

7.7. 2026 MARCH FINANCIAL REPORTS

REPORT AUTHOR	Interim Chief Financial Officer
MANAGER	General Manager TC Jasper, Corporate and Communities
DEPARTMENT	Corporate and Communities
DATE	28 April 2026

RECOMMENDATION

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

EXECUTIVE SUMMARY

The Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cashflows detail progress against the 2025-2026 budget for the period ended 31 March 2026

Key points to note include the following:

- Operating revenue is favourable to budget expectations by **\$1.3m**, due to **\$1.1m** from Business As Usual and **\$0.2m** from Disaster operations.
 - *Loss of revenue from Weather Event 29U has been accounted for in Business As Usual as there are no 29U revenue budgets.*
- Operating expenditure is favourable to budget expectations by **\$3.1m** due to **\$2.5m** from Business As Usual, **(\$0.2m)** from Disaster operations, and **\$0.8m** weather event 29U.
 - *29U related expenditure was budgeted in Mar-26 but will continue to be recognised this financial year as outstanding invoices are received for Counter Disaster Operations and Emergent Work is completed on essential public assets.*
 - *Most expenditure will be funded by the Queensland Reconstruction Authority (QRA) under the Disaster Recovery Funding Arrangements (DRFA), with revenue likely to be recognised in the 26/27 financial year.*
- The operating position is favourable to budget expectations by **\$4.4m**, due to **\$3.6m** from Business As Usual and **\$0.8m** from weather event 29U.

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 monthly and cover the period up to a day as near as practicable to the end of the preceding month.

The 2025-2026 annual budget was adopted on 1 July 2025, revised on 25 November 2025 and 31st March 2026. The attached financial report details progress against the revised budget for the period ended 31 March 2026.

FINANCIAL REPORT – Statement of Comprehensive Income

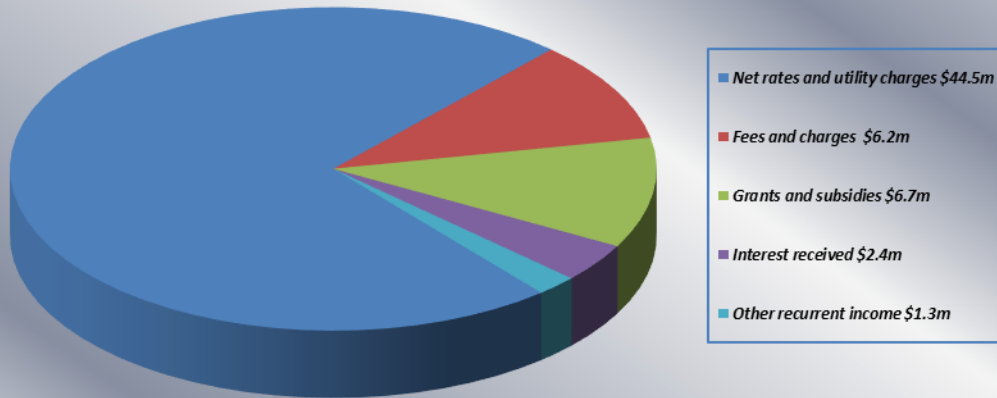
Operating Revenue

Operating revenue is favourable to budget expectations by **\$1.3m**, mainly due to the following reasons.

- **\$1.1m** favourable in Business As Usual.
 - **\$0.32m** favourable in Other recurrent income mainly due to higher-than-expected revenue from recycling and works completed for other government agencies.
 - **\$0.27m** favourable in Grants primarily due to timing.
 - **\$0.25m** favourable in Rates and utility charges. **\$0.13m** due to timing of water billing expected to meet revenue targets, **\$0.10m** in General rates and other utility charges primarily attributed to higher than anticipated property growth with new developments.
 - **\$0.13m** favourable in Fees & Charges primarily due to a lower-than-expected loss of revenue from the Daintree Ferry due to 29U, offset by less revenue received from Caravan Parks, Markets and Hall hire due to frequent inclement weather.
 - #Note: revenue impacts due to 29U have been accounted for in BAU as there are no 29U revenue budgets. \$472k of Daintree Ferry revenue budget was removed at Revised Budget 2.
 - **\$0.11m** favourable in Interest received due to higher-than-expected interest rates from the Reserve Bank.
- **\$0.2m** favourable in Disaster due to Grants and subsidies due to timing.

