7.6. 2026 OCTOBER FINANCIAL REPORTS

REPORT AUTHOR	Team Leader Financial Accounting
MANAGER	General Manager Corporate and Communities
DEPARTMENT	Corporate and Communities
TEAM	Financial Services
DATE	24 November 2026

RECOMMENDATION

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

Key points to note include the following:

- The operating result is above budget expectations by **$2.3m**, primarily due to the timing of operational expenditure.
- At the end of October 2026, Council's net community assets are **$721m.**
- At the end of October 2026, Council's cash balance is **$59m.**

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 October 2026.

Statement of Comprehensive Income

Operating Revenue

Operating revenue overall is materially consistent with budget projections.

- Interest income is **$540k** above budget, as Council's debt-free balance sheet has enabled it to benefit from high interest rates.

- Grants are **$660k** below budget expectations due to timing with disaster recovery projects now expected to be delivered later in 2025-26.

Operating Expenditure

Operating expenditure is below budget expectations by **$2.4m.**

- Employee Benefits are **$400k** below budget expectations due to vacancies.

- Materials and Services expenditure is **$2.1m** below budget due to the timing of dredging, drainage works, asset condition assessments and grant-funded expenditure, including **$700k** for disaster recovery projects now expected to be delivered later in 2025-26.

Operating Result

- The operating result is above budget expectations by **$2.3m**, primarily due to the timing of 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 October 2026 reflects net community assets of **$721m.**

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 October 2026, Council's cash balance was **$59m**.

FINANCIAL AND RESOURCE IMPLICATIONS

Financial and resources implications are detailed 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 forecast, 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 Consultation:

- Financial Services
- Executive Leadership Team

CONCLUSION

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

ATTACHMENTS

1. 2026 October Statement of Comprehensive Income [**7.6.1** - 1 page]
2. 2026 October Statement of Financial Position [**7.6.2** - 1 page]
3. 2026 October Statement of Cash Flows [**7.6.3** - 1 page]

Douglas Shire Council

Statement of Comprehensive Income

Financial Report October 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	24,304,535	24,418,849	(114,314)			-	24,304,535	24,418,849	(114,314)	52,428,061	46%
less: Financial Assistance, Remissions	(319,606)	(380,820)	61,214			-	(319,606)	(380,820)	61,214	(763,641)	42%
Net rates and utility charges	23,984,929	24,038,029	(53,100)			-	23,984,929	24,038,029	(53,100)	51,664,420	46%
Fees and charges	4,245,358	4,201,184	44,174			-	4,245,358	4,201,184	44,174	9,400,124	45%
Grants and subsidies	893,665	1,052,288	(158,623)	201,790	707,135	(505,345)	1,095,455	1,759,423	(663,968)	13,522,251	8%
Interest received	846,687	305,989	540,697	397,644	397,644	-	1,244,330	703,633	540,697	2,015,304	62%
Other recurrent income	600,421	538,586	61,835	18,315	18,286	29	618,736	556,872	61,864	1,644,538	38%
Total Operating Revenue	**30,571,060**	**30,136,076**	**434,984**	**617,749**	**1,123,065**	**(505,316)**	**31,188,809**	**31,259,141**	**(70,332)**	**78,246,637**	**40%**
Operating Expenses											
Employee benefits	7,205,951	7,513,294	307,343	315,114	409,680	94,566	7,521,065	7,922,974	401,909	24,162,929	31%
Materials and services	10,578,609	11,964,298	1,385,689	261,464	958,393	696,929	10,840,073	12,922,691	2,082,618	34,886,928	31%
Depreciation	6,420,204	6,325,555	(94,649)			-	6,420,204	6,325,555	(94,649)	19,699,000	33%
Finance costs	36,101	39,441	3,340			-	36,101	39,441	3,340	126,957	30%
Total Recurrent Expenses	**24,240,866**	**25,842,588**	**1,601,722**	**576,578**	**1,368,073**	**791,495**	**24,817,444**	**27,210,661**	**2,393,217**	**78,875,814**	**31%**
Operating Result	**6,330,194**	**4,293,488**	**2,036,706**	**41,171**	**(245,008)**	**286,179**	**6,371,365**	**4,048,480**	**2,322,885**	**(629,177)**	**(1013%)**
Capital Revenue											
Capital grants and subsidies	154,495	15,585,245	(15,430,750)	6,385,386	30,402,676	(24,017,290)	6,539,881	45,987,921	(39,448,040)	80,610,794	8%
Contributions from developers	2,848	-	2,848			-	2,848	-	2,848	-	0%
Gain/(Loss) non current assets & Insurance Proceeds	(135,203)	450,000	(585,203)		371,000	(371,000)	(135,203)	821,000	(956,203)	821,000	0%
Total capital revenue	**22,140**	**16,035,245**	**(16,013,105)**	**6,385,386**	**30,773,676**	**(24,388,290)**	**6,407,526**	**46,808,921**	**(40,401,395)**	**81,431,794**	**8%**
Net Result	**6,352,334**	**20,328,733**	**(13,976,398)**	**6,426,557**	**30,528,668**	**(24,102,111)**	**12,778,891**	**50,857,401**	**(38,078,509)**	**80,802,617**	**16%**
Capital Works Program											
Capital additions	8,783,268	15,884,159	7,100,891	13,478,164	39,578,342	26,100,178	22,261,432	55,462,501	33,201,069	108,065,600	21%
Total capital additions	**8,783,268**	**15,884,159**	**7,100,891**	**13,478,164**	**39,578,342**	**26,100,178**	**22,261,432**	**55,462,501**	**33,201,069**	**108,065,600**	**21%**

