

7.3. 2025 OCTOBER 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 Comprehensive Income, Statement of Financial Position and Statement of Cashflows for October 2025.

EXECUTIVE SUMMARY

The Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cashflows details the 2025-2026 budget's progress for the period ended 31 October 2025.

Key points to note include the following:

- Operating revenue is above budget by \$721k
- Expenditure is below budget \$1.7m
- The operating surplus is \$2.4m above budget (Actual of \$7.8m compared to Budget of \$5.4m)

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 October 2025.

FINANCIAL REPORT – Statement of Comprehensive Income

Operating Revenue

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

- Rates and utility charges are above budget by \$297k. This is primarily due to Water charges, currently above budget \$273k. The timing of issuing notices is the primary reason for this variance as October notices were issued 1 week later than planned.
- Fees and charges are above budget by \$94k due to the following:
 - o Daintree Ferry revenue is \$192k above budget.
 - o Revenue from license fees is \$3k above budget.

- o Building and property related fees are \$95k below budget, with this variance being primarily due to a budget timing issue.
- o Refuse tipping fees are \$24k above budget.
- o Other fees and charges are \$30k below budget. This includes both Cemetery fees \$14k & Port Douglas Markets \$7k below budget.
- Grants and subsidies are \$163k above budget. \$340k has been received for the Coastal Recovery program.
- Interest earned is \$191k above budget. This is primarily due to the delays in RBA reducing interest rates and Council cash holdings from prepayment of funding for reconstruction works currently underway.
- Other recurrent income is \$24k below budget. The timing of the works performed for the Department of Transport and Main Roads impacts this revenue. It has also been affected by the changes in lease arrangements for the Mossman Golf club.

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

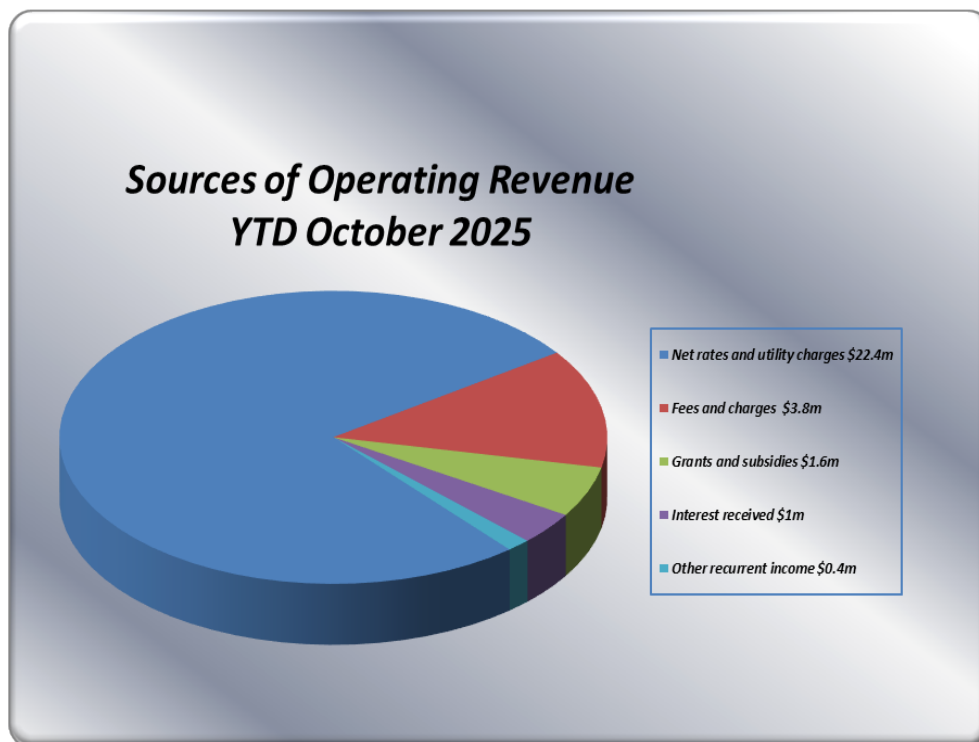


Figure 1.

Operating Expenditure

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

- Employee benefits expenditure is currently \$528k below budget. This can be subject to the timing of various unfilled vacancies. However, this variance can be partly offset by the increase in temporary and contract staff expenditure.

- Materials and services expenditure is currently tracking below budget expectations with a \$1.3m year to date variation. This is primarily caused by the timing of work performed and supplier invoices received. Budgets are allocated early in the financial year to enable projects to commence when resources are available.
- Depreciation expense is \$88k below budget; the timing of works completion affects this result.
- Finance charges are \$6k over budget.

