7.3. 2025 SEPTEMBER FINANCIAL REPORTS

REPORT AUTHOR Acting 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 September 2025.

EXECUTIVE SUMMARY

The Statement of Comprehensive Income details the 2025-2026 budget's progress for the period ended 30 September 2025.

Key points to note include the following:

- Operating revenue is above budget by $58k.
- Expenditure is below budget $1.4m.
- The operating surplus is $1.4m above budget (Actual of $7.5m compared to Budget of $6.1m).

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.

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 30 September 2025.

FINANCIAL REPORT – Statement of Comprehensive Income

Operating Revenue

At this 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 $6.6k.

- Fees and charges are above budget by $47k due to the following:
  - Daintree Ferry revenue is $140k above budget.
  - Revenue from license fees is $16k above budget.
  - Building and property related fees are $95k below budget, with this variance being primarily due to a budget timing issue.

- Refuse tipping fees are $15k above budget.
- Other fees and charges are $29k below budget. This includes both Cemetary fees $13k & Port Douglas Markets $6k below budget.

- Grants and subsidies are $112k below budget. This is primarily due to the timing of claims relating to disaster management.

- Interest earned is $127k above budget. This is primarily due to forecast delays in RBA interest rate reductions.

- Other recurrent income is $10k below budget. The timing of the works performed for the Department of Transport and Main Roads impacts this revenue.

Operating Expenditure

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

- Employee benefits expenditure is currently $331k 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 $1m year to date variation. This is primarily caused by the timing of works performed and supplier invoices received.

- Depreciation expense is inline with budget expectations.

- Finance charges are inline with budget expectations.

