

### 7.3. AUGUST 2025 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>RECOMMENDATION</b>	

**That Council notes the Statement of Comprehensive Income for August 2025.**

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#### EXECUTIVE SUMMARY

The Statement of Comprehensive Income details the 2025-2026 budget's progress for the period ended 31 August 2025.

Key points to note include the following:

- Operating revenue is below budget by \$177k.
- Expenditure is below budget \$1.6m.
- The operating surplus is \$1.4m above budget, currently \$12.5m compared to a budgeted surplus of \$11.1m.
- It is important to note that these results may be impacted by the finalisation of the 2024-2025 financial year.

Consistent with prior years, because of the material changes and movement in Balance Sheet items that occurs as part of finalising the 30 June 2025 annual financial statements, the Statement of Financial Position and Statement of Cashflows are not produced for the month of August. Monthly Statements of Comprehensive Income, Financial Position, and Cashflows will re-commence in September through to June once the 2025 Financial Statements are certified by the Queensland Auditor-General.

#### 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 August 2025.

#### FINANCIAL REPORT – Statement of Comprehensive Income

##### Operating Revenue

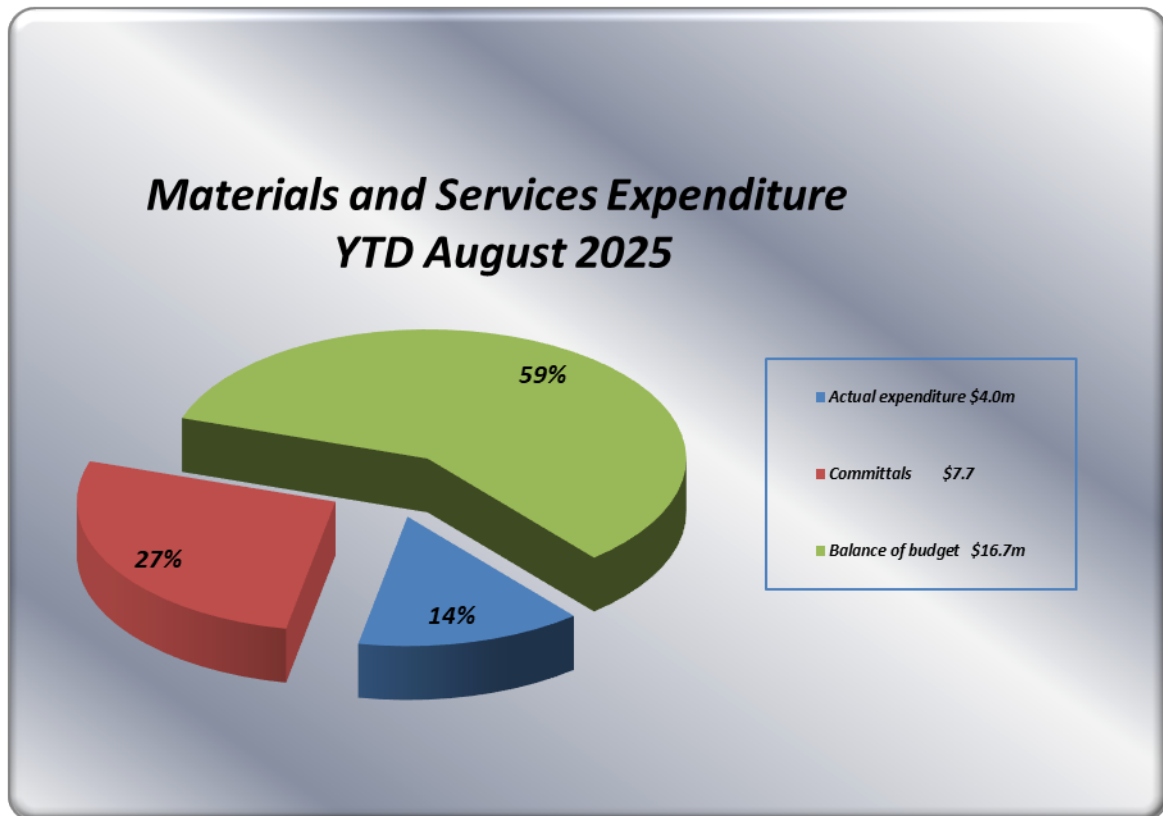
At this very early stage of the year operating revenue is currently behind budget, with variations occurring within the categories as follows:

- Rates and utility charges are above budget by \$24k
- Fees and charges are above budget by \$17k due to the following:
  - o Daintree Ferry revenue is \$162k above budget.
  - o Revenue from license fees is \$4k behind budget.
  - o Building and property related fees are \$125k behind budget and this variance is primarily due to a timing issue.
  - o Refuse tipping fees are \$2k over budget.
  - o Other fees and charges are \$18k below budget.
- Grants and subsidies are \$255k below budget. This primarily relates to the end of financial year work for 2025 and the carry forward of grants to financial year 2026.
- Interest is \$48k above budget.
- Other recurrent income is \$12k behind 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 \$202k 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 \$1.4m year to date variation. This is primarily caused by the timing of works performed and supplier invoices received.
- 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 \$1.6k over budget.



