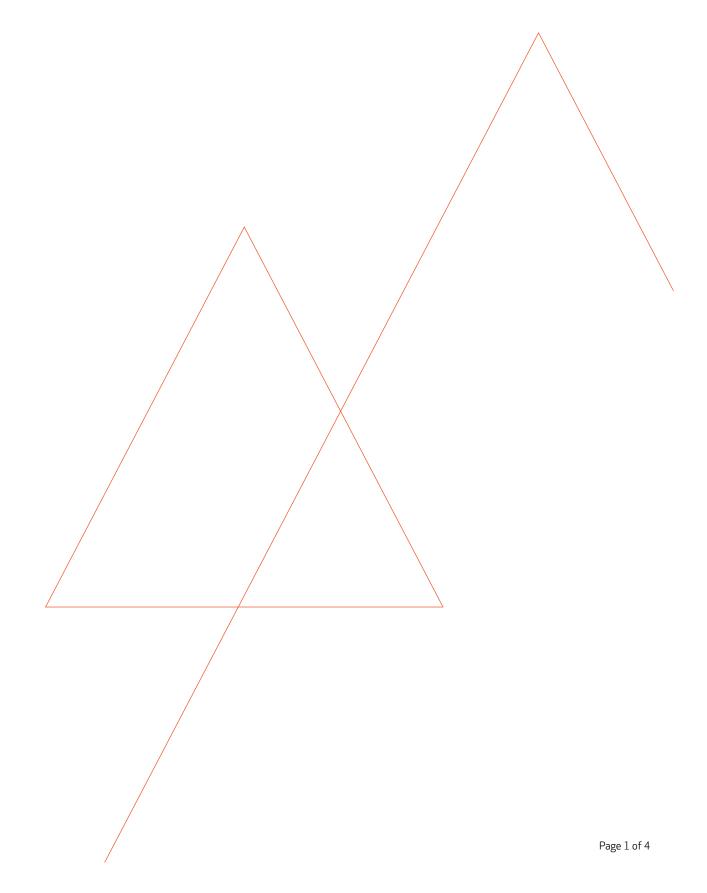
APS 330 Public Disclosure

Capital Adequacy and Credit Risk Exposure as at 30 September 2022







1. Capital Adequacy

The Credit Union's lead regulator, APRA, sets and monitors minimum capital requirements based on an Internal Capital Adequacy Assessment Process (ICAAP) prepared by the Credit Union, which sets a targeted capital range based on risk analysis and capital allocation for identified risk categories.

In implementing current capital requirements, APRA requires the Credit Union to maintain a prescribed capital adequacy ratio. The Credit Union has complied with all APRA capital adequacy requirements throughout the period.

The Credit Union maintains capital through the appropriation of retained earnings to general reserves. No other capital instruments are utilised.

The Credit Union has adopted a standardised approach to the calculation of the capital adequacy ratio in accordance with the Basel III capital framework.

There have been no material changes in the Credit Union's management of capital during the period.

1.1 Capital

1.1 Capital (as at 30 September 2022)

Common Equity Tier 1 Capital	\$ '000
Retained and current year's earnings	110,587
Other reserves	1,558
Common Equity Tier 1 capital before regulatory adjustments	112,145
Common Equity Tier 1 Capital: regulatory adjustments	
Goodwill and Other Intangibles	(5,200)
Deferred Tax Assets arising from temporary differences	(1,099)
Investment in banking and financial entities	(4,431)
Equity investments in commercial entities	(4,399)
Total regulatory adjustments to Common Equity Tier 1 Capital	(15,129)
Total Common Equity Tier 1 Capital	97,016

Tier 2 Capital: instruments and provisions

General Reserve for Credit Losses	1,314
Total Tier 2 Capital	1,314
Total Capital	98,330

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as at 30 September 2022 (continued)



1.2 Reconciliation of Regulatory Capital

	\$ ' 000
Equity	112,847
General Reserves for Credit Losses (AASB 9)	(703)
Common Equity Tier 1 capital before regulatory adjustments	112,145
Regulatory adjustments to Common Equity Tier 1 Capital	(15,129)
Total Common Equity Tier 1 Capital	97,016
Total Tier 2 Capital	1,314
Total Capital	98,330

1.3 Capital Requirements

	Total Exposure \$'000	Risk Weighted Exposure \$'000
Credit Risk		
loans and advances secured by mortgages	1,212,104	432,365
other loans and advances	56,165	56,165
external liquid deposits	238,169	62,242
off balance sheet exposures	50,389	18,296
Cash	27,177	5,382
Other assets	424	424
Credit Risk Weighted Exposure	1,584,428	574,874
Operational Risk Weighted Exposure		69,178
Total Risk Weighted Exposure		644,052

1.4 Capital Adequacy Ratios

Common Equity Tier 1 Ratio	15.06%
Total Capital Ratio	15.27%



2. Credit Risk Exposure

	Gross Credit Risk at March 2022	Quarterly Average Gross Exposure	Amount Impaired	Amount Past Due 90 days	Individual Provision	-	General Reserve for Credit Losses
	\$ ′000	\$ ′000	\$ ′000	\$ ′000	\$'000	\$ ′000	\$'000
Loans and Advances to Members							
Loans and advances secured by mortgages	1,212,104	1,161,605	-	2,125	-	-	
Other loans and advances	56,165	55,741	-	34	226	21	-
Total Loans and Advances							
to Members	1,268,269	1,217,346	-	2,159	226	21	1,751
External Liquid Deposits	238,169	209,578		-	-	-	•
Cash	27,177	32,090	-	-	-	-	-
Other Assets	424	212	-	-	-	-	-
Off Balance Sheet Exposures	50,389	51,613	-	-	-	-	-
Total Credit Risk Exposure	1,584,428	1,510,839	-	2,159	226	21	1,751