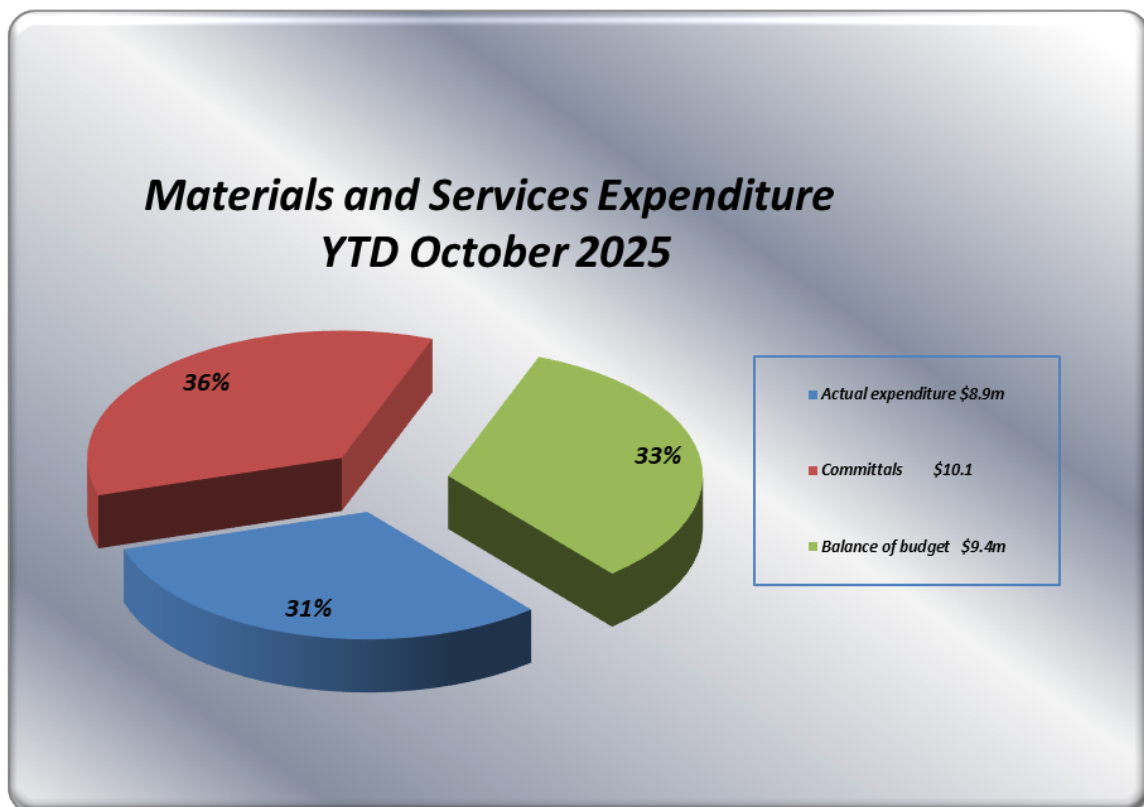


Figure 2.

Operating Result

A key point to note is the operating surplus is currently \$2.4m above budget.

As reflected in the attached report, operating revenue at the end of October was \$721k above budget and operating expenditure \$1.7m below budget.

This has resulted in an operating surplus of \$7.8m compared to a budgeted surplus of \$5.4m for year to date.

A revised Budget will be presented to Council at the November meeting to address some of these variances.

