

Traditional Credit Union (the "Credit Union"), as an Authorised Deposit-Taking Institution (ADI), is regulated by the Australian Prudential Regulatory Authority (APRA). APRA is the prudential regulator of the Australian financial services industry. The fundamental role of APRA is to ensure the stability of the financial industry, primarily through the establishment and enforcement of prudential standards.

This report has been prepared by the Credit Union to meet its disclosure requirements under the APRA Prudential Standard (APS) 330 Capital Adequacy: Public Disclosure of Prudential Information. Under APS 330, the Credit Union is required to disclose information about its capital and risk exposure. These disclosures show the assets of Credit Union, their appropriate risk weighing and the capital base. Capital Adequacy is calculated as total regulatory capital base divided by risk weighted assets.

The Credit Union is using post January 2018 capital disclosure template because it is fully applying the Basel III regulatory adjustments as implemented by APRA.

Table 1: Capital Adequacy

	30-Sep-17
Capital Structure	
• Gross Tier 1 Capital	\$4,404,494
• Total Deductions from Tier 1 Capital	655,801
Net Tier 1 Capital and Total Capital base	\$3,748,693
Total Risk Weighted Exposures	\$2,871,867
Net Tier 1 Capital and Regulatory Ratio	130.53%

	30-Jun-17
Capital Structure	
• Gross Tier 1 Capital	\$4,141,659
• Total Deductions from Tier 1 Capital	645,430
Net Tier 1 Capital and Total Capital base	\$3,496,229
Total Risk Weighted Exposures	\$2,815,622
Net Tier 1 Capital and Regulatory Ratio	124.17%

Table 2: Credit Risk

As at 30 September 2017	Gross Exposures	Risk Weighted Value	Impaired Facilities	Past Due 90 Days	Specific Provisions	Charge for Specific Provisions and Write-Offs During the Period
Cash Items	\$1,098,280	\$0				
Deposits in highly rated ADIs	\$5,978,429	\$1,195,686				
Deposits in unrated ADIs	\$2,472,145	\$494,429				
Loans and Advances	\$134,282	\$66,246	\$68,035	\$38,156	\$49,184	\$26,265
Fixed Assets	\$303,758	\$303,758				
Other Assets	\$282,109	\$282,109				
Total Risk Weighted Assets for Credit Risk		\$2,342,228				
Total Risk Weighted Assets for Operational Risk		\$529,639				
Total Risk Weighted Assets		\$2,871,867	\$68,035	\$38,156	\$49,184	\$26,265

General Reserve for Credit Losses \$0

As at 30 June 2017	Gross Exposures	Risk Weighted Value	Impaired Facilities	Past Due 90 Days	Specific Provisions	Charge for Specific Provisions and Write-Offs During the Period
Cash Items	\$1,487,740	\$0				
Deposits in highly rated ADIs	\$5,278,143	\$1,055,628				
Deposits in unrated ADIs	\$2,204,544	\$440,909				
Loans and Advances	\$115,306	\$47,151	\$68,155	\$43,670	\$52,897	\$47,552
Fixed Assets	\$353,858	\$353,858				
Other Assets	\$388,437	\$388,437				
Total Risk Weighted Assets for Credit Risk		\$2,285,983				
Total Risk Weighted Assets for Operational Risk		\$529,639				
Total Risk Weighted Assets		\$2,815,622	\$68,155	\$43,670	\$52,897	\$47,552

General Reserve for Credit Losses \$0