

7.8. 2026 FEBRUARY FINANCIAL REPORTS

REPORT AUTHOR	Interim Chief Financial Officer
MANAGER	General Manager TC Jasper, Corporate and Communities
DEPARTMENT	Corporate and Communities
DATE	31 March 2026

RECOMMENDATION

That Council note the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cashflows for February 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 28 February 2026

Key points to note include the following:

- Operating revenue is favourable to budget expectations by **\$2.5m**, due to **\$0.5m** from Business As Usual and **\$2.0m** from Disaster operations.
- Operating expenditure is favourable to budget expectations by **\$2.5m**, due **\$2.0m** from Business As Usual and **\$0.5m** from Disaster operations.
- The operating position is favourable to budget expectations by **\$5.0m**, due to **\$2.5m** from Business As Usual and **\$2.5m** from Disaster operations.

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 and revised on 25 November 2025. The attached financial report details progress against the revised budget for the period ended 28 February 2026.

[FINANCIAL REPORT – Statement of Comprehensive Income](#)

[Operating Revenue](#)

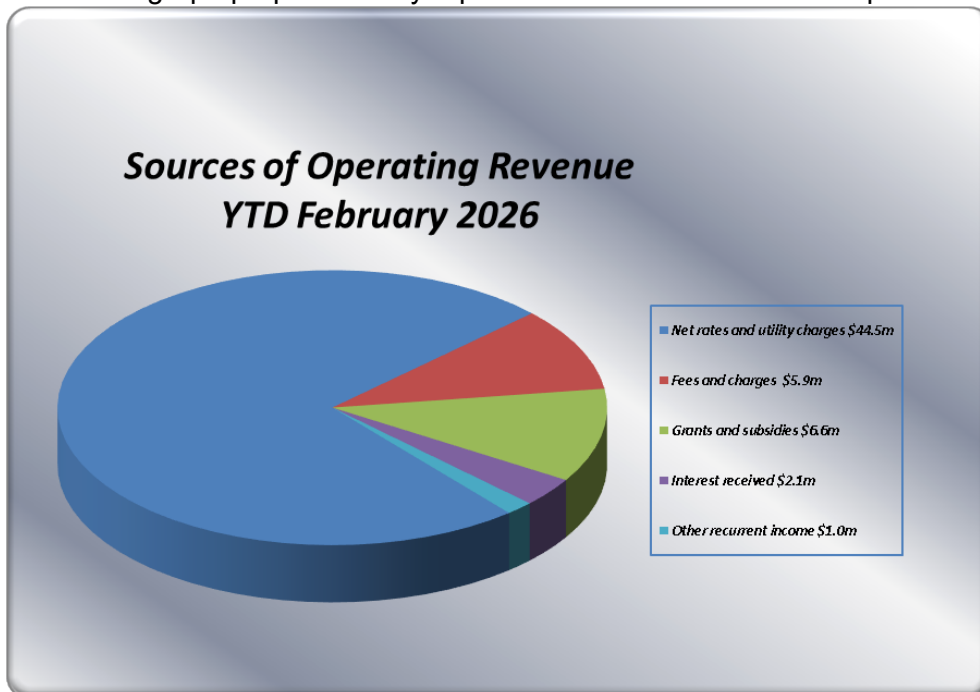
Operating revenue is favourable to budget expectations by **\$2.5m**, mainly due to the following reasons.

\$0.5m favourable in Business As Usual.

- **\$0.23m** favourable in Rates and utility charges. **\$0.13m** due to timing of water billing expected to meet revenue targets, **\$0.1m** in General rates and other utility charges primarily attributed to higher than anticipated property growth with new developments.
- **(\$0.17m)** unfavourable in Fees & Charges mainly due **(\$0.15m)** lower than expected revenue from the Daintree Ferry.
- **\$0.22m** favourable in Interest received due to higher-than-expected interest rates from the Reserve bank.
- **\$0.19m** favourable in Other recurrent income mainly due to higher than expected revenue from recycling and works completed for other government agencies.
- **\$2.0m** favourable in Disaster due to Grants and subsidies for Tropical Cyclone Jasper. Due to revenue recognition standards, these grants must be recognised upon claim approval and receipt of the funding. These grants include:
 - **\$0.14m** for additional Counter Disaster Claim.
 - **\$1.75m** for Extraordinary Clean- up funding.
 - **\$0.16m** for emergent expenditure that was incurred during the January/February 2025 Monsoonal event.