Douglas Shire Council
Statement of Financial Position
October 2026

	YTD 2027 $	2026 $
Current assets		
Cash and cash equivalents	59,464,634	66,555,130
Investments	-	-
Trade and other receivables	9,817,310	9,048,570
Prepayments	423,624	558,765
Contract Assets	8,395,196	8,790,771
Inventories	119,038	94,110
Non Current assets held for sale	-	490,000
Total current assets	78,219,801	85,537,346
Non-current assets		
Property, plant and equipment	688,941,658	672,924,140
Right of use assets	173,024	173,024
Intangible assets	24,653	24,653
Total non-current assets	689,139,335	673,121,817
Total assets	767,359,137	758,659,163
Current liabilities		
Trade and other payables	9,034,918	14,986,993
Lease Liabilities	153,124	153,124
Provisions	6,073,188	5,628,728
Contract liabilities	24,873,606	24,790,164
Total current liabilities	40,134,835	45,559,009
Non-current liabilities		
Borrowings	-	-
Provisions	5,811,086	5,811,086
Unearned Revenue	167,777	167,777
Total non-current liabilities	5,978,863	5,978,863
Total liabilities	46,113,699	51,537,872
Net community assets	721,245,437	707,121,290

*** 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 2026

	YTD 2027 $	FY 2026 $
Cash flows from operating activities		
Receipts from customers	29,505,229	56,687,933
Payments to suppliers and employees	(18,609,955)	(52,427,051)
	10,895,274	4,260,882
Interest received	1,244,330	2,980,089
Rental income	112,534	321,552
Non capital grants and contributions	699,880	12,929,086
Borrowing costs/Bank Charges	(36,101)	(89,914)
Net cash inflow from operating activities	**12,915,916**	**20,401,695**
Cash flows from investing activities		
Payments for property, plant and equipment	(27,038,825)	(76,461,794)
Payments for intangible assets	-	-
Payments for assets donated	-	(57,799)
Proceeds from sale of property plant and equipment	409,091	166,445
Net Movement in Investments	-	-
Grants, subsidies, contributions and donations	6,623,323	58,995,471
Capital insurance proceeds	-	-
Net cash used in investing activities	**(20,006,412)**	**(17,357,677)**
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	**(7,090,495)**	**2,853,975**
Cash and cash equivalents at the beginning of the financial year	**66,555,130**	**63,701,155**
Cash and cash equivalents at the end of the Reporting Month	**59,464,635**	**66,555,130**

*** 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.*