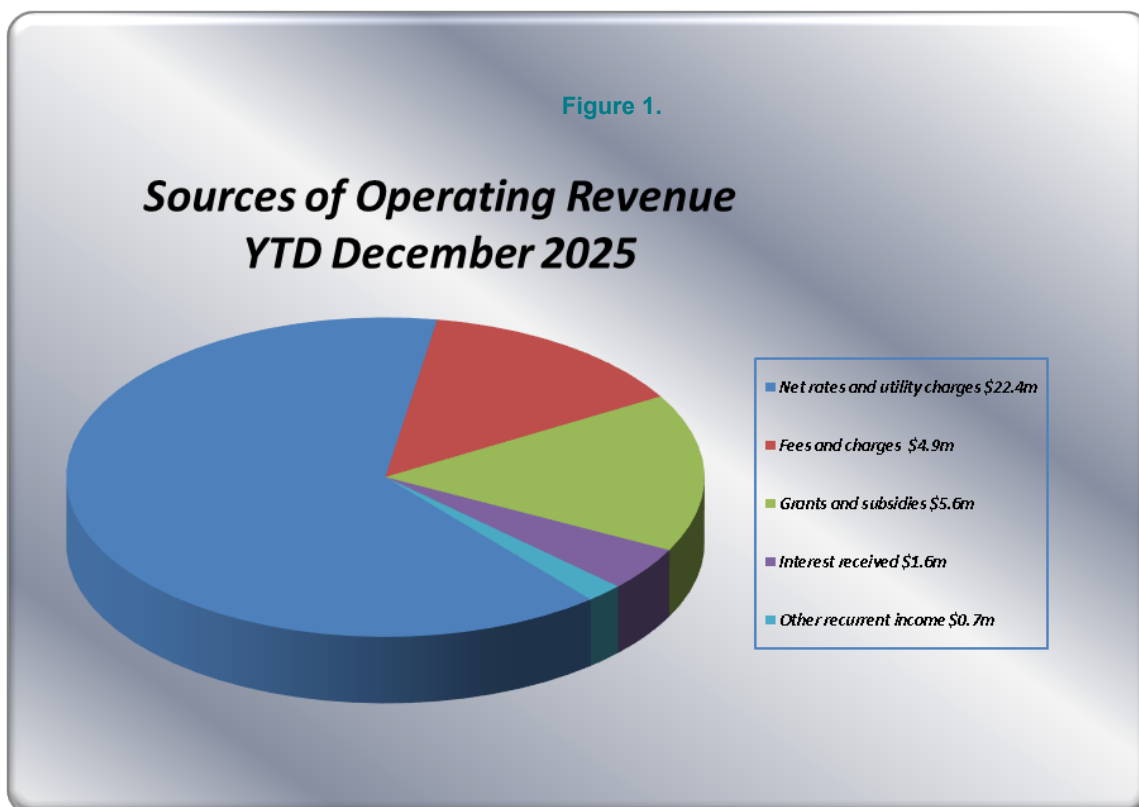
- Rates and utility charges are above budget by \$312k. This is primarily due to the timing of issuing Water notices.
- Fees and charges are below budget by (\$103k), this includes:
  - Daintree Ferry revenue is (\$55k) below budget expectations.
  - Revenue from license fees is \$6k above budget
  - Refuse tipping fees are (\$12k) below budget
  - Building and property related fees are \$21k above budget.
  - Other fees and charges are (\$63k) below budget - includes Cemetery fees (\$11k) Port Douglas Markets (\$18k) Van Parks (\$9k), Infringements issued are below budget (\$34k). \$10k has been received from Cook Shire for assistance with Plumbing inspections.
- Grants and subsidies are \$2.9m above budget. 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:
  - \$138k for additional Counter Disaster Claim
  - \$1.75 Million from Extraordinary Clean- up funding
  - \$156k has also been received for emergent expenditure that was incurred during the Jan/Feb 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. Timing of corresponding expenditure is yet to be finalised and will be considered at the second revised budget.

