

QUARTERLY FINANCIAL REPORT - SEPTEMBER 2025

Report Author: Chief Financial Officer
Responsible Officer: Director Corporate Services
Ward(s) affected: (All Wards);

SUMMARY

The attached September 2025 Finance Report has been prepared as of 30 September 2025.

The report includes financial year-to-date data up to the end of September for the 2025-2026 financial year and is compared to adopted budget for the financial year 2025-2026.

RECOMMENDATION

That Council receives and notes the Finance Report for the three months to 30 September 2025.

RELATED COUNCIL DECISIONS

Not applicable.

DISCUSSION

Purpose and Background

Section 101 of the *Local Government Act 2020* outlines the financial management principles for financial reporting. One of the requirements is to report quarterly to Council and the Audit and Risk Management Committee.

Summary of year-to-date results

Comprehensive Result (Net Surplus)

YTD comprehensive result of \$0.4m is \$0.4m under the adopted budget. This is due to:

- Overall revenue is \$2.5m below budget, this predominantly relates to the timing of capital and operating grants being received due to project delivery and delays from the state department.
- Overall expenses are under budget by \$1.9m, this predominantly relates to:

- Underspend in Materials and services \$3.4m:
 - \$0.6m due to the timing of reactive maintenance works.
 - \$0.4m waste services with FOGO bins having lower waste volumes due to drier weather and purchase of bin bags
 - \$0.3m fleet costs with scheduled maintenance expenditure timing and savings in fuel and registration.
 - \$0.3m landfill provision costs with the current provision sufficient
- The above favourable results are partially offset with depreciation and amortisation (\$1.5m) over budget due to the capitalisation of assets and the revaluations in the prior year.

Balance Sheet

The Balance Sheet presents a working capital of \$31.6m (total current assets of \$121.2m less total current liabilities of \$89.6m). This reflects Council's ability to meet its obligations as and when they fall due.

Trade and other receivables have increased in line with the first quarter instalments falling due and Council continues to monitor the rates in arrears balance closely.

Cash Flow Statement

Cash and investment holdings as at the 30 September 2025 was \$25.8m which includes the budgeted \$34.9m loan drawdown.

Materials and services outgoings are significant due to the payment of invoices that were received in June before the end of financial year due and paid in July. Delays in Capital Grants \$3.3m due to the Warburton Mountain Bike trail funding not yet received however expenditure being incurred.

Capital Program

Year to Date capital expenditure of \$7.0m is \$1.6m or 31.5% above the YTD Adopted Budget of \$5.4m. Overspend is due to projects delayed in 2024-2025 with carry forward expenditure in 2025-2026.

FINANCIAL ANALYSIS

The attached report outlines the financial performance and position of Council's activities as at the end of September 2025 with variance commentaries on performance by directorate and income/expenditure type.

STRATEGIC CONTEXT

Sound financial management and reporting of Council's activities is a critical aspect to maintain transparency and good governance.

RISK ASSESSMENT

A risk assessment has been considered in relation to the financial report and deemed an acceptable level of risk

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Financial Report – September 2025