Council has also received a prepayment of **\$0.64m** for additional approved works for the Tropical Cyclone Jasper Extraordinary Clean-up. The timing of corresponding expenditure is yet to be finalised and will be considered at the second revised budget.

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

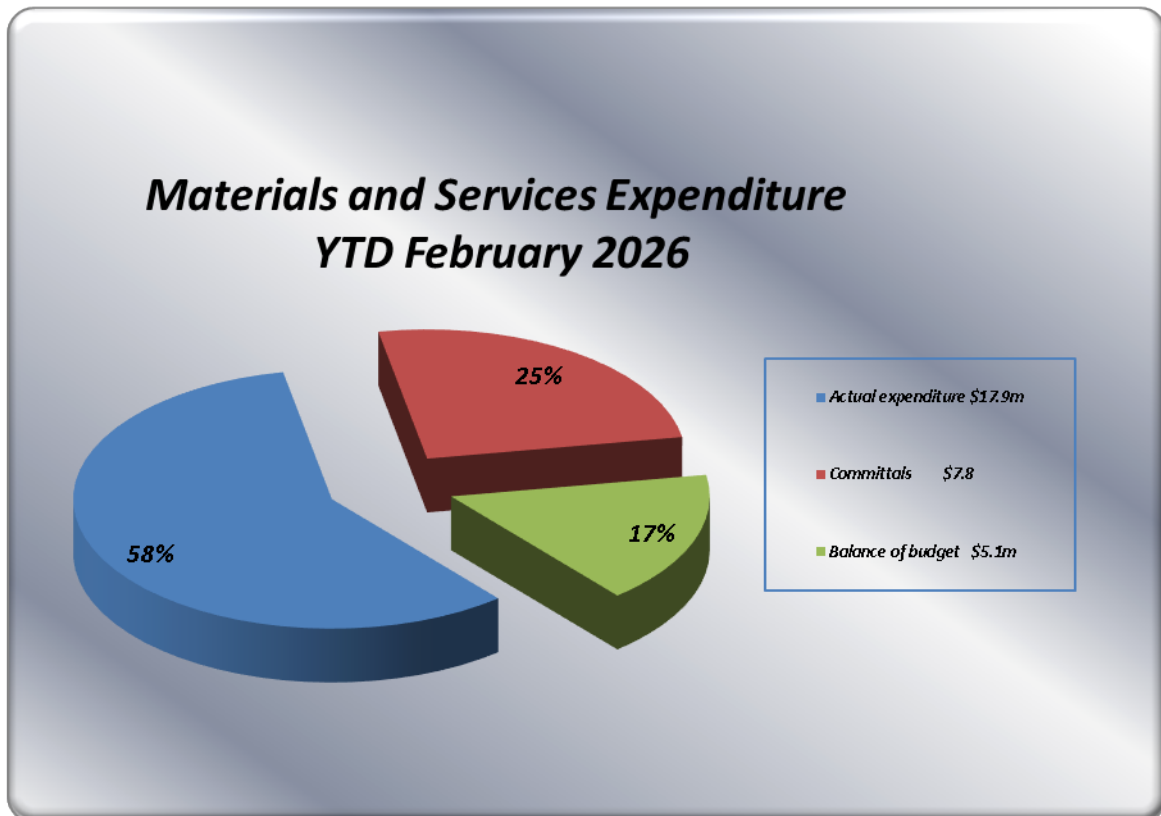


Operating Expenditure

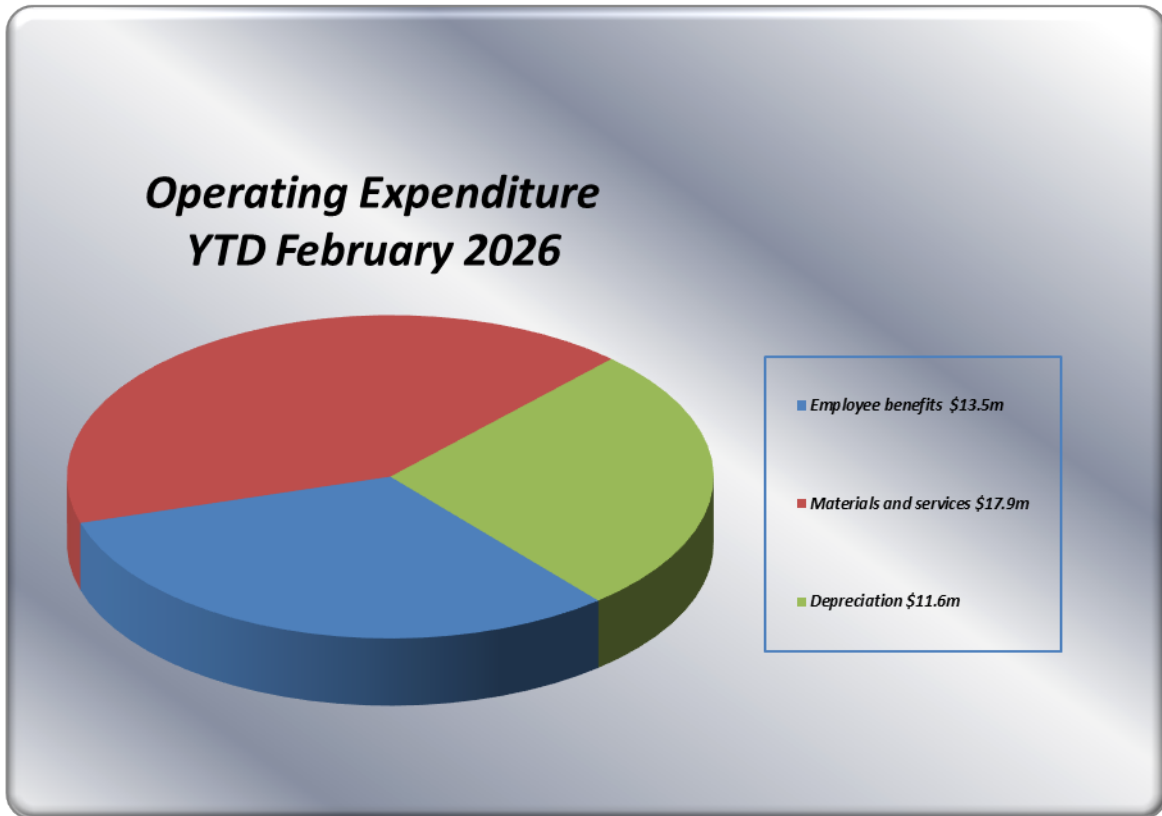
Operating expenditure is favourable to budget expectations by **\$2.5m**, mainly due to the following reasons.

- **\$2.0m** favourable in Business As Usual.
 - **\$0.37m** 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.
 - **\$1.43m** 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.
 - **\$0.16m** favourable in depreciation due to timing with projects still being finalised prior to capitalisation.
- **\$0.5m** favourable in Disaster due to timing of materials and services expenditure in the Disaster Management Unit.

