



communityalliance
credit union limited

ABN 14 087 650 771

QUARTERLY PRUDENTIAL CAPITAL DISCLOSURES

31st December 2016



Prudential Disclosures

For the quarter ended 31st December 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	31st Dec 2016	30th Sep 2016
	Risk Weighted Assets	Risk Weighted Assets
	\$'000	\$'000
Capital requirements - Credit Risk		
- Claims secured by residential mortgages	190,736	190,545
- Other retail loans	24,093	23,960
- Claims on ADI's & Banks	23,729	19,663
- Corporate claims	-	-
- Other claims	7,368	7,434
- Other non-market off balance sheet exposures	8,864	6,558
Capital requirements - Credit Risk	254,789	248,159
Capital requirements - Market Risk	-	-
Capital requirements - Operational Risk	37,244	36,017
TOTAL Risk Weighted Assets	292,033	284,176
Common Equity Tier 1 Ratio	13.40%	13.69%
Tier 1 Capital Ratio	13.40%	13.69%
Total Capital Ratio	13.88%	14.17%

General Reserve for Credit Losses

	\$'000
as at 31st Dec 2016	1,405
as at 30th Sep 2016	1,357

Credit Risk as at 31st December 2016	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
- Cash items	837	814
- ADI's & Banks	110,232	102,991
- Loans: Residential secured	523,908	524,548
- Loans: Other	26,115	26,062
- Loans: Total	550,023	550,610
- Other	7,368	7,404
- Other non-market off balance sheet exposures	123,833	120,394
Total exposures	792,296	782,214



Prudential Disclosures

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Credit Risk as at 31st December 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		2,032					
- Loans: Investment secured		-					
- Loans: Other	27	48	34	14	20	34	20
- Loans: Total	27	2,080	34	14	20	34	20
- Other							
- Other non-market off balance sheet exposures							
Total exposures	27	2,080	34	14	20	34	20

Credit Risk as at 30th September 2016	Total Gross Exposure \$'000	Average Gross Exposure (Qtr) \$'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	550,003	543,214
- Other	7,434	7,277
- Other non-market off balance sheet exposures	117,596	123,692
Total exposures	774,256	776,221

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