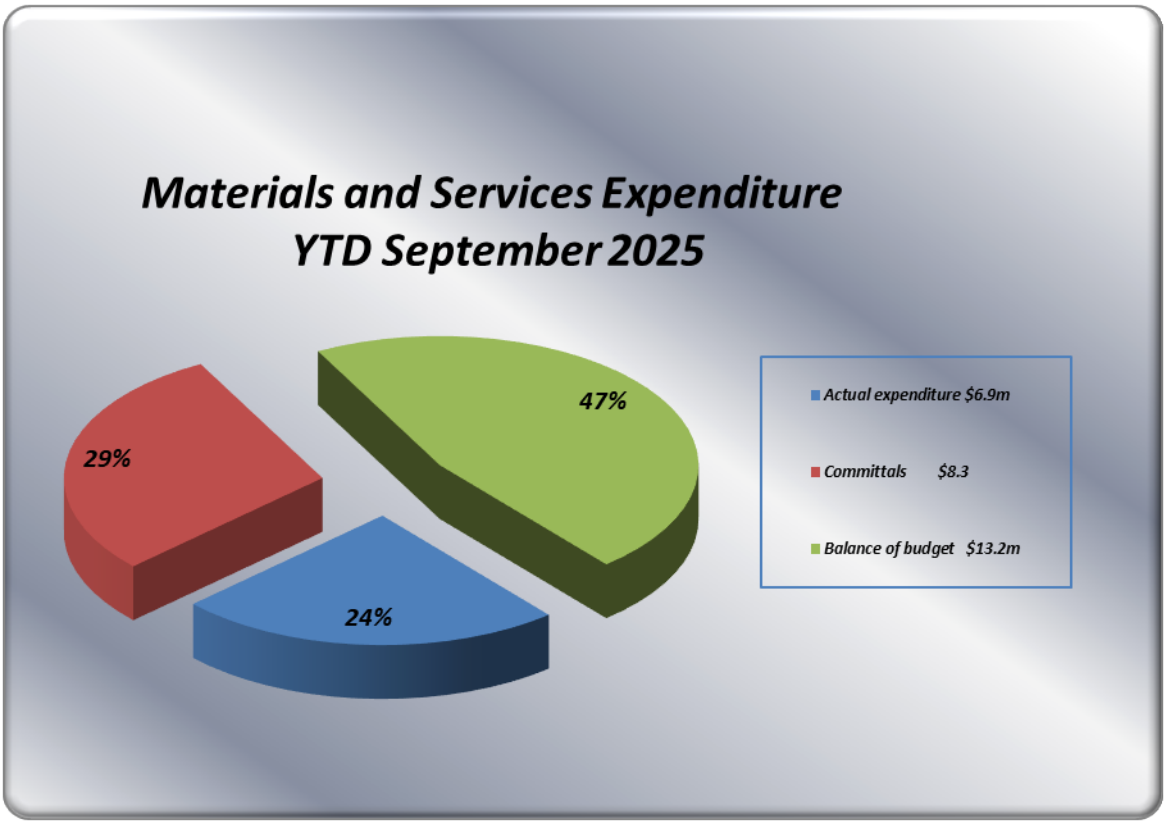

Figure 1.

Operating Result

A key point to note is the operating surplus is currently $1.4m above budget.

As reflected in the attached report, operating revenue at the end of September was $58k above budget and operating expenditure $1.4m below budget.

This has resulted in an operating surplus of $7.5m compared to a budgeted surplus of $6.1m for year to date.

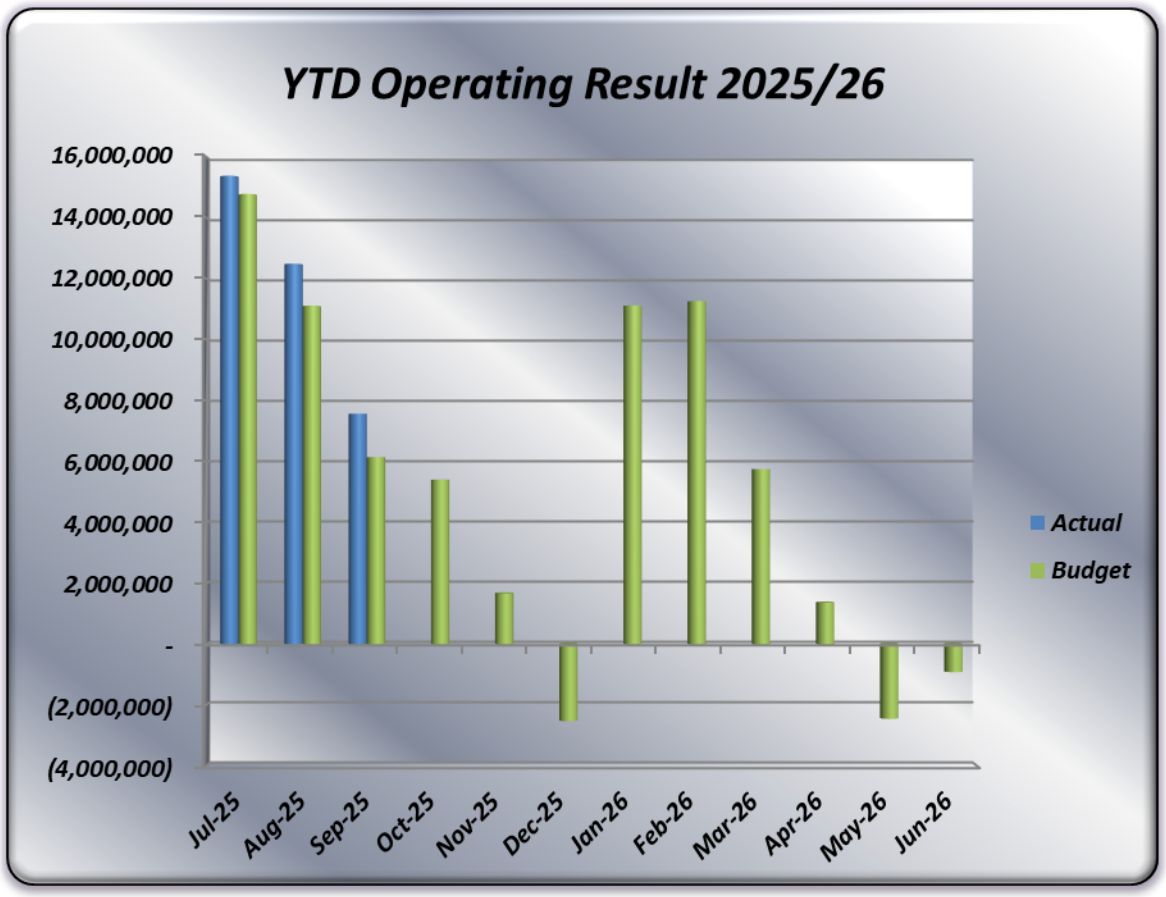

Figure 2.