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



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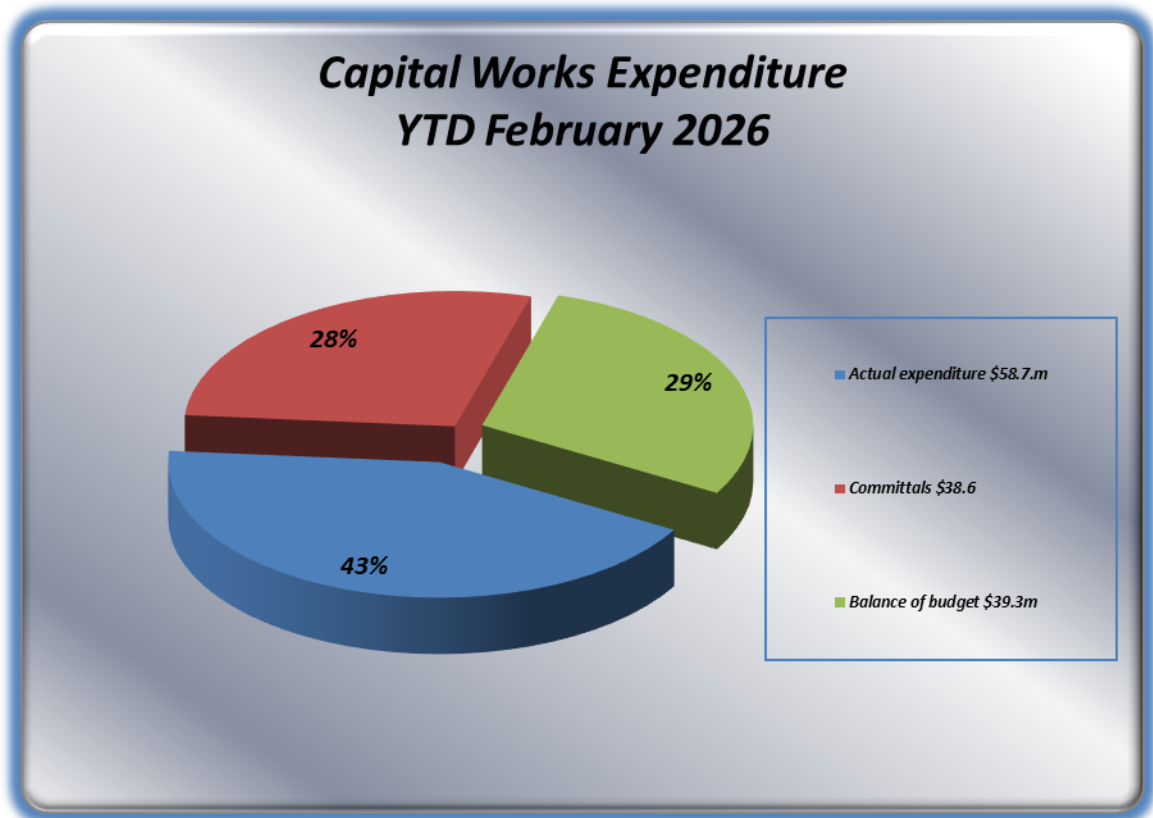


Operating Result

The operating position is favourable to budget expectations by **\$5.0m**, due to **\$2.5m** from Business As Usual and **\$2.5m** from Disaster operations.

Capital Revenue and Expenditure

- Council has received **\$55.9m** in Capital Grants; **\$52.4m** of this relates to disaster funding, which includes **\$15m** for Water Security projects. Council has also received **\$0.98m** in developer contributions, which is **\$0.73m** 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 **\$58.7m** and a further **\$38.6m** has been committed for capital expenditure at the end of February 2026.



Statement of Financial Position

- The Statement of Financial Position as at 28 February 2026 reflects net community assets of **\$670.4m**.
- All of Council cash holdings are currently held in interest bearing accounts earning an average return of approximately **4%**.

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

The receipt of unbudgeted grant funding for Disaster related claims, will have a significant positive impact on the 2025-2026 operational budget. This will be assessed fully in the upcoming Budget Review.

The timing of expenditure and subsequent reimbursement of recovery and restoration works will be closely monitored as they impact on Council's liquidity position.

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.
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ATTACHMENTS

1. 2026 February Statement of Comprehensive Income [7.8.1 - 1 page]
2. 2026 February Statement of Financial Position [7.8.2 - 1 page]
3. 2026 February Statement of Cash Flows [7.8.3 - 1 page]