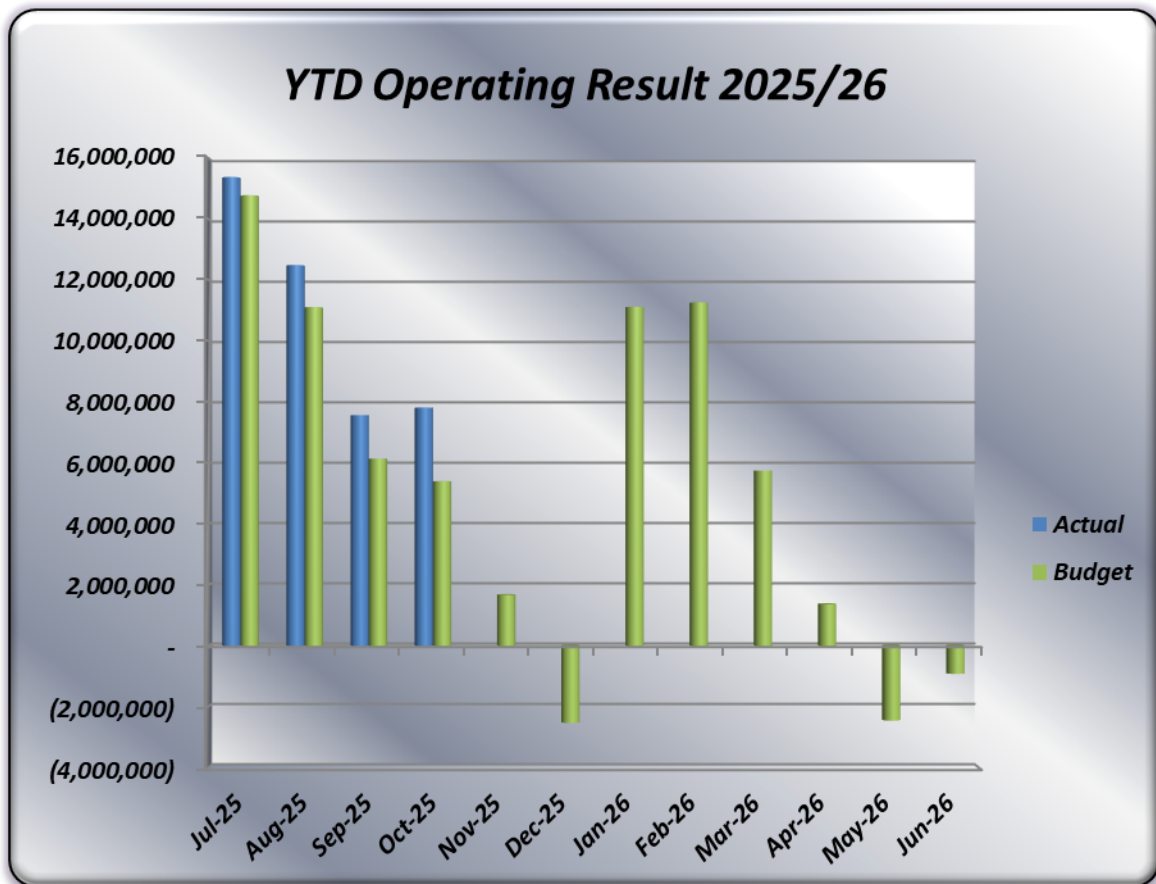


Figure 3.

Capital Revenue and Expenditure

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

- Council has received \$18.6m in Capital Grants and \$899k 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.

Year-to-date capital expenditure is \$25m and a further \$53m has been committed for capital expenditure at the end of October 2025.

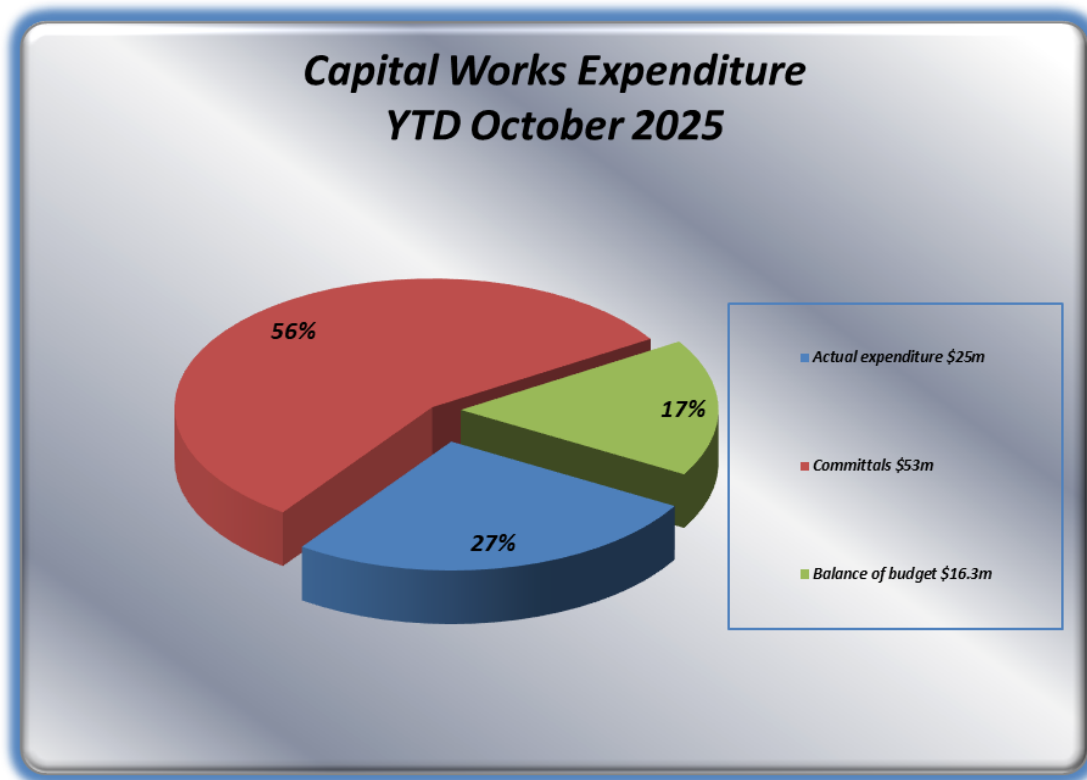


Figure 4.