- Interest earned is \$97k above budget due to the maintained interest rates from the Reserve Bank.
- Other recurrent income is \$77k above budget. Council has received \$30k for the proceeds of recycling.

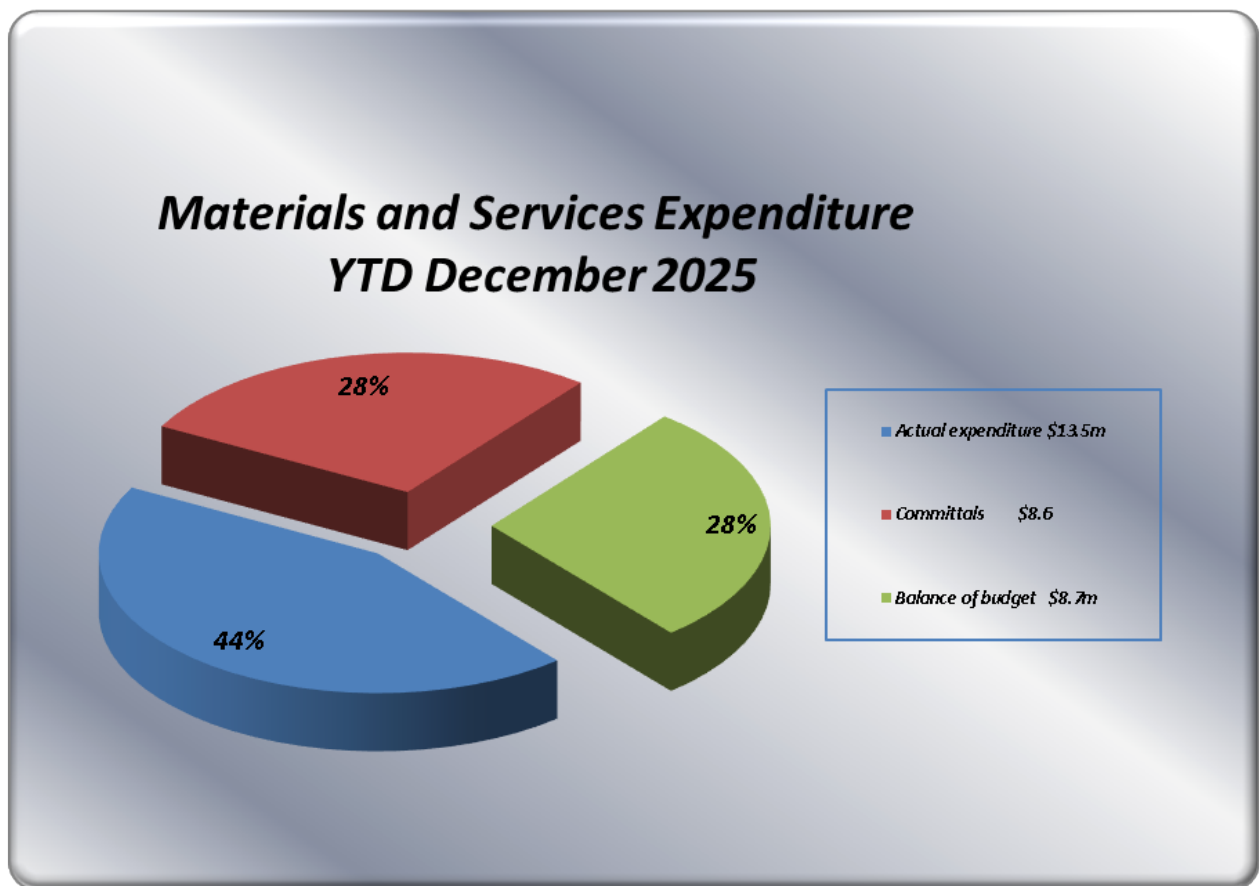
The below graph proportionately represents Council's sources of operational revenue:



