

7.6. 2026 AUGUST FINANCIAL REPORTS

REPORT AUTHOR	Team Leader Financial Accounting
EXECUTIVE	General Manager Corporate and Communities
DEPARTMENT	Corporate and Communities
TEAM	Financial Services
DATE	29 September 2026

RECOMMENDATION

That Council note the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cashflows for August 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 31 August 2026.

Key points to note include the following:

- The operating result is above budget expectations by **\$2.4m**, primarily due to the timing of grant receipts and operational expenditure.
- At the end of August 2026, Council's net community assets are **\$718m**.
- At the end of August 2026, Council's cash balance is **\$69m**.

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 31 August 2026.

Statement of Comprehensive Income

Operating Revenue

Operating revenue is **\$1.0m** above budget.

- Interest income is **\$260k** above budget, as Council's debt-free balance sheet has enabled it to benefit from high interest rates.
- Grants are above budget **\$580k** primarily due to the final payment for Local Government resilience grant in advance of expectations.

Operating Expenditure

Operating expenditure is below budget expectations by **\$1.4m**.

Business as Usual:

- **\$205k** below budget in Employee benefits due to vacancies.
- **\$1.2m** in Materials and Services due to timing of budgeted expenditure including dredging, drainage works, grant expenditure and completion of asset condition assessments.

Operating Result

- The operating result is above budget expectations by **\$2.4m**, primarily due to the timing of grant receipts and 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 31 August 2026 reflects net community assets of **\$718m**.
- All of Council cash holdings are currently held in high 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 August 2026, Council's cash balance was **\$69m**.

FINANCIAL AND RESOURCE IMPLICATIONS

Financial and resources implications are laid out 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 expectations, 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:

- Financial Services
- Executive Leadership Team

CONCLUSION

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

ATTACHMENTS

1. Statement of Comprehensive Income [**7.6.1** - 1 page]
2. Statement of Financial Position [**7.6.2** - 1 page]
3. Statement of Cash Flows [**7.6.3** - 1 page]

Douglas Shire Council Statement of Comprehensive Income Financial Report August 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	20,434,386	20,398,483	35,903			-	20,434,386	20,398,483	35,903	52,428,061	39%
less: Discounts							(543)	-	(543)	-	0
less: Financial Assistance, Remissions	(319,939)	(379,820)	59,881			-	(319,939)	(379,820)	59,881	(763,641)	42%
Net rates and utility charges	20,114,447	20,018,663	95,784			-	20,114,447	20,018,663	95,784	51,664,420	39%
Fees and charges	2,491,856	2,420,604	71,252			-	2,491,856	2,420,604	71,252	9,400,124	27%
Grants and subsidies	427,276	388,272	39,004	657,703	117,354	540,349	1,084,979	505,626	579,353	13,522,251	8%
Interest received	463,539	204,201	259,338	149,267	149,267	-	612,806	353,468	259,338	2,015,304	30%
Other recurrent income	190,325	236,144	(45,819)	18,303	18,286	17	208,628	254,430	(45,802)	1,644,538	13%
Total Operating Revenue	23,687,443	23,267,884	419,559	825,274	284,907	540,367	24,512,717	23,552,791	959,926	78,246,637	31%
Operating Expenses											
Employee benefits	3,585,000	3,739,681	154,681	154,039	204,840	50,801	3,739,039	3,944,521	205,482	24,162,929	15%
Materials and services	6,088,791	6,931,794	843,003	97,348	491,489	394,141	6,186,139	7,423,283	1,237,144	34,886,928	18%
Temporary / Contract Staff				-			-		-		0%
Depreciation	3,087,534	3,087,534	-			-	3,087,534	3,087,534	-	19,699,000	16%
Finance costs	12,411	14,614	2,203			-	12,411	14,614	2,203	126,957	10%
Total Recurrent Expenses	12,773,736	13,773,623	999,887	251,386	696,329	444,943	13,025,123	14,469,952	1,444,829	78,875,814	17%
Operating Result	10,913,706	9,494,261	1,419,445	573,888	(411,422)	985,310	11,487,594	9,082,839	2,404,755	(629,177)	(1826%)
Capital Revenue											
Capital grants and subsidies	154,495	3,416,491	(3,261,996)	(0)	21,020,609	(21,020,609)	154,495	24,437,100	(24,282,605)	80,610,794	0%
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	3,866,491	(3,709,148)	(0)	21,391,609	(21,391,609)	157,343	25,258,100	(25,100,757)	81,431,794	0%
Capital Works Program											
Capital additions	3,177,196	8,009,558	4,832,362	2,675,386	20,160,942	17,485,556	5,852,582	28,170,501	22,317,919	108,065,600	5%
Total capital additions	3,177,196	8,009,558	4,832,362	2,675,386	20,160,942	17,485,556	5,852,582	28,170,501	22,317,919	108,065,600	5%

Douglas Shire Council
Statement of Financial Position
August 2026

	August 2026 \$	2025-26 Draft \$
Current assets		
Cash and cash equivalents	68,977,092	66,575,834
Investments	-	-
Trade and other receivables	8,367,152	9,020,163
Prepayments	510,042	558,765
Contract Assets	8,790,959	8,790,771
Inventories	108,182	94,110
Total current assets	86,753,426	85,039,643
Non-current assets		
Property, plant and equipment	675,609,343	673,017,319
Right of use assets	173,024	173,024
Intangible assets	24,653	24,653
Total non-current assets	675,807,020	673,214,996
Total assets	762,560,447	758,254,640
Current liabilities		
Trade and other payables	7,404,919	14,902,182
Lease Liabilities	153,124	153,124
Provisions	5,648,634	5,628,728
Contract liabilities	24,742,351	24,790,164
Total current liabilities	37,949,027	45,474,198
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	44,276,474	51,453,061
Net community assets	718,283,972	706,801,578

**** 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
August 2026

	August 2026	2025-26 Draft
	\$	\$
Cash flows from operating activities		
Receipts from customers	23,939,800	56,033,407
Payments to suppliers and employees	(17,430,664)	(52,370,157)
	6,509,137	3,663,250
Interest received	612,806	2,980,089
Rental income	54,320	321,552
Non capital grants and contributions	882,671	12,929,086
Borrowing costs/Bank Charges	(12,411)	(89,914)
Net cash inflow from operating activities	8,046,522	19,804,063
Cash flows from investing activities		
Payments for property, plant and equipment	(5,852,582)	(76,903,324)
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	202,308	59,442,012
Capital insurance proceeds	-	618,335
Net cash used in investing activities	(5,650,274)	(16,734,331)
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	2,396,248	2,879,688
Cash and cash equivalents at the beginning of the financial year	66,580,844	63,701,156
Cash and cash equivalents at the end of the Reporting Month	68,977,092	66,580,844

**** 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.**