**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 August 2025 was \$177k behind budget and operating expenditure \$1.6m below budget.

This has resulted in an operating surplus of \$12.5m compared to a budgeted surplus of \$11.1m for year to date.

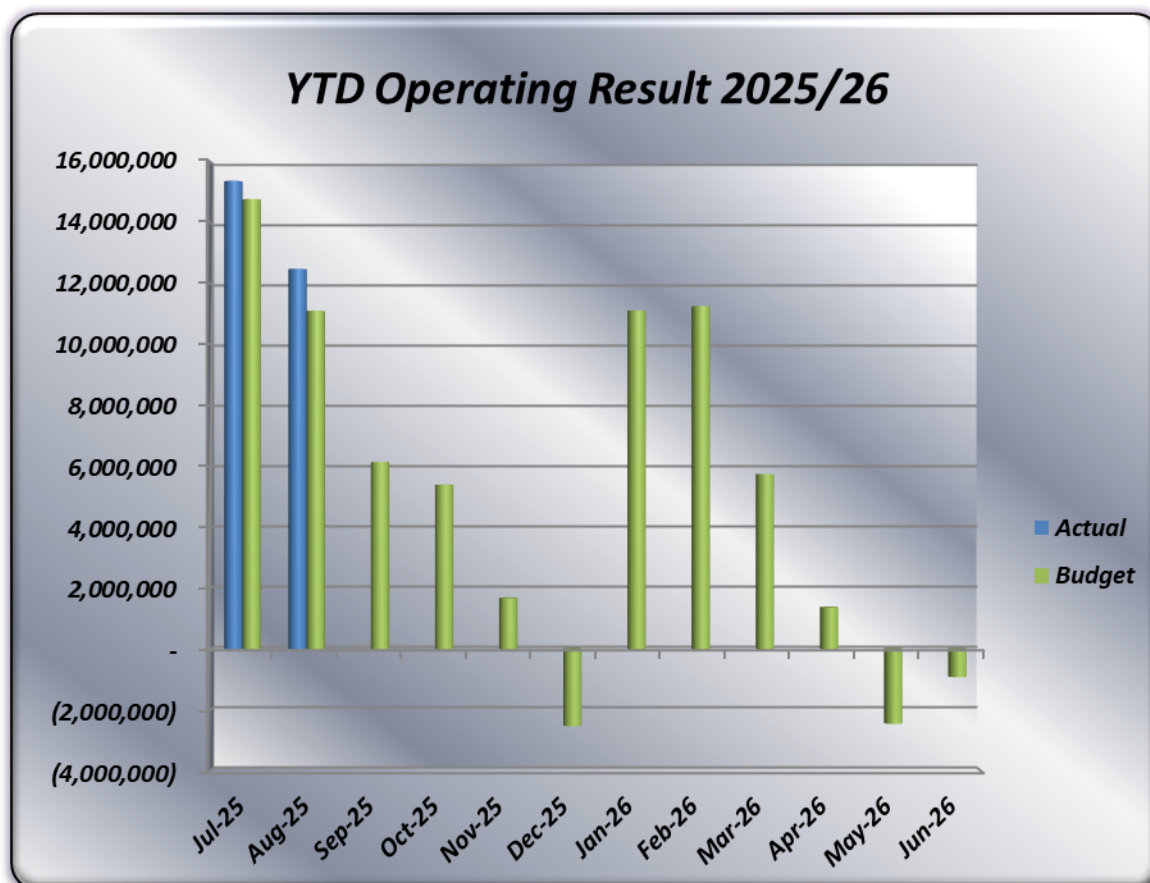


Figure 2.

### Capital Revenue and Expenditure

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

- Council has received \$9.7m in Capital Grants and \$513k 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 \$6.5m a further \$52.5m has been committed for capital expenditure at the end of August 2025.