### Operating Expenditure

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

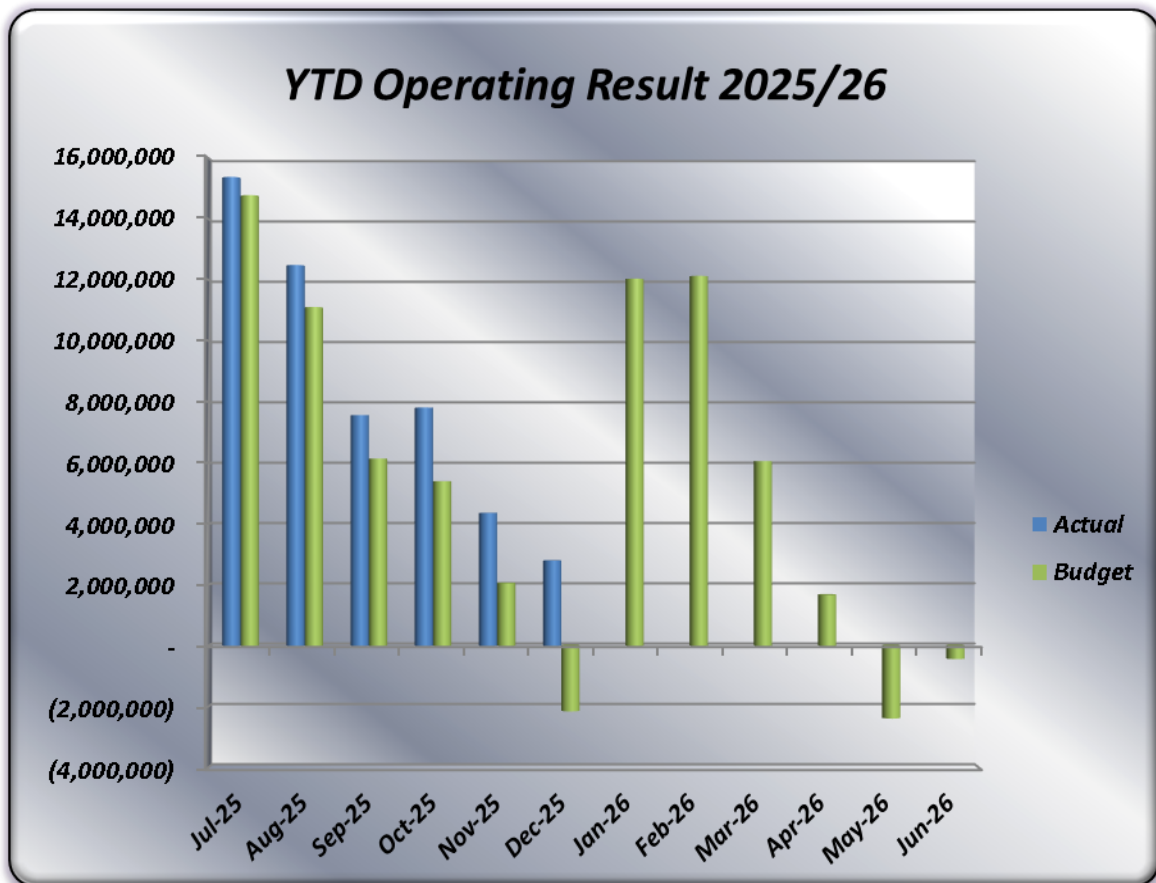
- Employee benefits expenditure is currently (\$201k) below budget. This can be subject to the timing of various unfilled vacancies but is partly offset by the increase in temporary and contract staff expenditure.
- Materials and services expenditure is currently below budget expectations by (\$1.5m). 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 (\$374k) below budget due to the timing of grant funding being expended.
- Depreciation expense is \$106k ahead of budget, 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.