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

Sources of Operating Revenue YTD March 2026



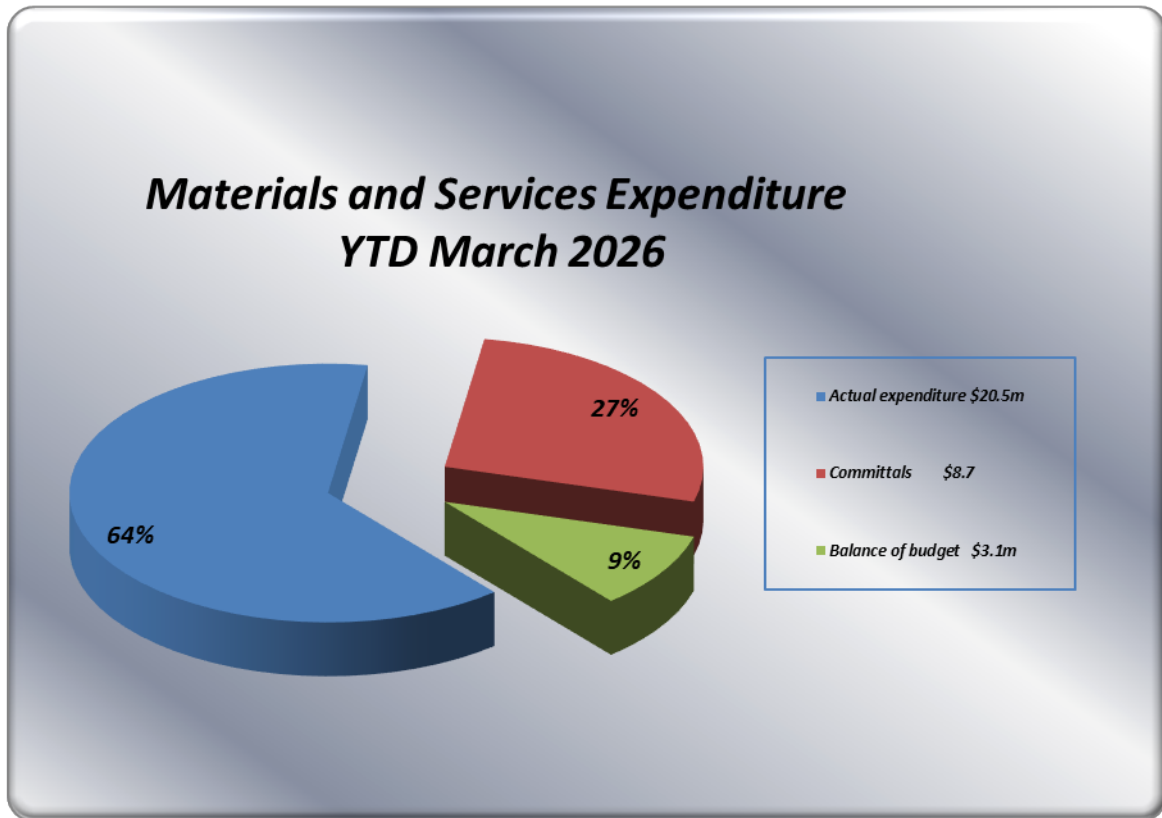
Operating Expenditure

Operating expenditure is favourable to budget expectations by **\$3.1m**, mainly due to the following reasons.