FINANCIAL STATEMENT – Statement of Financial Position

The Statement of Financial Position as at 31 October 2025, reflects net community assets of \$618.3m.

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, Statement of Financial Position and Statement of Cashflows for month ended 31 October 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. 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.
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ATTACHMENTS

1. 2025 October Statement of Comprehensive Income [7.3.1 - 1 page]
2. 2025 October Statement of Financial Position [7.3.2 - 1 page]
3. 2025 October Statement of Cashflows [7.3.3 - 1 page]

Douglas Shire Council**Statement of Comprehensive Income****Financial Report October 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	22,784,417	22,487,318	297,099	48,362,313	47%
less: Financial Assistance, Remissions (incl. Pensioners)	(359,590)	(359,511)	(79)	(722,714)	50%
Net rates and utility charges	22,424,822	22,127,807	297,015	47,639,600	47%
Fees and charges	3,854,245	3,760,310	93,935	8,798,484	44%
Grants and subsidies	1,639,446	1,476,416	163,030	8,495,520	19%
Interest received	1,051,209	860,574	190,635	2,342,267	45%
Other recurrent income	415,082	438,585	(23,503)	1,436,689	29%
Total Operating Revenue	29,384,805	28,663,692	721,113	68,712,559	43%
Operating Expenses					
Employee benefits	6,859,181	7,387,563	528,382	22,945,685	30%
Materials and services	8,894,189	10,155,488	1,261,299	28,357,118	31%
Depreciation	5,792,500	5,704,075	(88,425)	18,037,418	32%
Finance costs	32,167	26,112	(6,055)	287,976	11%
Total Recurrent Expenses	21,578,037	23,273,238	1,695,201	69,628,197	31%
Operating Result	7,806,767	5,390,454	2,416,313	(915,638)	(853%)
Capital Revenue					
Capital grants and subsidies	18,562,167	17,838,494	723,673	107,030,964	17%
Contributions from developers	899,727	250,000	649,727	250,000	360%
Gain/(Loss) non current assets & Insurance Proceeds	2,298	-	(2,298)	-	
Total capital revenue	19,464,191	18,088,494	1,375,697	107,280,964	18%
Net Result	27,270,959	23,478,948	3,792,011	106,365,326	26%
Capital Works Program					
Capital additions	24,984,493	15,716,958	(9,267,535)	94,301,746	26%
Total capital additions	24,984,493	15,716,958	(9,267,535)	94,301,746	26%

Douglas Shire Council
Statement of Financial Position
October 2025

	2026	2025
	\$	\$
Current assets		
Cash and cash equivalents	61,747,233	63,701,155
Investments	-	-
Trade and other receivables, Contract Assets, Prepayments	7,679,246	15,770,226
Inventories	126,695	139,492
Total current assets	69,553,173	79,610,873
Non-current assets		
Property, plant and equipment	591,788,086	572,595,985
Right of use assets	222,540	222,540
Intangible assets	32,876	32,876
Total non-current assets	592,043,502	572,851,402
Total assets	661,596,675	652,462,274
Current liabilities		
Trade and other payables, Contract Liabilities	32,968,952	47,303,632
Lease Liabilities	163,037	163,037
Provisions	5,842,365	5,224,303
Total current liabilities	38,974,353	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	43,333,421	57,050,039
Net community assets	618,263,255	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
October 2025

	YTD 2026	2025
	\$	\$
Cash flows from operating activities		
Receipts from customers	34,674,964	51,247,296
Payments to suppliers and employees	(30,088,050)	(53,420,487)
	4,586,914	(2,173,191)
Interest received	1,051,209	2,704,324
Rental income	110,166	341,102
Non capital grants and contributions	1,639,446	11,503,170
Borrowing costs/Bank Charges	(32,167)	(84,152)
Net cash inflow from operating activities	7,355,567	12,291,253
Cash flows from investing activities		
Payments for property, plant and equipment	(24,492,250)	(58,581,882)
Payments for intangible assets	-	-
Payments for assets donated	-	(78,960)
Proceeds from sale of property plant and equipment	-	55,354
Net Movement in Investments	-	5,000,000
Grants, subsidies, contributions and donations	15,182,759	75,941,971
Capital insurance proceeds	-	-
Net cash used in investing activities	(9,309,490)	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	(1,953,923)	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	61,747,233	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.**