Capital Revenue and Expenditure

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

- Council has received $14.9m in Capital Grants and $530k 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 $15.1m and a further $60.7m has been committed for capital expenditure at the end of September 2025.

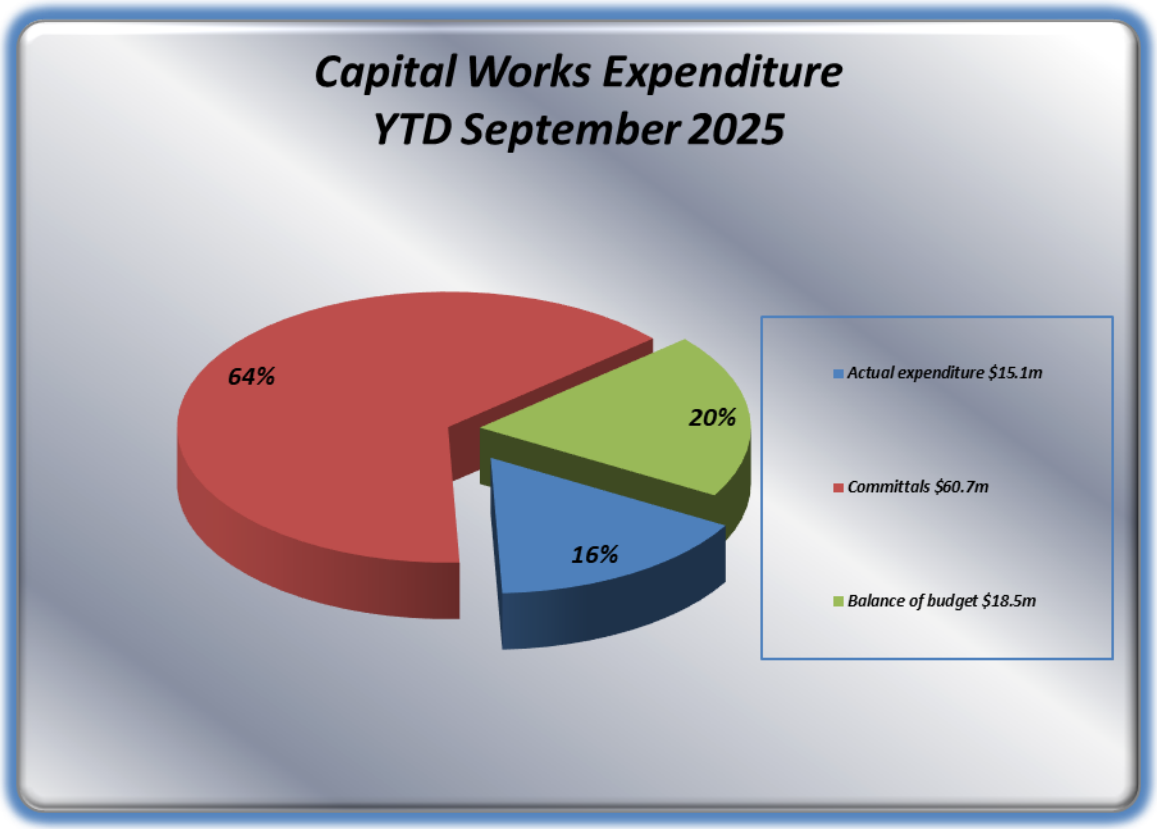

Figure 3.

FINANCIAL STATEMENT – Statement of Financial Position

The Statement of Financial Position as at 30 September 2025, reflects net community assets of $614m.

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 30 September 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.