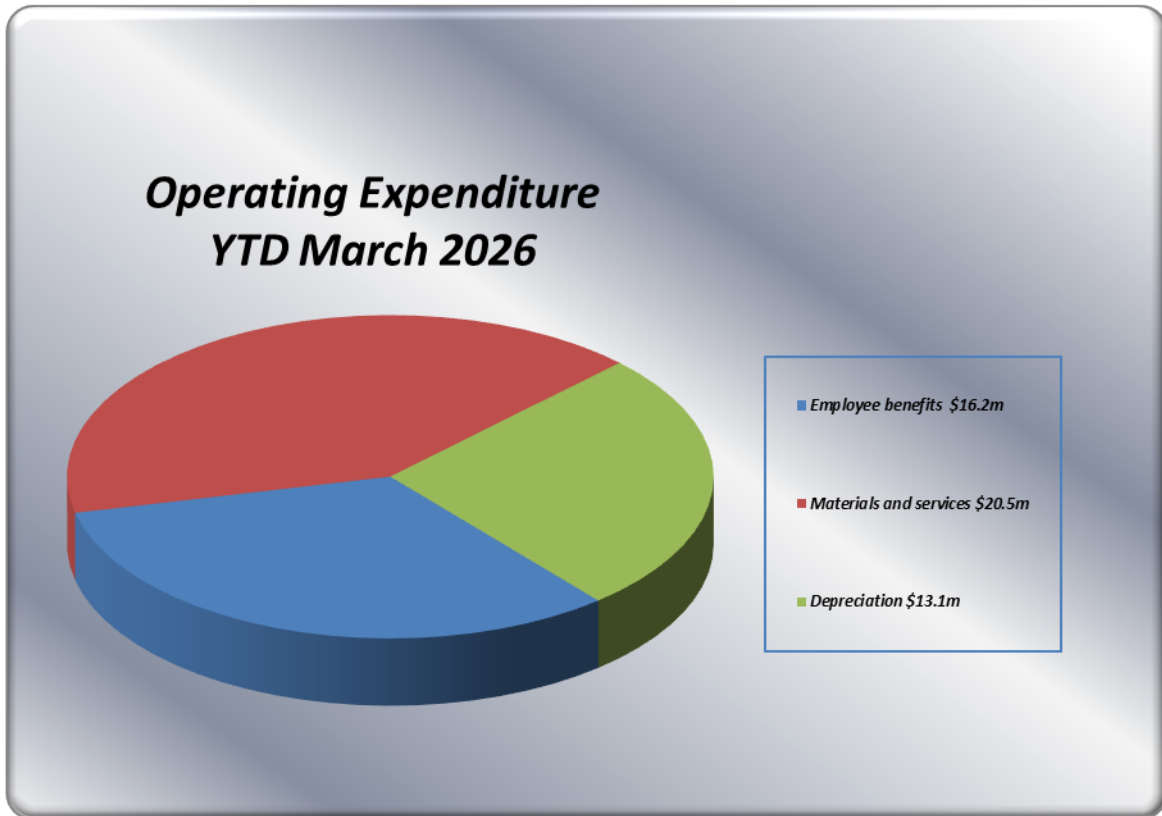
- **\$2.5m** favourable in Business As Usual.
 - **\$0.3m** favourable in employee benefits. This can be subject to the timing of various unfilled vacancies but is partly offset by the increase in temporary and contract staff expenditure. Allocation of staff to disaster works will also impact this result.
 - **\$2.0m** favourable in materials and services due to timing. Budgets are allocated earlier in the year to ensure it is available to expend, if resources are available.
 - **\$0.15m** favourable in depreciation due to timing with projects still being finalised prior to capitalisation.
- **(\$0.2m)** unfavourable in Disaster due to excess employee benefits and materials and services incurred that relate to disaster responses for other weather events (ie. Koji & Narelle, not 29U).
- **\$0.75m** favourable in Weather event 29U due to the timing.
 - *29U related expenditure was budgeted in Mar-26 but will continue to be recognised this financial year as outstanding invoices are received for Counter Disaster Operations and Emergent Work is completed on essential public assets.*

- *Most expenditure will be funded by the Queensland Reconstruction Authority (QRA) under the Disaster Recovery Funding Arrangements (DRFA), with revenue likely to be recognised in the 26/27 financial year.*

The Material and Services Expenditure graph shows actuals, purchase orders raised and therefore budget already committed, and remaining balance of budget.



The Operating Expenditure graph below depicts the spread of Council expenditure.