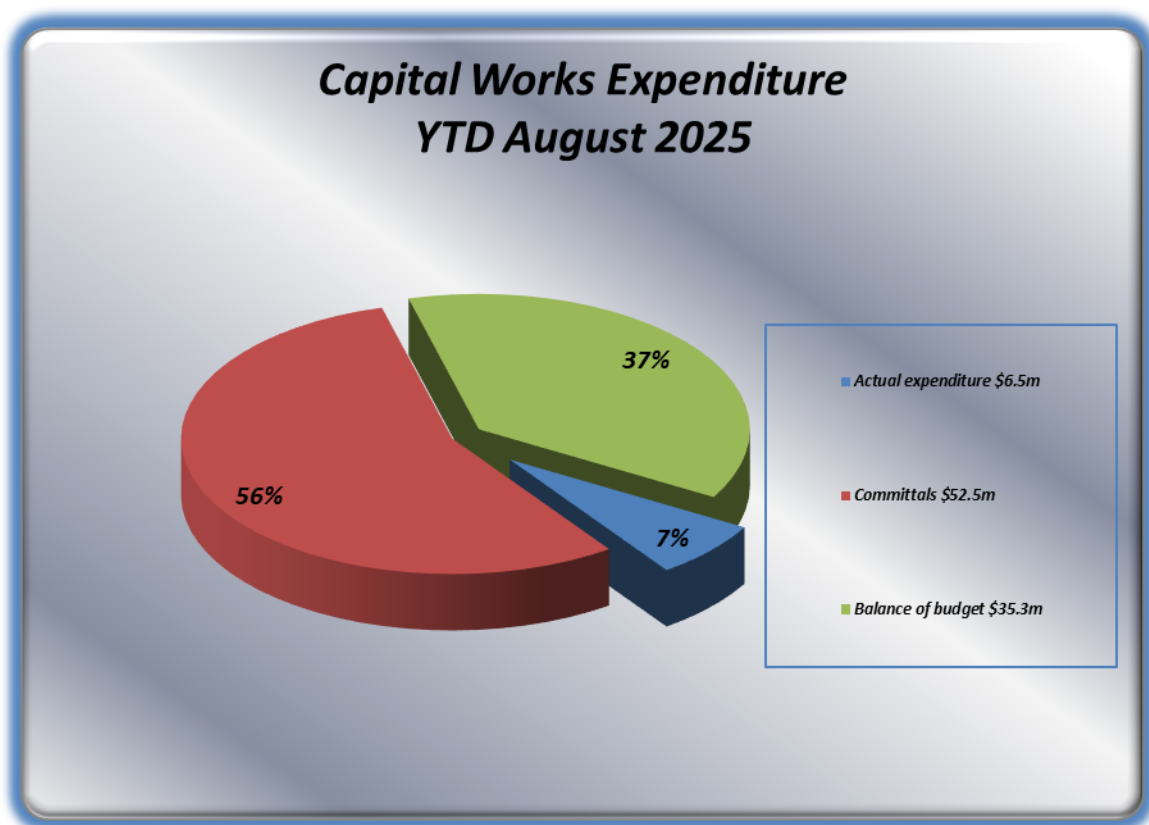


Figure 3.

## PROPOSAL

That Council notes the Statement of Comprehensive Income for month ended 31 August 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

<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 August Statement of Comprehensive Income [7.3.1 - 1 page]

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

	Actual YTD 25/26 \$	Budget YTD 25/26 \$	Variance \$	Budget 25/26 \$	Actual as % of Budget 25/26
<b>Operating Revenue</b>					
Rates and utility charges	18,951,324	18,926,496	24,828	48,362,313	39%
less: Financial Assistance, Remissions (incl. Pensioners)	(358,926)	(358,511)	(415)	(722,714)	50%
Net rates and utility charges	18,592,381	18,567,985	24,396	47,639,600	39%
Fees and charges	2,210,782	2,193,508	17,274	8,798,484	25%
Grants and subsidies	815,982	1,070,558	(254,577)	8,495,520	10%
Interest received	509,161	460,799	48,362	2,342,267	22%
Other recurrent income	128,425	140,715	(12,290)	1,436,689	9%
<b>Total Operating Revenue</b>	<b>22,256,730</b>	<b>22,433,565</b>	<b>(176,835)</b>	<b>68,712,559</b>	<b>32%</b>
<b>Operating Expenses</b>					
Employee benefits	2,844,880	3,046,606	201,726	22,945,685	12%
Materials and services	4,015,931	5,434,281	1,418,350	28,357,118	14%
Depreciation	2,848,449	2,848,449	-	18,037,418	16%
Finance costs	8,933	7,289	(1,644)	287,976	3%
<b>Total Recurrent Expenses</b>	<b>9,718,193</b>	<b>11,336,625</b>	<b>1,618,432</b>	<b>69,628,197</b>	<b>14%</b>
<b>Operating Result</b>	<b>12,538,537</b>	<b>11,096,940</b>	<b>1,441,597</b>	<b>(915,638)</b>	<b>(1369%)</b>
<b>Capital Revenue</b>					
Capital grants and subsidies	9,701,582	17,838,494	(8,136,912)	107,030,964	9%
Contributions from developers	512,629	250,000	262,629	250,000	205%
Gain/(Loss) non current assets & Insurance Proceeds	-	-	-	-	
<b>Total capital revenue</b>	<b>10,214,210</b>	<b>18,088,494</b>	<b>(7,874,284)</b>	<b>107,280,964</b>	<b>10%</b>
<b>Net Result</b>	<b>22,752,747</b>	<b>29,185,434</b>	<b>(6,432,687)</b>	<b>106,365,326</b>	<b>21%</b>
<b>Capital Works Program</b>					
Capital additions	6,458,041	15,716,958	9,258,916	94,301,746	7%
<b>Total capital additions</b>	<b>6,458,041</b>	<b>15,716,958</b>	<b>9,258,916</b>	<b>94,301,746</b>	<b>7%</b>