ATTACHMENTS

1. 2025 September Statement of Cash Flows [**7.3.1** - 1 page]
2. 2025 September Statement of Financial Position [**7.3.2** - 1 page]
3. 2025 September Statement of Comprehensive Income [**7.3.3** - 1 page]

Douglas Shire Council
Statement of Cash Flows
September 2025

	YTD 2026 $	2025 $
Cash flows from operating activities		
Receipts from customers	31,924,687	51,247,296
Payments to suppliers and employees	(22,240,207)	(53,420,487)
	9,684,480	(2,173,191)
Interest received	795,918	2,704,324
Rental income	73,665	341,102
Non capital grants and contributions	1,271,364	11,503,170
Borrowing costs/Bank Charges	(20,865)	(84,152)
Net cash inflow from operating activities	11,804,561	12,291,253
Cash flows from investing activities		
Payments for property, plant and equipment	(15,076,910)	(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	6,853,821	75,941,971
Capital insurance proceeds	-	-
Net cash used in investing activities	(8,223,090)	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	3,581,472	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	67,282,628	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.*

Douglas Shire Council
Statement of Financial Position
September 2025

	2026 $	2025 $
Current assets		
Cash and cash equivalents	67,282,628	63,701,155
Investments	-	-
Trade and other receivables, Contract Assets, Prepayments	5,681,800	15,770,226
Inventories	129,875	139,492
Total current assets	73,094,304	79,610,873
Non-current assets		
Property, plant and equipment	587,672,896	572,595,985
Right of use assets	222,540	222,540
Intangible assets	32,876	32,876
Total non-current assets	587,928,312	572,851,402
Total assets	661,022,616	652,462,274
Current liabilities		
Trade and other payables, Contract Liabilities	37,185,685	47,303,632
Lease Liabilities	163,037	163,037
Provisions	5,440,772	5,224,303
Total current liabilities	42,789,495	52,690,972
Non-current liabilities		
Borrowings		-
Provisions	4,163,171	4,163,171
Unearned Revenue	195,896	195,896
Total non-current liabilities	4,359,067	4,359,067
Total liabilities	47,148,562	57,050,039
Net community assets	613,874,054	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 Comprehensive Income
Financial Report September 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	18,948,901	18,942,496	6,405	48,362,313	39%
less: Financial Assistance, Remissions (incl. Pensioners)	(359,277)	(359,511)	234	(722,714)	50%
Net rates and utility charges	18,589,624	18,582,985	6,639	47,639,600	39%
Fees and charges	3,059,999	3,013,392	46,607	8,798,484	35%
Grants and subsidies	1,271,364	1,383,153	(111,789)	8,495,520	15%
Interest received	795,918	668,927	126,991	2,342,267	34%
Other recurrent income	260,303	270,492	(10,189)	1,436,689	18%
Total Operating Revenue	**23,977,207**	**23,918,949**	**58,258**	**68,712,559**	**35%**
Operating Expenses					
Employee benefits	5,271,892	5,603,342	331,450	22,945,685	23%
Materials and services	6,850,369	7,885,924	1,035,555	28,357,118	24%
Depreciation	4,276,262	4,276,262	-	18,037,418	24%
Finance costs	20,865	20,994	129	287,976	7%
Total Recurrent Expenses	**16,419,387**	**17,786,522**	**1,367,135**	**69,628,197**	**24%**
Operating Result	**7,557,820**	**6,132,427**	**1,425,393**	**(915,638)**	**(825%)**
Capital Revenue					
Capital grants and subsidies	14,886,836	17,838,494	(2,951,658)	107,030,964	14%
Contributions from developers	530,314	250,000	280,314	250,000	212%
Gain/(Loss) non current assets & Insurance Proceeds	-	-	-	-	
Total capital revenue	**15,417,150**	**18,088,494**	**(2,671,344)**	**107,280,964**	**14%**
Net Result	**22,974,969**	**24,220,921**	**(1,245,952)**	**106,365,326**	**22%**
Capital Works Program					
Capital additions	15,076,910	15,716,958	640,048	94,301,746	16%
Total capital additions	**15,076,910**	**15,716,958**	**640,048**	**94,301,746**	**16%**