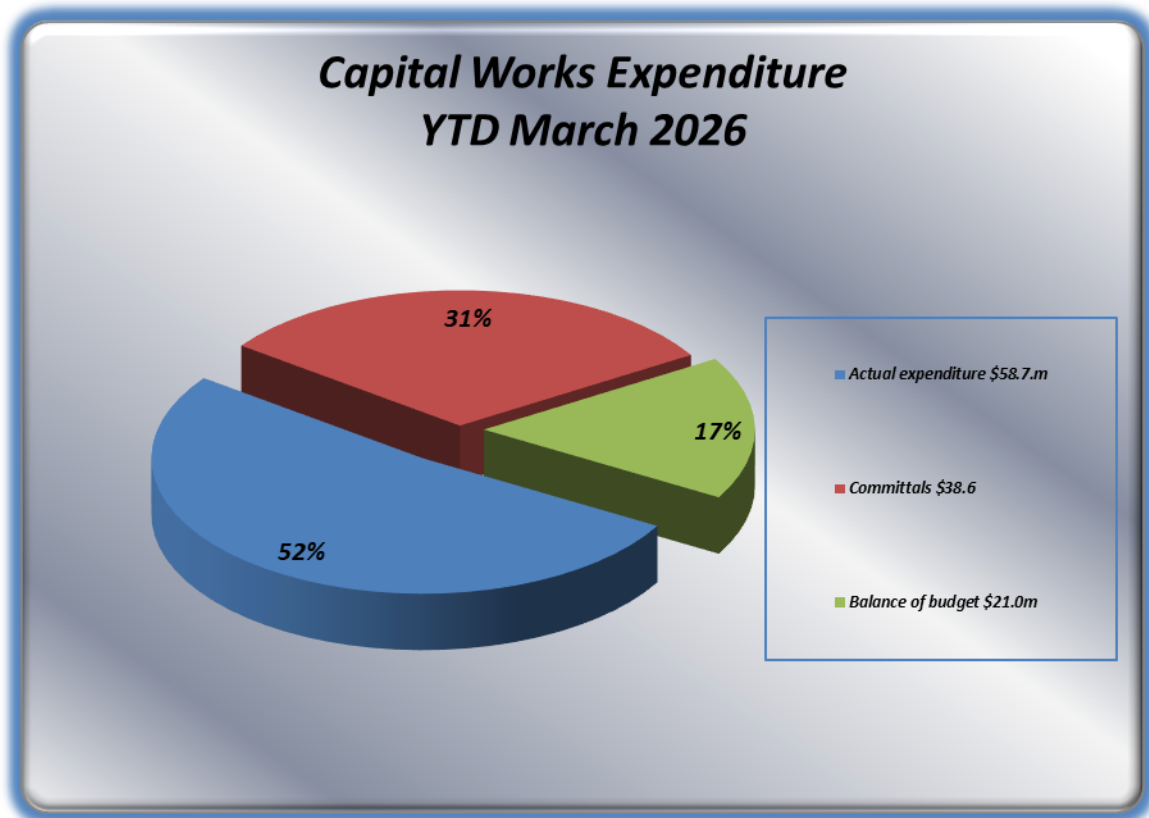


Operating Result

The operating position is favourable to budget expectations by **\$4.4m**, due to **\$3.6m** from Business As Usual and **\$0.8m** from Weather Event 29U.

Capital Revenue and Expenditure

- Council has received **\$74.7m** in Capital Grants; **\$71.1m** of this relates to disaster funding, which includes **\$15m** for Water Security projects. Council has also received **\$1.1m** in developer contributions, which is **\$0.87m** above budget expectations.
- Capital works income and expenditure budgets include projects that may be completed across multiple financial years.
- Year-to-date capital expenditure is **\$61.2m** and a further **\$38.6m** has been committed for capital expenditure at the end of March 2026.



Statement of Financial Position

- The Statement of Financial Position as at 31 March 2026 reflects net community assets of **\$688m**.
- All of Council cash holdings are currently held in interest bearing accounts, currently earning interest at **4.6%**.

Statement of Cash Flows

- The Statement of Cash Flows reports how income received, and expenses paid impacts on Council's cash balances.