Douglas Shire Council Statement of Comprehensive Income Financial Report February 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 25/26	Actual as % of Annual Budget	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Operating Revenue												
Rates and utility charges	45,272,838	45,039,441	233,397				45,272,838	45,039,441	233,397	48,362,313	94%	
less: Financial Assistance, Remissions (incl. Pensioners)	(725,181)	(720,712)	(4,469)				(725,181)	(720,712)	(4,469)	(722,714)	100%	
Net rates and utility charges	44,547,657	44,318,729	228,928				44,547,657	44,318,729	228,928	47,639,600	94%	
Fees and charges	5,926,497	6,093,998	(167,501)				5,926,497	6,093,998	(167,501)	8,904,306	67%	
Grants and subsidies	3,835,103	3,750,592	84,511	2,797,034	813,305	1,983,729	6,632,137	4,563,897	2,068,240	10,218,904	65%	
Interest received	1,002,788	785,241	217,547	1,058,137	1,058,137	-	2,060,925	1,843,378	217,547	2,439,133	84%	
Other recurrent income	944,003	753,615	190,388	36,622	36,648	(26)	980,625	790,263	190,362	1,414,514	69%	
Total Operating Revenue	56,256,047	55,702,175	553,872	3,891,793	1,908,090	1,983,703	60,147,841	57,610,265	2,537,576	70,616,456	85%	
Operating Expenses												
Employee benefits	13,035,238	13,402,915	367,677	499,223	521,468	22,245	13,534,461	13,924,383	389,922	22,098,426	61%	
Materials and services	17,628,884	19,063,735	1,434,851	263,856	741,547	477,691	17,892,741	19,805,282	1,912,541	30,804,313	58%	
Depreciation	11,558,279	11,718,937	160,658				11,558,279	11,718,937	160,658	18,037,418	64%	
Finance costs	50,706	41,723	(8,983)				50,706	41,723	(8,983)	98,599	51%	
Total Recurrent Expenses	42,273,107	44,227,310	1,954,203	763,080	1,263,015	499,935	43,036,186	45,490,325	2,454,139	71,038,756	61%	
Operating Result	13,982,941	11,474,865	2,508,076	3,128,714	645,075	2,483,639	17,111,654	12,119,940	4,991,714	(422,300)	(4052%)	
Capital Revenue												
Capital grants and subsidies	3,460,922	8,424,323	(4,963,401)	52,455,410	68,604,233	(16,148,822)	55,916,333	77,028,555	(21,112,223)	115,542,833	48%	
Contributions from developers	980,824	250,000	730,824				980,824	250,000	730,824	250,000	392%	
Gain/(Loss) non current assets & Insurance Proceeds	(44,682)	-	(44,682)				(44,682)	-	(44,682)	-		
Total capital revenue	4,397,065	8,674,323	(4,277,258)	52,455,410	68,604,233	(16,148,822)	56,852,475	77,278,555	(20,426,080)	115,792,833	49%	
Net Result	18,380,005	20,149,188	(1,769,182)	55,584,124	69,249,308	(13,665,183)	73,964,129	89,398,495	(15,434,366)	115,370,533	64%	
Capital Works Program												
Capital additions	9,674,149	20,143,120	10,468,971	49,063,591	70,928,487	21,864,896	58,737,739	97,071,608	38,333,869	136,619,412	43%	
Total capital additions	9,674,149	20,143,120	10,468,971	49,063,591	70,928,487	21,864,896	58,737,739	97,071,608	38,333,869	136,619,412	43%	

Douglas Shire Council
Statement of Financial Position
February 2026

	2026	2025
	\$	\$
Current assets		
Cash and cash equivalents	73,745,497	63,701,155
Investments	-	-
Trade and other receivables, Contract Assets, Prepayments	13,919,827	15,770,226
Inventories	130,071	139,492
Total current assets	87,795,395	79,610,873
Non-current assets		
Property, plant and equipment	620,818,449	572,595,985
Right of use assets	222,540	222,540
Intangible assets	32,876	32,876
Total non-current assets	621,073,865	572,851,402
Total assets	708,869,260	652,462,274
Current liabilities		
Trade and other payables, Contract Liabilities	28,323,706	47,303,632
Lease Liabilities	163,037	163,037
Provisions	5,626,967	5,224,303
Total current liabilities	34,113,710	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	38,472,778	57,050,039
Net community assets	670,396,482	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
February 2026

	YTD 2026	2025
	\$	\$
Cash flows from operating activities		
Receipts from customers	56,944,112	51,247,296
Payments to suppliers and employees	(55,407,127)	(53,420,487)
	1,536,984	(2,173,191)
Interest received	2,060,925	2,704,324
Rental income	223,693	341,102
Non capital grants and contributions	6,632,137	11,503,170
Borrowing costs/Bank Charges	(50,706)	(84,152)
Net cash inflow from operating activities	10,403,034	12,291,253
Cash flows from investing activities		
Payments for property, plant and equipment	(57,748,877)	(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	57,196,455	75,941,971
Capital insurance proceeds	-	-
Net cash used in investing activities	(358,693)	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	10,044,341	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	73,745,497	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.