



community alliance
credit union limited

ABN 14 087 650 771

QUARTERLY PRUDENTIAL CAPITAL DISCLOSURES

30th September 2018



Prudential Disclosures

For the quarter ended 30th September 2018

INTRODUCTION

As a locally incorporated ADI using the standardised approach under Basel III regulatory requirements, Community Alliance Credit Union Ltd ("the Credit Union") is required to disclose information about their capital and risk exposure under Australian Prudential Standard APS 330.

CAPITAL MANAGEMENT

The Credit Union calculates capital requirements by analysing various major risks faced by the Credit Union and ensuring appropriate levels of capital are maintained to cover those risks. Major risks considered include credit risk, interest rate risk, liquidity risk, operational risk, reputational risk and economic risk. The Credit Union's Risk Management framework presents information about the Credit Union's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk, the management of capital, and incorporates rules and ratios established by the Australian Prudential Regulation Authority.

The Credit Union has complied with all external capital requirements, as well as maintaining healthy capital ratios in order to support our ongoing business activities.

Capital Adequacy	30th September 2018	30th June 2018
	Risk Weighted Assets	Risk Weighted Assets
	\$'000	\$'000
Capital requirements - Credit Risk		
- Claims secured by residential mortgages	178,154	179,935
- Other retail loans	15,630	15,418
- Claims on ADI's & Banks	31,270	21,829
- Corporate claims	-	-
- Other claims	7,961	8,107
- Other non-market off balance sheet exposures	5,181	5,085
Capital requirements - Credit Risk	238,196	230,374
Capital requirements - Market Risk	-	-
Capital requirements - Operational Risk	38,165	38,165
TOTAL Risk Weighted Assets	276,361	268,540
Common Equity Tier 1 Ratio	14.38%	14.67%
Tier 1 Capital Ratio	14.38%	14.67%
Total Capital Ratio	14.95%	15.26%

General Reserve for Credit Losses

	\$'000
as at 30th September 2018	1,568
as at 30th June 2018	1,587

Credit Risk as at 30th September 2018	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
- Cash items	585	635
- ADI's & Banks	140,435	121,823
- Loans: Residential secured	492,180	494,860
- Loans: Other	18,059	17,993
- Loans: Total	510,239	512,853
- Other	7,961	8,007
- Other non-market off balance sheet exposures	97,080	95,052
Total exposures	756,301	738,371

Prudential Disclosures

For the quarter ended 30th September 2018



Credit Risk as at 30th September 2018	Impaired \$'000	Past Due \$'000	Collective Provision \$'000	Collective Expense \$'000	Collective Charge \$'000	Specific Provision \$'000	Specific Charge \$'000
- Cash items							
- ADI's & Banks							
- Loans: Residential secured		2,429					
- Loans: Investment secured		-					
- Loans: Other	38	65	43	6	18	43	18
- Loans: Total	38	2,494	43	6	18	43	18
- Other							
- Other non-market off balance sheet exposures							
Total exposures	38	2,494	43	6	18	43	18

Credit Risk as at 30th June 2018	Total Gross Exposure \$'000	Average Gross Exposure (Qtr) \$'000
- Cash items	655	691
- ADI's & Banks	93,247	93,861
- Loans: Residential secured	496,936	497,767
- Loans: Other	17,441	17,292
- Loans: Total	514,377	515,059
- Other	8,107	8,160
- Other non-market off balance sheet exposures	94,625	94,320
Total exposures	711,013	712,091

Credit Risk as at 30th June 2018	Impaired \$'000	Past Due \$'000	Collective Provision \$'000	Collective Expense \$'000	Collective Charge \$'000	Specific Provision \$'000	Specific Charge \$'000
- Cash items							
- ADI's & Banks							
- Loans: Residential secured		2,023					
- Loans: Investment secured		-					
- Loans: Other	35	30	31	9	10	31	10
- Loans: Total	35	2,053	31	9	10	31	10
- Other							
- Other non-market off balance sheet exposures							
Total exposures	35	2,053	31	9	10	31	10