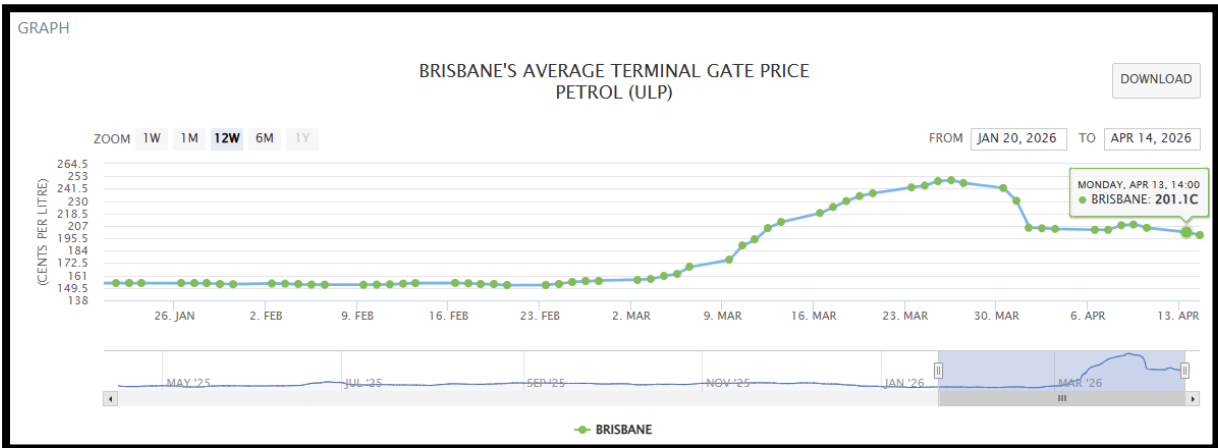
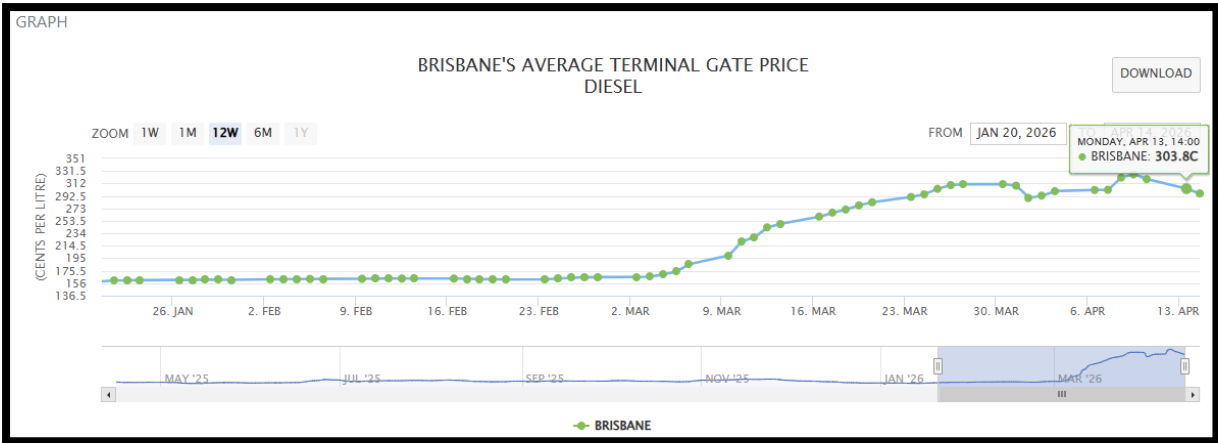
FINANCIAL/RESOURCE IMPLICATIONS

Weather Event 29U

- The Weather Event 29U has had a negative impact on Council's budget with the full extent not yet fully realised due to outstanding invoices and ongoing emergent work on essential public assets.
- It is anticipated that reimbursement under the Disaster Recovery Funding Arrangements via the Queensland Reconstruction Authority is likely to take place in next financial year.

Fuel Crisis

- Council made provision for higher fuel costs as part revised budget 2.
- Although it is uncertain how long fuel prices will remain escalated, management are currently considering proactive measures to mitigate Council's risk exposure.
- Below are graphs from the Australian Institute of Petroleum for Brisbane Terminal Gate Prices showing the elevation of Diesel and ULP over the last 12 weeks.



RISK MANAGEMENT IMPLICATIONS

Monthly financial reporting informs Council of 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 roles as custodian Council will be mindful of the community, the economy, the environment, and good governance.

ATTACHMENTS

1. 2026 March Statement of Comprehensive Income [7.7.1 - 1 page]
2. 2026 March Statement of Financial Position [7.7.2 - 1 page]
3. 2026 March Statement of Cash Flows [7.7.3 - 1 page]

