



**communityalliance**  
credit union limited

**ABN 14 087 650 771**

**QUARTERLY PRUDENTIAL CAPITAL DISCLOSURES**

**31<sup>st</sup> March 2016**



# Prudential Disclosures

## For the quarter ended 31<sup>st</sup> March 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 Mar 2016	31st Dec 2015
	<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	161,206	141,659
– Other retail loans	22,206	36,040
– Claims on ADI's & Banks	21,636	25,839
– Corporate claims	-	-
– Other claims	7,178	7,323
– Other non-market off balance sheet exposures	17,025	16,727
<b>Capital requirements - Credit Risk</b>	<b>229,251</b>	<b>227,589</b>
<b>Capital requirements - Market Risk</b>	<b>-</b>	<b>-</b>
<b>Capital requirements - Operational Risk</b>	<b>35,267</b>	<b>35,267</b>
<b>TOTAL Risk Weighted Assets</b>	<b>264,518</b>	<b>262,856</b>
<b>Common Equity Tier 1 Ratio</b>	<b>14.96%</b>	<b>15.25%</b>
<b>Tier 1 Capital Ratio</b>	<b>14.96%</b>	<b>15.25%</b>
<b>Total Capital Ratio</b>	<b>15.42%</b>	<b>15.67%</b>

### General Reserve for Credit Losses

	\$'000
as at 31st March 2016	1,217
as at 31st December 2015	1,105

Credit Risk as at 31st March 2016	Total Gross Exposure	Average Gross Exposure (Qtr)
	\$'000	\$'000
– Cash items	1,019	1,076
– ADI's & Banks	103,680	105,898
– Loans: Residential secured	448,448	436,449
– Loans: Other	22,991	22,475
– Loans: Total	471,439	458,924
– Other	7,178	7,226
– Other non-market off balance sheet exposures	136,822	133,504
<b>Total exposures</b>	<b>720,137</b>	<b>706,627</b>

# Prudential Disclosures

## For the quarter ended 31<sup>st</sup> March 2016



Credit Risk as at 31st March 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	-	798					
– Loans: Other	118	38	37	33	47	37	47
– Loans: Total	118	836	37	33	47	37	47
– Other							
– Other non-market off balance sheet exposures							
Total exposures	118	836	37	33	47	37	47

Credit Risk as at 31st December 2015	Total Gross Exposure \$'000	Average Gross Exposure (Qtr) \$'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

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