



communityalliance
credit union limited

ABN 14 087 650 771

QUARTERLY PRUDENTIAL CAPITAL DISCLOSURES

31st December 2015



Prudential Disclosures

For the quarter ended 31st December 2015

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	31st Dec 2015	30th Sept 2015
Capital requirements - Credit Risk	Risk Weighted Assets	Risk Weighted Assets
	\$'000	\$'000
– Claims secured by residential mortgages	141,659	137,278
– Other retail loans	36,040	18,482
– Claims on ADI's & Banks	25,839	33,219
– Corporate claims	-	-
– Other claims	7,323	6,884
– Other non-market off balance sheet exposures	16,727	10,241
Capital requirements - Credit Risk	227,589	206,103
Capital requirements - Market Risk	-	-
Capital requirements - Operational Risk	35,267	33,295
TOTAL Risk Weighted Assets	262,856	239,398
Common Equity Tier 1 Ratio	15.25%	16.75%
Tier 1 Capital Ratio	15.25%	16.75%
Total Capital Ratio	15.67%	17.21%

General Reserve for Credit Losses

	\$'000
as at 31st December 2015	1,105
as at 30th September 2015	1,104

Credit Risk as at 31st December 2015	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
– Cash items	1,100	1,078
– ADI's & Banks	123,194	139,140
– Loans: Residential secured	395,291	386,492
– Loans: Other	36,676	30,667
– Loans: Total	431,968	417,159
– Other	7,323	7,197
– Other non-market off balance sheet exposures	136,672	128,581
Total exposures	700,257	693,156

Prudential Disclosures

For the quarter ended 31st December 2015



Credit Risk as at 31st December 2015	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	-	649					
– Loans: Other	137	30	23	3	10	23	10
– Loans: Total	137	679	23	3	10	23	10
– Other							
– Other non-market off balance sheet exposures							
Total exposures	137	679	23	3	10	23	10

Credit Risk as at 30th September 2015	Total Gross Exposure \$'000	Average Gross Exposure (Qtr) \$'000
– Cash items	964	1,011
– ADI's & Banks	154,094	142,878
– Loans: Residential secured	384,462	386,197
– Loans: Other	19,034	18,784
– Loans: Total	403,496	404,981
– Other	6,884	6,793
– Other non-market off balance sheet exposures	110,602	104,468
Total exposures	676,040	660,130

Credit Risk as at 30th September 2015	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	-	560					
– Loans: Other	497	10	16	27	14	16	14
– Loans: Total	497	570	16	27	14	16	14
– Other							
– Other non-market off balance sheet exposures							
Total exposures	497	570	16	27	14	16	14