**Figure 2.**

### Operating Result

- The year-to-date operating surplus is currently \$4.9m above budget expectations,
- As reflected in the attached report, operating revenue at the end of December was \$3.3m above budget primarily due to additional Grant income and operating expenditure (\$1.6m) below budget.
- This has resulted in an actual operating surplus of \$2.8m compared to a budgeted deficit of \$2.1m which is an improvement on the budgeted position of \$4.9m.



**Figure 3.**

### Capital Revenue and Expenditure

- Council has received \$42.6m in Capital Grants; \$39.2m of this relates to disaster funding. This includes \$15m for Water Security projects. Council has also received \$899k in developer contributions.
- Capital works income and expenditure budgets include projects that may be completed across multiple financial years.
- Year-to-date capital expenditure is \$44.6m and a further \$49.1m has been committed for capital expenditure at the end of December 2025.

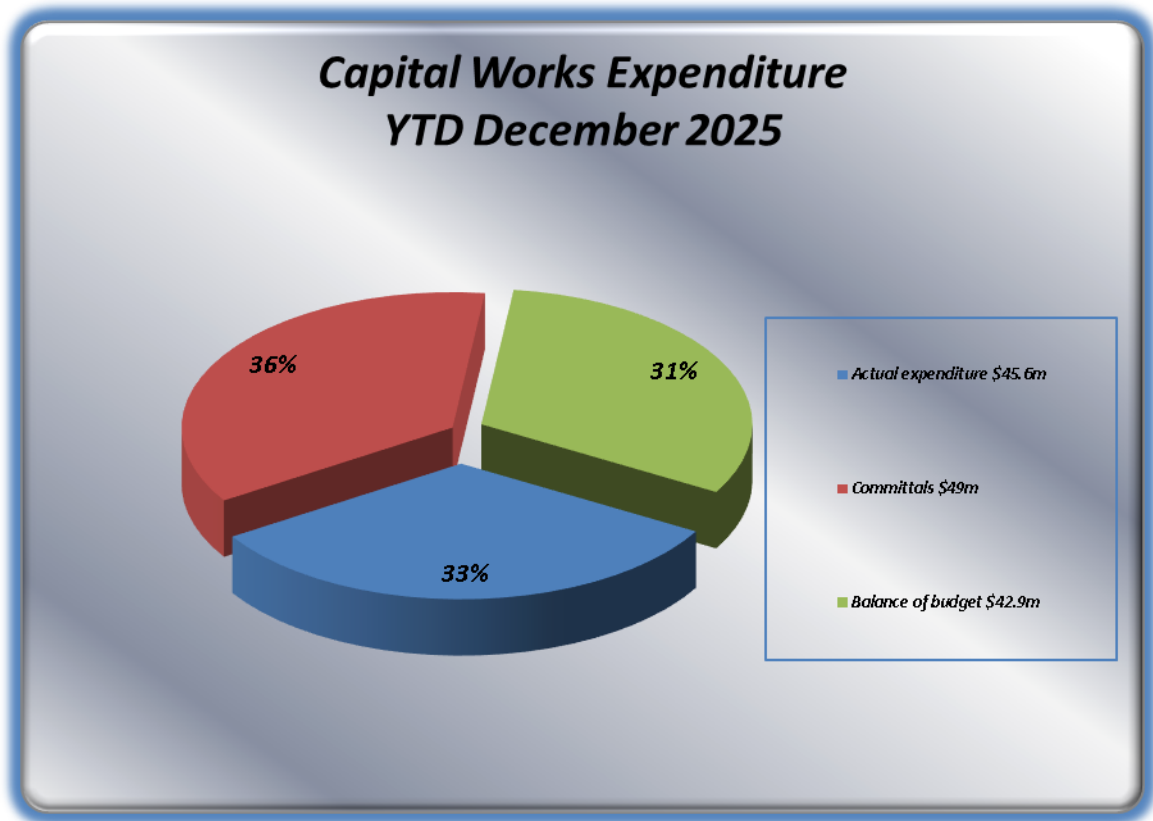


Figure 4.

