



**communityalliance**  
credit union limited

**ABN 14 087 650 771**

**QUARTERLY PRUDENTIAL CAPITAL DISCLOSURES**

**30<sup>th</sup> September 2016**



# Prudential Disclosures

## For the quarter ended 30<sup>th</sup> September 2016

### 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 Sep 2016	30th June 2016
	<b>Risk Weighted Assets</b>	<b>Risk Weighted Assets</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Capital requirements - Credit Risk</b>		
– Claims secured by residential mortgages	190,545	181,053
– Other retail loans	23,960	22,316
– Claims on ADI's & Banks	19,663	18,174
– Corporate claims	-	-
– Other claims	7,434	6,956
– Other non-market off balance sheet exposures	6,558	15,526
<b>Capital requirements - Credit Risk</b>	<b>248,159</b>	<b>244,025</b>
<b>Capital requirements - Market Risk</b>	<b>-</b>	<b>-</b>
<b>Capital requirements - Operational Risk</b>	<b>36,017</b>	<b>36,017</b>
<b>TOTAL Risk Weighted Assets</b>	<b>284,176</b>	<b>280,042</b>
<b>Common Equity Tier 1 Ratio</b>	<b>13.69%</b>	<b>13.87%</b>
<b>Tier 1 Capital Ratio</b>	<b>13.69%</b>	<b>13.87%</b>
<b>Total Capital Ratio</b>	<b>14.17%</b>	<b>14.34%</b>

### General Reserve for Credit Losses

	\$'000
as at 30th Sep 2016	1,357
as at 30th June 2016	1,310

Credit Risk as at 30th September 2016	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
– Cash items	907	894
– ADI's & Banks	98,315	101,144
– Loans: Residential secured	524,394	518,960
– Loans: Other	25,609	24,254
– Loans: Total	<b>550,003</b>	<b>543,214</b>
– Other	7,434	7,277
– Other non-market off balance sheet exposures	117,596	123,692
<b>Total exposures</b>	<b>774,256</b>	<b>776,221</b>

# Prudential Disclosures

## For the quarter ended 30<sup>th</sup> September 2016



Credit Risk as at 30th September 2016	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		1,660					
– Loans: Investment secured		-					
– Loans: Other	24	29	28	28	14	28	14
– Loans: Total	24	1,688	28	28	14	28	14
– Other							
– Other non-market off balance sheet exposures							
Total exposures	24	1,688	28	28	14	28	14

Credit Risk as at 30th June 2016	Total Gross Exposure \$'000	Average Gross Exposure (Qtr) \$'000
– Cash items	895	1,030
– ADI's & Banks	90,872	95,714
– Loans: Residential secured	502,057	483,758
– Loans: Other	23,686	24,200
– Loans: Total	525,743	507,958
– Other	6,956	7,058
– Other non-market off balance sheet exposures	135,707	135,771
Total exposures	760,173	747,531

Credit Risk as at 30th June 2016	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		1,072					
– Loans: Investment secured		309					
– Loans: Other	115	38	43	50	56	43	56
– Loans: Total	115	1,419	43	50	56	43	56
– Other							
– Other non-market off balance sheet exposures							
Total exposures	115	1,419	43	50	56	43	56