Douglas Shire Council Statement of Comprehensive Income Financial Report March 2026	Business As Usual			Disaster			Weather Event 29U			Consolidated				
	Actual YTD	Budget YTD	Variance YTD	Actual YTD	Budget YTD	Variance YTD	Actual YTD	Budget YTD	Variance YTD	ACTUAL YTD	Budget YTD	Variance	Annual Budget 25/26	Actual as % of Annual Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Operating Revenue														
Rates and utility charges	45,290,618	45,040,441	250,177			-			-	45,290,618	45,040,441	250,177	48,362,313	94%
less: Financial Assistance, Remissions (incl. Pensioners)	(725,148)	(720,712)	(4,436)			-			-	(725,148)	(720,712)	(4,436)	(722,714)	100%
Net rates and utility charges	44,565,470	44,319,729	245,741			-			-	44,565,470	44,319,729	245,741	47,639,600	94%
Fees and charges	6,190,541	6,064,997	125,544			-			-	6,190,541	6,064,997	125,544	8,401,917	74%
Grants and subsidies	3,945,598	3,676,764	268,834	2,797,034	2,603,989	193,045			-	6,742,632	6,280,753	461,879	11,697,806	58%
Interest received	1,287,714	1,176,309	111,405	1,092,959	1,092,959	-			-	2,380,673	2,269,268	111,405	2,731,439	87%
Other recurrent income	1,221,441	897,270	324,171	36,622	36,648	(26)			-	1,258,063	933,918	324,145	1,409,012	89%
Total Operating Revenue	57,210,764	56,135,069	1,075,695	3,926,615	3,733,596	193,019			-	61,137,379	59,868,665	1,268,714	71,879,773	85%
Operating Expenses														
Employee benefits	15,387,999	15,734,063	346,064	689,657	572,564	(117,093)			(151,188)	16,228,844	16,306,627	77,783	21,842,794	74%
Materials and services	19,821,276	21,857,847	2,036,571	291,289	250,791	(40,498)			909,808	20,537,505	23,443,387	2,905,882	32,308,212	64%
Depreciation	13,153,038	13,298,555	145,517			-			-	13,153,038	13,298,555	145,517	18,037,418	73%
Finance costs	65,692	60,353	(5,339)			-			-	65,692	60,353	(5,339)	112,555	61%
Total Recurrent Expenses	48,428,005	50,950,818	2,522,813	980,946	823,355	(157,591)			758,620	49,985,080	53,108,922	3,123,842	72,300,979	69%
Operating Result	8,782,759	5,184,251	3,598,507	2,945,670	2,910,241	35,429			758,620	11,152,300	6,759,743	4,392,557	(421,206)	(2648%)
Capital Revenue														
Capital grants and subsidies	3,608,022	2,767,067	840,955	71,186,047	70,915,888	270,159			-	74,794,070	73,682,955	1,111,114	98,243,939	76%
Contributions from developers	1,127,924	250,000	877,924			-			-	1,127,924	250,000	877,924	250,000	451%
Gain/(Loss) non current assets & Insurance Proceeds	(318,763)	-	(318,763)			-			-	(318,763)	-	(318,763)	-	
Total capital revenue	4,417,184	3,017,067	1,400,116	71,186,047	70,915,888	270,159			-	75,603,231	73,932,955	1,670,276	98,493,939	77%
Net Result	13,199,942	8,201,319	4,998,624	74,131,717	73,826,129	305,588			758,620	86,755,530	80,692,698	6,062,832	98,072,733	88%
Capital Works Program														
Capital additions	10,308,241	18,748,954	8,440,713	50,897,383	69,129,761	18,232,377			(1,146,741)	61,205,624	89,025,455	27,819,831	118,318,370	52%
Total capital additions	10,308,241	18,748,954	8,440,713	50,897,383	69,129,761	18,232,377			1,146,741	61,205,624	89,025,455	27,819,831	118,318,370	52%

Douglas Shire Council
Statement of Financial Position
March 2026

	2026	2025
	\$	\$
Current assets		
Cash and cash equivalents	68,508,884	63,701,155
Investments	-	-
Trade and other receivables, Contract Assets, Prepayments	9,227,086	15,770,226
Inventories	126,303	139,492
Total current assets	77,862,274	79,610,873
Non-current assets		
Property, plant and equipment	628,048,695	572,595,985
Right of use assets	222,540	222,540
Intangible assets	32,876	32,876
Total non-current assets	628,304,111	572,851,402
Total assets	706,166,385	652,462,274
Current liabilities		
Trade and other payables, Contract Liabilities	7,743,839	47,303,632
Lease Liabilities	163,037	163,037
Provisions	5,457,017	5,224,303
Total current liabilities	13,363,893	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	17,722,960	57,050,039
Net community assets	688,443,424	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
March 2026

	YTD 2026	2025
	\$	\$
Cash flows from operating activities		
Receipts from customers	62,175,611	51,247,296
Payments to suppliers and employees	(71,326,142)	(53,420,487)
	(9,150,531)	(2,173,191)
Interest received	2,380,673	2,704,324
Rental income	244,230	341,102
Non capital grants and contributions	6,742,632	11,503,170
Borrowing costs/Bank Charges	(65,692)	(84,152)
Net cash inflow from operating activities	151,312	12,291,253
Cash flows from investing activities		
Payments for property, plant and equipment	(61,758,604)	(58,581,882)
Payments for intangible assets	-	-
Payments for assets donated	-	(78,960)
Proceeds from sale of property plant and equipment	193,729	55,354
Net Movement in Investments	-	5,000,000
Grants, subsidies, contributions and donations	66,221,292	75,941,971
Capital insurance proceeds	-	-
Net cash used in investing activities	4,656,417	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	4,807,729	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	68,508,885	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.