#### Statement of Financial Position

- The Statement of Financial Position as at 31 December 2025, reflects net community assets of \$642.3m.
- 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

<b>Economic:</b>	The aim of the long-term financial forecast is to meet all the 'measures of financial sustainability'.
<b>Environmental:</b>	Nil
<b>Social:</b>	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:

<b>Custodian</b>	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 December Statement of Comprehensive Income [7.3.1 - 1 page]
2. 2025 December Statement of Financial Position [7.3.2 - 1 page]
3. 2025 December Statement of Cash Flows [7.3.3 - 1 page]

Douglas Shire Council  Statement of Comprehensive Income Financial Report December 2025	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Operating Revenue</b>											
Rates and utility charges	22,802,947	22,490,318	312,629	-			22,802,947	22,490,318	312,629	48,362,313	47%
less: Financial Assistance, Remissions (incl. Pensioners)	(359,120)	(361,511)	2,391	-			(359,120)	(361,511)	2,391	(722,714)	50%
Net rates and utility charges	22,440,441	22,128,807	311,634	-			22,440,441	22,128,807	311,634	47,639,600	47%
Fees and charges	4,919,435	5,022,258	(102,823)	-			4,919,435	5,022,258	(102,823)	8,904,306	55%
Grants and subsidies	2,960,754	2,839,160	121,594	2,670,633	(148,773)	2,819,406	5,631,387	2,690,387	2,941,000	10,218,904	55%
Interest received	838,318	740,980	97,338	726,767	726,767	-	1,565,085	1,467,747	97,338	2,439,133	64%
Other recurrent income	645,065	567,399	77,666	18,311	18,326	(15)	663,376	585,725	77,651	1,414,514	47%
<b>Total Operating Revenue</b>	<b>31,804,014</b>	<b>31,298,604</b>	<b>505,410</b>	<b>3,415,711</b>	<b>596,320</b>	<b>2,819,391</b>	<b>35,219,725</b>	<b>31,894,924</b>	<b>3,324,801</b>	<b>70,616,456</b>	<b>50%</b>
<b>Operating Expenses</b>											
Employee benefits	9,868,744	10,004,338	(135,594)	323,572	388,924	(65,352)	10,192,317	10,393,262	200,945	22,098,426	46%
Materials and services	13,398,787	14,520,908	(1,122,121)	134,741	531,046	(396,305)	13,533,528	15,051,954	1,518,426	30,804,313	44%
Depreciation	8,666,213	8,559,701	106,512	-	-	-	8,666,213	8,559,701	(106,512)	18,037,418	48%
Finance costs	40,648	32,936	(73,584)	-	-	-	40,648	32,936	(7,712)	98,599	41%
<b>Total Recurrent Expenses</b>	<b>31,974,392</b>	<b>33,117,883</b>	<b>(1,143,491)</b>	<b>458,313</b>	<b>919,970</b>	<b>(461,657)</b>	<b>32,432,705</b>	<b>34,037,853</b>	<b>1,605,148</b>	<b>71,038,756</b>	<b>46%</b>
<b>Operating Result</b>	<b>(170,378)</b>	<b>(1,819,279)</b>	<b>1,648,901</b>	<b>2,957,398</b>	<b>(323,650)</b>	<b>3,281,048</b>	<b>2,787,020</b>	<b>(2,142,929)</b>	<b>4,929,949</b>	<b>(422,300)</b>	<b>(660%)</b>
<b>Capital Revenue</b>											
Capital grants and subsidies	3,379,825	2,322,126	1,057,699	39,242,885	45,820,721	(6,577,836)	42,622,710	48,142,847	(5,520,137)	115,542,833	37%
Contributions from developers	899,727	250,000	649,727	-	-	-	899,727	250,000	649,727	250,000	360%
Gain/(Loss) non current assets & Insurance Proceeds	(20,127)	-	(20,127)	-	-	-	(20,127)	-	20,127	-	
<b>Total capital revenue</b>	<b>4,259,425</b>	<b>2,572,126</b>	<b>1,687,299</b>	<b>39,242,885</b>	<b>45,820,721</b>	<b>(6,577,836)</b>	<b>43,502,310</b>	<b>48,392,847</b>	<b>(4,890,537)</b>	<b>115,792,833</b>	<b>38%</b>
<b>Net Result</b>	<b>4,089,046</b>	<b>752,847</b>	<b>3,336,200</b>	<b>42,200,283</b>	<b>45,497,071</b>	<b>(3,296,788)</b>	<b>46,289,329</b>	<b>46,249,918</b>	<b>39,411</b>	<b>115,370,533</b>	<b>40%</b>
<b>Capital Works Program</b>											
Capital additions	8,095,852	3,723,390	(4,372,462)	36,473,458	53,196,365	16,722,907	44,569,310	56,919,755	12,350,445	136,619,412	33%
<b>Total capital additions</b>	<b>8,095,852</b>	<b>3,723,390</b>	<b>4,372,462</b>	<b>36,473,458</b>	<b>53,196,365</b>	<b>(16,722,907)</b>	<b>44,569,310</b>	<b>56,919,755</b>	<b>12,350,445</b>	<b>136,619,412</b>	<b>33%</b>



**Douglas Shire Council**  
**Statement of Financial Position**  
**December 2025**

	2026	2025
	\$	\$
<b>Current assets</b>		
Cash and cash equivalents	66,842,673	63,701,155
Investments	-	-
Trade and other receivables, Contract Assets, Prepayments	6,622,735	15,770,226
Inventories	123,248	139,492
<b>Total current assets</b>	<b>73,588,655</b>	<b>79,610,873</b>
<b>Non-current assets</b>		
Property, plant and equipment	609,077,985	572,595,985
Right of use assets	222,540	222,540
Intangible assets	32,876	32,876
<b>Total non-current assets</b>	<b>609,333,401</b>	<b>572,851,402</b>
<b>Total assets</b>	<b>682,922,056</b>	<b>652,462,274</b>
<b>Current liabilities</b>		
Trade and other payables, Contract Liabilities	30,186,325	47,303,632
Lease Liabilities	163,037	163,037
Provisions	5,892,642	5,224,303
<b>Total current liabilities</b>	<b>36,242,004</b>	<b>52,690,972</b>
<b>Non-current liabilities</b>		
Borrowings	-	-
Provisions	4,163,170	4,163,171
Unearned Revenue	195,897	195,896
<b>Total non-current liabilities</b>	<b>4,359,067</b>	<b>4,359,067</b>
<b>Total liabilities</b>	<b>40,601,072</b>	<b>57,050,039</b>
<b>Net community assets</b>	<b>642,320,984</b>	<b>595,412,235</b>

**\*\* 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**  
**December 2025**

	YTD 2026	2025
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	40,916,715	51,247,296
Payments to suppliers and employees	(40,843,152)	(53,420,487)
	73,564	(2,173,191)
Interest received	1,565,085	2,704,324
Rental income	169,346	341,102
Non capital grants and contributions	5,631,387	11,503,170
Borrowing costs/Bank Charges	(40,648)	(84,152)
<b>Net cash inflow from operating activities</b>	<b>7,398,734</b>	<b>12,291,253</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(43,300,827)	(58,581,882)
Payments for intangible assets	-	-
Payments for assets donated	-	(78,960)
Proceeds from sale of property plant and equipment	169,184	55,354
Net Movement in Investments	-	5,000,000
Grants, subsidies, contributions and donations	38,874,425	75,941,971
Capital insurance proceeds	-	-
<b>Net cash used in investing activities</b>	<b>(4,257,217)</b>	<b>22,336,483</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
<b>Net cash inflow (outflow) from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalent held</b>	<b>3,141,517</b>	<b>34,627,736</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>63,701,156</b>	<b>29,073,420</b>
<b>Cash and cash equivalents at the end of the Reporting Month</b>	<b>66,842,673</b>	<b>63,701,156</b>

**\*\* 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.**